

SHAREHOLDERS' EQUITY

As at 30 September 2025, the Group's Shareholders' equity came to 66,985 million euro, compared to 65,176 million euro as at 31 December 2024, which were affected by the interim dividend on the 2024 net income paid in November 2024 (-3 billion euro).

The aggregate comprises the net income earned in the first nine months of the current year (7,588 million euro) net of the distribution in May 2025 of the remaining cash amount to shareholders (-3.1 billion euro) from the 2024 consolidated net income, with a total payout ratio – interim dividend and remaining dividend – of 70%.

The shareholders' equity as at 30 September 2025 also includes a deduction related to purchases made under the programme of purchase of own shares for annulment (buyback), which was authorised by the ECB for a maximum amount of 2 billion euro. The execution of the programme – in accordance with the terms and conditions approved by the Shareholders' Meeting of Intesa Sanpaolo on 29 April 2025 – began on 2 June and ended on 17 October 2025.

Valuation reserves

	Reserve 31.12.2024	Change of the period	Reserve 30.09.2025
	(millions of euro)		
Financial assets measured at fair value through other comprehensive income (debt instruments)	-1,972	510	-1,462
Financial assets measured at fair value through other comprehensive income (equities)	-270	124	-146
Property and equipment	1,847	-10	1,837
Foreign investment hedges	-10	-11	-21
Cash flow hedges	-119	15	-104
Foreign exchange differences	-1,490	-8	-1,498
Non-current assets held for sale and discontinued operations	-	-	-
Financial liabilities designated at fair value through profit or loss (change in its creditworthiness)	-190	-77	-267
Actuarial profits (losses) on defined benefit pension plans	-178	24	-154
Portion of the valuation reserves connected with investments carried at equity	35	-40	-5
Legally-required revaluations	312	-	312
Valuation reserves (excluding valuation reserves pertaining to insurance companies)	-2,035	527	-1,508
Valuation reserves pertaining to insurance companies	-297	-45	-342

Bank valuation reserves (excluding those pertaining to insurance companies) were negative (-1,508 million euro), improving by 527 million euro compared to 31 December 2024 (-2,035 million euro), mainly due to the trend in reserves on debt securities and equity instruments. The valuation reserves of the insurance companies, amounting to -342 million euro, worsening by 45 million euro compared to the figure at the end of 2024.

OWN FUNDS AND CAPITAL RATIOS

	(millions of euro)	
Own funds and capital ratios	30.09.2025	31.12.2024
Own funds		
Common Equity Tier 1 capital (CET1) net of regulatory adjustments	40,167	39,307
Additional Tier 1 capital (AT1) net of regulatory adjustments	7,668	7,551
TIER 1 CAPITAL	47,835	46,858
Tier 2 capital net of regulatory adjustments	8,869	9,539
TOTAL OWN FUNDS	56,704	56,397
Risk-weighted assets		
Credit and counterparty risks	240,472	252,395
Market and settlement risks	15,107	12,690
Operational risks	50,262	31,098
Other specific risks (a)	256	183
RISK-WEIGHTED ASSETS	306,097	296,366
% Capital ratios		
Common Equity Tier 1 capital ratio	13.1%	13.3%
Tier 1 capital ratio	15.6%	15.8%
Total capital ratio	18.5%	19.0%

(a) The caption includes all other elements not contemplated in the foregoing captions that are considered when calculating total capital requirements.

Own Funds, risk-weighted assets and the capital ratios as at 30 September 2025 were calculated according to the harmonised rules and regulations for banks and investment firms contained in Directive 2013/36/EU (CRD) and in Regulation (EU) 575/2013 (CRR) as amended, which transpose into the European Union the standards defined by the Basel Committee on Banking Supervision (the Basel Framework), and on the basis of the related Bank of Italy Circulars.

As described in the following chapter "Risk management", from 1 January 2025 Regulation (EU) 2024/1623 (CRR3) is applicable, which transposes the principles of Basel 4 into European law. The first-time adoption of Basel 4 generated an impact of slightly more than 40 basis points on the CET 1 ratio.

Own funds

As at 30 September 2025, Own funds amounted to 56,704 million euro.

Even if the transitional period of IFRS 9 has ended, own funds take account of the provisions of the 2019 Budget Act, which temporarily called for - up to 2028 - the adjustments upon first-time adoption of the Standard to be applied in instalments for tax purposes, with the recognition of the resulting DTAs. These DTAs were fully included in the calculation of the thresholds established in Article 48 CRR, over the same time period. As at 30 September 2025, those IFRS 9 DTAs did not generate any deduction from own funds, and are included among risk-weighted assets. Own Funds also take into account the applicable amount, object of deduction from CET1, related to the minimum coverage of losses on non-performing exposures, known as Minimum Loss Coverage, based on the provisions of Regulation (EU) 630/2019 of 17 April 2019. The total of the programme of purchase of own shares for annulment (buyback), amounting to 2 billion euro, authorised by the Supervisory Authority and approved by the Shareholders' Meeting on 29 April 2025 was deducted from the amount of own funds. The programme began on 2 June and concluded on 17 October 2025. Moreover, in compliance with Article 3 of the CRR ("Application of stricter requirements by institutions"), the calculation of the own funds as at 30 September 2025 included the voluntary deduction of around 29 basis points from the CET 1 of the calendar provisioning¹⁶ on exposures within the scope of Pillar 2. Since 30 June 2023, the Intesa Sanpaolo Group has been complying with EBA Q&A 2021_6211, which clarifies that the amount of goodwill to deduct from an institution's CET 1 must be that relating to directly controlled insurance companies, recognised at the date of acquisition of the significant investment in those companies, without considering the goodwill referring to subsequent acquisitions made. The latter amount was included in the calculation of risk-weighted assets (RWA), thus falling under the ordinary treatment that the Group reserves for equity investments in insurance companies. In the calculation of own funds as at 30 September 2025, foreseeable charges¹⁷ were considered, while it was not included any net income of the first nine months of 2025, in compliance with the ECB's guidance, which specifically states that a supervised entity is not allowed to include any interim or year-end profits in CET1 capital in case it adopts a distribution policy that does not specify any upper limit for cash dividends and any share buybacks, and it does not commit not to distribute neither via cash dividends nor via share buybacks the profits that it wants to include in CET1.

