



FY 2021 Group Results Presentation

Guidance overdelivered - Full confidence in achieving the Strategic Plan Targets

8 February 2022



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This presentation includes both accounting data (based on financial accounts) and internal management data (which are also based on estimates).

Mr. Gianpietro Val, as the manager responsible for preparing the Bank's accounts, hereby states pursuant to Article 154-bis, paragraph 2 of the Financial Consolidated Act that the accounting data contained in this presentation correspond to the documentary evidence, corporate books and accounting records.

METHODOLOGICAL NOTES

- Before 30/09/2020, the impact from the change in own credit risk on certificates classified as financial liabilities measured at fair value through profit or loss was accounted under the item "Net Financial Results" of the Reclassified P&L scheme. Starting from 30/09/2020, this impact net of tax has been reclassified in one new single P&L item: "FV on Own Liabilities net of Tax"; the previous quarters of 2020 have been reclassified accordingly.
- Starting from 31/12/2020, an exposure in separate P&L items after tax is also provided for those non-recurring, particularly significant results deriving from extraordinary decisions (restructuring charges for the use of the redundancy fund, redundancy incentives, branch closure rather than benefits resulting from the decision to realign the fiscal values to the higher accounting values).
- It follows that, all the above mentioned items, together with those already shown in previous years after the net result of current activities ("Charges relating to the banking system after taxes" and "Impairment on goodwill") are placed after the aggregate of the "Net income from current operations", with the aim of allowing a more immediate understanding of the results of current operations. In light of the new classification criteria, the economic data relating to the previous periods under comparison have been restated on a consistent basis.
- In the area of companies consolidated with the equity method, the second quarter of 2020 has seen the entry of Anima Holding S.p.A., in which Banco BPM holds a stake of 19.385%. In the light of the changes brought about in the governance of the company, this stake, which is considered of strategic nature and which is destined to be held on a stable basis, is deemed to represent a situation of significant influence on the side of Banco BPM.
- With regard to the reclassified statement of financial position, please note that some comparative balances have been reclassified compared to what had been originally published, in order to reflect the changes in layout and preparation criteria introduced by update 7 of Circular no. 262, published by the Bank of Italy on 29 October 2021. The update introduced a change in the layout and preparation criteria of due from banks represented by demand deposits and current accounts, that must now be posted under the balance sheet line-item "10. Cash and cash equivalents", instead of the previous line-item "40. Financial assets measured at Amortized Cost". In light of said change, as of the consolidated financial statements at 31 December 2021, due from banks represented by demand deposits and current accounts are posted under the reclassified balance sheet line-item "Cash and cash equivalents", instead of the line-item "Loans to other banks". The previous periods have been reclassified accordingly.
- Group capital ratios included in this presentation are calculated including the net profit of the period and deducting the amount of the dividend pay-out expected for the year.

Agenda

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PROPOSED DIVIDEND: €19 CENTS
DIVIDEND PAYOUT AT 50%: ABOVE STRATEGIC PLAN TARGETS
ADJUSTED NET PROFIT: €710M, WITH A ROTE OF 6.9%¹
EPS AT €38 CENTS

FY 2021 RESULTS			DIVIDEND PROPOSAL ABOVE GUIDANCE
PROFITABILITY ABOVE GUIDANCE	SAFE RISK PROFILE WITH FURTHER IMPROVEMENT IN ASSET QUALITY INDICATORS	SOUND CAPITAL POSITION & STRENGTHENED MDA BUFFERS	DIVIDEND PAYOUT: 50% (VS. 40% GUIDANCE)
NET INCOME: €710M Adjusted €569M Stated	GROSS NPE RATIO: 5.6% (4.3% EBA definition) NET NPE RATIO: 3.0% DEFAULT RATE: 1.0%	CET 1 FL: 13.4% MDA BUFFER FL: 470bps	DIVIDEND PER SHARE: €19 CENTS
			+€73M vs. GUIDANCE
			DIVIDEND YIELD ² : 6.8%

ROOM TO FURTHER INCREASE SHAREHOLDER REMUNERATION OVER THE STRATEGIC PLAN HORIZON



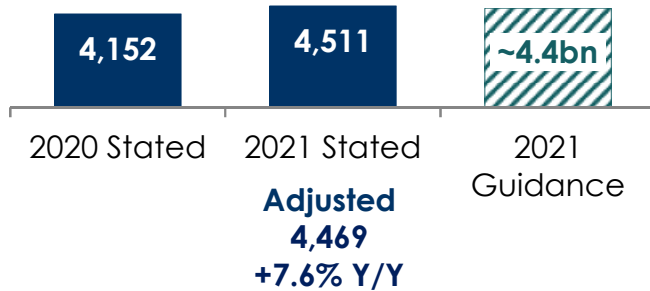
Notes: 1. ROTE calculated as FY 2021 Adjusted Net Profit from P&L / Tangible Shareholders' Equity as at 31/12/21 (excluding FY 2021 Net Profit and AT1 instruments). Tangible Shareholder Equity calculated as Shareholders' Net Equity - Intangible assets net of fiscal effect. 2. Calculated over the average closing price of 2022 YTD at €2.795.

2021 GUIDANCE: OVERDELIVERED

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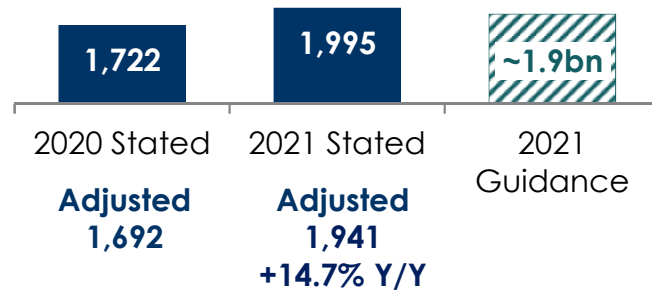
TOTAL REVENUES

+8.6% Y/Y



PRE-PROVISION INCOME

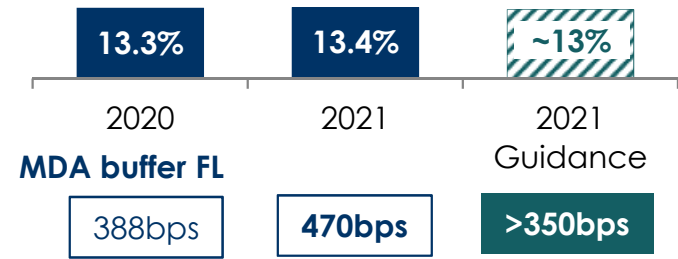
+15.9% Y/Y



CAPITAL

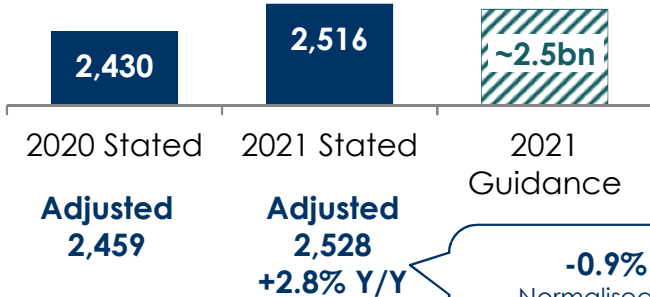
CET 1 RATIO FL

+17bps



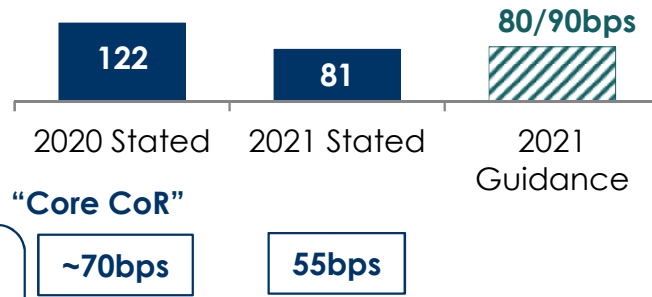
OPERATING COSTS

+3.5% Y/Y



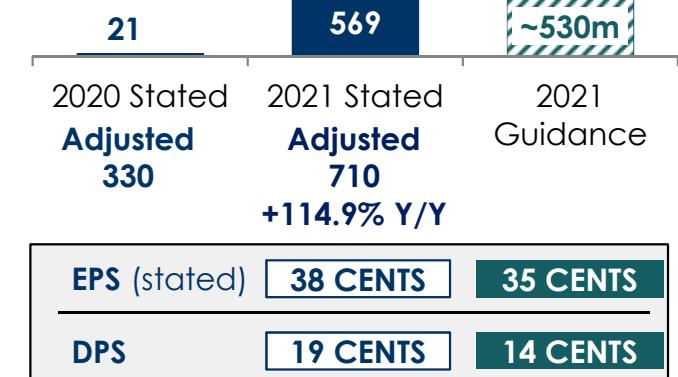
COST OF RISK

-41bps



NET INCOME, EPS & DPS

NET INCOME



-0.9%

Normalised for Covid-related savings in 2020¹

BANCO BPM

Notes: 1. See slide 17 for details.

OVERPERFORMING PRE-PANDEMIC RESULTS FULL CONFIDENCE IN ACHIEVING PLAN TARGETS



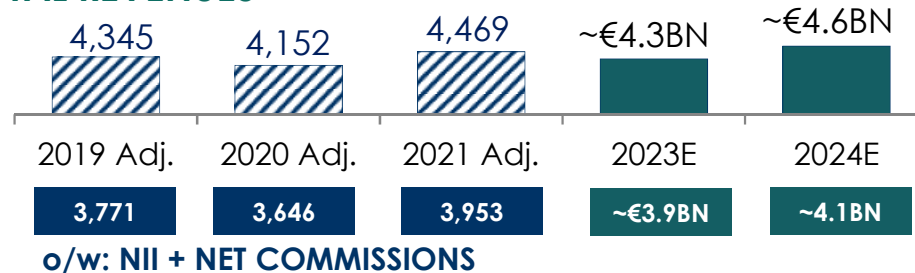
Selected KPIs

€ bn

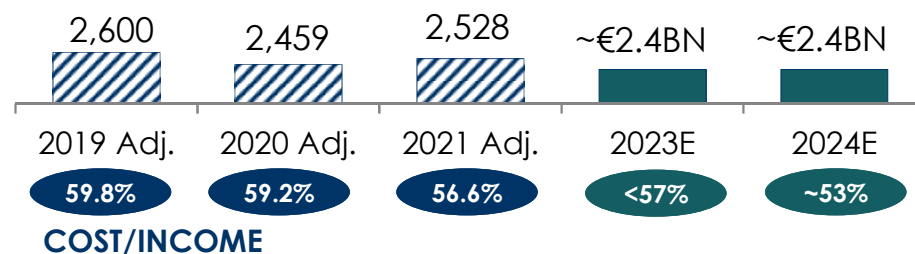
	2019	2020	2021	2023 TARGET	2024 TARGET
INVESTMENT PRODUCT PLACEMENTS	14.1	13.0	18.2	~19.0	~19.6
AUM NET INFLOWS	-0.4	+0.9	+3.4	~+4.0	+4.4
AUM STOCK	58.3	59.6	65.3	73.5	78.7
NEW LENDING	21.4	27.4	22.7	>24	>26
GROSS NPE RATIO	9.1%	7.5%	5.6% 4.3% EBA def.	5.4%	4.8%
COST OF RISK	74bps	122bps	81bps 55bps Core	58bps	48bps
CET 1 RATIO FL	13.0%	13.3%	13.4%	~14%	~14.4%

€ m

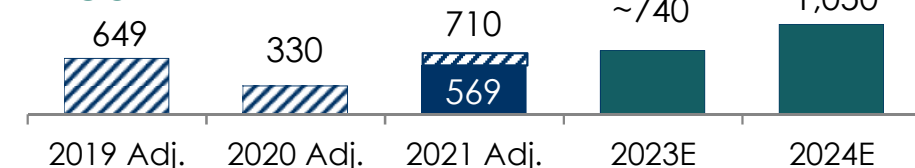
TOTAL REVENUES



OPERATING COSTS

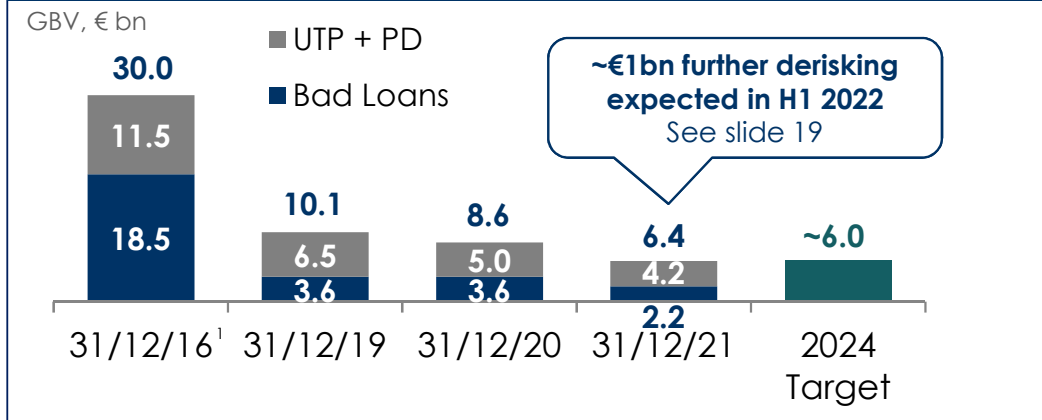


NET INCOME



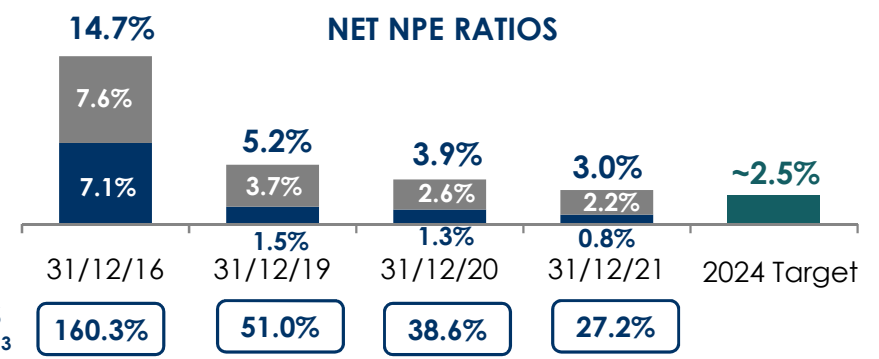
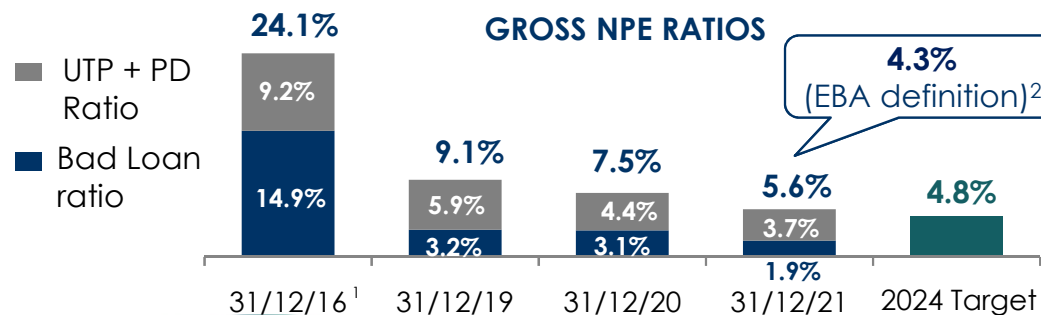
STRONG IMPROVEMENT IN ASSET QUALITY, AHEAD OF TARGETS...

