



H1 2021 Group Results Presentation

5 August 2021



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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.

Agenda

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H1 2021 AT A GLANCE: OUTSTANDING RESULTS AND NEW POTENTIAL UPSIDE FROM A REINFORCED BUSINESS MODEL

FINANCIAL RESULTS ACHIEVED IN H1 2021

OPERATING PERFORMANCE

Strong results confirming the effectiveness of our commercial network and ongoing cost containment

NET INCOME:
€361M Stated
€382M Adj.

Well above market consensus for FY 2021¹

ASSET QUALITY

Further improvement in the risk profile, while maintaining prudent provisioning standards

GROSS NPE RATIO: 6.2%
(5.2% EBA definition)²

Significantly down vs 24.1%³ with no new capital required from shareholders

CAPITAL POSITION

Sound capital position with solid buffers, well beyond management guidance

CET 1 FL: 12.9%
MDA BUFFER FL: 402bps

From 13.3% (YE 20) to 12.9%, despite the absorption of material regulatory headwinds (-95bps)

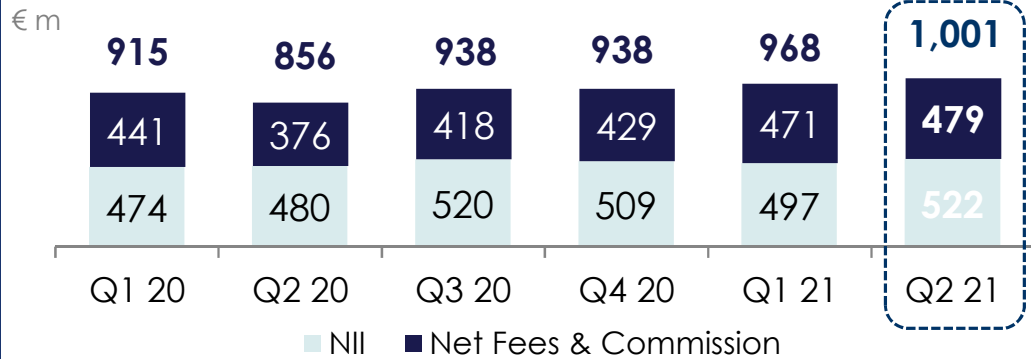
AGREEMENTS FINALISED IN H1 2021, ENABLING FUTURE BUSINESS MODEL EVOLUTION



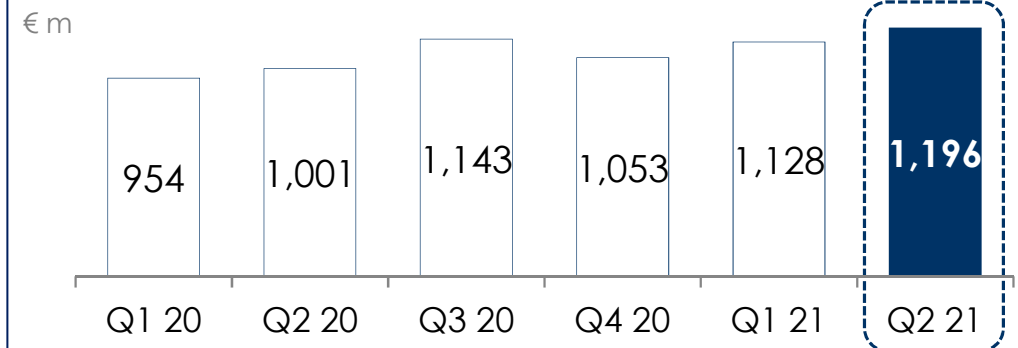
Flexibility to exploit the full potential in bancassurance, following the recent redefinition of partnership agreements

PROFITABILITY GROWTH SUPPORTED BY SOUND REVENUE DYNAMICS

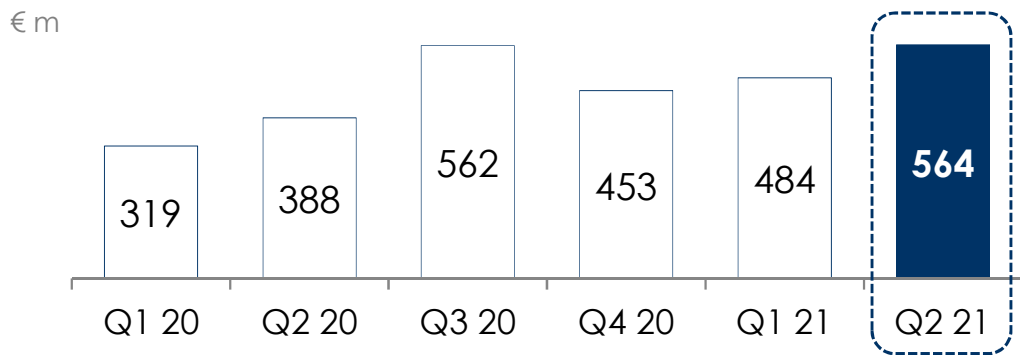
CORE REVENUES



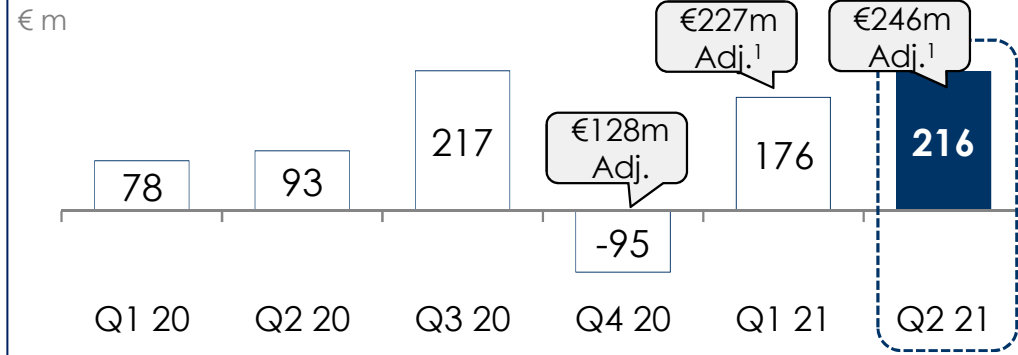
TOTAL REVENUES



PRE-PROVISION INCOME

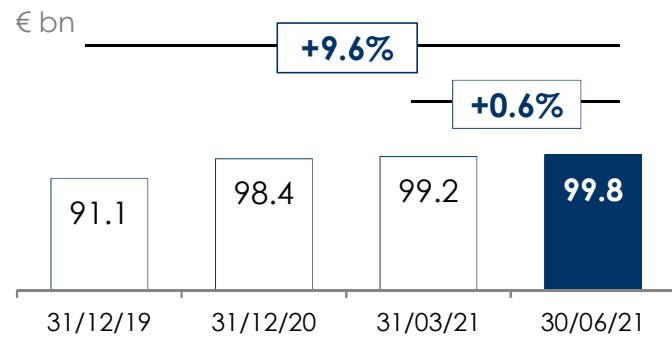


NET PROFIT FROM CONTINUING OPERATIONS

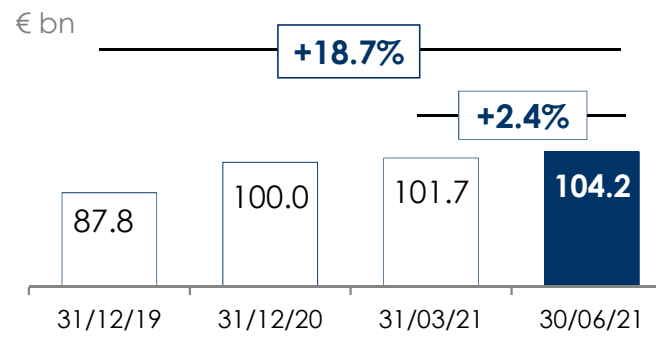


VOLUME GROWTH, FURTHER DERISKING AND SOLID CAPITAL

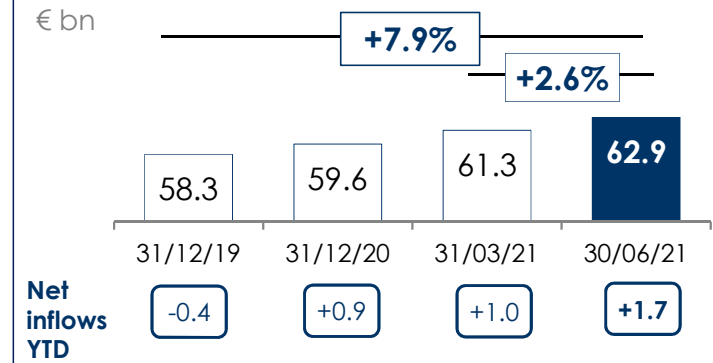
«CORE» NET PERF. CUSTOMER LOANS



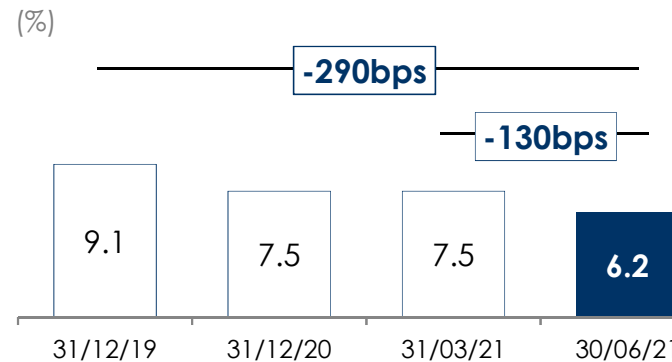
C/A & CUSTOMER DEPOSITS



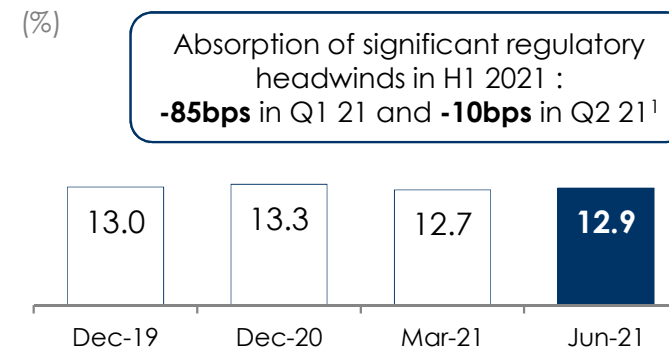
ASSETS UNDER MANAGEMENT



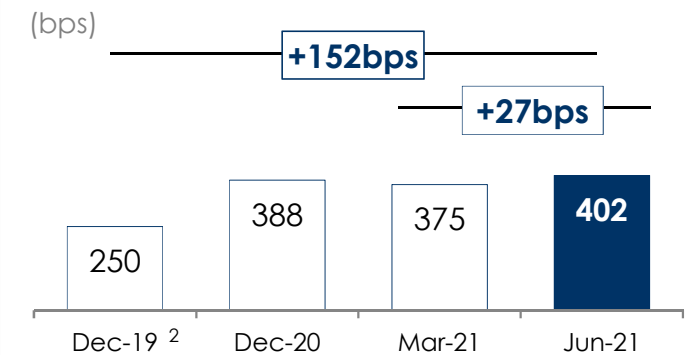
GROSS NPE RATIO



CET1 RATIO FL



MDA BUFFER FL



EXPANDING DIGITAL BANKING INTO A NEW SERVICE MODEL

DIGITAL CHANNEL ADOPTION: H1 2021 KEY NUMBERS...

Individual Customers

TRANSACTIONS

85%

Remote Transactions¹

vs. 76% in H1 2019

10.2m

APP-based transactions

vs. 4.2m in H1 2019, + 145%

24%

APP-based transaction on total transactions

vs. 9% in H1 2019

CUSTOMERS

53%

Active Digital Users on total Users²

vs. 42% in H1 2019

67%

Active Mobile Users on Digital Active Users³

vs. 42% in H1 2019

1.5m

App Customers

vs. 1.0m in H1 2019

... ACHIEVED THANKS TO A CUSTOMER-CENTERED DIGITAL OMNICHANNEL TRANSFORMATION PROGRAM



DIGITAL PLATFORMS

Fully successful roll out of the new Group mobile banking APP (**4.7/5.0** rating IOS and **4.6/5.0** on Android)⁽²⁾



OMNICHANNEL ADVISORY

Focus on omnichannel engagement (already **> 15%** of total new sales revenues) and progressive offering remotization (e.g. Non-Life Insurance and Financial Advisory first services)



ADVANCED CUSTOMER ANALYTICS

Consistent set of over 20 data-driven new customer journeys deployed, already addressing **> 30%** of total sales among individual customers



DIGITAL SME

Progressive requalification of Remote banking user experience (**+6 p.p.** customer score) and ERP integration)



DIGITAL BRANCH

Empowerment of smart assistance tools (already addressing **> 50%** of total assistance requests) to reduce inbound flows and refocusing on commercial activities



DIGITAL IDENTITY

Started roll out of new digital identity enabling paperless relationship and access to available remote offering (first **100k** customers enrolled)



Notes: **1.** ATM, Internet Banking, Mobile Banking. **2.** Users with digital transactions (Internet Banking + Mobile Banking) vs. Users with transactions in all channels (Internet Banking, Mobile Banking, ATM, branch). **3.** Users with transactions on mobile and tablet devices vs. users with digital transactions.