¹⁶ The addendum to ECB Guidance on non-performing loans of 2018 contemplates the possibility that banks "deduce" on their own initiative specific amounts from CET 1, to anticipate supervisory requests, in the event of divergence between the prudential framework, which expects adjustments not based on credit risk measurement criteria, and the accounting framework.

¹⁷ Coupons accrued on the Additional Tier 1 issues (304 million euro).

Risk-weighted assets

As at 30 September 2025, risk-weighted assets came to 306,097 million euro, resulting primarily from credit and counterparty risk and, to a lesser extent, operational and market risks.

Common Equity Tier 1 Capital and risk-weighted assets as at 30 September 2025 take account of the impact of the application of the "Danish Compromise" (Art. 49.1 of Regulation (EU) 575/2013), as per the specific authorisation received from the ECB in 2019, according to which insurance investments are treated as risk-weighted assets¹⁸ instead of being deducted from capital.

Capital ratios

On the basis of the foregoing, capital ratios as at 30 September 2025 amounted to the following: Common Equity ratio of 13.1% (including the previously-mentioned impact of the first-time adoption of CRR3/Basel 4, equal to slightly more than 40 basis points), Tier 1 ratio of 15.6% and Total capital ratio of 18.5%.

Finally, on 10 December 2024, Intesa Sanpaolo announced that it had received notification of the ECB's final decision concerning the capital requirement that the Bank has to meet, on a consolidated basis, as of 1 January 2025, following the results of the Supervisory Review and Evaluation Process (SREP).

The overall requirement to be met in terms of Common Equity Tier 1 ratio is currently 9.88%, inclusive of the Capital Conservation Buffer, O-SII Buffer and Countercyclical Capital Buffer¹⁹ and Systemic Risk Buffer²⁰ requirements.

Reconciliation of Shareholders' equity and Common Equity Tier 1 capital

	(millions of euro)	
	30.09.2025	31.12.2024
Group Shareholders' equity	66,985	65,176
Minority interests	149	145
Shareholders' equity as per the Balance Sheet	67,134	65,321
Interim dividend (a)	-	3,022
Adjustments for instruments eligible for inclusion in AT1 or T2 and net income for the period		
- Other equity instruments eligible for inclusion in AT1	-7,668	-7,551
- Minority interests eligible for inclusion in AT1	-	-
- Minority interests eligible for inclusion in T2	-	-
- Ineligible minority interests on full phase-in	-149	-145
- Ineligible net income for the period (b)	-7,588	-6,217
- Own shares included under regulatory adjustments (c)	1,986	2,176
- Buyback of own shares (d)	-96	-2,000
- Other ineligible components on full phase-in (e)	-161	-1,247
Common Equity Tier 1 capital (CET1) before regulatory adjustments	53,458	53,359
Regulatory adjustments (f)	-13,291	-14,052
Common Equity Tier 1 capital (CET1) net of regulatory adjustments	40,167	39,307

(a) As at 31 December 2024, Shareholders' Equity as per the Balance Sheet does not include the interim dividend, amounting to 3,022 million euro (net of the amount not distributed in respect of own shares held at the record date).

(b) The Common Equity Tier 1 capital as at 30 September 2025 does not include any net income accrued in the first nine months of 2025, in accordance with the ECB guidance, which specifically states that a supervised entity is not allowed to include any interim or year-end profits in CET1 capital in case it adopts a distribution policy that does not specify any upper limit for cash dividends and any share buybacks, and it does not commit not to distribute neither via cash dividends nor via share buybacks the profits that it wants to include in CET1.

(c) The amount includes, in addition to the book value of own shares, the unused portion of the ceiling for which the bank has received buyback authorisations.

(d) The amount as at 30 September 2025 refers to the total amount of the programme of purchase of own shares for annulment (buyback), equal to 2 billion euro, approved by the Shareholders' Meeting of 29 April 2025, after receiving the authorisation from the Supervisory Authority on 31 January 2025, net of the portion already repurchased as at 30 September 2025 and amounting to 1,904 million euro.

(e) As at 31 December 2024, the amount includes a deduction of 1,150 million euro following the authorisation for the repurchase of two AT1 instruments.

(f) Regulatory adjustments include, among other items, the book value of own shares and those for which the Group has already received buyback authorisations, as well as an additional deduction of 877 million euro pursuant to Article 3 of the CRR (relating to the voluntary deduction of calendar provisioning on exposures included in the scope of Pillar 2).

¹⁸ From the first-time adoption of the new Basel 4 framework, the risk weight of 250% provided for equity exposures has been applied to those exposures, in place of the 370% previously applied up to 31 December 2024.

¹⁹ The Countercyclical Capital Buffer is calculated taking into account the exposure as at 30 September 2025 in the various countries where the Group has a presence, as well as the respective requirements set by the competent national authorities and relating to 2027, where available, or the most recent update of the reference period (requirement was set at zero per cent in Italy for 2025).

²⁰ The Systemic Risk Buffer is calculated taking into account the exposure as at 30 September 2025 to residents in Italy.