NPE STOCK DOWN BY €23.6BN SINCE THE MERGER, WITH AN ADDITIONAL €1BN DERISKING IN THE PIPELINE

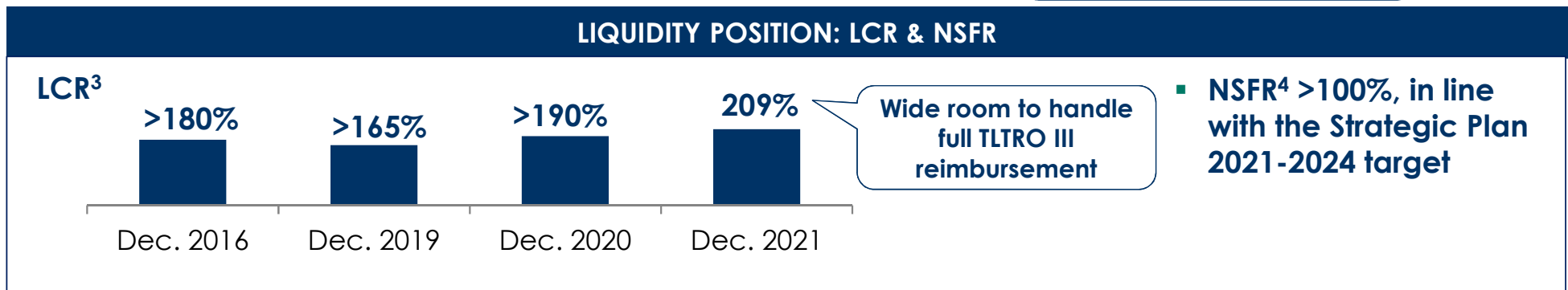
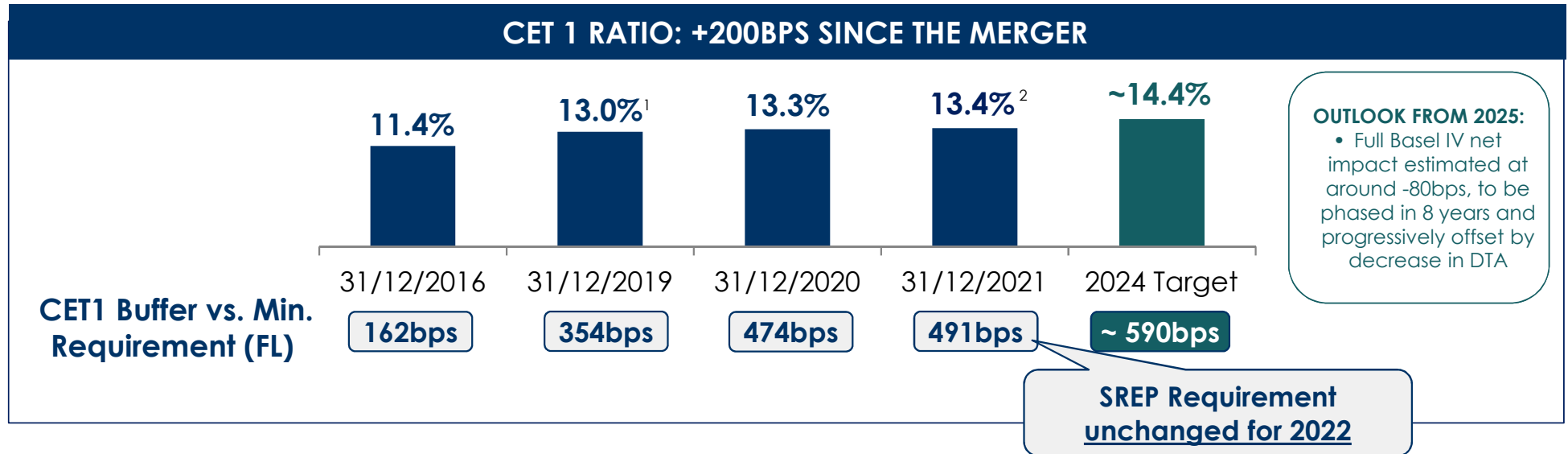


EoP	2016	2019	2020	2021
BAD LOAN COVERAGE (Including Write-offs)	60.0%	62.5%	65.2%	67.8%
Excluding Write-offs:		56.2%	59.1%	58.6%
UTP COVERAGE	27.2%	39.1%	43.7%	44.0%
NPE COVERAGE (Including Write-offs)	47.9%	48.1%	53.4%	53.4%
Excluding Write-offs:		45.0%	50.0%	48.9%

NPE RATIOS



... COUPLED WITH STRENGTHENED CAPITAL & LIQUIDITY



KEY DRIVERS OF THE STRATEGIC PLAN: RECENT ACTIONS

BANCASSURANCE

- **8 Workstreams** activated, supported by **industrial advisors**
- **Action Plan for the alignment of the product range and commercial model** of BPM Vita and Vera Vita defined
- **Joint working group** between BBPM & BPM Vita created for the project implementation, potentially leading to an **anticipation of the call option exercise for BPM Vita**

SME CENTERS

- First **135 Focal Points** activated
- Defined:
 - **67 new Heads for the SME Centers**
 - **450 Relationship Managers**
- **Commercial campaigns** launched, involving ~75K customers, o/w:
 - ~45K customers with turnover €5-75m: Trade Finance, Wholesale Banking, Derivatives, Payment services
 - ~30K customers with turnover <€5m: "Top of the Business" (proactive tailor-made advisory services)

DIGITAL BANKING

- **New App** dedicated to **SME/Business clients** launched
- **20% of total sales** already driven by **advanced analytics** / omnichannel customer journeys
- **>400K clients** enrolled on **Digital Identity**
- **Digital customer transactional activity** well **above market average** (> ~7 p.p.)
- **Remote transactions at 83%** (74% in 2019), supported by a strong increase in **APP-based transactions: +124% in 2021 vs. 2019**

ESG

- Banco BPM joined the **UNGC¹** and became a supporter of the **TCFD²**
- Banco BPM included in the **MIB ESG Index** and in the **Bloomberg G-E Index**
- **Lending policies** integrated with ESG factors for all sectors
- Integration of climate risk within the **risk identification process** and first **climate risk materiality assessment**
- New **"Inclusion Diversity & Social"** and **"Key People & Talents"** units set up

NEW LONG-TERM INCENTIVE SCHEME CONSISTENT WITH 2021-2024 STRATEGIC PLAN TARGETS TO BE SUBMITTED TO BANCO BPM'S UPCOMING AGM

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FY 2021 WELL ABOVE GUIDANCE: ADJUSTED NET INCOME AT €710M (€569M STATED)

**STRONG OPERATING PERFORMANCE
WITH REVENUE GROWTH DRIVEN BY
NET COMMISSIONS (+15% Y/Y)**

**PRE-PROVISION INCOME
AT €1,941M (+14.7% Y/Y)**

SIGNIFICANT REDUCTION IN LLPs

NET INCOME AT €710M

Adjusted data

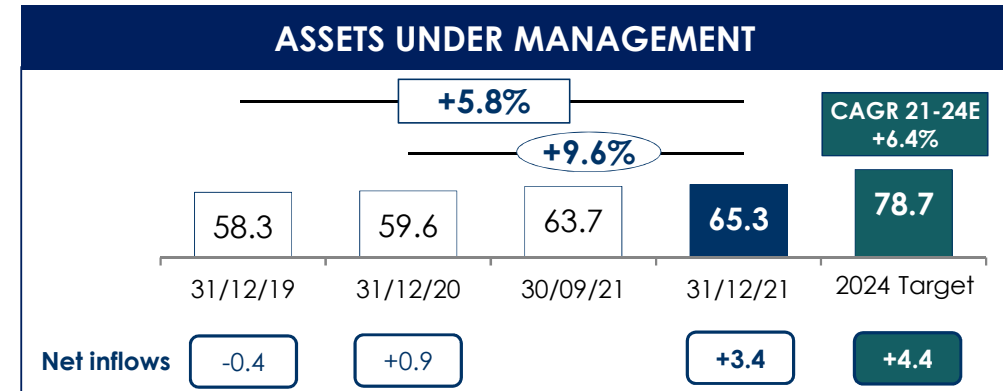
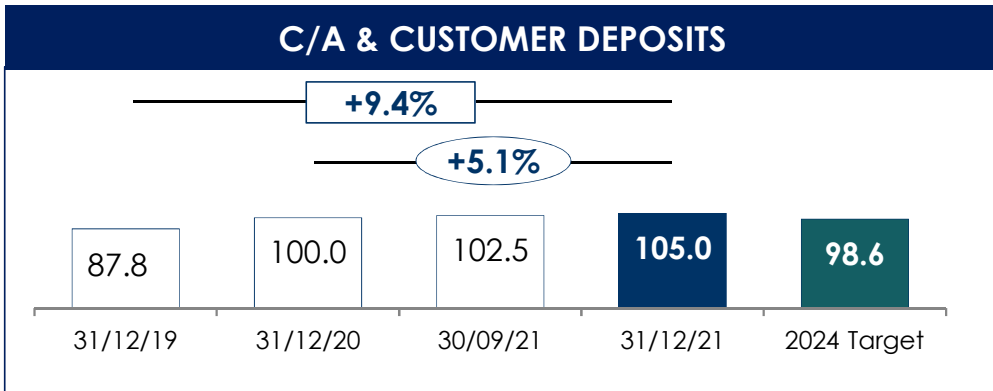
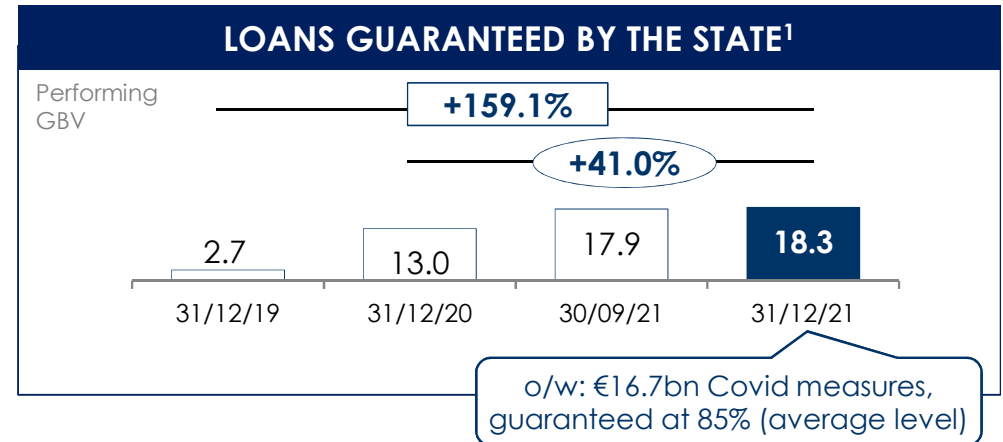
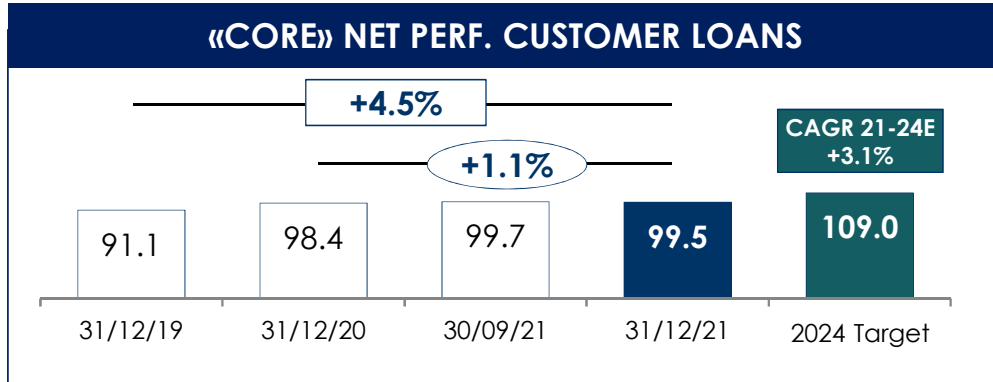
€ m	P&L ADJUSTED ¹			P&L STATED	
	FY 2020	FY 2021	Y/Y	FY 2020	FY 2021
NET INTEREST INCOME	1,983	2,042		1,983	2,042
NET FEES & COMMISSIONS	1,664	1,911		1,664	1,911
INCOME FROM ASSOCIATES	131	190		131	232
CORE REVENUES	3,777	4,143	9.7%	3,777	4,185
NFR	319	251		319	251
OTHER REVENUES	56	75		56	75
TOT. REVENUES	4,152	4,469	7.6%	4,152	4,511
OPERATING COSTS	-2,459	-2,528		-2,430	-2,516
PRE-PROVISION INCOME	1,692	1,941	14.7%	1,722	1,995
LOAN LOSS PROVISIONS	-1,085	-693		-1,337	-887
OTHER ²	-17	-26		-79	-187
PROFIT FROM CONTINUING OPER. (pre-tax)	590	1,221	107.1%	306	921
TAXES	-90	-350		-14	-254
NET PROFIT FROM CONTINUING OPER.	499	871	74.4%	293	667
SYSTEMIC CHARGES AND OTHER ³	-169	-161		-400	-180
REALIG. OF FISCAL VALUES TO ACCOUNT. VALUE				128	82
NET INCOME	330	710	114.9%	21	569

Q4 2021 ADJUSTED NET INCOME AT €145M (€97M STATED)