CONTINUOUS ESG IMPROVEMENT REFLECTED ALSO IN RATINGS

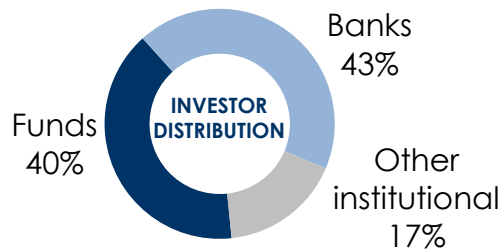
FIRST ESG BOND SUCCESSFULLY ISSUED (JULY 2021)

GREEN, SOCIAL AND SUSTAINABILITY BOND FRAMEWORK:

- Aligned with the ICMA Principles 2021
- Positive Second Party Opinion released by ISS

€500M SOCIAL BOND (SENIOR PREFERRED) ISSUED UNDER THE €25BN EMTN PROGRAMME:

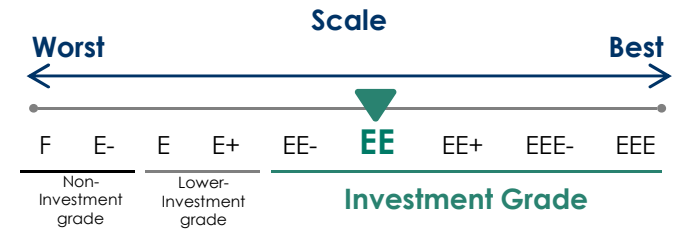
- One of the few Social bonds issued by Italian banks, testifying the strong focus of BBPM on supporting its historical local areas of reference
- Use of proceeds: finance or refinance Italian SME's loans guaranteed by the State issued in response to the Covid-19 crisis
- Positive response from institutional investors



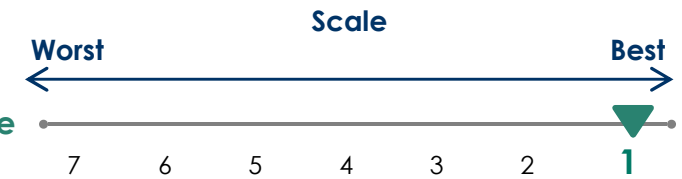
IMPROVED ESG RATINGS



June 2021:
Rating upgraded to EE
(from EE-)



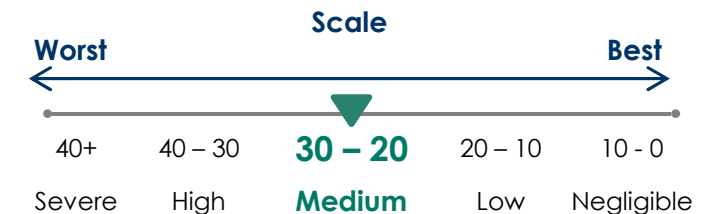
April 2021:
Governance Quality Score
improved to 1 (from 7)



Top rank vs. main peers thanks to the recognized improvements in «Governance» factors

SUSTAINALYTICS

July 2021:
Rating improved to 25.5
(from 27.7)



STRONG POTENTIAL TO SUSTAIN AMBITIOUS PROFITABILITY: NEW STRATEGIC PLAN BY Q3 2021 RESULTS PRESENTATION

- SOLID H1 2021 RESULTS THANKS TO BANCO BPM'S EFFECTIVE RESPONSE TO THE COVID-19 CRISIS
- H1 2021 RESULTS COUPLED WITH A CLEARER MACRO SCENARIO ALLOW TO ANNOUNCE NEW PLAN BY Q3 2021 RESULTS

€ m

	MAIN FY 2023 TARGETS OF "OLD" STRATEGIC PLAN ¹	CURRENT STATUS: H1 2021	NEW STRATEGIC PLAN: ENABLING FACTORS
TOTAL REVENUES o/w: CORE + ASSOCIATES	~4,400 ~4,220	2,324 2,067	➤ Bancassurance growth engine: an opportunity for the New Strategic Plan ➤ Additional opportunities from Next Generation EU/PNRR ²
OPERATING COSTS	~(2,590)	(1,276)	
COST / INCOME	~59%	55%	➤ Voluntary retirement scheme increased from 1,100 to 1,600... ➤ ... essentially impacting from H2 2021, with ~1,000 exits already finalized at the end of June 2021
COST OF RISK	~51 bps	86 bps o/w: 52 bps Core (annualized)	
NET INCOME	~770	361	➤ NPE Ratio at 5.2% end-June 21 vs. 5.9% Target 2023 ³ ➤ Future CoR to benefit from: current prudent approach and recent improvement in the risk profile and in loans under Moratoria.
ROTE	7.2%	7.0% (annualized)	
			➤ Potential to reach ambitious, yet fully credible long-term targets



Note: 1. Targets included in 2020-2023 strategic plan announced on March 3rd 2020. 2. PNRR: Italian acronym for National Recovery and Resilience Plan. 3. EBA definition: gross NPE ratio calculated as per EU Transparency Exercise.

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KEY P&L HIGHLIGHTS – STATED

Net Income at €361m in H1 2021: €100m in Q1 and €261m in Q2

€ m	P&L STATED			P&L STATED		
	Q1 2021	Q2 2021	Q/Q	H1 2020	H1 2021	H/H
NET INTEREST INCOME	497	522	5.1%	954	1,019	6.9%
NET FEES & COMMISSIONS	471	479	1.5%	817	950	16.3%
NFR	100	117	16.9%	83	216	159.1%
OTHER REVENUES	60	78		102	138	
TOT. REVENUES	1,128	1,196	6.0%	1,956	2,324	18.8%
OPERATING COSTS	-644	-632		-1,249	-1,276	
PRE-PROVISION INCOME	484	564	16.6%	707	1,048	48.2%
LOAN LOSS PROVISIONS	-217	-256		-476	-473	
OTHER ¹	-8	-42		-21	-50	
PROFIT FROM CONTINUING OPERATIONS (pre-tax)	259	267		210	526	
TAXES	-83	-51		-39	-133	
NET PROFIT FROM CONTINUING OPERATIONS	176	216	22.4%	171	392	129.9%
SYSTEMIC CHARGES AND OTHER ²	-76	-34		-66	-110	
REALIG. OF FISCAL VALUES TO ACCOUNT. VALUE	0	79		0	79	
NET INCOME	100	261	161.0%	105	361	243.4%

KEY P&L HIGHLIGHTS – ADJUSTED¹

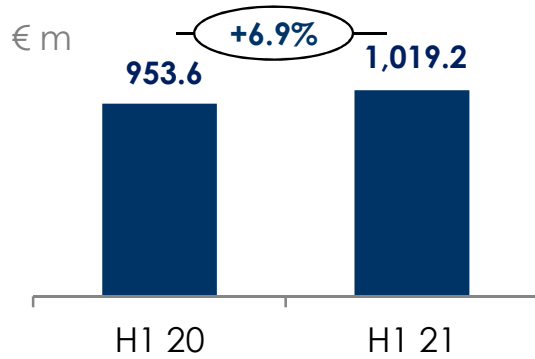
Strong Revenue growth driving PPI to €1,035m in H1 2021: +13.1% Q/Q and +45.9% H/H

€ m	P&L ADJUSTED			P&L ADJUSTED		
	Q1 2021	Q2 2021	Q/Q	H1 2020	H1 2021	H/H
NET INTEREST INCOME	497	522	5.1%	954	1,019	6.9%
NET FEES & COMMISSIONS	471	479	1.5%	817	950	16.3%
NFR	100	117	16.9%	83	216	159.1%
OTHER REVENUES	60	78		102	138	
TOT. REVENUES	1,128	1,196	6.0%	1,956	2,324	18.8%
OPERATING COSTS	-642	-647		-1,247	-1,289	
PRE-PROVISION INCOME	486	549	13.1%	709	1,035	45.9%
LOAN LOSS PROVISIONS	-143	-235		-476	-379	
OTHER ²	-8	-5		-16	-12	
PROFIT FROM CONTINUING OPERATIONS (pre-tax)	335	309		217	644	
TAXES	-108	-63		-41	-171	
NET PROFIT FROM CONTINUING OPERATIONS	227	246	8.3%	176	473	168.8%
SYSTEMIC CHARGES AND OTHER ³	-76	-15		-48	-91	
NET INCOME	151	231	53.3%	128	382	197.5%

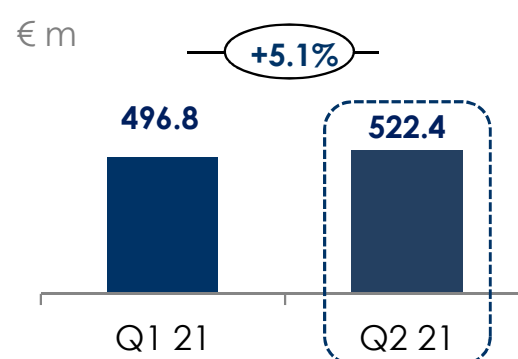
- NII at €522M in Q2 21 (+5.1% Q/Q) and at €1,019M in H1 21 (+6.9% H/H)
- **NET COMMISSIONS** at €479M in Q2 21 (+1.5% Q/Q), and €950M in H1 21 (+16.3% H/H) outperforming strong Q1 2021 results
- **NFR:**
 - +16.9% Q/Q, driven by the positive evaluation of equity stakes at FV
 - +159.1% H/H, with excellent results from trading, FV activities and capital gains on securities
- **LLPs** at €379M in H1 21, excluding €94m for new de-risking strategy, still maintaining a prudent approach
- **NET INCOME** H1 21 at €382M in an environment still impacted by Covid

NET INTEREST INCOME GROWTH IN H1 2021

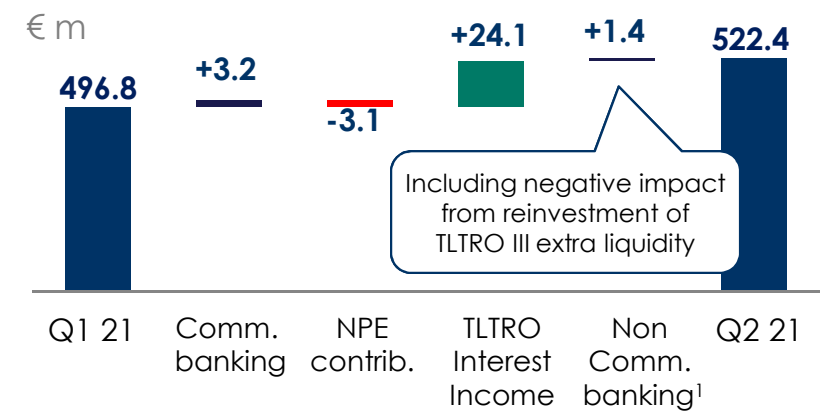
Half-yearly trend



Quarterly trend



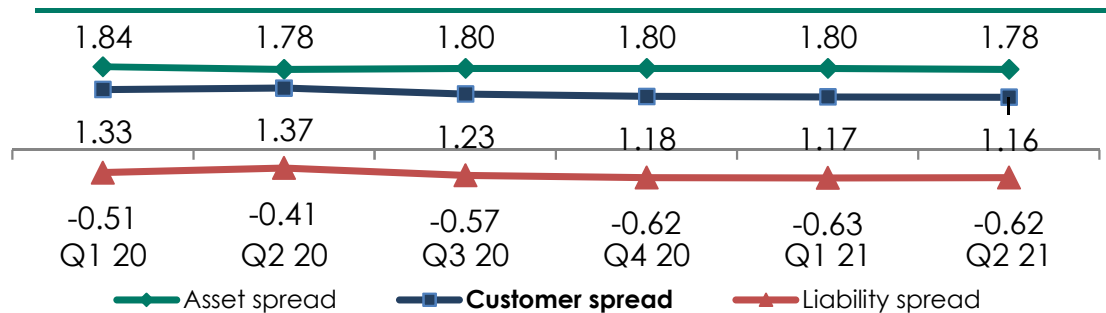
NII Evolution Bridge



NPE contribution



Commercial spreads



Euribor 3M Avg.

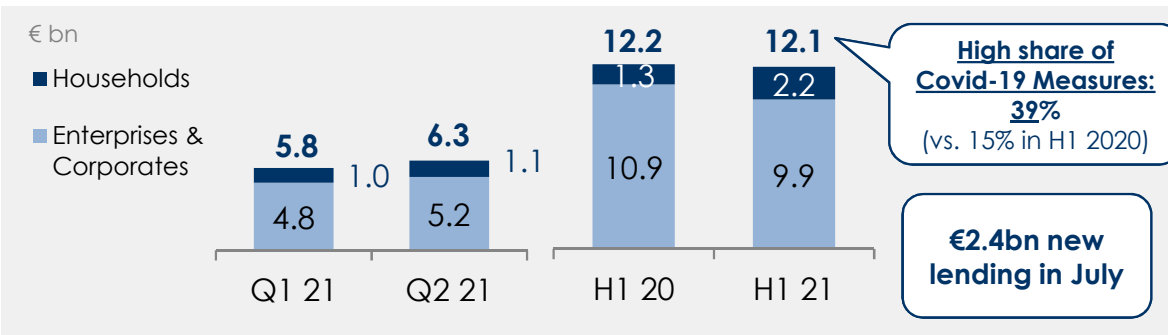


Notes: 1. Includes: ALM, financial activities, Hedging, interest on Bonds (Retail and Institutional) and other elements.

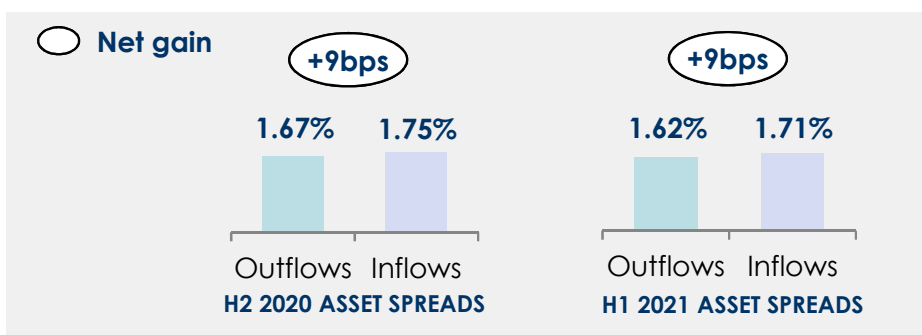
- Resilient customer spread at 1.16% in Q2, notwithstanding the increase in the share of new State-guaranteed lending (39% of total in H1 2021)
- Volume growth mostly concentrated in M/LT lending to SMEs and Households, as well as in Corporate ST lending

NEW LENDING: STILL FOSTERED BY STATE-GUARANTEED MEASURES

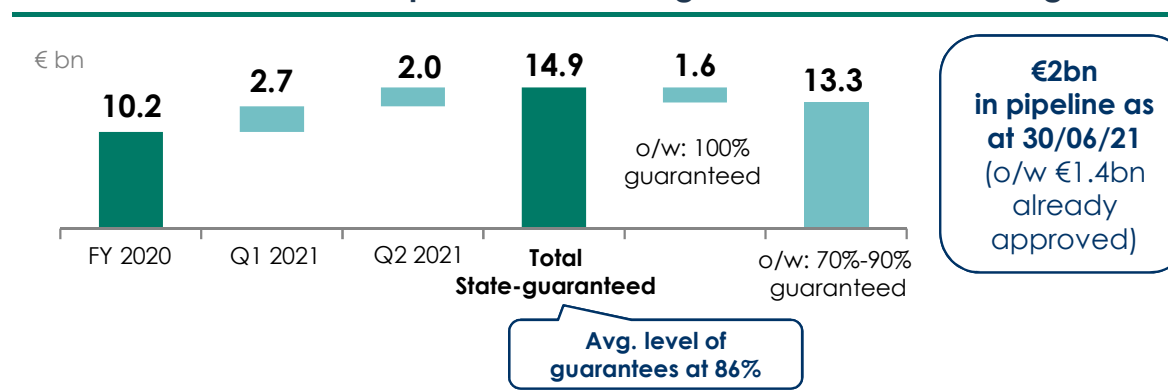
€12.1BN NEW LOANS IN H1 2021¹, O/W €4.7BN COVID-19 MEASURES GUARANTEED BY THE STATE