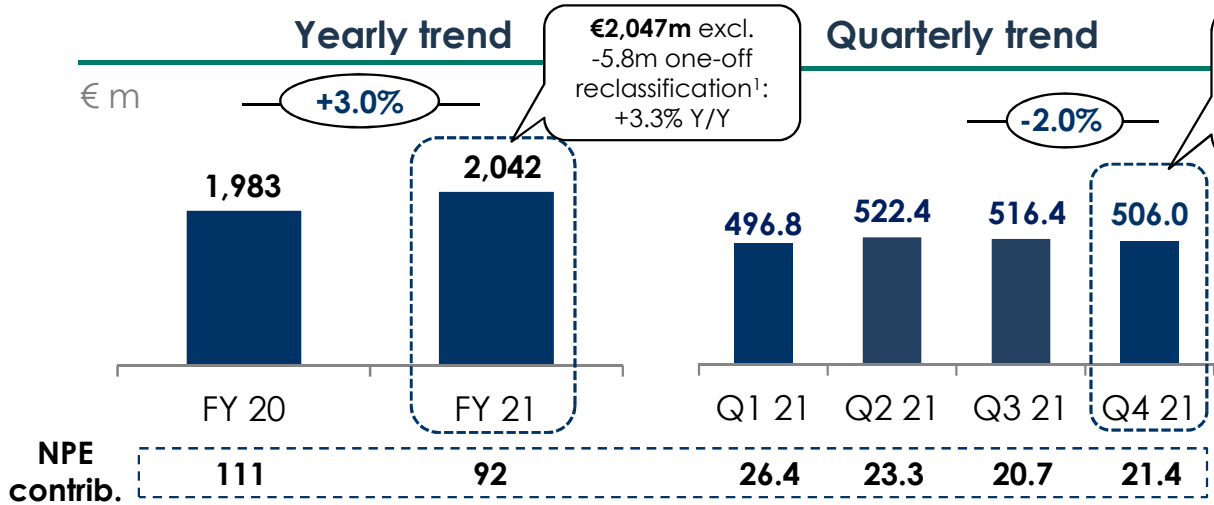
€ m	P&L ADJUSTED ¹				P&L STATED			
	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2021	Q2 2021	Q3 2021	Q4 2021
NET INTEREST INCOME	497	522	516	506	497	522	516	506
NET FEES & COMMISSIONS	471	479	475	486	471	479	475	486
INCOME FROM ASSOCIATES	42	57	47	45	42	57	47	87
CORE REVENUES	1,010	1,058	1,039	1,037	1,010	1,058	1,039	1,079
NFR	100	117	36	-1	100	117	36	-1
OTHER REVENUES	18	22	26	9	18	22	26	9
TOT. REVENUES	1,128	1,196	1,101	1,044	1,128	1,196	1,101	1,087
OPERATING COSTS	-642	-647	-616	-624	-644	-632	-616	-625
PRE-PROVISION INCOME	486	549	485	420	484	564	485	462
LOAN LOSS PROVISIONS	-143	-235	-101	-214	-217	-256	-201	-214
OTHER ²	-8	-5	-15	1	-8	-42	-23	-114
PROFIT FROM CONTINUING OPER. (pre-tax)	335	309	369	208	259	267	262	133
TAXES	-108	-63	-119	-61	-83	-51	-83	-37
NET PROFIT FROM CONTINUING OPER.	227	246	251	147	176	216	179	96
SYSTEMIC CHARGES AND OTHER ³	-76	-15	-68	-2	-76	-34	-68	-2
REALIG. OF FISCAL VALUES TO ACCOUNT. VALUE	0	0	0	0	0	79	0	2
NET INCOME	151	231	183	145	100	261	111	97

HEALTHY VOLUME GROWTH

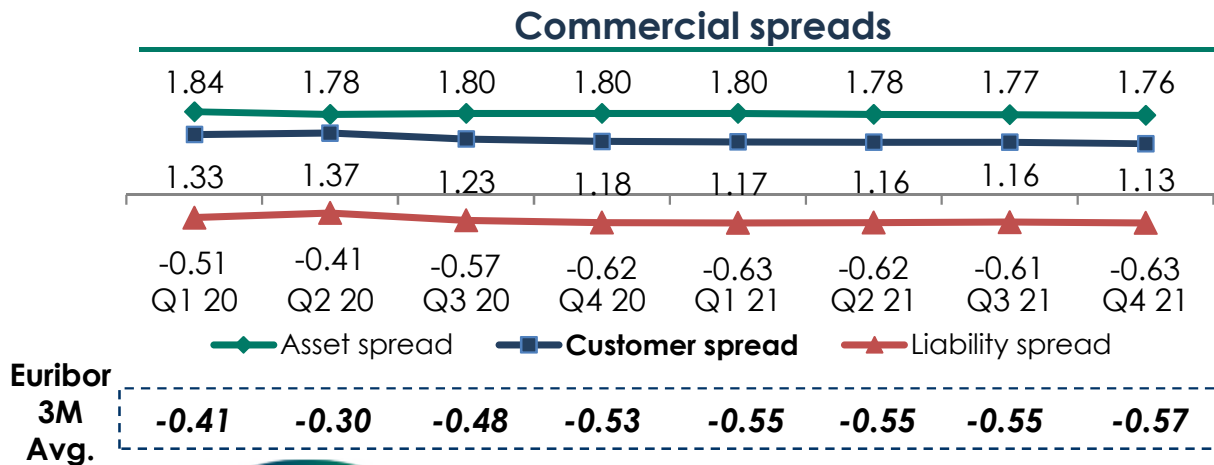
€ bn CAGR 19-21 Chg. 20-21



NET INTEREST INCOME GROWTH IN FY 2021

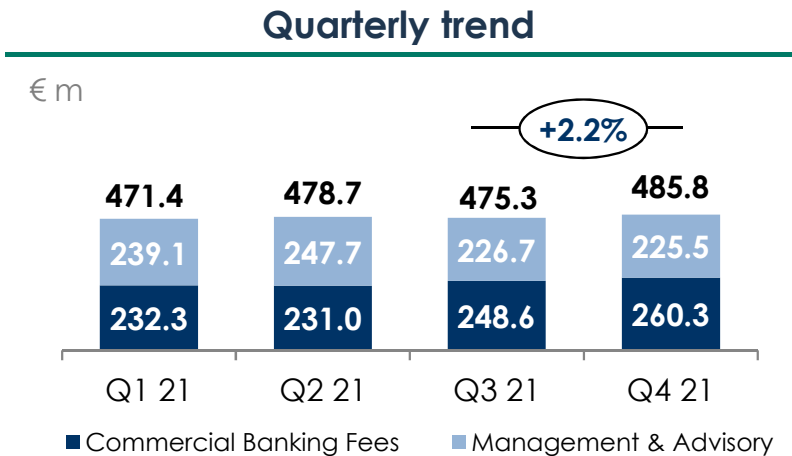
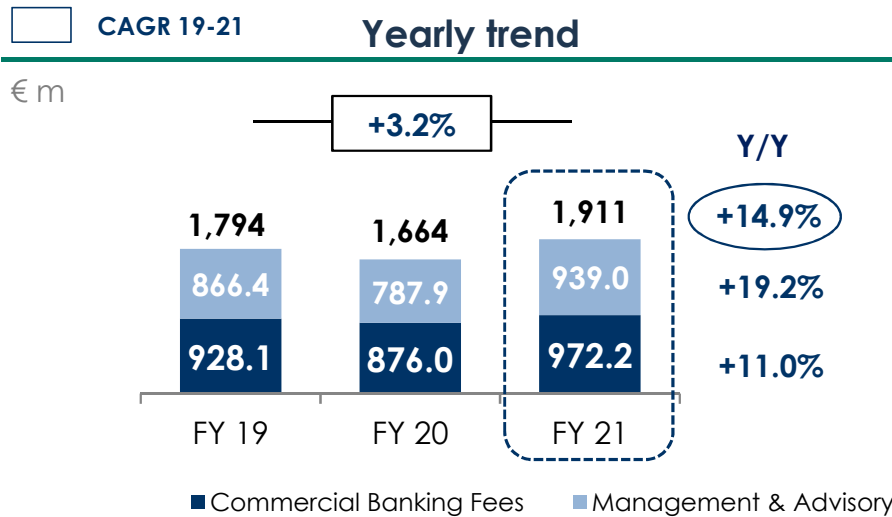


- NII in Q4 affected Q/Q by:
 - - €5.8m one-off reclassification¹
 - ~- €10m from lower bond portfolio contribution (Italian govies down by €6.2bn in Q4)
- Commercial banking: negative Euribor effect fully offset by a positive trend in volumes

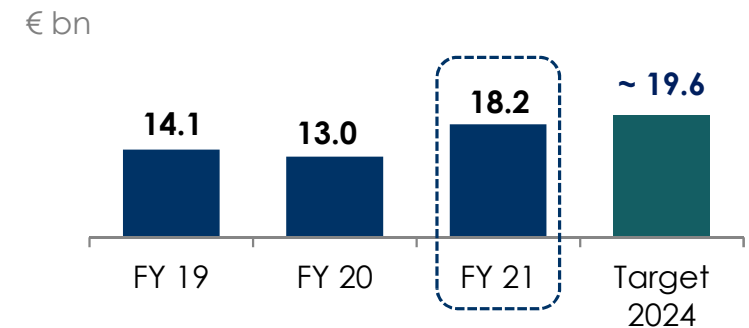


- Resilient asset spread performance in Q4, while the decrease in Euribor impacted mainly the liability spread
- Sensitivity to a rate increase in Q4 21 (+100bps parallel shift): about +€430m

FEES & COMMISSIONS: STRONGER THAN PRE-PANDEMIC LEVEL AND +15% Y/Y



Investment product placements¹



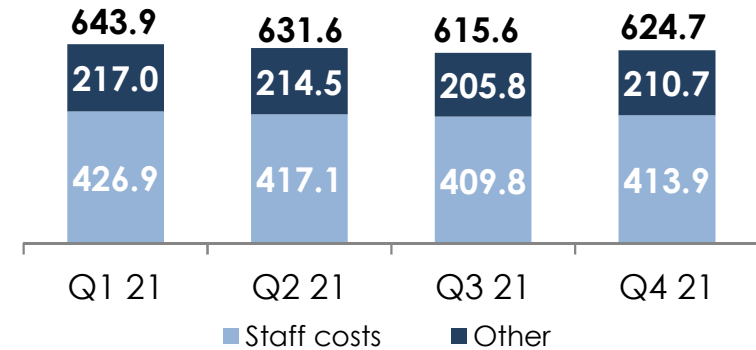
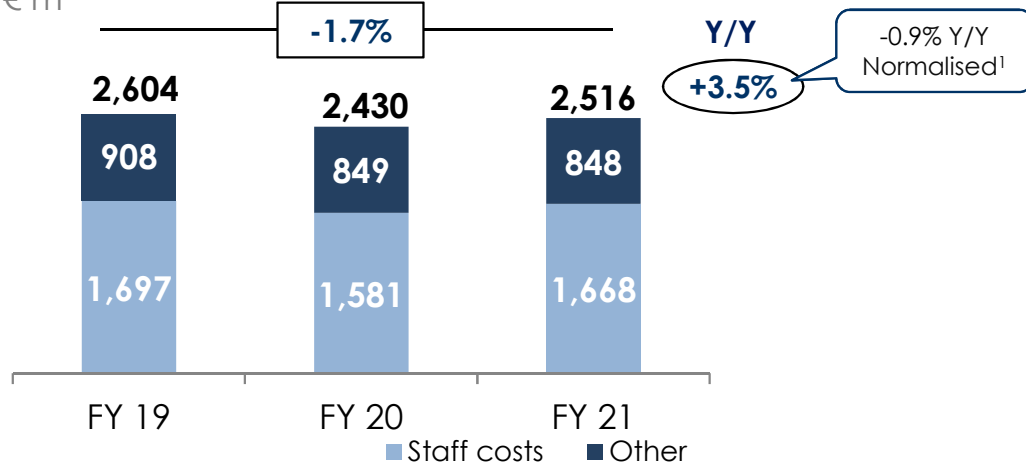
- In **FY 2021**, Management & Advisory fees reach €939m (49% of total fees), +19.2% Y/Y, with an important increase in the running component: +€52m Y/Y, which is above the pace of growth embedded in the Strategic Plan
- In **Q4 2021**, total Net fee & Commissions reach €486m (+2.2% Q/Q), driven by a growth in commercial banking fees (+4.7% Q/Q, at €260m), mainly in relation to new lending and traditional banking activities (payment & other services)

OPERATING COSTS: LONG-TERM DOWNWARD TREND CONFIRMED

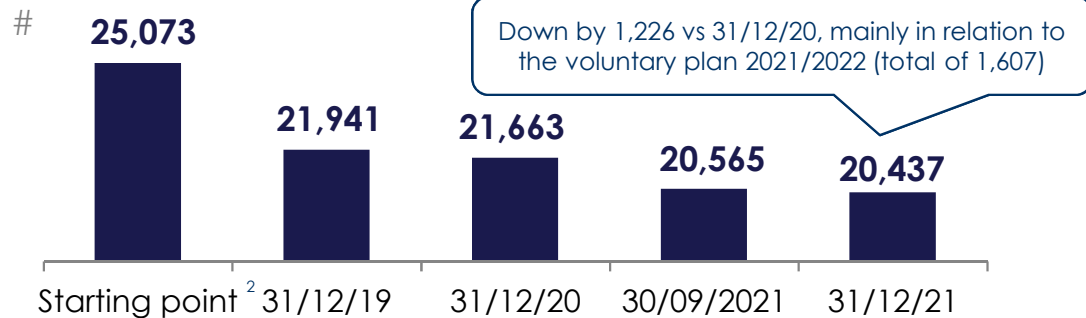
□ CAGR 19-21

Total Operating Costs

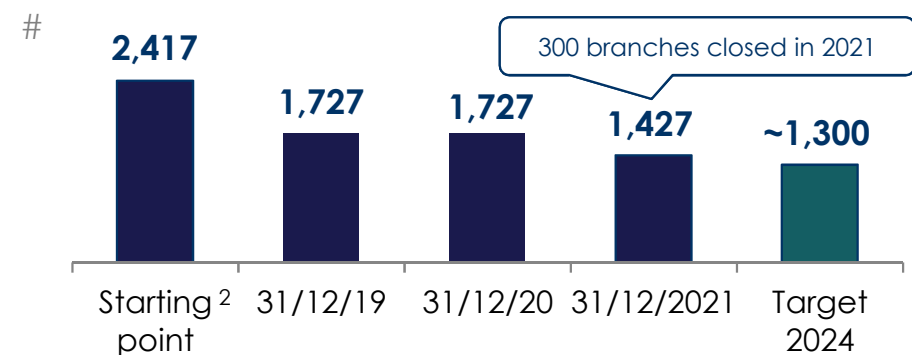
€ m



Headcount Evolution



Retail Network Streamlining

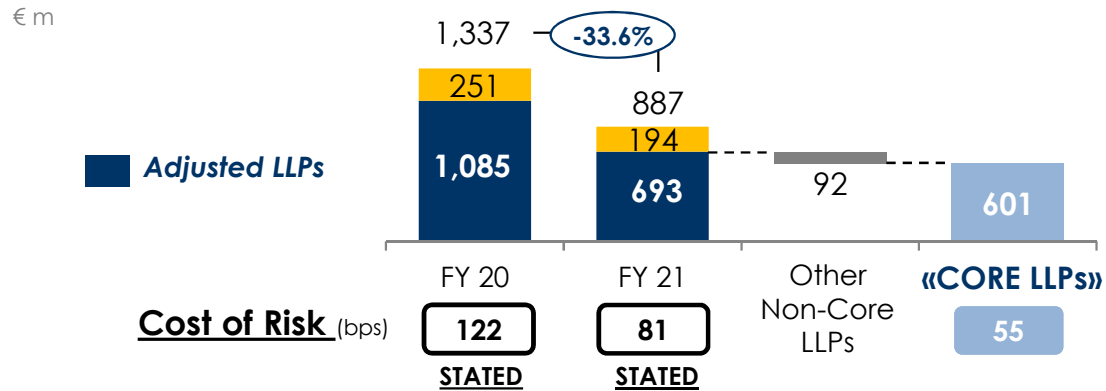


Notes: 1. FY20 Includes savings from lower variable remuneration and other savings due to the Pandemic crisis, for a total of ~€120m. FY21 includes €12.3m of adjustment elements, see slide 27 for details. 2. 31/12/2015, Merger Plan starting point.

STRONG REDUCTION IN COST OF RISK

“CORE” LLPs CLOSE TO LONG-TERM TARGETS

STATED LLPs IN LINE WITH 2021 GUIDANCE, WITH STRONG Y/Y REDUCTION



FY 2021 «CORE» CoR: 55 BPS¹
CONSISTENT WITH 2024 TARGET OF 48 BPS

TOTAL NON-CORE LLPs AT €286m (CoR 26 BPS)¹:

- Provisions for derisking strategy (including, in FY 2021, also portfolio disposals to be completed in 2022)
- Other Non-Core elements: Tightening of Stage 2 criteria and model changes for some selected portfolios (included in Adj. LLPs)

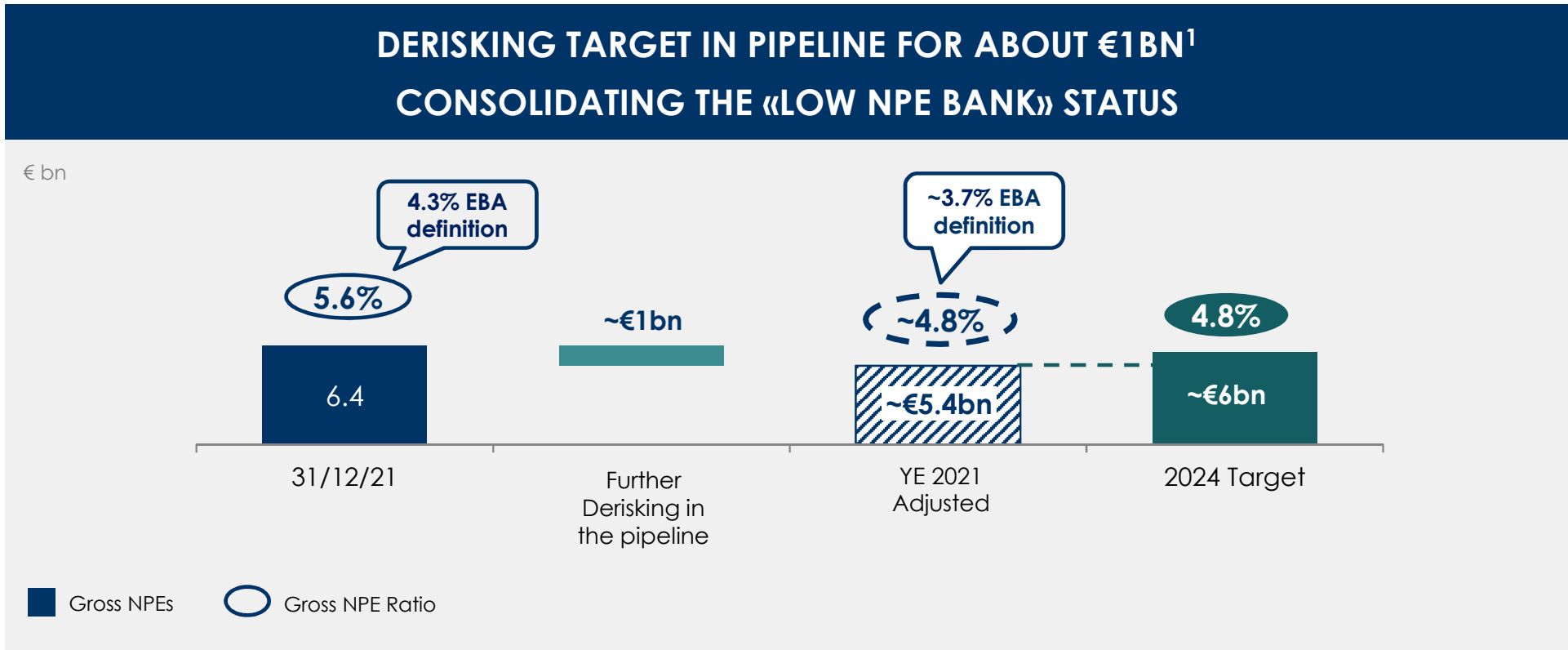
MIGRATION RATES

	FY 19	FY 20	FY 21
DEFAULT RATE (from Performing To NPEs)	1.2%	1.0%	1.0%
DANGER RATE (from UTP to Bad Loans)	11.1%	7.5%	9.3%
WORKOUT RATE (Cancellations, Write-offs, Recoveries, Cure & Other) ¹	19.0%	13.8%	20.2%

STRONG RESILIENCE OF THE COVID MORATORIA PORTFOLIO

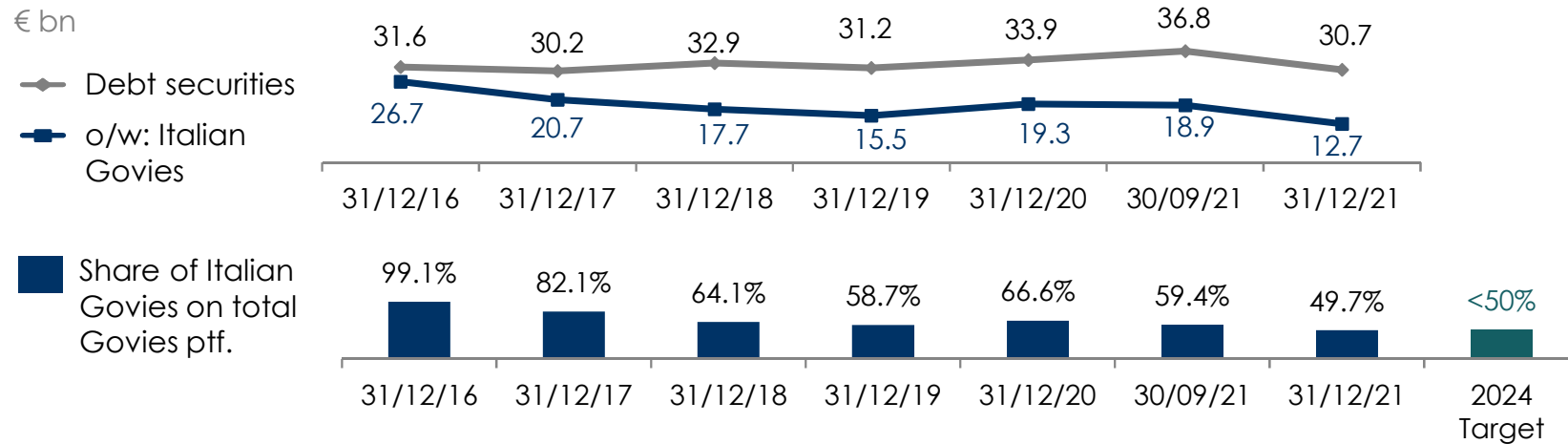
- Positions currently outstanding which have been subject to moratoria **are concentrated in the best rating classes (83%)**
- Moratoria completely expired as at 1st Jan. 2022²**
- Low default rate of the moratoria positions expired, including instalments due in Jan. 2022, at 1.5%**

~ €1BN OF FURTHER DERISKING IN PIPELINE IN H1 2022: ASSET QUALITY KPIs ALREADY AHEAD OF STRATEGIC PLAN 2024 TARGETS



FINANCIAL ASSETS, LIQUIDITY & FUNDING: CONSERVATIVE STRATEGY

OPTIMIZATION OF DEBT SECURITY PORTFOLIO: REDUCTION OF EXPOSURE IN IT GOVIES



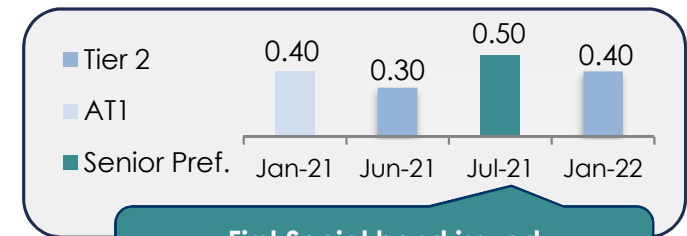
ITALIAN GOVIES:

- Down by €6.6bn in 2021 and by €6.2bn in Q4
- 81% concentrated in the portfolio classified at AC
- Representing 49.7% of total Govies portfolio (vs. 59.4% as at 30/09/21 and 66.6% as at YE 2020)
- Very low sensitivity: BPV¹ of the FVOCI portfolio at -€0.6m

STRONG FUNDING POSITION CONFIRMED

- **TLTRO III: €39.2bn** +€1.7bn in Q4, drawn in the second half of December
- **LIQUIDITY: €44.2bn³**

- **BONDS OUTSTANDING²: €17.6bn**
- **SUCCESSFUL ISSUANCE ACTIVITY: €1.6bn wholesale bonds issued in the Jan. 2021-Jan. 2022 period**



First Social bond issued under the new ESG Bond Framework

ESG INTEGRATION: KEY ACHIEVEMENTS IN Q4 2021

Well on track on all 7 Workstreams of the ESG Action Plan¹



- Banco BPM joined the **UNGC** and became a supporter of the **TCFD** in Dec. 2021
- BBPM included in the **MIB ESG Index** in Oct. 21 and in the **Bloomberg Gender-Equality Index** in Jan. 22
- Improvement of **ESG rating from S&P** in Nov. 21



United Nations
Global Compact

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES



RISK & CREDIT



CLIENTS/BUSINESS



CLIENTS WEALTH MANAGEMENT

- **Lending policies** integrated with ESG factors for all sectors
- Integration of climate risk within the **risk identification process** and first **climate risk materiality assessment**
- Training for **Corporate sales force** on new ESG product offering
- ESG education at the SDA Bocconi for colleagues active in **Private Banking, WM and Advisory** (EFPA ESG Certification obtained by a first group of 50 people)



GOVERNANCE



PEOPLE



ENVIRONMENT

- New “**Inclusion Diversity & Social**” and “**Key People and Talents**” Units set up in the HR Department
- Kick-off of **ESG ambassador** project: 50 colleagues, representing all the corporate units, selected for spreading the sustainability culture and enhancing the execution of the ESG plan
- **Respect project**: >1,800 managers trained on “Respect, Inclusion and Positive behavior”
- Increase in the **share of women in managerial positions to 23.4%** at YE 2021, from 20.8% at YE 2020
- **Reduced Scope 1&2 net emissions** by > -7% in FY 2021 vs. pre-pandemic level²

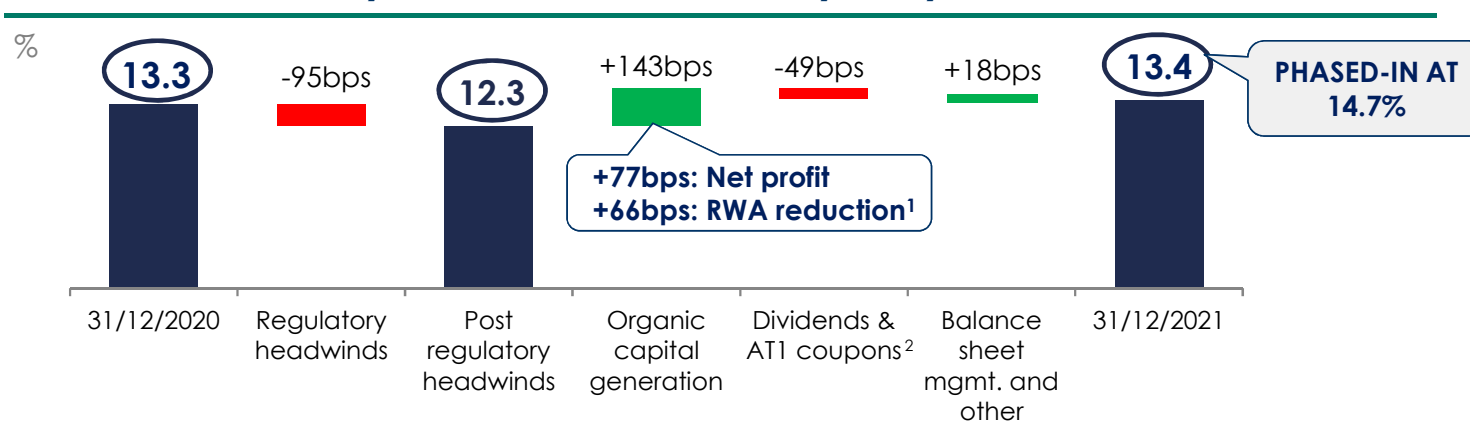


Note: 1. See slides 44 and 45 for details. 2. Market Based Emissions; 2021 net emissions include also the impact of the first compensation Project supported by BBPM; pre-pandemic data as at 2019.

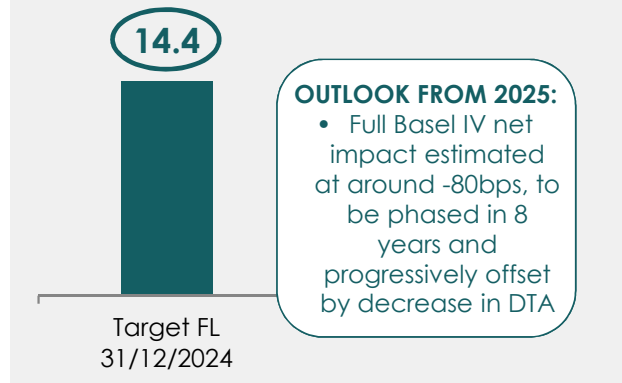
SIGNIFICANT CAPITAL GENERATION

Strengthened capital buffers, with unchanged SREP requirements for 2022

Fully Loaded CET1 Ratio: yearly evolution



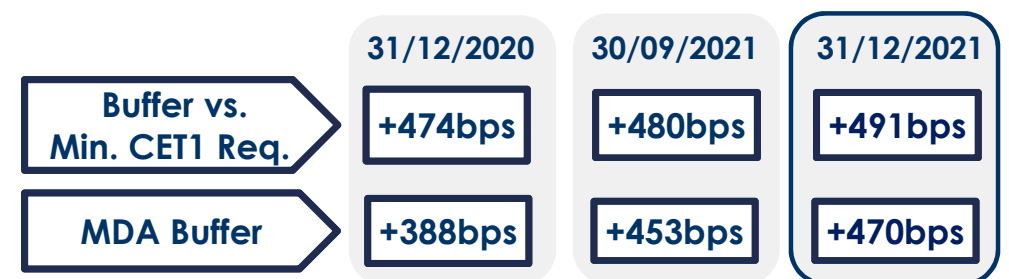
Strategic Plan Target



Fully Loaded Capital Position



Fully Loaded Capital Buffers



SREP REQUIREMENTS UNCHANGED FOR 2022
WITH P2R CONFIRMED AT 2.25%

FLEXIBILITY TO INCREASE SHAREHOLDER REMUNERATION WHILE PRESERVING SOUND CAPITAL BUFFERS

The confirmation of positive macro and industry trends, coupled with a successful achievement of BBPM's Strategic Plan targets, may allow to consider a significant further increase in shareholder remuneration

ASSUMPTIONS OF THE STRATEGIC PLAN 2021-2024

2024 TARGETS:
CET1 RATIO FL
~14.4%
MDA BUFFER
~ 590BPS

40% PAYOUT

2021

CET1 RATIO FL
13.4%

MDA BUFFER
470BPS

50% PAYOUT
(DPS PROPOSAL OF €19 CENTS)

DIVIDEND YIELD: 6.8%¹

SENSITIVITY SCENARIO²

CET1 RATIO FL
12.5% / 13.0%

MDA BUFFER
400 / 450BPS

70% PAYOUT

**CUMULATIVE SHAREHOLDER
REMUNERATION³
>€2BN**

Notes:

1. Calculated over the average closing price of 2022 YTD at €2.795.
2. CET ratios and MDA buffers as at YE 2024, with average Payout and Cumulative Shareholder Remuneration for the period 2021-2024.
3. Dividend and/or Buyback option to be defined.