VIRTUOUS SUBSTITUTION EFFECT ON ASSET SPREAD OF M/LT LOANS CONFIRMED IN H1 2021



Evolution and composition of State-guaranteed new lending



- Strong commercial performance confirmed also in Q2, with new lending +8.8% Q/Q (+10.8% Households and +8.3% Enterprises & Corporates).
- Robust performance of new lending to Households: +62.3% Y/Y
- Well above TLTRO III net lending targets: minimum requirement exceeded for the first observation period (ended in March 2021) with >€7bn²; current buffer for the observation period ending at end 2021 at €2.8bn³

Management data

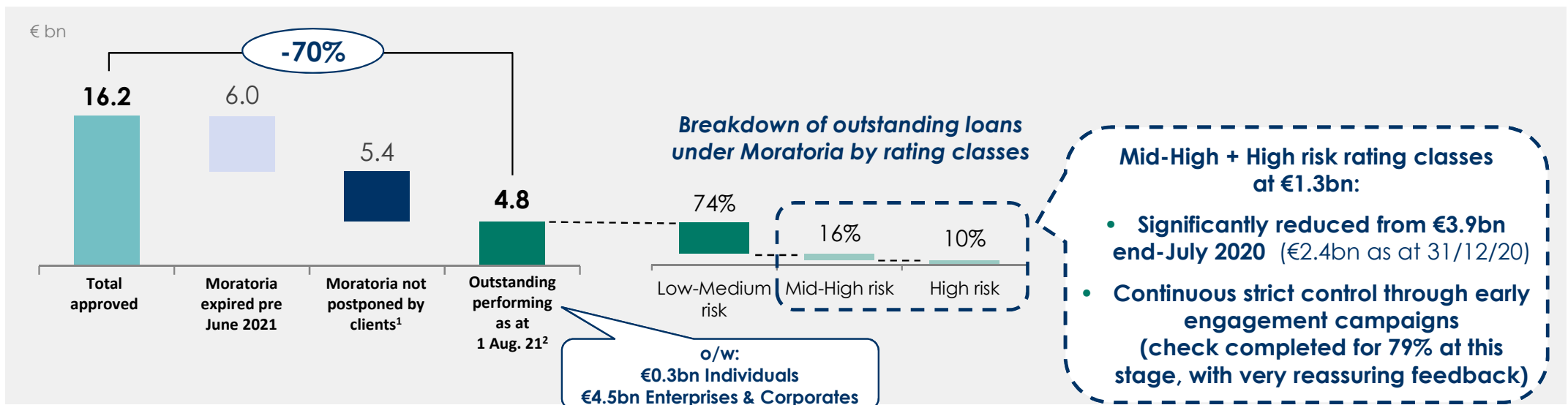


Note: **1.** M/L-term Mortgages (Sec. and Unsec.), Personal Loans, Pool and Structured Finance. **2.** Valid for the application of the Deposit Facility Rate and the Special Interest Rate up until 23 Jun. 2021. **3.** Valid for the application of the Deposit Facility Rate and the Special Interest Rate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

COVID MORATORIA: 70% REDUCTION WITH VERY LOW DEFAULT RATE

STRONG RESILIENCE OF THE MORATORIA PORTFOLIO:

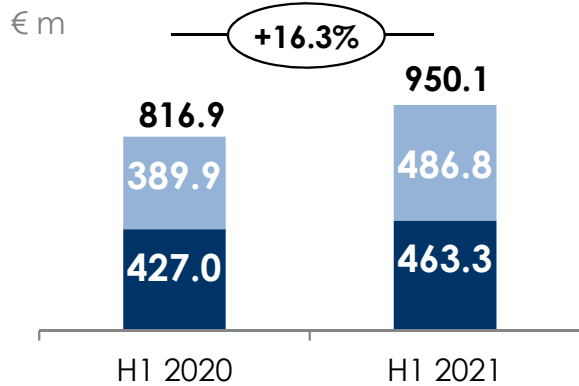
- Outstanding Moratoria down to €4.8bn:
 - representing a very limited portion of gross customer loans (4.3%)
 - concentrated in the best rating classes (74%), with Mid-High + High risk rating classes reduced by €2.6bn y/y
- Low adhesion to Law Decree “Sostegni BIS”: €5.4bn did not apply for a Moratoria extension
- Marginal Default Rate of the Moratoria of €6.0bn which expired before June 2021: 1.25%



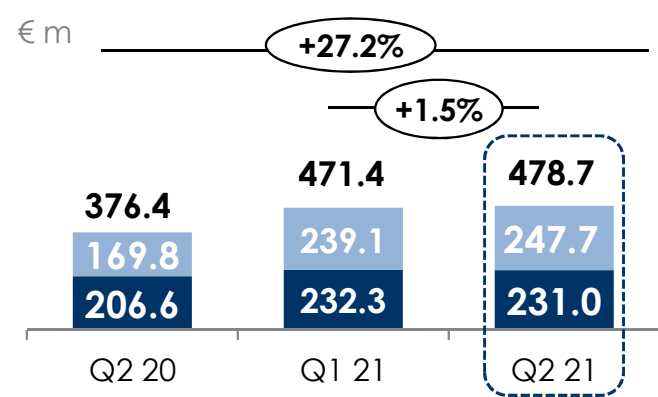
Notes: 1. Includes also Moratoria not perfected. 2. O/W: Government Moratoria €4.6bn and ABI Moratoria €0.2bn.

NET FEES AND COMMISSIONS: Q2 2021 OUTPERFORMING STRONG Q1 2021 RESULTS

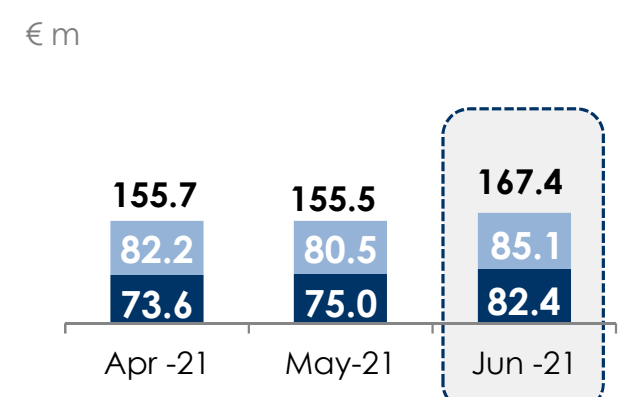
Half-yearly trend



Quarterly trend



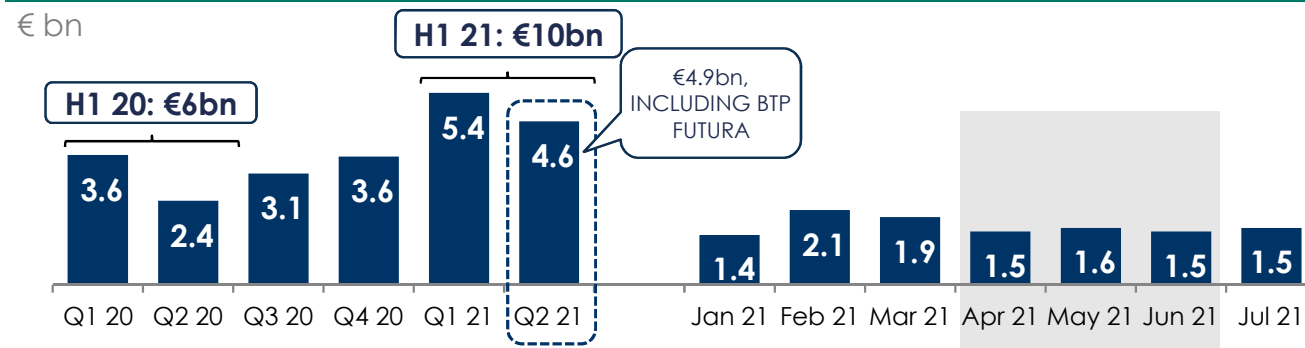
Q2 monthly trend



■ Commercial Banking Fees ■ Management & Advisory

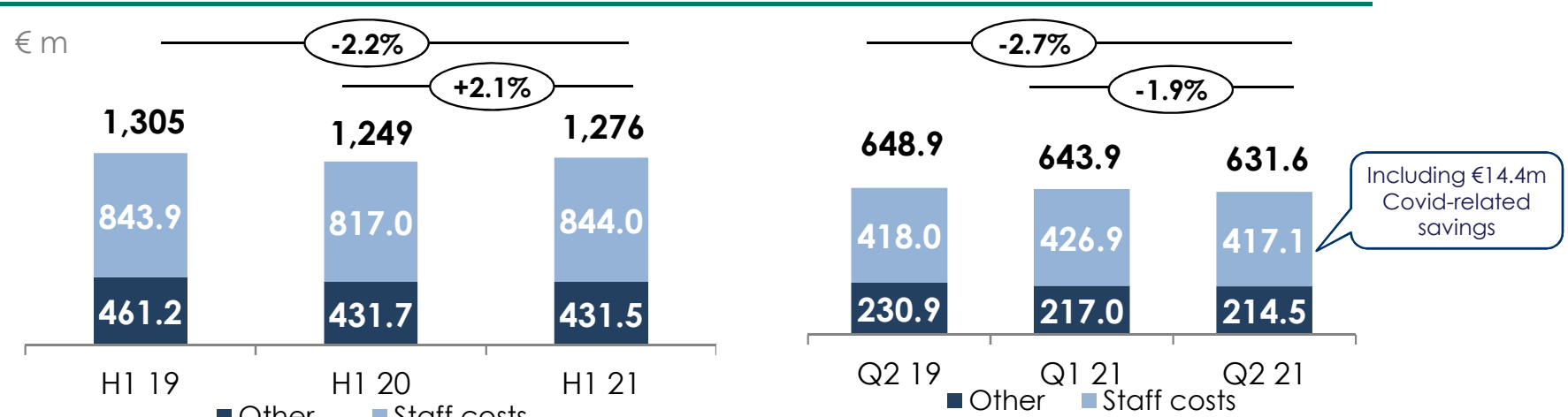
- Strong Management & Advisory fees in H1 21 at €486.8m (+24.8% H/H) and Commercial banking fees at €463.3m (+8.5% H/H)
- Net fees and commissions at €478.7m in Q2 21 (+27.2% Y/Y and +1.5% Q/Q)
- Management & Advisory fees +3.6% Q/Q, thanks to stronger contribution from running and corporate finance & M&A advisory