FINAL REMARKS



DIVIDEND DISTRIBUTION ABOVE STRATEGIC PLAN TARGETS

Dividend proposal of €19 cents, with a dividend payout of 50% (vs. 40% guidance)

EXCELLENT PERFORMANCE ACHIEVED IN FY 2021 ...

- Strengthening core operating profitability: Revenues up at €4.5bn, C/I at 56%. PPI up at €2.0bn
- Further improvement in all key asset quality indicators: gross NPE ratio at 5.6% (EBA definition down to 4.3%); net NPE ratio at 3.0%
- Sound capital position: CET 1 ratio FL up at 13.4%, with a strengthened MDA buffer (470bps), +17bps Y/Y despite regulatory headwinds for -95bps

...CREATING ADDITIONAL ROOM FOR AN ACCELERATION IN FURTHER DERISKING...

Additional derisking to be finalised in H1 2022: pipeline raised to ~€1bn¹, with gross adjusted NPE stock below the 2024 target

...OVERDELIVERING THE RECENT GUIDANCE FOR FY 2021...

Adjusted Net Income at €710m (€569m stated)

EPS at €38 cents (vs. Guidance of €35 cents)

FULL CONFIDENCE IN ACHIEVING THE STRATEGIC PLAN TARGETS
SIGNIFICANT ROOM TO POTENTIALLY FURTHER INCREASE SHAREHOLDER REMUNERATION OVER THE PLAN HORIZON

Agenda

1. Executive Summary	4
2. Key Highlights	11
3. FY 2021 Performance Details	25

P&L: FY 2021 STATED AND ADJUSTED COMPARISON

Reclassified income statement (€m)	FY 20	FY21	Chg. Y/Y %	FY 20 adjusted	FY21 adjusted	Chg. Y/Y %
Net interest income	1,982.6	2,041.6	3.0%	1,982.6	2,041.6	3.0%
Income (loss) from invest. in associates carried at equity	130.8	231.9	77.3%	130.8	189.8	45.1%
Net interest, dividend and similar income	2,113.4	2,273.6	7.6%	2,113.4	2,231.4	5.6%
Net fee and commission income	1,663.8	1,911.2	14.9%	1,663.8	1,911.2	14.9%
Other net operating income	56.0	75.3	34.4%	56.0	75.3	34.4%
Net financial result	318.6	250.7	-21.3%	318.6	250.7	-21.3%
Other operating income	2,038.5	2,237.2	9.7%	2,038.5	2,237.2	9.7%
Total income	4,151.8	4,510.7	8.6%	4,151.8	4,468.6	7.6%
Personnel expenses	-1,581.1	-1,667.8	5.5%	-1,612.8	-1,682.2	4.3%
Other administrative expenses	-593.8	-601.2	1.2%	-593.8	-601.2	1.2%
Amortization and depreciation	-255.1	-246.8	-3.2%	-252.9	-244.8	-3.2%
Operating costs	-2,430.1	-2,515.8	3.5%	-2,459.5	-2,528.1	2.8%
Profit (loss) from operations	1,721.8	1,995.0	15.9%	1,692.4	1,940.5	14.7%
Net adjustments on loans to customers	-1,336.8	-887.2	-33.6%	-1,085.4	-693.2	-36.1%
Profit (loss) on FV measurement of tangible assets	-36.7	-141.6	n.m.	0.0	0.0	
Net adjustments on other financial assets	-1.0	-0.3	-68.2%	-1.0	-0.3	-68.2%
Net provisions for risks and charges	-42.3	-26.0	-38.4%	-16.3	-26.0	59.8%
Profit (loss) on the disposal of equity and other invest.	1.2	-18.8	n.m.	0.0	0.0	
Income (loss) before tax from continuing operations	306.1	921.0	n.m.	589.7	1,221.0	n.m.
Tax on income from continuing operations	-13.5	-253.8	n.m.	-90.5	-350.4	n.m.
Income (loss) after tax from continuing operations	292.6	667.2	n.m.	499.2	870.6	74.4%
Restructuring costs	-187.0	0.0	n.m.	0.0	0.0	
Systemic charges after tax	-138.9	-145.0	4.4%	-119.5	-125.7	5.2%
Realignment of fiscal values to accounting values	128.3	81.7	-36.3%	0.0	0.0	
Goodwill impairment	-25.1	0.0	n.m.	0.0	0.0	
Income (loss) attributable to minority interests	4.2	0.3	-93.3%	4.0	0.3	-92.8%
Purchase Price Allocation after tax	-41.5	-39.5	-4.9%	-41.5	-39.5	-4.9%
Fair value on own liabilities after Taxes	-11.7	4.4	n.m.	-11.7	4.4	n.m.
Net income (loss) for the period	20.9	569.1	n.m.	330.5	710.1	n.m.

ADJUSTED P&L: DETAILS ON NON-RECURRING ITEMS

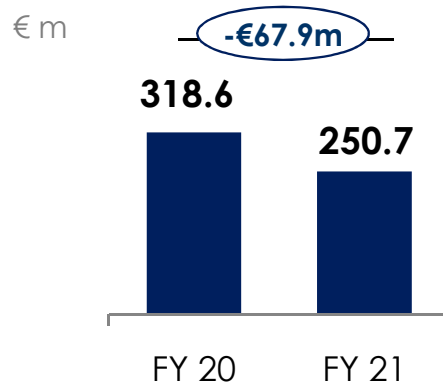
Reclassified income statement (€m)	FY21	FY21 adjusted	One-off	Non-recurring items
Net interest income	2,041.6	2,041.6	0.0	
Income (loss) from invest. in associates carried at equity	231.9	189.8	42.1	One-off adjustment booked by a significant associate
Net interest, dividend and similar income	2,273.6	2,231.4	42.1	
Net fee and commission income	1,911.2	1,911.2	0.0	
Other net operating income	75.3	75.3	0.0	
Net financial result	250.7	250.7	0.0	
Other operating income	2,237.2	2,237.2	0.0	
Total income	4,510.7	4,468.6	42.1	
Personnel expenses	-1,667.8	-1,682.2	14.4	Covid-related savings
Other administrative expenses	-601.2	-601.2	0.0	
Amortization and depreciation	-246.8	-244.8	-2.0	Adjustments on tangible assets
Operating costs	-2,515.8	-2,528.1	12.3	
Profit (loss) from operations	1,995.0	1,940.5	54.5	
Net adjustments on loans to customers	-887.2	-693.2	-194.0	Additional frontloading for the increase in the NPE disposal target
Profit (loss) on FV of tangible assets	-141.6	0.0	-141.6	Fair value assessments on properties
Net adjustments on other financial assets	-0.3	-0.3	0.0	
Net provisions for risks and charges	-26.0	-26.0	0.0	
Profit (loss) on the disposal of equity and other invest.	-18.8	0.0	-18.8	Fair value adjustments on Equity participation
Income (loss) before tax from continuing operations	921.0	1,221.0	-300.0	
Tax on income from continuing operations	-253.8	-350.4	96.5	
Income (loss) after tax from continuing operations	667.2	870.6	-203.4	
Systemic charges after tax	-145.0	-125.7	-19.3	Additional contribution to Italian Resolution Fund
Realignment of fiscal values to accounting values	81.7	0.0	81.7	Related to realignment of fiscal values to accounting values
Goodwill impairment	0.0	0.0	0.0	
Income (loss) attributable to minority interests	0.3	0.3	0.0	
Purchase Price Allocation after tax	-39.5	-39.5	0.0	
Fair value on own liabilities after Taxes	4.4	4.4	0.0	
Net income (loss) for the period	569.1	710.1	-141.0	

FY 2021 QUARTERLY P&L RESULTS: STATED

Reclassified income statement (€m)	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Chg. Q/Q	Chg. Q/Q %
Net interest income	474.1	479.5	519.9	509.0	496.8	522.4	516.4	506.0	-10.4	-2.0%
Income (loss) from invest. in associates carried at equity	22.3	48.0	36.8	23.7	41.5	56.5	46.8	87.1	40.3	86.1%
Net interest, dividend and similar income	496.4	527.5	556.7	532.7	538.4	578.9	563.2	593.1	29.8	5.3%
Net fee and commission income	440.6	376.4	417.7	429.2	471.4	478.7	475.3	485.8	10.5	2.2%
Other net operating income	16.7	14.9	11.7	12.7	18.2	21.7	26.3	9.1	-17.2	-65.5%
Net financial result	0.8	82.7	157.3	77.8	99.7	116.5	35.9	-1.4	-37.3	n.m
Other operating income	458.1	473.9	586.7	519.8	589.3	617.0	537.5	493.4	-44.0	-8.2%
Total income	954.4	1,001.5	1,143.3	1,052.5	1,127.7	1,195.9	1,100.7	1,086.5	-14.2	-1.3%
Personnel expenses	-419.0	-398.0	-357.0	-407.2	-426.9	-417.1	-409.8	-413.9	-4.1	1.0%
Other administrative expenses	-154.6	-154.1	-159.8	-125.3	-154.1	-153.9	-144.0	-149.1	-5.1	3.5%
Amortization and depreciation	-61.4	-61.7	-64.8	-67.2	-62.9	-60.6	-61.8	-61.6	0.2	-0.2%
Operating costs	-635.0	-613.8	-581.5	-599.8	-643.9	-631.6	-615.6	-624.7	-9.1	1.5%
Profit (loss) from operations	319.5	387.7	561.8	452.8	483.8	564.2	485.1	461.9	-23.2	-4.8%
Net adjustments on loans to customers	-213.2	-263.0	-324.3	-536.2	-217.1	-255.5	-200.6	-214.0	-13.3	6.6%
Profit (loss) on FV measurement of tangible assets	-0.3	-5.1	-0.3	-31.0	0.1	-37.0	-7.8	-96.9	-89.1	n.m.
Net adjustments on other financial assets	-4.7	-3.7	0.1	7.2	-0.4	0.9	0.2	-1.1	-1.3	n.m
Net provisions for risks and charges	2.2	-9.8	0.9	-35.6	-7.2	-5.6	-15.5	2.3	17.7	n.m
Profit (loss) on the disposal of equity and other invest.	0.1	0.1	1.3	-0.4	0.0	-0.4	0.4	-18.7	-19.1	n.m
Income (loss) before tax from continuing operations	103.5	106.2	239.5	-143.1	259.1	266.7	261.8	133.4	-128.4	-49.0%
Tax on income from continuing operations	-25.7	-13.3	-22.5	47.9	-82.7	-50.6	-83.3	-37.2	46.0	-55.3%
Income (loss) after tax from continuing operations	77.8	92.9	217.0	-95.2	176.4	216.0	178.5	96.2	-82.4	-46.1%
Restructuring costs	0.0	0.0	0.0	-187.0	0.0	0.0	0.0	0.0	0.0	
Systemic charges after tax	-57.5	-18.2	-53.0	-10.2	-59.2	-19.3	-61.7	-4.8	56.9	-92.2%
Realignment of fiscal values to accounting values	0.0	0.0	0.0	128.3	0.0	79.2	0.0	2.5	2.5	
Goodwill impairment	0.0	0.0	0.0	-25.1	0.0	0.0	0.0	0.0	0.0	
Income (loss) attributable to minority interests	0.0	1.5	2.5	0.2	0.0	0.1	0.0	0.1	0.1	
Purchase Price Allocation after tax	-6.6	-12.0	-11.4	-11.5	-10.3	-9.7	-10.2	-9.3	0.9	-9.1%
Fair value on own liabilities after Taxes	137.9	-110.7	2.2	-41.1	-6.8	-5.1	4.0	12.3	8.4	n.m.
Net income (loss) for the period	151.6	-46.4	157.3	-241.7	100.1	261.2	110.7	97.1	-13.6	-12.3%

NET FINANCIAL RESULT, RESERVES & UNREALISED GAINS

NFR: Yearly trend

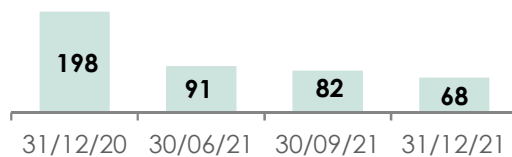


NFR: Quarterly trend



Reserves of Debt Securities at FVOCI

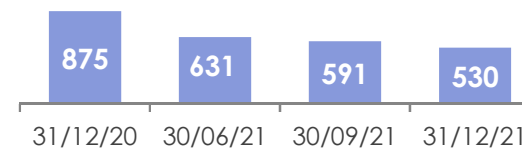
Pre-tax, in € m



Not included in the P&L results, but included in the Capital Position

Unrealised gains on Debt Securities at AC

Pre-tax, in € m



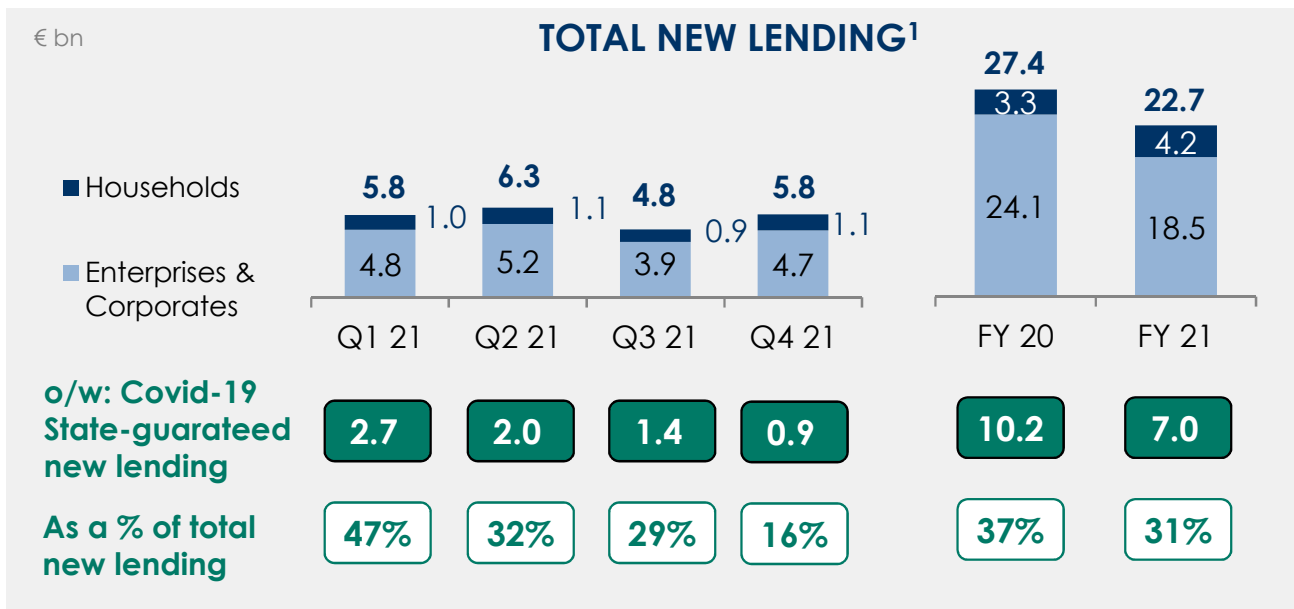
Included neither in the P&L results, nor in the Capital Position

RECLASSIFIED BALANCE SHEET AS AT 31/12/2021

Reclassified assets (€ m)	31/12/20	30/09/21	31/12/21	Chg. y/y		Chg. in Q4	
				Value	%	Value	%
Cash and cash equivalents	9,411	20,133	29,153	19,743	209.8%	9,021	44.8%
Loans and advances measured at AC	119,903	120,156	121,261	1,358	1.1%	1,105	0.9%
- Loans and advances to banks	10,568	11,424	11,878	1,310	12.4%	454	4.0%
- Loans and advances to customers (*)	109,335	108,733	109,383	48	0.0%	651	0.6%
Other financial assets	41,176	42,869	36,326	-4,849	-11.8%	-6,543	-15.3%
- Assets measured at FV through PL	9,119	8,560	6,464	-2,654	-29.1%	-2,096	-24.5%
- Assets measured at FV through OCI	10,711	12,870	10,675	-36	-0.3%	-2,195	-17.1%
- Assets measured at AC	21,346	21,440	19,187	-2,159	-10.1%	-2,252	-10.5%
Equity investments	1,665	1,732	1,794	129	7.8%	62	3.6%
Property and equipment	3,552	3,384	3,278	-274	-7.7%	-105	-3.1%
Intangible assets	1,219	1,214	1,214	-5	-0.4%	-1	0.0%
Tax assets	4,704	4,613	4,540	-164	-3.5%	-73	-1.6%
Non-current assets held for sale and discount. operations	73	128	230	157	215.8%	102	79.1%
Other assets	1,983	2,552	2,692	709	35.8%	140	5.5%
Total	183,685	196,781	200,489	16,804	9.1%	3,708	1.9%
Reclassified liabilities (€ m)							
	31/12/20	30/09/21	31/12/21	Value	%	Value	%
Direct Funding	116,937	119,004	120,213	3,276	2.8%	1,209	1.0%
- Due from customers	102,162	105,306	107,121	4,958	4.9%	1,815	1.7%
- Debt securities and financial liabilities design. at FV	14,774	13,697	13,092	-1,682	-11.4%	-605	-4.4%
Due to banks	33,938	44,084	45,685	11,748	34.6%	1,601	3.6%
Debts for Leasing	760	705	674	-86	-11.4%	-31	-4.4%
Other financial liabilities designated at FV	14,015	13,356	15,755	1,740	12.4%	2,399	18.0%
Liability provisions	1,415	1,244	1,197	-219	-15.4%	-47	-3.8%
Tax liabilities	465	309	303	-162	-34.8%	-6	-1.9%
Liabilities associated with assets held for sale	0	0	0	0	n.m.	0	n.m.
Other liabilities	3,928	5,099	3,566	-362	-9.2%	-1,533	-30.1%
Minority interests	2	1	1	-1	-41.5%	0	-11.5%
Shareholders' equity	12,225	12,980	13,095	870	7.1%	115	0.9%
Total	183,685	196,781	200,489	16,804	9.1%	3,708	1.9%

2021 NEW LENDING ABOVE GUIDANCE

€22.7BN NEW LOANS IN 2021, BETTER THAN >€21BN GUIDANCE FOR 2021



- Strong yearly performance of new lending to Households: +26.2% (+25.6% in Q4)
- Good recovery of new lending to Enterprises & Corporate in Q4 (+21.0%)
- Trend of new lending to Enterprises & Corporate impacted by a lower level of Covid-19 Measures (-€3.2bn y/y)
- Well above TLTRO III net lending targets: minimum requirement exceeded for the first observation period (ended in March 2021)² and for the additional reference period ending as at 31/12/2021³

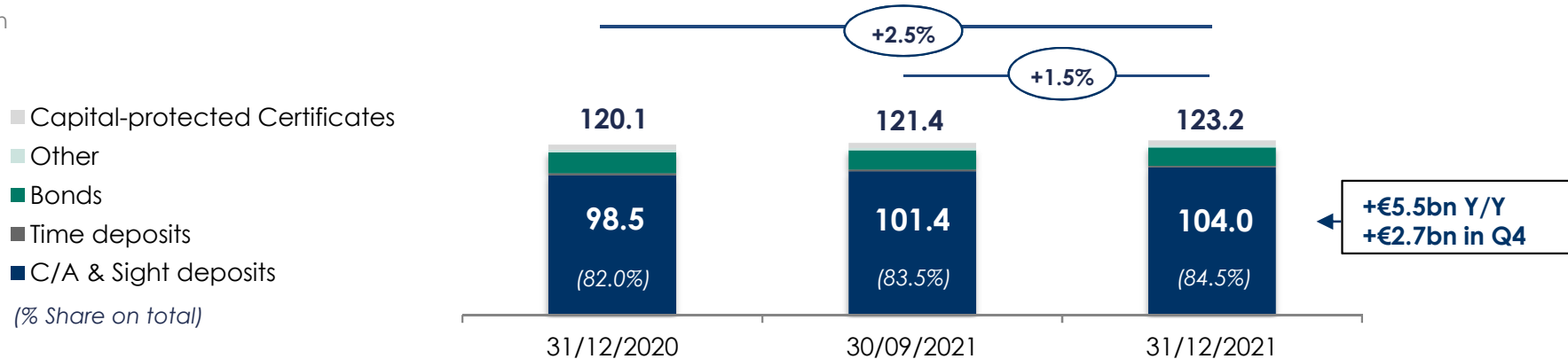
Management data

Note: **1.** M/L-term Mortgages (Sec. and Unsec.), Personal Loans, Pool and Structured Finance (including revolving). **2.** Valid for the application of the Deposit Facility Rate and the Special Interest Rate up until 23 June 2021. **3.** Valid for the application of the Deposit Facility Rate and the Special Interest Rate from 24 June 2021 to 23 June 2022 and the application of the Deposit Facility Rate after 23 June 2022.

DIRECT FUNDING

Direct customer funding¹ (*without Repos*)

€ bn



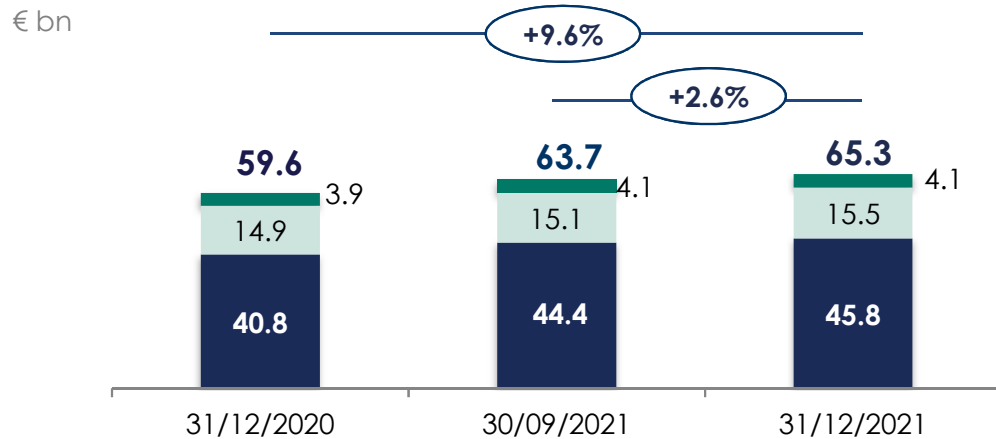
	31/12/20	30/09/21	31/12/21	% chg. Y/Y	% chg. Q/Q
C/A & Sight deposits	98.5	101.4	104.0	5.6%	2.6%
Time deposits	1.5	1.1	1.0	-32.8%	-10.6%
Bonds	14.7	13.7	13.1	-11.1%	-4.4%
Other	1.8	1.6	1.5	-16.2%	-6.8%
Capital-protected Certificates	3.7	3.7	3.6	-3.2%	-2.7%
Direct Funding (excl. Repos)	120.1	121.4	123.2	2.5%	1.5%

Note:

1. Direct funding restated according to a management accounting logic: includes capital-protected certificates, recognized essentially under 'Held-for-trading liabilities', while it does not include Repos (€0.6bn on 31/12/2021 vs. 1.3bn on 30/09/2021 and €0.5bn on 31/12/2020), mainly consisting of transactions with Cassa di Compensazione e Garanzia.

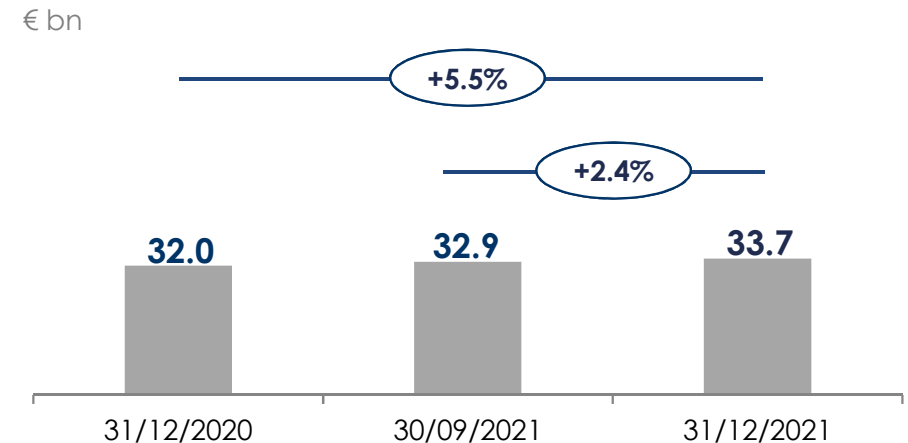
INDIRECT CUSTOMER FUNDING AT €99.1BN

Assets under Management (AuM)



■ Funds & Sicav ■ Bancassurance ■ Managed Accounts and Funds of Funds

Assets under Custody (AuC)¹



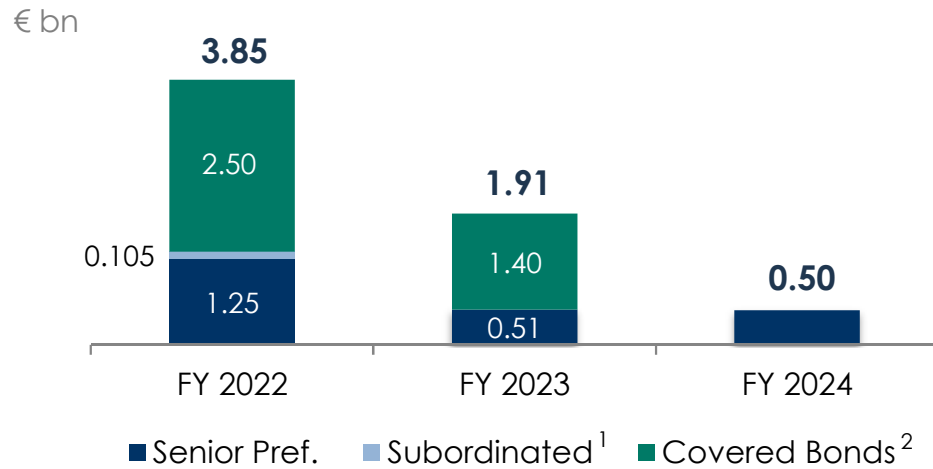
- Total Indirect Customer Funding at €99.1bn: +8.2% Y/Y and +2.6% Q/Q
- Increase in AuM to €65.3bn: +9.6% Y/Y, thanks mostly to the excellent performance of Funds and Sicav (+12.2%), due to both the price and the volume effects. Positive performance also in Bancassurance (+4.0% Y/Y) and in Managed Accounts and Fund of Funds (+4.8% Y/Y).
- AuC at €33.7bn: +5.5% Y/Y, thanks to the price effect.

Management data of the commercial network. AuC historic data restated for managerial adjustments.

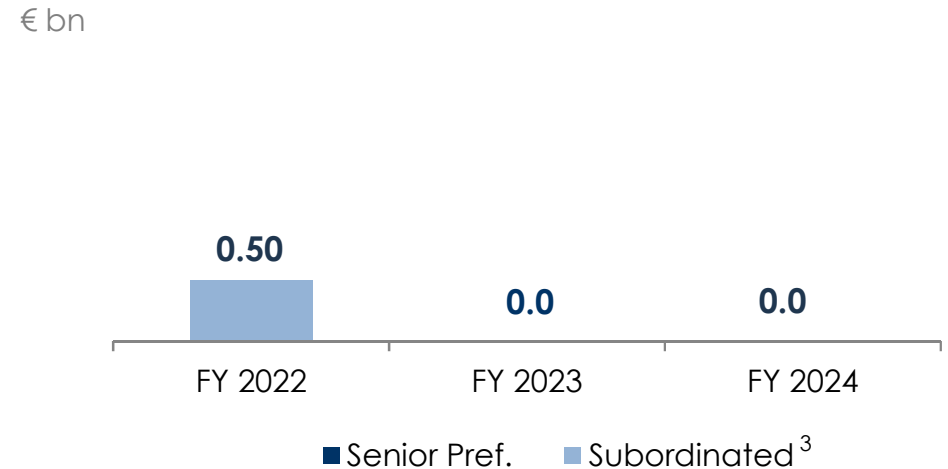
Note: 1. AuC data are net of capital-protected certificates, as they have been regrouped under Direct Funding (see the previous slide).