Investment product placements: trend¹

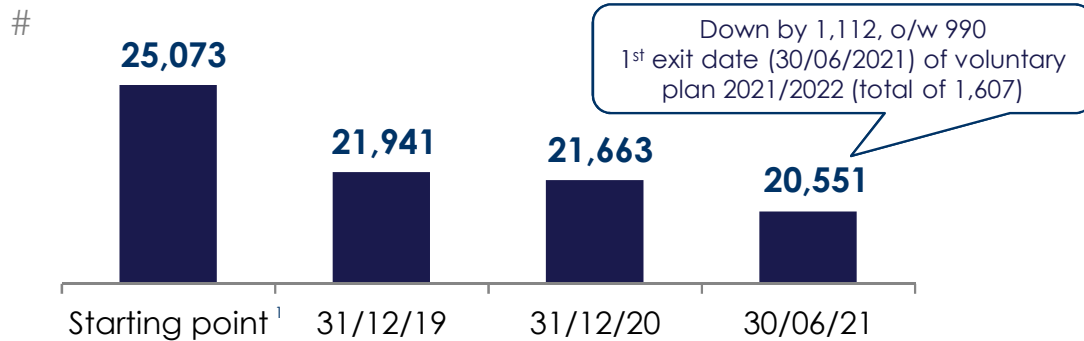


OPERATING COSTS: POSITIVE QUARTERLY TREND

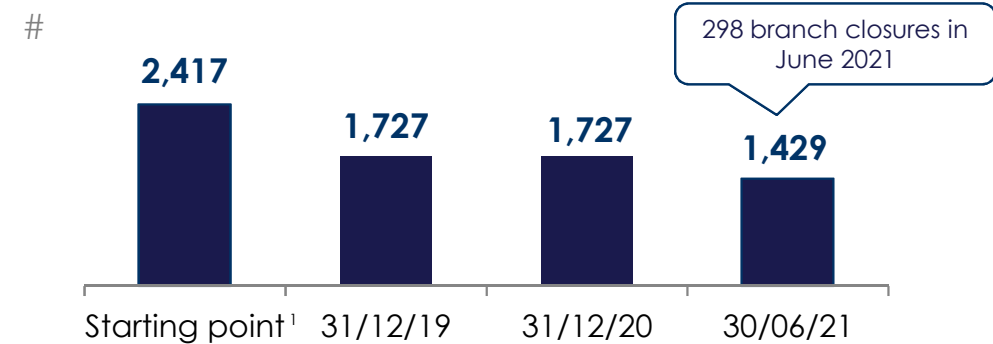
Total Operating Costs



Headcount Evolution

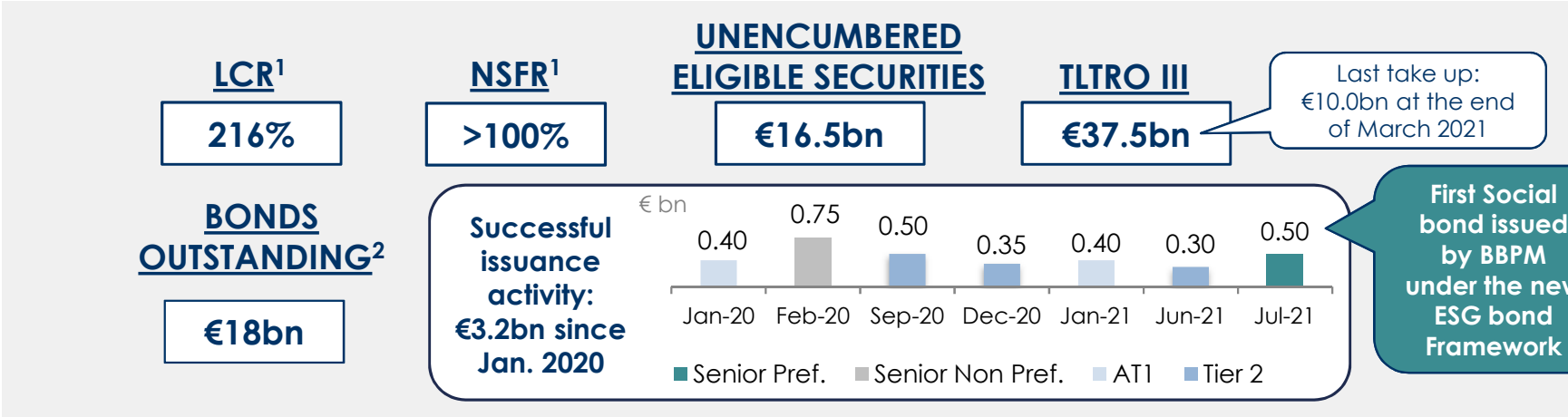


Retail Network Streamlining

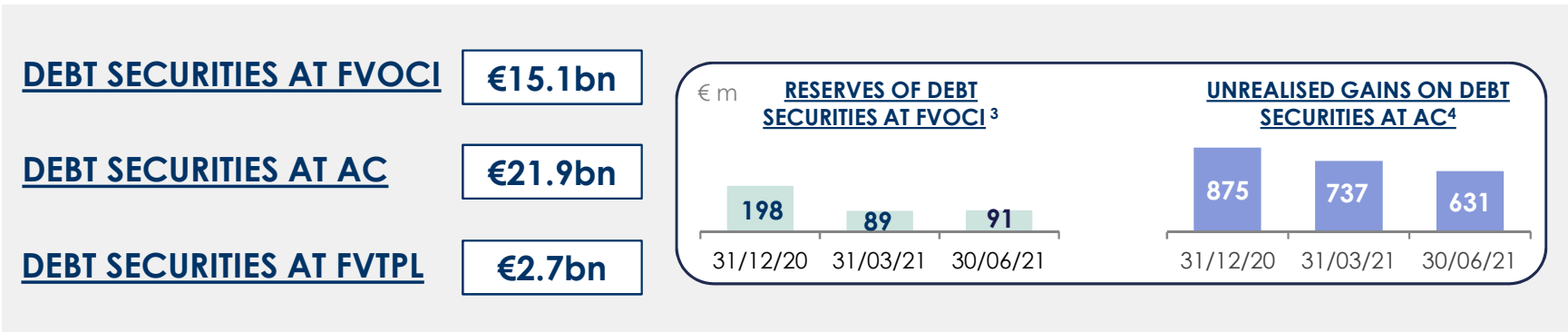


STRONG LIQUIDITY & FUNDING POSITION COUPLED WITH ACTIVE MANAGEMENT OF DEBT SECURITIES PORTFOLIO

LIQUIDITY & FUNDING

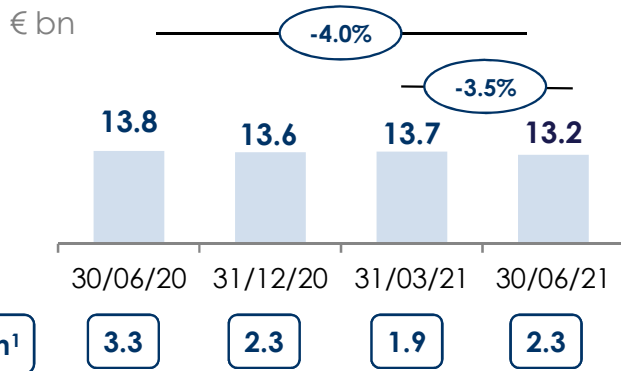


DEBT SECURITIES (€39.7bn)

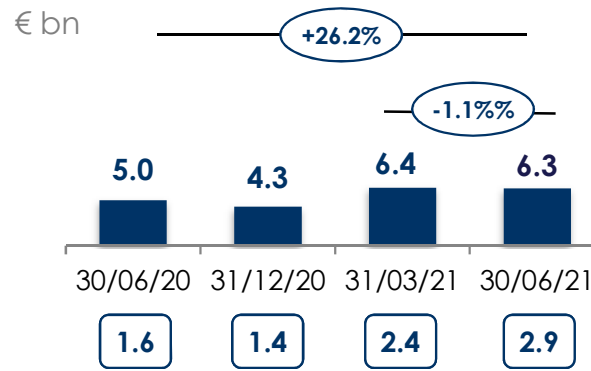


FOCUS ON GOVIES PORTFOLIO

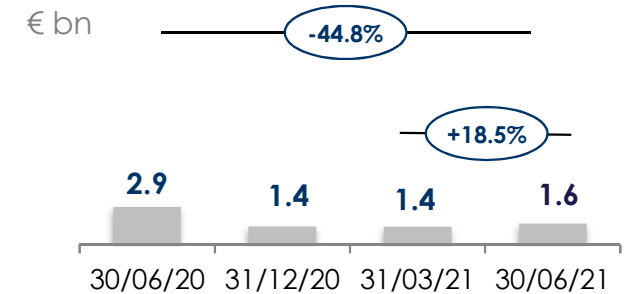
Italian Govies at AC



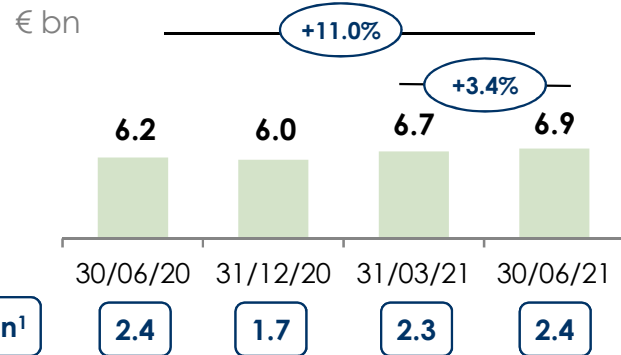
Italian Govies at FVOCI



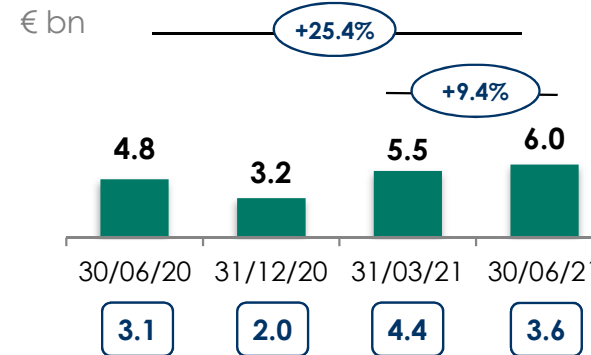
Italian Govies at FVTPL



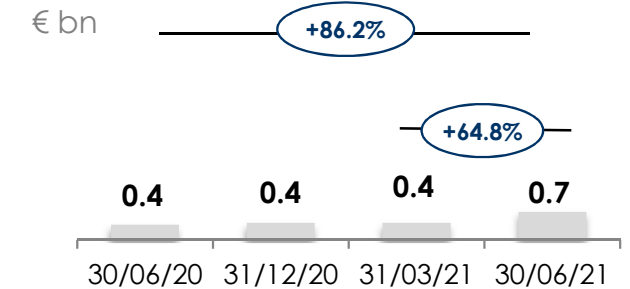
Non-IT Govies at AC



Non-IT Govies at FVOCI



Non-IT Govies at FVTPL

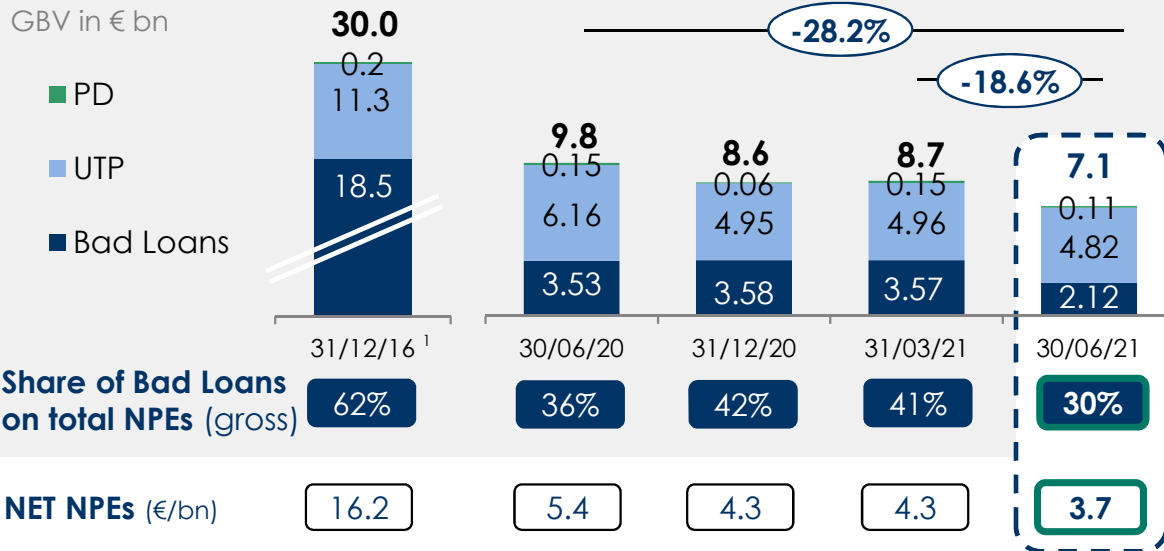


Notes: 1. In years. Management data, including hedging strategies (Swap & Options). Duration of total Govies in the Banking Book at 2.7 years (substantially stable vs. 2.5 years as at end of March).

NPE EVOLUTION: ANOTHER SIGNIFICANT STEP IN DERISKING

NPE STOCK:

DOWN BY €23BN SINCE THE MERGER WITH BAD LOANS DOWN BY >€16BN



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	31/03/21 ADJ. post Rockets	30/06/21
BAD LOANS	59.1% (65.2%)	62.7% (68.2%)	54.9%	55.4% (65.1%)
UTP	43.7%	43.1%		44.6%
PAST DUE	26.4%	15.0%		15.6%
TOTAL NPE	50.0% (53.4%)	50.7% (54.0%)	45.9%	47.4% (51.4%)

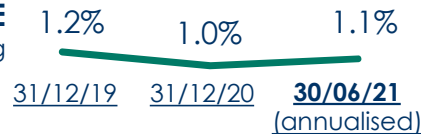
% Share (GBV) of:

Secured NPE	60%	60%		63%
Secured Bad Loans	64%	62%		69%

MIGRATION RATES

Ca. 1% excl.
New DoD FTA

DEFAULT RATE
(from Performing to NPEs)



DANGER RATE
(from UTP to Bad Loans)

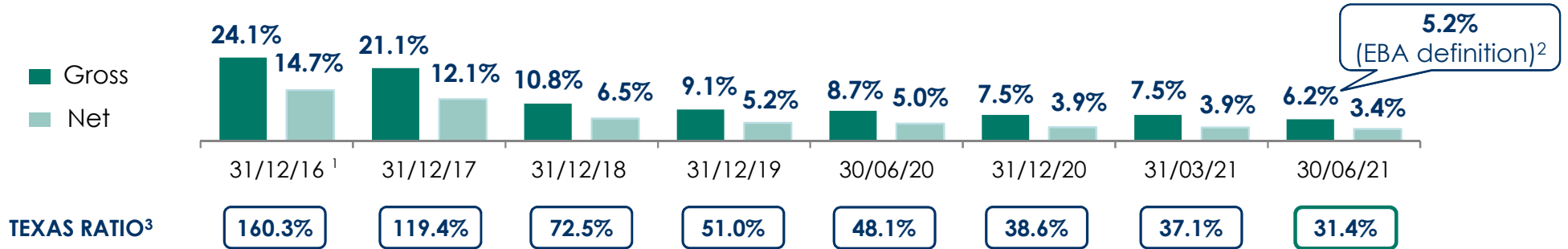


CURE RATE
(from UTP to Performing)

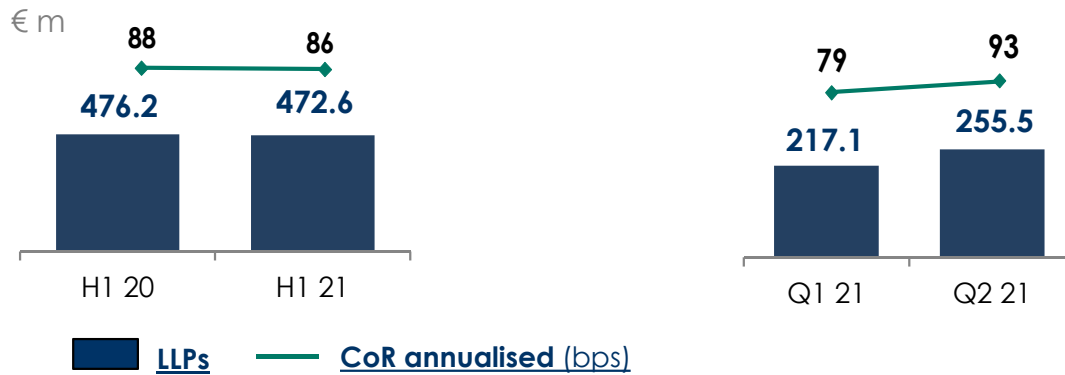


NPE RATIOS AND COST OF RISK

MATERIAL AND ONGOING IMPROVEMENT IN NPE RATIOS SINCE THE MERGER



LLPs & Cost of Risk evolution



H1 2021 COST OF RISK DRIVERS⁴

(annualised)

CORE DRIVERS

52bps

NON-CORE DRIVERS:

- IFRS 9 impact:

- Provisions for new derisking strategy (incl. Project Rockets)

- Tightening of Stage 2 criteria and model changes for some selected portfolios

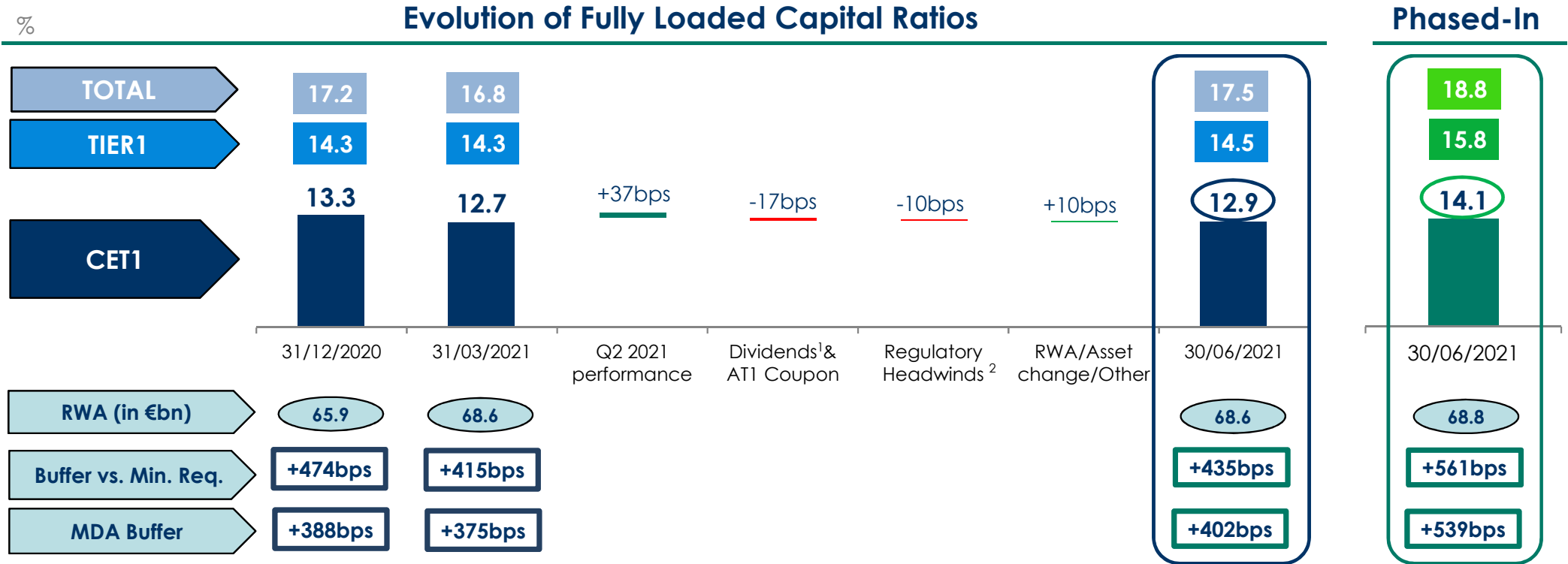
34bps

Gross Performing loans in Stage 2 at €11.3bn (10.7% of Perf. Loans)

(€9.7bn 31/03/21 and €7.2bn YE 2020)

CAPITAL ADEQUACY: SOLID POSITION AND BUFFERS

Ratios well above minimum requirements



2021 EU-wide EBA Stress Test

Analysis affected by particularly penalizing simulations and by a starting point already impacted by COVID 19:

- Value creation under the Baseline scenario
- Resilience under the Adverse scenario, with a better outcome vs. the 2018 Stress Test exercise
- Above minimum requirements in all stress scenarios (Base and Adverse)



Note: All data include also the Net Income of the pertinent quarters.
 1. Dividend accrual with an underlying payout ratio of about 40%. 2. Due to modifications introduced by CRR2 in relation to the Look-Through approach and Counterparty Risk approach.

FINAL REMARKS: EXCELLENT H1 2021 – WELL GEARED FOR FUTURE

**SOLID
ACHIEVEMENTS
IN A STILL
DIFFICULT
OPERATING
ENVIRONMENT**

STRONG OPERATING PERFORMANCE

Solid growth in volumes and in Core Revenues, coupled with tight cost control, drive the strengthening of the Group's profitability:

Pre-Provision income: **+48.2% Y/Y** and **+16.6% Q/Q**

Stated H1 2021 net income at **€361m**

Adjusted H1 2021 net income at **€382m**

SIGNIFICANT IMPROVEMENT IN ASSET QUALITY

Completion of Bad Loan disposal (€1.5bn in Q2 2021), coupled with prudent provisioning and moderate NPE inflows:

Gross NPE ratio down at **6.2%** (from 7.5% at year-end 2020), or **5.2%** under EBA definition¹

Net NPE ratio down at **3.4%** (from 3.9% at year-end 2020)

ROBUST CAPITAL POSITION

CET 1 ratio FL at **12.9%**, incorporating -95bps of regulatory headwinds in H1 2021²

MDA buffer FL at **402bps**, well above the management guidance of 250bps

ADDITIONAL STRATEGIC FOCUS AREAS

Digital Banking: strong commercial performance driver

ESG: ongoing business model integration

Business model development: enhanced mid-term profitability

Notes:

1. Gross NPE ratio calculated as per EU Transparency Exercise.
2. Regulatory headwinds of 85 bps in Q1 2021 and 10 bps in Q2 2021.

FY 2021 OUTLOOK

TOTAL REVENUES

~€4.4BN

OPERATING COSTS

~€2.5BN

PRE-PROVISION PROFIT

~€1.9BN

COST OF RISK

In line with H1 2021
maintaining a very prudent
provisioning approach

EPS & PAYOUT

EPS: 35 cents
Dividend payout: ~40%

CAPITAL

CET1 FL: ~13%
MDA Buffer FL: >350BPS

Agenda

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- ESG	46

H1 2021 QUARTERLY P&L RESULTS

Reclassified income statement (€m)	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Chg. Q/Q	Chg. Q/Q %
Net interest income	474.1	479.5	519.9	509.0	496.8	522.4	25.5	5.1%
Income (loss) from invest. in associates carried at equity	22.3	48.0	36.8	23.7	41.5	56.5	15.0	36.1%
Net interest, dividend and similar income	496.4	527.5	556.7	532.7	538.4	578.9	40.5	7.5%
Net fee and commission income	440.6	376.4	417.7	429.2	471.4	478.7	7.3	1.5%
Other net operating income	16.7	14.9	11.7	12.7	18.2	21.7	3.6	19.7%
Net financial result	0.8	82.7	157.3	77.8	99.7	116.5	16.8	16.9%
Other operating income	458.1	473.9	586.7	519.8	589.3	617.0	27.7	4.7%
Total income	954.4	1,001.5	1,143.3	1,052.5	1,127.7	1,195.9	68.2	6.0%
Personnel expenses	-419.0	-398.0	-357.0	-407.2	-426.9	-417.1	9.8	-2.3%
Other administrative expenses	-154.6	-154.1	-159.8	-125.3	-154.1	-153.9	0.2	-0.1%
Amortization and depreciation	-61.4	-61.7	-64.8	-67.2	-62.9	-60.6	2.2	-3.6%
Operating costs	-635.0	-613.8	-581.5	-599.8	-643.9	-631.6	12.2	-1.9%
Profit (loss) from operations	319.5	387.7	561.8	452.8	483.8	564.2	80.4	16.6%
Net adjustments on loans to customers	-213.2	-263.0	-324.3	-536.2	-217.1	-255.5	-38.4	17.7%
Profit (loss) on FV measurement of tangible assets	-0.3	-5.1	-0.3	-31.0	0.1	-37.0	-37.0	n.m.
Net adjustments on other financial assets	-4.7	-3.7	0.1	7.2	-0.4	0.9	1.4	n.m.
Net provisions for risks and charges	2.2	-9.8	0.9	-35.6	-7.2	-5.6	1.6	-21.9%
Profit (loss) on the disposal of equity and other invest.	0.1	0.1	1.3	-0.4	0.0	-0.4	-0.3	n.m.
Income (loss) before tax from continuing operations	103.5	106.2	239.5	-143.1	259.1	266.7	7.5	2.9%
Tax on income from continuing operations	-25.7	-13.3	-22.5	47.9	-82.7	-50.6	32.1	-38.8%
Income (loss) after tax from continuing operations	77.8	92.9	217.0	-95.2	176.4	216.0	39.6	22.4%
Restructuring costs	0.0	0.0	0.0	-187.0	0.0	0.0	0.0	
Systemic charges after tax	-57.5	-18.2	-53.0	-10.2	-59.2	-19.3	39.9	-67.4%
Realignment of fiscal values to accounting values	0.0	0.0	0.0	128.3	0.0	79.2	79.2	
Goodwill impairment	0.0	0.0	0.0	-25.1	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	n.m.
Purchase Price Allocation after tax	-6.6	-12.0	-11.4	-11.5	-10.3	-9.7	0.6	-6.1%
Fair value on own liabilities after Taxes	137.9	-110.7	2.2	-41.1	-6.8	-5.1	1.7	-25.1%
Net income (loss) for the period	151.6	-46.4	157.3	-241.7	100.1	261.2	161.1	n.m.

P&L: H1 2021 STATED AND ADJUSTED COMPARISON

Reclassified income statement (€m)	H1 20	H1 21	Chg. H/H %	H1 20 adjusted	H1 21 adjusted	Chg. H/H %
Net interest income	953.6	1,019.2	6.9%	953.6	1,019.2	6.9%
Income (loss) from invest. in associates carried at equity	70.3	98.1	39.5%	70.3	98.1	39.5%
Net interest, dividend and similar income	1,023.9	1,117.3	9.1%	1,023.9	1,117.3	9.1%
Net fee and commission income	816.9	950.1	16.3%	816.9	950.1	16.3%
Other net operating income	31.6	39.9	26.3%	31.6	39.9	26.3%
Net financial result	83.5	216.3	n.m.	83.5	216.3	n.m.
Other operating income	932.0	1,206.3	29.4%	932.0	1,206.3	29.4%
Total income	1,955.9	2,323.5	18.8%	1,955.9	2,323.5	18.8%
Personnel expenses	-817.0	-844.0	3.3%	-817.0	-858.4	5.1%
Other administrative expenses	-308.7	-308.0	-0.2%	-308.7	-308.0	-0.2%
Amortization and depreciation	-123.1	-123.5	0.3%	-121.0	-122.2	1.0%
Operating costs	-1,248.7	-1,275.5	2.1%	-1,246.6	-1,288.6	3.4%
Profit (loss) from operations	707.2	1,048.0	48.2%	709.3	1,034.9	45.9%
Net adjustments on loans to customers	-476.2	-472.6	-0.8%	-476.2	-378.6	-20.5%
Profit (loss) on FV measurement of tangible assets	-5.4	-36.9	n.m.	0.0	0.0	
Net adjustments on other financial assets	-8.4	0.5	n.m.	-8.4	0.5	n.m.
Net provisions for risks and charges	-7.6	-12.8	68.2%	-7.6	-12.8	68.2%
Profit (loss) on the disposal of equity and other invest.	0.2	-0.4	n.m.	0.0	0.0	
Income (loss) before tax from continuing operations	209.8	525.8	n.m.	217.1	644.1	n.m.
Tax on income from continuing operations	-39.0	-133.3	n.m.	-41.1	-171.0	n.m.
Income (loss) after tax from continuing operations	170.8	392.5	n.m.	176.0	473.1	n.m.
Systemic charges after tax	-75.7	-78.6	3.8%	-57.5	-59.3	3.0%
Realignment of fiscal values to accounting values	0.0	79.2	n.m.	0.0	0.0	
Goodwill impairment	0.0	0.0		0.0	0.0	
Income (loss) attributable to minority interests	1.5	0.1	-92.6%	1.3	0.1	-91.1%
Purchase Price Allocation after tax	-18.5	-20.0	8.2%	-18.5	-20.0	8.2%
Fair value on own liabilities after Taxes	27.2	-11.9	n.m.	27.2	-11.9	n.m.
Net income (loss) for the period	105.2	361.3	n.m.	128.4	382.0	n.m.

ADJUSTED P&L: DETAILS ON NON-RECURRING ITEMS

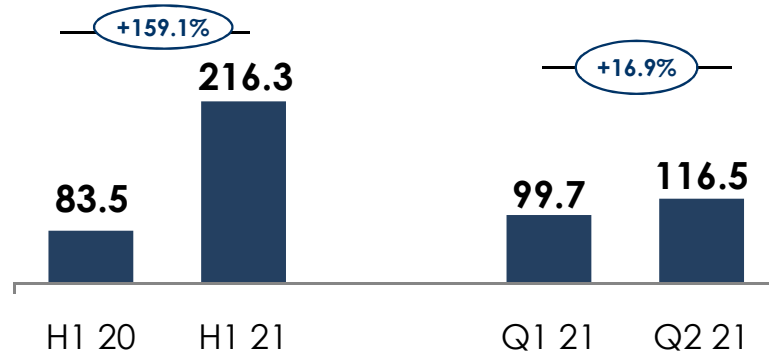
Reclassified income statement (€m)	H1 21	H1 21 adjusted	One-off	Non-recurring items
Net interest income	1,019.2	1,019.2	0.0	
Income (loss) from invest. in associates carried at equity	98.1	98.1	0.0	
Net interest, dividend and similar income	1,117.3	1,117.3	0.0	
Net fee and commission income	950.1	950.1	0.0	
Other net operating income	39.9	39.9	0.0	
Net financial result	216.3	216.3	0.0	
Other operating income	1,206.3	1,206.3	0.0	
Total income	2,323.5	2,323.5	0.0	
Personnel expenses	-844.0	-858.4	14.4	Covid-related savings
Other administrative expenses	-308.0	-308.0	0.0	
Amortization and depreciation	-123.5	-122.2	-1.3	Adjustments on tangible assets
Operating costs	-1,275.5	-1,288.6	13.1	
Profit (loss) from operations	1,048.0	1,034.9	13.1	
Net adjustments on loans to customers	-472.6	-378.6	-94.0	Additional frontloading for the increase in the NPE disposal target
Profit (loss) on FV measurement of tangible assets	-36.9	0.0	-36.9	Fair value assessments on properties
Net adjustments on other financial assets	0.5	0.5	0.0	
Net provisions for risks and charges	-12.8	-12.8	0.0	
Profit (loss) on the disposal of equity and other invest.	-0.4	0.0	-0.4	
Income (loss) before tax from continuing operations	525.8	644.1	-118.3	
Tax on income from continuing operations	-133.3	-171.0	37.7	
Income (loss) after tax from continuing operations	392.5	473.1	-80.6	
Systemic charges after tax	-78.6	-59.3	-19.3	Additional contribution to Italian Resolution Fund
Realignment of fiscal values to accounting values	79.2	0.0	79.2	Related to realignment of fiscal values to accounting values
Goodwill impairment	0.0	0.0	0.0	
Income (loss) attributable to minority interests	0.1	0.1	0.0	
Purchase Price Allocation after tax	-20.0	-20.0	0.0	
Fair value on own liabilities after Taxes	-11.9	-11.9	0.0	
Net income (loss) for the period	361.3	382.0	-20.7	

FINANCIAL PORTFOLIO: NET FINANCIAL RESULT AND RESERVES & UNREALISED GAINS

Net Financial Result

(excl. FV on Own Liabilities)

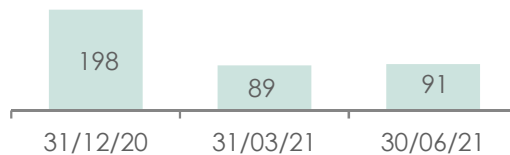
€ m



- +159.1% H/H with strong results from trading, FV activities and capital gains on securities
- +16.9% Q/Q driven by the positive evaluation of equity stakes at FV