BOND MATURITIES: LIMITED AND MANAGEABLE AMOUNTS

Institutional bond maturities



Retail bond maturities

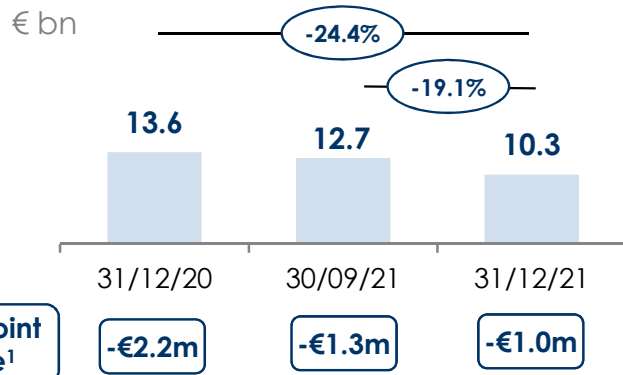


Managerial data based on nominal amounts. Excluding calls.

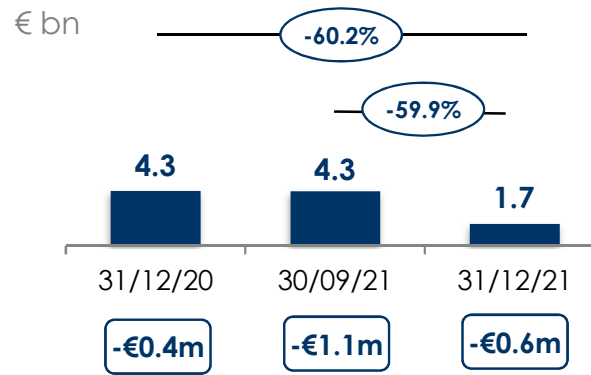
Notes: **1.** Maturities for institutional subordinated bonds are limited to the call for the €105m T1 instrument, as communicated to the market in our press release dated 23 December 2021. **2.** Include also the maturities of Repos with underlying retained Covered Bonds: €0.50bn in FY 2022. **3.** With low impact on T2 Capital.

FOCUS ON GOVIES PORTFOLIO

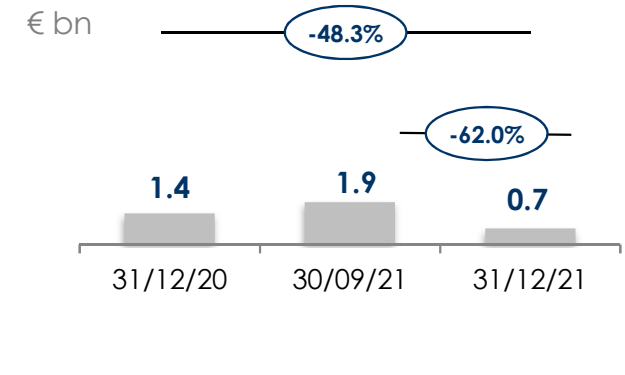
Italian Govies at AC



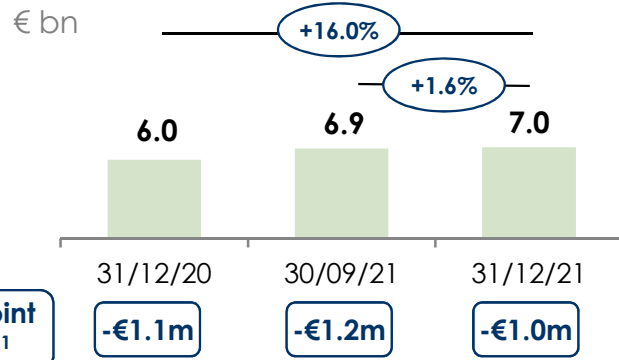
Italian Govies at FVOCI



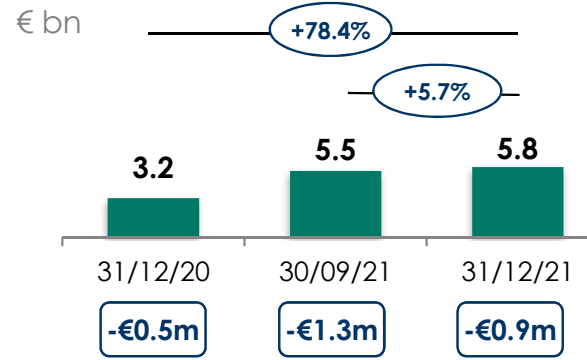
Italian Govies at FVTPL



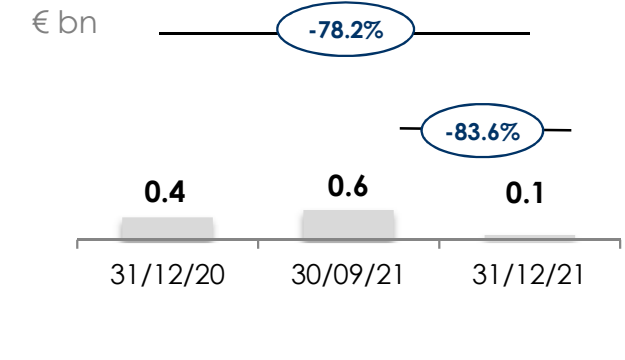
Non-IT Govies at AC



Non-IT Govies at FVOCI

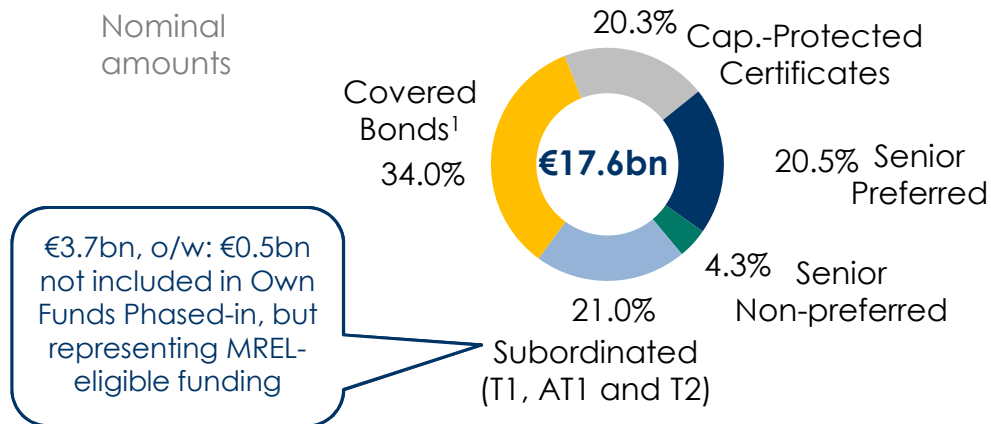


Non-IT Govies at FVTPL

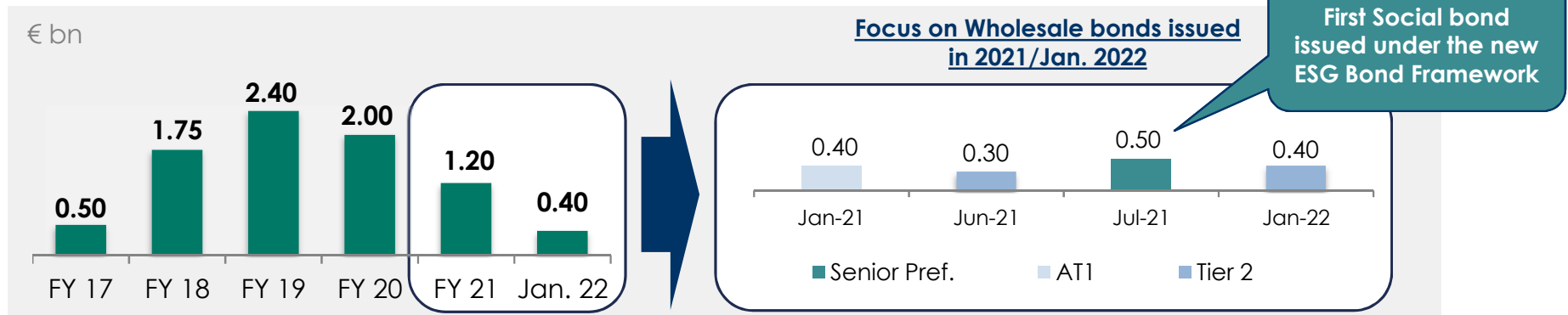


LIABILITY PROFILE: BONDS OUTSTANDING AND ISSUES

Bonds Outstanding as at 31/12/2021



Wholesale bonds issued since 2017

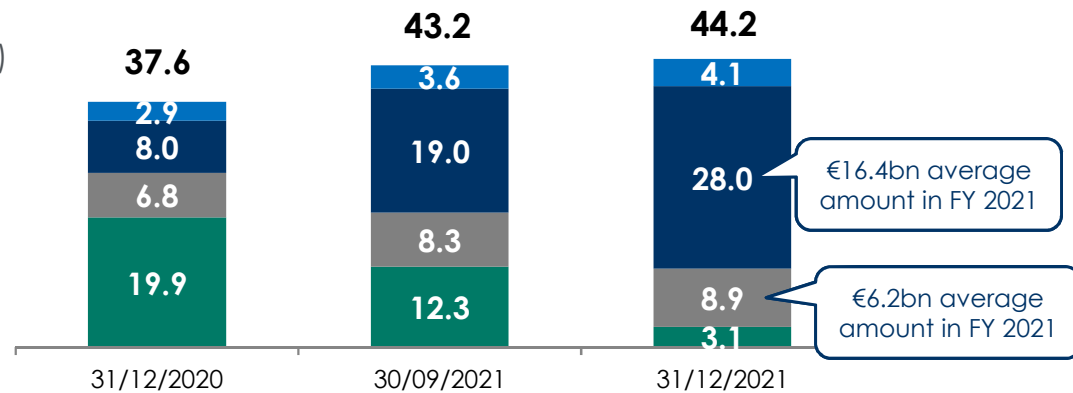


SOLID LIQUIDITY POSITION: LCR AT 209% & NSFR >100%¹

Cash + Unencumbered Assets²

€ bn

- Marketable Securities (Non ECB eligible)
- Depo Facilities (O/N) with ECB
- Excess ECB deposits
- Eligible Assets



- Total Encumbered Eligible Assets at €52.1bn at YE 2021, o/w: **TLTRO III exposure at €39.2bn as at 31/12/21 (+€1.7bn in Q4 and +€11.7bn YTD)**

Internal management data, net of haircuts.

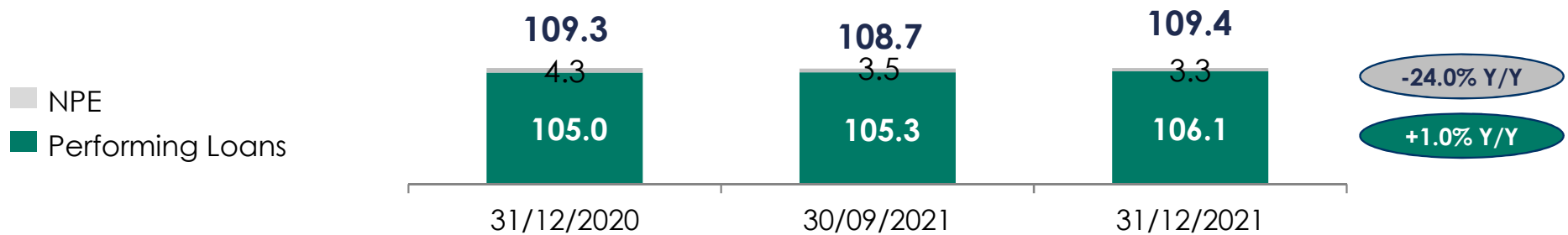
Notes: **1.** Monthly LCR (Dec. 2021) and Quarterly NSFR (Q4 2021). **2.** Includes assets received as collateral and is net of accrued interests. **3.** Refers to securities lending (uncollateralized high quality liquid assets).

NET CUSTOMER LOANS

Satisfactory increase in Performing Loans, with new loans granted at €22.7bn in 2021¹

Net Customer Loans²

€ bn



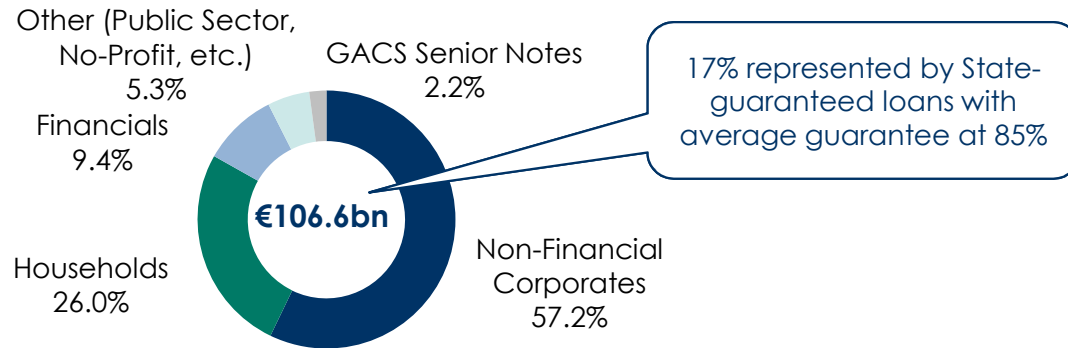
NET PERFORMING LOANS	31/12/20	30/09/21	31/12/21	CHANGE	
				In % y/y	In % q/q
Core customer loans	98.4	99.7	99.5	1.1%	-0.2%
- Medium/Long-Term loans	74.0	77.1	77.3	4.4%	0.3%
- Current Accounts	8.0	8.3	8.2	2.7%	-0.6%
- Cards & Personal Loans	1.9	1.6	1.3	-29.0%	-14.7%
- Other loans	14.5	12.7	12.6	-12.7%	-0.9%
Leasing	0.9	0.8	0.7	-18.7%	-9.3%
Repos	3.5	2.4	3.7	5.1%	50.2%
GACS Senior Notes	2.3	2.4	2.3	-0.8%	-3.7%
Total Net Performing Loans	105.0	105.3	106.1	1.0%	0.8%

Net Performing loans in Stage 2 at €11.4bn as at 31/12/21, with a coverage of 2.8%

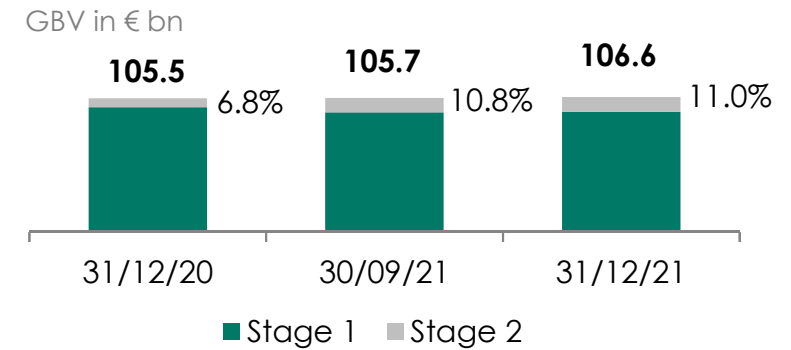
Notes: 1. Management data. See slide 31 for details. 2. Loans and advances to customers at Amortized Cost, including also the GACS senior notes.