Reserves of Debt Securities at FVOCI

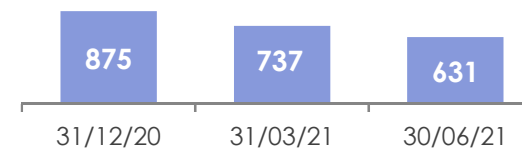
Pre-tax, in € m



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 30/06/2021

Reclassified assets (€ m)	30/06/20	31/12/20	31/03/21	30/06/21	Chg. y/y		Chg. YTD		Chg. in Q2	
					Value	%	Value	%	Value	%
Cash and cash equivalents	838	8,858	10,727	20,718	19,880	n.m.	11,860	133.9%	9,991	93.1%
Loans and advances measured at AC	121,213	120,456	127,390	117,948	-3,265	-2.7%	-2,507	-2.1%	-9,442	-7.4%
- Loans and advances to banks	12,825	11,121	17,245	8,574	-4,251	-33.1%	-2,546	-22.9%	-8,670	-50.3%
- Loans and advances to customers (*)	108,389	109,335	110,146	109,374	986	0.9%	39	0.0%	-772	-0.7%
Other financial assets	43,885	41,176	45,686	45,956	2,070	4.7%	4,780	11.6%	270	0.6%
- Assets measured at FV through PL	9,075	9,119	8,725	8,586	-488	-5.4%	-532	-5.8%	-138	-1.6%
- Assets measured at FV through OCI	13,112	10,711	14,898	15,447	2,335	17.8%	4,736	44.2%	549	3.7%
- Assets measured at AC	21,698	21,346	22,063	21,922	224	1.0%	576	2.7%	-141	-0.6%
Equity investments	1,577	1,665	1,641	1,689	111	7.1%	24	1.4%	48	2.9%
Property and equipment	3,522	3,552	3,527	3,435	-87	-2.5%	-118	-3.3%	-93	-2.6%
Intangible assets	1,261	1,219	1,218	1,221	-40	-3.2%	2	0.2%	3	0.2%
Tax assets	4,628	4,704	4,688	4,680	52	1.1%	-24	-0.5%	-8	-0.2%
Non-current assets held for sale and discount. operations	105	73	70	100	-5	-4.9%	27	37.4%	30	42.9%
Other assets	2,385	1,983	2,203	2,784	399	16.7%	801	40.4%	580	26.3%
Total	179,415	183,685	197,151	198,530	19,115	10.7%	14,845	8.1%	1,379	0.7%
Reclassified liabilities (€ m)										
	30/06/20	31/12/20	31/03/21	30/06/21	Value	%	Value	%	Value	%
Direct Funding	115,234	116,937	117,421	120,146	4,913	4.3%	3,210	2.7%	2,726	2.3%
- Due from customers	98,769	102,162	104,091	106,883	8,114	8.2%	4,721	4.6%	2,793	2.7%
- Debt securities and financial liabilities desig. at FV	16,464	14,774	13,330	13,263	-3,201	-19.4%	-1,511	-10.2%	-67	-0.5%
Due to banks	32,930	33,938	46,073	44,269	11,340	34.4%	10,332	30.4%	-1,803	-3.9%
Debts for Leasing	682	760	741	722	40	5.9%	-38	-5.0%	-19	-2.5%
Other financial liabilities designated at FV	11,499	14,015	14,100	12,683	1,184	10.3%	-1,332	-9.5%	-1,417	-10.0%
Liability provisions	1,278	1,415	1,383	1,277	-1	-0.1%	-139	-9.8%	-106	-7.7%
Tax liabilities	612	465	447	312	-300	-49.0%	-153	-32.9%	-135	-30.3%
Liabilities associated with assets held for sale	4	0	0	2	-2	-42.2%	2	n.m.	2	n.m.
Other liabilities	4,942	3,928	4,360	6,199	1,257	25.4%	2,271	57.8%	1,839	42.2%
Minority interests	25	2	1	1	-23	-94.8%	-1	-31.9%	0	-5.7%
Shareholders' equity	12,211	12,225	12,626	12,918	707	5.8%	693	5.7%	292	2.3%
Total	179,415	183,685	197,151	198,530	19,115	10.7%	14,845	8.1%	1,379	0.7%

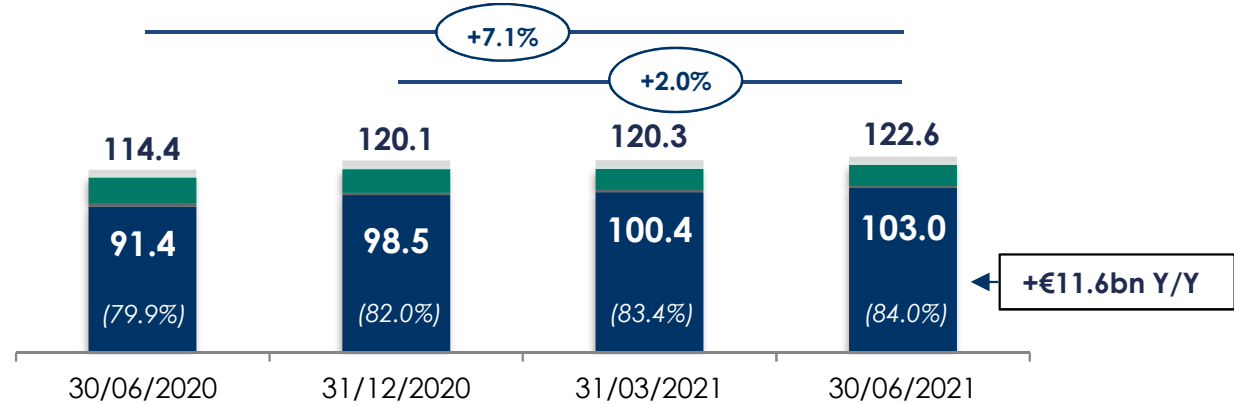
DIRECT FUNDING

Solid position confirmed in Core funding

Direct customer funding¹ (*without* Repos)

€ bn

- Capital-protected Certificates
 - Other
 - Bonds
 - Time deposits
 - C/A & Sight deposits
- (% Share on total)



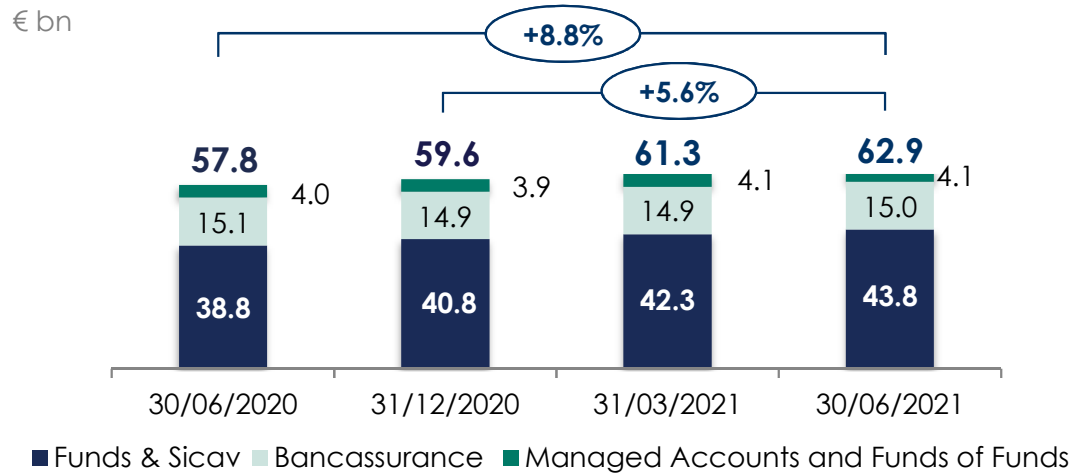
	30/06/20	31/12/20	31/03/21	30/06/21	% chg. Y/Y	% chg. YTD	% chg. Q/Q
C/A & Sight deposits	91.4	98.5	100.4	103.0	12.7%	4.6%	2.6%
Time deposits	1.7	1.5	1.4	1.2	-30.1%	-21.2%	-14.2%
Bonds	16.4	14.7	13.3	13.2	-19.4%	-10.1%	-0.4%
Other	1.8	1.8	1.6	1.6	-13.7%	-10.3%	-1.2%
Capital-protected Certificates	3.1	3.7	3.7	3.6	15.7%	-2.1%	-1.7%
Direct Funding (excl. Repos)	114.4	120.1	120.3	122.6	7.1%	2.0%	1.9%

Note:

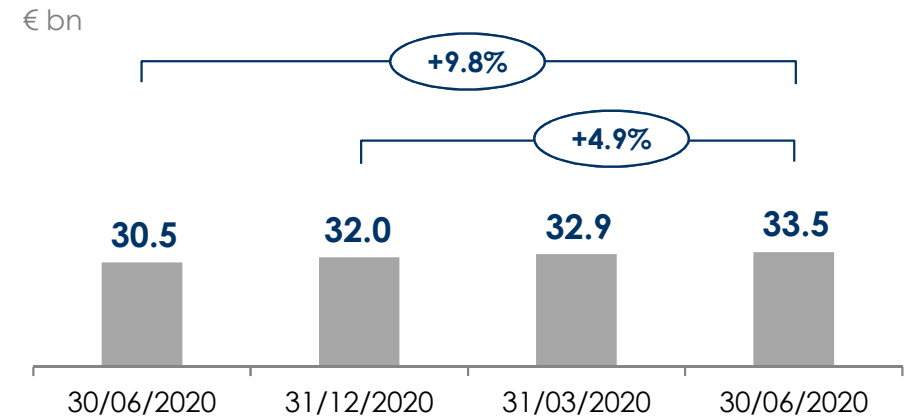
1. Direct funding restated according to a management accounting logic: includes capital-protected certificates, recognized essentially under 'Held-for-trading liabilities', while it does not include Repos (€1.2bn on 30/06/2021 vs.: €0.8bn on 31/03/2021, €0.5bn on 31/12/2020 and €3.9bn on 30/06/2020), mainly consisting of transactions with Cassa di Compensazione e Garanzia.

INDIRECT CUSTOMER FUNDING AT €96.5BN

Assets under Management (AuM)



Assets under Custody (AuC)¹



- Total Indirect Customer Funding at €96.5bn: +9.1% Y/Y and +5.3% YTD
- AuM increase to €62.9bn: +8.8% Y/Y, thanks mostly to the excellent performance of Funds and Sicav (+12.9%), due to both the price effect and the volume effect. YTD growth at +5.6%.
- AuC up at €33.5bn: +9.8% Y/Y, thanks to the price effect. YTD growth at 4.9%.

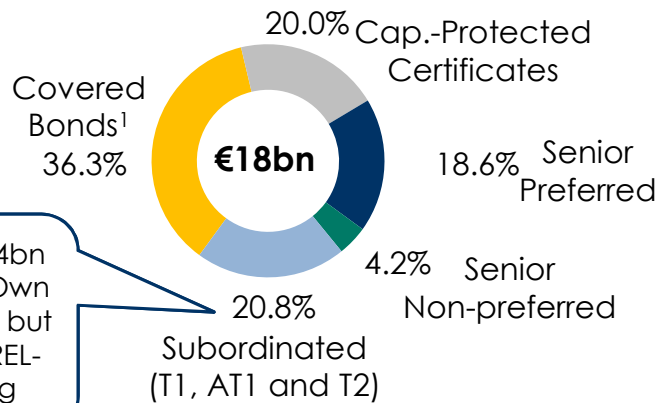
Management data of the commercial network. AUC historic data restated for managerial adjustments.

Note: 1. AuC data are net of capital-protected certificates, as they have been regrouped under Direct Funding (see slide 32).

BONDS OUTSTANDING: WELL DIVERSIFIED PORTFOLIO

Bonds Outstanding as at 30/06/2021

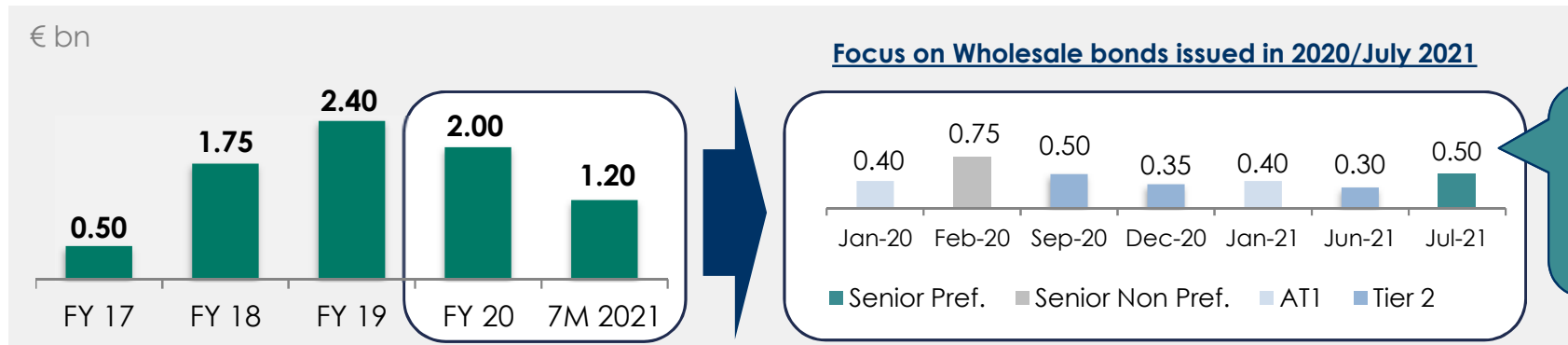
Nominal amounts



€3.7bn, o/w: €0.4bn not included in Own Funds Phased-in, but representing MREL-eligible funding

- **Successful issuance activity in 2020/July 2021 (€3.2bn in total)** o/w: €1.95 subordinated; €750m SNP and the first Social Bond (SP) for €500m, issued within the new ESG Bond Framework published in July 21
- Very manageable amount of wholesale bond maturities in H2 2021 (€0.7bn), FY 2022 (€3.7bn) and FY 2023 (€1.9bn) considering also the strong liquidity position, with unencumbered eligible assets at €16.5bn, **strongly exceeding the above-mentioned maturities**

Wholesale bonds issued since 2017

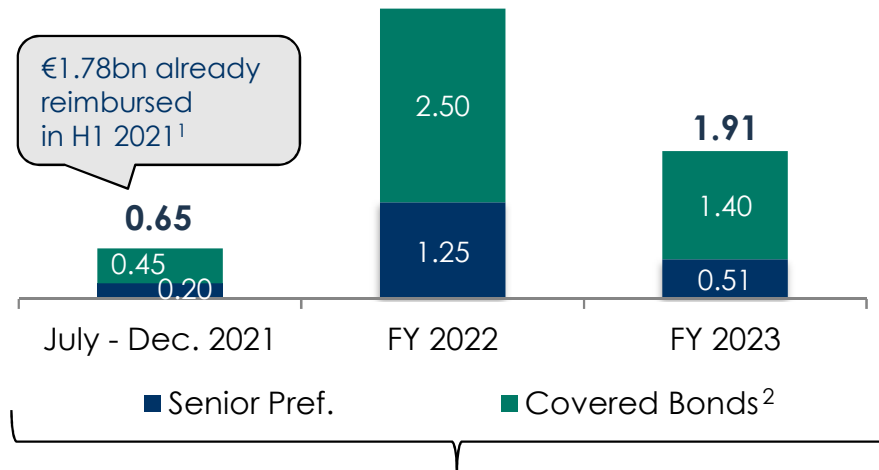


First Social bond issued by BBPM under the new ESG Bond Framework

BOND MATURITIES: LIMITED AND MANAGEABLE AMOUNTS

Institutional bond maturities

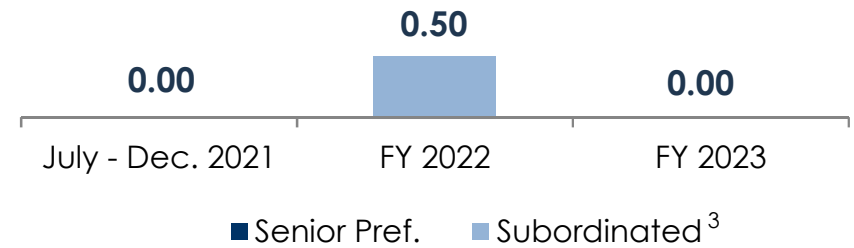
€ bn



Aggregate senior bonds
in the period 2021-2023
(no subordinated bond maturities):
€1.96bn

Retail bond maturities

€ bn



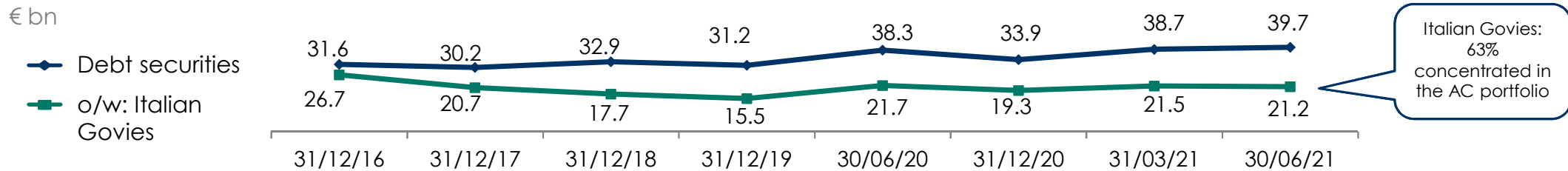
Managerial data based on nominal amounts.

Notes: **1.** H1 2021 reimbursement: €1.01bn Senior Preferred and €0.77bn Subordinated (with negligible impact on T2 Capital). **2.** Include also the maturities of Repos with underlying retained Covered Bonds: €0.45bn in H2 2021 and €0.50bn in FY 2022. **3.** With low impact on T2 Capital.

SECURITIES: SIGNIFICANT WEIGHT OF THE AC PORTFOLIO

€ bn	30/06/20	31/12/20	31/03/21	30/06/21	Chg. y/y	Chg. YTD	Chg. in Q2
Debt securities	38.3	33.9	38.7	39.7	3.7%	17.3%	2.5%
Equity securities, Open-end funds & Private equity	1.6	2.4	2.7	3.0	91.5%	25.4%	9.9%
TOTAL SECURITIES	39.9	36.3	41.5	42.7	7.2%	17.8%	3.0%

Focus on Debt Securities: Evolution & Composition

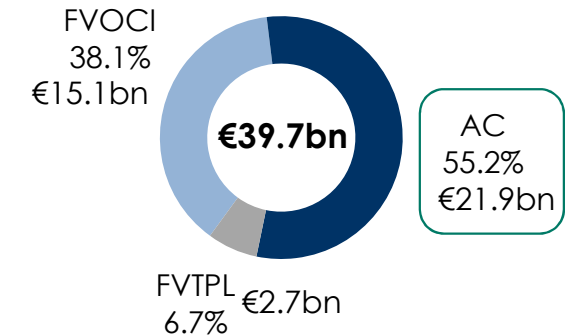
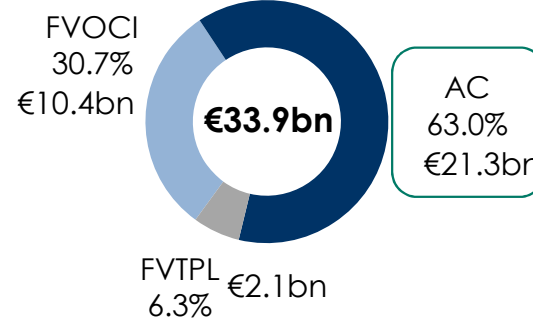
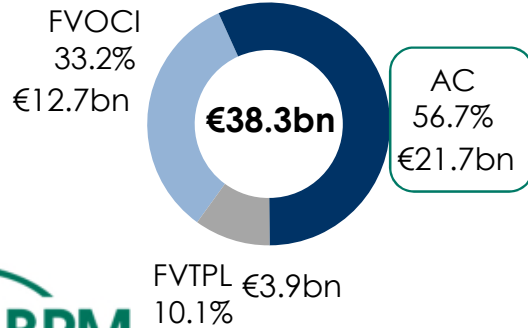


30/06/2020

31/12/2020

30/06/2021

Classification of Debt Securities

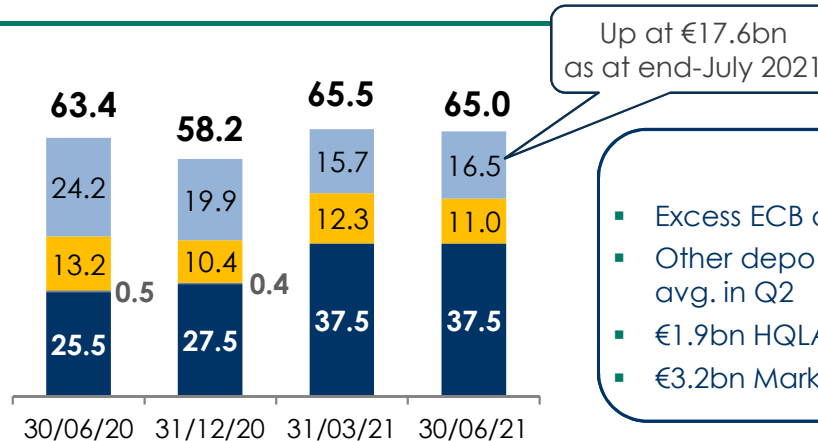


SOLID LIQUIDITY POSITION: LCR AT 216% & NSFR >100%¹

Eligible Assets²

€ bn

- Unencumbered
- Encumbered with Repos & other
- Other encumbered with ECB
- TLTRO III



ADDITIONAL UNENCUMBERED LIQUID ASSETS

- Excess ECB deposits: €5.9bn avg. in Q1, €6.1bn avg. in Q2
- Other depo facilities (overnight) with ECB: €6.1bn avg. in Q1, €16.3bn avg. in Q2
- €1.9bn HQLA lent³
- €3.2bn Marketable securities (unencumb. non-eligible)

TLTRO III drawings:

- €1.5bn in December 2019
- €2.0bn in March 2020
- €22.0bn in June 2020
- €1.0bn in September 2020
- €1.0bn in December 2020
- €10.0bn in March 2021

- Sizeable funding contribution also from long-term bilateral refinancing operations at **€3.1bn** euro (net of haircuts), with an average maturity of 0.8 years
- Remaining potential room for TLTRO III at €1.7bn, with maximum take-up of €39.2bn

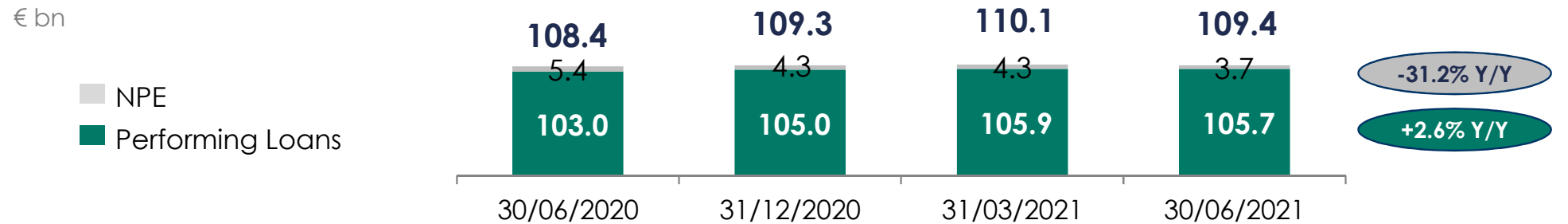
Internal management data, net of haircuts.

Notes: **1.** Monthly LCR (Jun. 2021) and Quarterly NSFR (Q2 2021). **2.** Includes assets received as collateral. **3.** Refers to securities lending (uncollateralized high quality liquid assets).

NET CUSTOMER LOANS

Satisfactory increase in Performing Loans, with new loans granted at €12.1bn in H1 2021¹

Net Customer Loans²



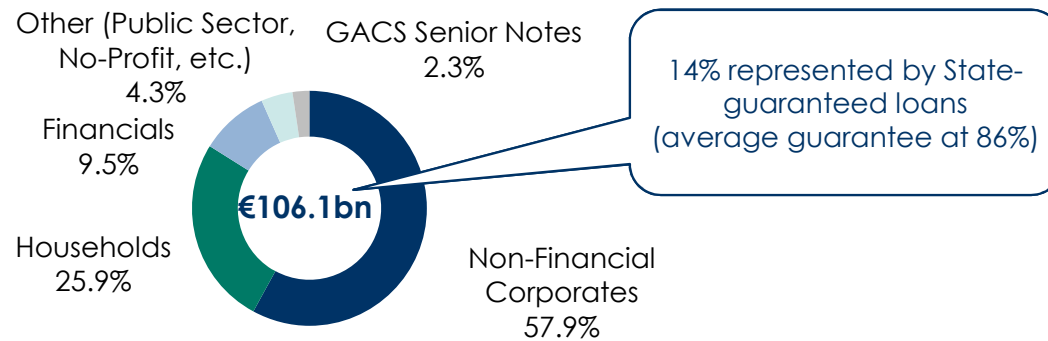
NET PERFORMING LOANS	30/06/20	31/12/20	31/03/21	30/06/21	CHANGE		
					ln % y/y	ln % YTD	ln % q/q
Core customer loans	95.0	98.4	99.2	99.8	5.1%	1.5%	0.6%
- Medium/Long-Term loans	67.1	74.0	75.4	76.3	13.7%	3.1%	1.2%
- Current Accounts	9.4	8.0	8.2	8.3	-11.7%	4.1%	2.0%
- Cards & Personal Loans	1.8	1.9	1.8	1.7	-5.7%	-7.6%	-4.1%
- Other loans	16.6	14.5	13.9	13.4	-19.1%	-7.1%	-3.0%
Leasing	0.9	0.9	0.8	0.8	-11.0%	-6.9%	-4.5%
Repos	4.7	3.5	3.6	2.5	-46.1%	-26.8%	-28.9%
GACS Senior Notes	2.3	2.3	2.2	2.5	5.2%	6.2%	11.7%
Total Net Performing Loans	103.0	105.0	105.9	105.7	2.6%	0.6%	-0.2%

Net Performing loans in Stage 2 at €11.0bn as at 30/06/21
 (€9.4bn as at 31/03/21 and €6.9bn as at 31/12/20)
with a coverage at 3.0%
 (3.1% as at 31/03/21 and 4.3% as at 31/12/20)

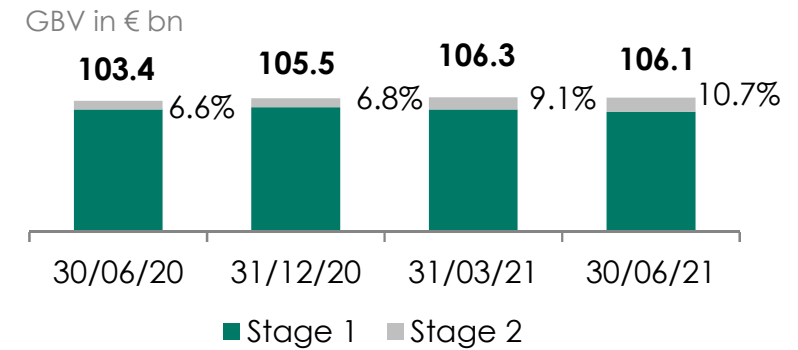
Notes: 1. Management data. See slide 15 for details. 2. Loans and advances to customers at Amortized Cost, including also the GACS senior notes.

ANALYSIS OF PERFORMING LOAN PORTFOLIO

Performing customer loan (GBV) breakdown as at 30/06/2021¹

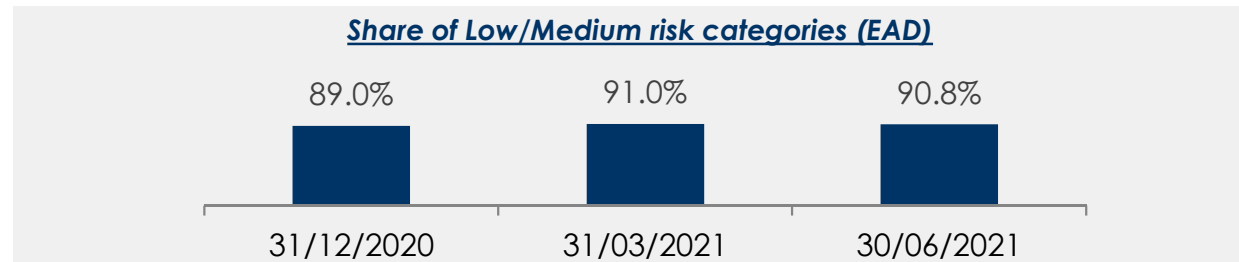


Staging evolution of Performing Loans



Performing portfolio: EAD by risk categories²

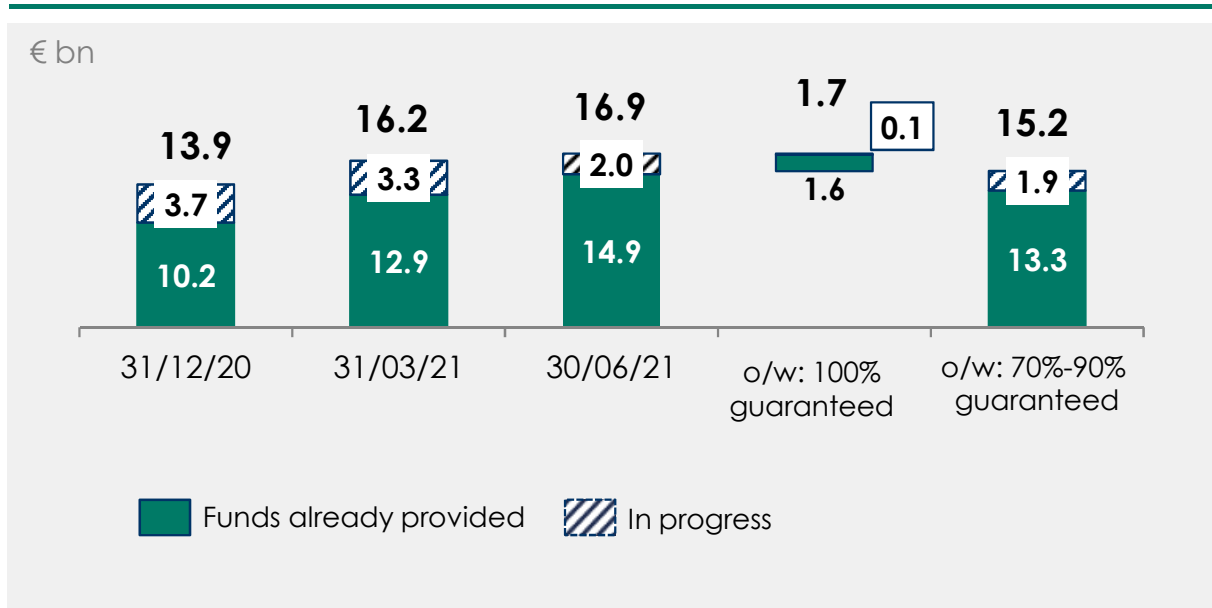
Share of Low/Medium risk categories (EAD)



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.