ANALYSIS OF PERFORMING LOAN PORTFOLIO

Performing customer loan (GBV) breakdown as at 31/12/2021¹

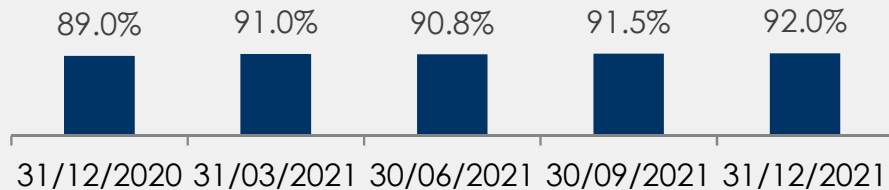


Staging evolution of Performing Loans



Performing portfolio: EAD by risk categories²

Share of Low/Medium risk categories (EAD)



Notes: 1. GBV of on balance-sheet performing exposures. Financials include REPOs with CC&G. Management data. 2. Includes all performing customer loans subject to the internal rating process (AIRB) + loans assisted by State Guarantees towards counterparties potentially subject to A-IRB. Based on 11 rating classes for rated performing loans.

ASSET QUALITY DETAILS – LOANS TO CUSTOMERS AT AC

GROSS EXPOSURES €/m and %	31/12/2020	30/09/2021	31/12/2021	Chg. y/y		Chg. in Q4	
				Value	%	Value	%
Bad Loans	3,578	2,148	2,190	-1,388	-38.8%	43	2.0%
UTP	4,946	4,386	4,126	-820	-16.6%	-260	-5.9%
Past Due	62	63	60	-2	-3.7%	-3	-4.8%
NPE	8,586	6,596	6,376	-2,210	-25.7%	-220	-3.3%
Performing Loans	105,508	105,724	106,577	1,069	1.0%	853	0.8%
TOTAL CUSTOMER LOANS	114,095	112,320	112,953	-1,141	-1.0%	633	0.6%

NET EXPOSURES €/m and %	31/12/2020	30/09/2021	31/12/2021	Chg. y/y		Chg. in Q4	
				Value	%	Value	%
Bad Loans	1,462	934	906	-556	-38.0%	-28	-3.0%
UTP	2,785	2,485	2,309	-475	-17.1%	-176	-7.1%
Past Due	46	52	45	-1	-2.3%	-8	-14.7%
NPE	4,293	3,472	3,261	-1,032	-24.0%	-211	-6.1%
Performing Loans	105,042	105,261	106,123	1,081	1.0%	862	0.8%
TOTAL CUSTOMER LOANS	109,335	108,733	109,383	48	0.0%	651	0.6%

COVERAGE %	31/12/2020	30/09/2021	31/12/2021
UTP	43.7%	43.3%	44.0%
Past Due	26.4%	16.6%	25.3%
NPE	50.0%	47.4%	48.9%
Performing Loans	0.44%	0.44%	0.43%
TOTAL CUSTOMER LOANS	4.2%	3.2%	3.2%

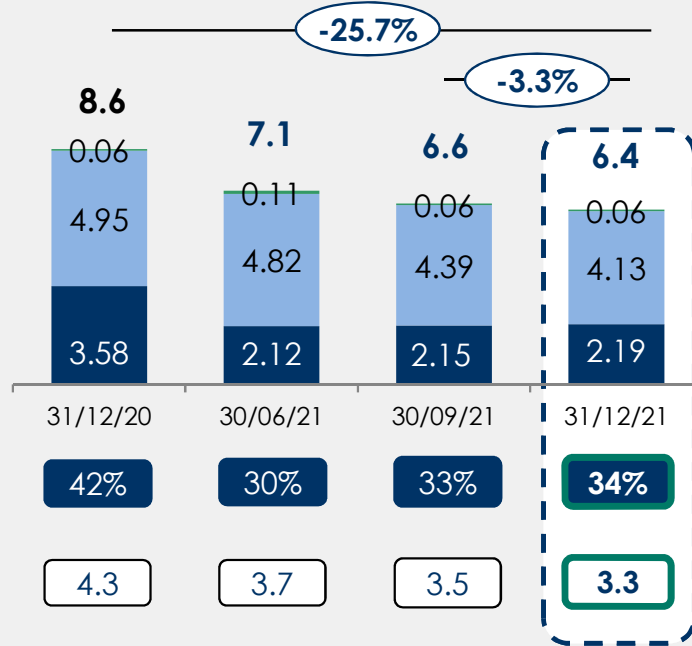
Data refer to Loans to customers measured at Amortized Cost, including also the GACS Senior Notes.

NPE EVOLUTION IN 2021: ANOTHER SIGNIFICANT STEP IN DERISKING

NPE STOCK DOWN BY €2.2BN IN 2021, O/W: €0.2BN IN Q4

GBV in € bn

- PD
- UTP
- Bad Loans



COVERAGE: TREND DRIVEN BY LOWER SHARE OF BAD LOANS AND HIGHER SHARE OF SECURED POSITIONS AFTER PROJECT ROCKETS

Coverage ratios indicated in brackets include write-offs

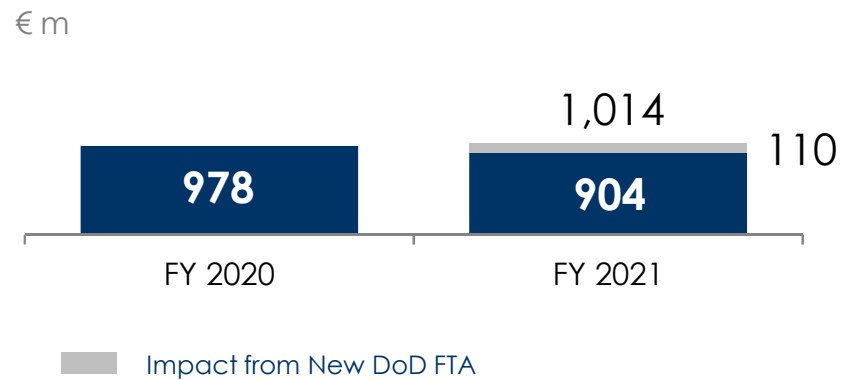
	31/12/20	31/03/21 ADJ. post Rockets	30/09/21	31/12/21
BAD LOANS	59.1% (65.2%)	54.9%	56.5% (66.6%)	58.6% (67.8%)
UTP	43.7%		43.3%	44.0%
PAST DUE	26.4%		16.6%	25.3%
TOTAL NPE	50.0% (53.4%)	45.9%	47.4% (52.1%)	48.9% (53.4%)

% Share (GBV) of:

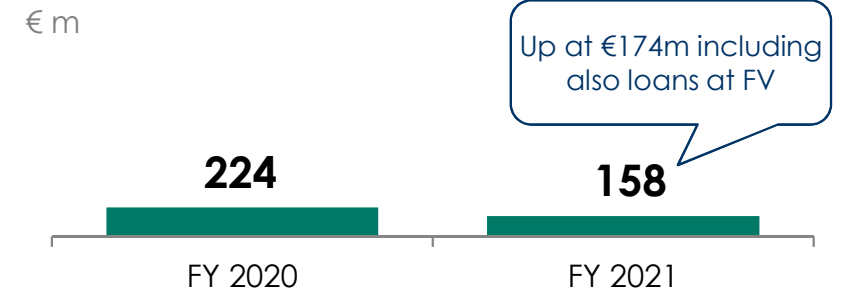
Secured NPE	60%	65%	66%
Secured Bad Loans	64%	67%	67%

REASSURING TREND OF NPE FLOWS & MIGRATION RATES

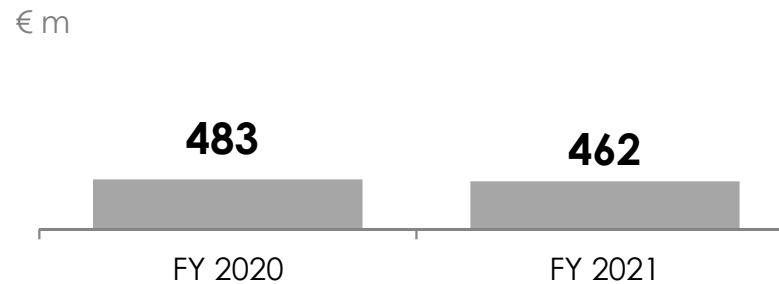
Inflows from Performing to NPEs



Outflows from NPEs to Perf. Loans



Flows from UTP to Bad Loans



CAPITAL POSITION IN DETAIL

PHASED IN CAPITAL POSITION (€/m and %)	31/12/2020	30/09/2021	31/12/2021
CET 1 Capital	9,597	9,654	9,387
T1 Capital	10,397	10,830	10,564
Total Capital	12,304	12,782	12,524
RWA	65,606	66,374	63,931
CET 1 Ratio	14.63%	14.54%	14.68%
AT1	1.22%	1.77%	1.84%
T1 Ratio	15.85%	16.32%	16.52%
Tier 2	2.91%	2.94%	3.07%
Total Capital Ratio	18.75%	19.26%	19.59%

Leverage ratio Phased-In as at 31/12/2021: 5.92%

FULLY PHASED CAPITAL POSITION (€/m and %)	31/12/2020	30/09/2021	31/12/2021
CET 1 Capital	8,736	8,815	8,559
T1 Capital	9,431	9,908	9,652
Total Capital	11,338	11,860	11,613
RWA	65,868	66,167	63,729
CET 1 Ratio	13.26%	13.32%	13.43%
AT1	1.06%	1.65%	1.71%
T1 Ratio	14.32%	14.97%	15.15%
Tier 2	2.89%	2.95%	3.08%
Total Capital Ratio	17.21%	17.92%	18.22%

Leverage ratio Fully Loaded as at 31/12/2021: 5.44%

PHASED IN RWA COMPOSITION (€/bn)	31/12/2020	30/09/2021	31/12/2021
CREDIT & COUNTERPARTY RISK	54.9	56.0	54.1
<i>of which: Standard</i>	30.6	29.7	29.7
MARKET RISK	3.5	3.0	2.5
OPERATIONAL RISK	7.0	7.0	7.1
CVA	0.2	0.3	0.3
TOTAL	65.6	66.4	63.9

FULLY PHASED RWA COMPOSITION (€/bn)	31/12/2020	30/09/2021	31/12/2021
CREDIT & COUNTERPARTY RISK	55.2	55.8	53.9
<i>of which: Standard</i>	30.9	29.5	29.5
MARKET RISK	3.5	3.0	2.5
OPERATIONAL RISK	7.0	7.0	7.1
CVA	0.2	0.3	0.3
TOTAL	65.9	66.2	63.7

ESG ACTION PLAN: WELL ON TRACK ON ALL 7 WORKSTREAMS (1/2)



ACTIVATED WORKSTREAMS

 **WORKSTREAM 1**
GOVERNANCE

- Integrate ESG-oriented roles and responsibilities within all activities
- Integrate ESG topics into corporate policies
- Incentive scheme strengthened with ESG KPIs

 **WORKSTREAM 2**
RISK & CREDIT

- Integrate climate-related and environmental topics within the risk and lending processes

 **WORKSTREAM 3**
PEOPLE

- Attention to Inclusion & Diversity (I&D), with focus on female empowerment

KEY ACHIEVEMENTS SO FAR

- ESG KPIs defined and integrated into the remuneration policy for Top Management
- Definition of roles and responsibilities of the ESG Ambassadors and kick-off of the initiative → 50 colleagues, representing all the corporate units, selected for spreading the sustainability culture and enhancing the execution of the ESG plan

- Portfolio mapping aimed at evaluating the Environmental risk
- Identification process of climate scenarios of physical and transition risks started
- Integration of climate risk within the risk identification process and first climate risk materiality assessment
- Lending policies integrated with ESG factors

- Dedicated unit "Inclusion Diversity & Social" set up in the HR Department
- BBPM included in the Bloomberg Gender-Equality Index in Jan. 22
- Gender Programme activated and kick-off of tailor-made paths of female empowerment
- Increase in the share of women in managerial positions to 23.4% at YE 2021, from 20.8% at YE 2020
- ESG training for all the employees, with a more specialized focus for those resources involved in the Workstreams of our ESG Action Plan
- Respect project: >1,800 managers trained on "Respect, Inclusion and Positive behavior"
- Start of the "Volontariamo" initiative

ESG ACTION PLAN: WELL ON TRACK ON ALL 7 WORKSTREAMS (2/2)



ACTIVATED WORKSTREAMS



WORKSTREAM 4 CLIENTS/BUSINESS

- Establish a dedicated ESG commercial offering



WORKSTREAM 5 CLIENTS WEALTH MANAGEMENT

- Define ESG investment policy
- Strengthen consulting and offering of ESG investment products



WORKSTREAM 6 ENVIRONMENT

- Further reduce direct environmental impacts



WORKSTREAM 7 STAKEHOLDER ENGAGEMENT & MEASUREMENT

- Strengthen relationships with international organisations
- Develop ESG metrics and accountability

KEY ACHIEVEMENTS SO FAR

- Green Social & Sustainable Bonds Framework: first social bond issue perfected and analysis for further issues
- Increase of the Plafond for ESG investments, new green residential mortgages and new mortgages for young people (under 36), backed by public guarantees
- Green bancassurance Vera product (one tree for Trentino each new bancassurance product sold)
- Training for Corporate sale force on Plafond for ESG investments and >600 hours of ESG education for enterprises

- Integration of ESG risk in Advisory and Wealth Management
- Wider ESG WM product portfolio with Third Parties and our Strategic Partners (Anima Esalogo, Anima Gender Equality, Anima Sistema Comunitam, Vera Financial Futuro Sostenibile); increase of products compliant with Art. No. 8 and 9 from ~6% at YE 2020 to >14% as at 31/12/2021 of total AuM
- ESG Advisor training at the SDA Bocconi for colleagues active in Private Banking, WM and Advisory (EFPA ESG Certification obtained by a first group of 50 people)
- >6,000 hours of Financial education for our stakeholders

- Conclusion of the first Compensation Project (Tanzania Project) → compensating ~800 t. CO2 equivalent
- Reduced Scope 1&2 net emissions by > -7% in FY 2021 vs. pre-pandemic level¹
- Maintenance of the ISO Environmental, Energy and Occupational Health and Safety certifications

- Banco BPM joins the UNGC and becomes a supporter of the TCFD in December 2021
- BBPM included in the MIB ESG Index in Oct. 21
- Monitoring and control of the internal implementation of the new regulation for non-financial disclosure
- >3,000 "Social Hours" dedicated to Corporate community services

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