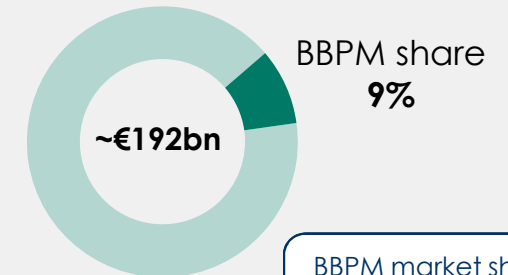
COVID-19: LENDING MEASURES ASSISTED BY STATE GUARANTEES

Lending measures assisted by public guarantees at €16.9bn as at 30/06/2021



High customer propensity for new State-guaranteed lending

Lending measures assisted by public guarantees: System data¹



BBPM market share on core customer loans: 7.4%²

Notes: 1. ABI/Bankit data as at the end of June 2021. 2. Market share data as at 31/05/2021. Core customer loans include loans to Households and Non-Financial Corporates.

ASSET QUALITY DETAILS – LOANS TO CUSTOMERS AT AC

GROSS EXPOSURES €/m and %	30/06/2020	31/12/2020	31/03/2021	30/06/2021	Chg. y/y		Chg. YTD		Chg. in Q2	
					Value	%	Value	%	Value	%
Bad Loans	3,530	3,578	3,575	2,123	-1,407	-39.9%	-1,455	-40.7%	-1,452	-40.6%
UTP	6,159	4,946	4,958	4,825	-1,334	-21.7%	-121	-2.4%	-133	-2.7%
Past Due	150	62	146	114	-36	-24.2%	52	83.2%	-32	-22.1%
NPE	9,839	8,586	8,678	7,062	-2,777	-28.2%	-1,524	-17.8%	-1,617	-18.6%
Performing Loans	103,431	105,508	106,344	106,123	2,692	2.6%	614	0.6%	-221	-0.2%
TOTAL CUSTOMER LOANS	113,269	114,095	115,022	113,185	-85	-0.1%	-910	-0.8%	-1,838	-1.6%

NET EXPOSURES €/m and %	30/06/2020	31/12/2020	31/03/2021	30/06/2021	Chg. y/y		Chg. YTD		Chg. in Q2	
					Value	%	Value	%	Value	%
Bad Loans	1,549	1,462	1,334	947	-602	-38.9%	-515	-35.2%	-387	-29.0%
UTP	3,739	2,785	2,820	2,674	-1,065	-28.5%	-111	-4.0%	-147	-5.2%
Past Due	111	46	124	96	-15	-13.9%	50	110.2%	-28	-22.7%
NPE	5,399	4,293	4,278	3,717	-1,683	-31.2%	-576	-13.4%	-562	-13.1%
Performing Loans	102,989	105,042	105,868	105,658	2,669	2.6%	615	0.6%	-210	-0.2%
TOTAL CUSTOMER LOANS	108,389	109,335	110,146	109,374	986	0.9%	39	0.0%	-772	-0.7%

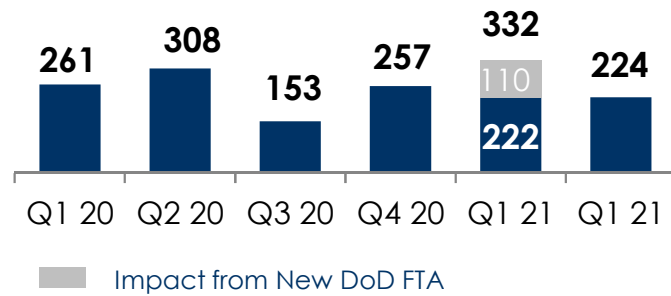
COVERAGE %	30/06/2020	31/12/2020	31/03/2021	30/06/2021
Bad Loans	56.1%	59.1%	62.7%	55.4%
UTP	39.3%	43.7%	43.1%	44.6%
Past Due	25.6%	26.4%	15.0%	15.6%
NPE	45.1%	50.0%	50.7%	47.4%
Performing Loans	0.43%	0.44%	0.45%	0.44%
TOTAL CUSTOMER LOANS	4.3%	4.2%	4.2%	3.4%

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

NPE FLOWS

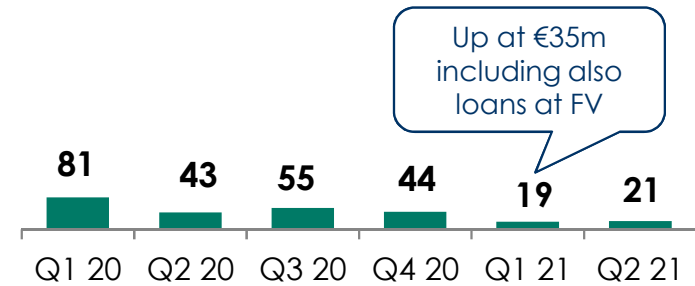
Inflows from Performing to NPEs

€ m



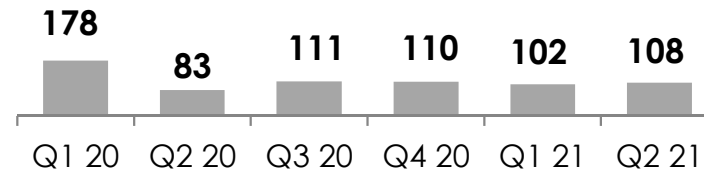
Outflows from NPEs to Perf. Loans

€ m



Flows from UTP to Bad Loans

€ m

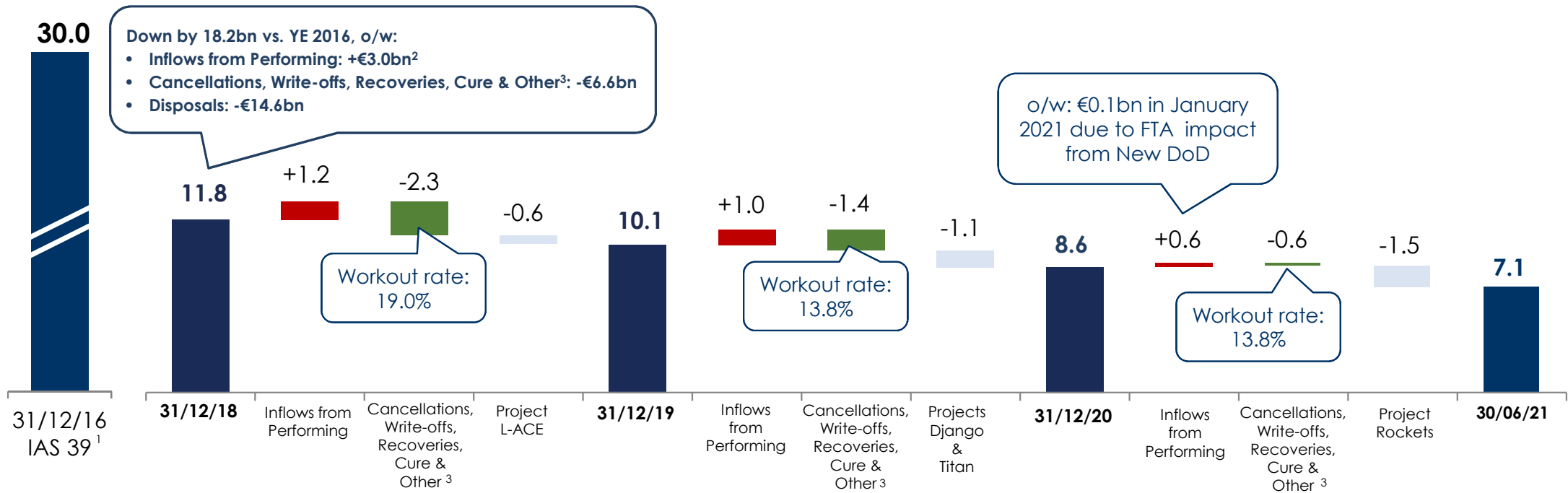


■ The challenging macroeconomic scenario has impacted mainly the outflows to performing loans

GROSS NPEs DOWN BY €23BN VS. YE 2016

NPE REDUCTION SINCE THE BEGINNING OF THE MERGER

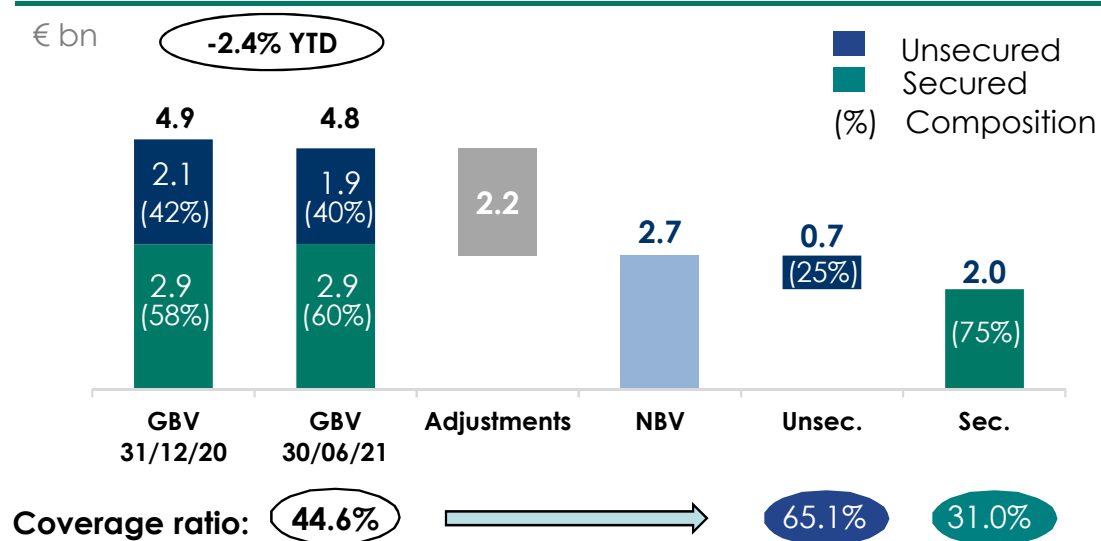
NPEs (GBV€ bn)



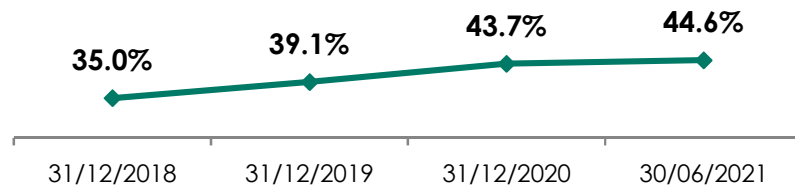
Notes: **1.** Includes a restatement for managerial purposes (inclusion of a portion of write-offs, in coherence with the restatement done in 2017). **2.** Include -€0.3bn of IFRS 9 Reclassification impact. **3.** Includes also single name disposals, part of the ordinary workout activity.

UTP LOANS: HIGH SHARE OF RESTRUCTURED & SECURED POSITIONS

UTP analysis



UTP Coverage: +9.6p.p. since YE 2018



Breakdown of Net UTPs

€ bn

	31/12/20	30/06/21	% Chg.
Forborne	1.8	1.8	2.2%
- Secured	1.3	1.4	4.1%
- Unsecured	0.5	0.4	-11.7%
Other UTP	1.0	0.9	-14.9%
- Secured	0.7	0.6	-5.6%
- Unsecured	0.3	0.2	-23.2%
Total	2.8	2.7	-4.0%

o/w:

- North	74.7%	74.2%
- Centre	18.0%	17.3%
- South, Islands & not resident	7.3%	8.5%

- Solid level of coverage for unsecured UTP: 65.1%
- Net unsecured UTP other than Forborne loans are limited to €0.2bn
- >91% of Net UTPs are located in the northern & central parts of Italy

CAPITAL POSITION IN DETAIL

PHASED IN CAPITAL POSITION (€/m and %)	31/12/2020	31/03/2021	30/06/2021
CET 1 Capital	9,597	9,388	9,676
T1 Capital	10,397	10,565	10,853
Total Capital	12,304	12,275	12,921
RWA	65,606	68,418	68,789
CET 1 Ratio	14.63%	13.72%	14.07%
AT1	1.22%	1.72%	1.71%
T1 Ratio	15.85%	15.44%	15.78%
Tier 2	2.91%	2.50%	3.01%
Total Capital Ratio	18.75%	17.94%	18.78%

Leverage ratio Phased-In as at 30/06/2021: 5.66%

FULLY PHASED CAPITAL POSITION (€/m and %)	31/12/2020	31/03/2021	30/06/2021
CET 1 Capital	8,736	8,696	8,827
T1 Capital	9,431	9,789	9,920
Total Capital	11,338	11,499	11,988
RWA	65,868	68,623	68,579
CET 1 Ratio	13.26%	12.67%	12.87%
AT1	1.06%	1.59%	1.59%
T1 Ratio	14.32%	14.26%	14.46%
Tier 2	2.89%	2.49%	3.02%
Total Capital Ratio	17.21%	16.76%	17.48%

Leverage ratio Fully Loaded as at 30/06/2021: 5.19%

RWA COMPOSITION (€/bn)	31/12/2020	31/03/2021	30/06/2021
CREDIT & COUNTERPARTY RISK	54.9	57.7	58.0
<i>of which: Standard</i>	30.6	30.8	31.5
MARKET RISK	3.5	3.5	3.5
OPERATIONAL RISK	7.0	7.0	7.0
CVA	0.2	0.2	0.3
TOTAL	65.6	68.4	68.8

RWA COMPOSITION (€/bn)	31/12/2020	31/03/2021	30/06/2021
CREDIT & COUNTERPARTY RISK	55.2	57.9	57.8
<i>of which: Standard</i>	30.9	31.0	31.3
MARKET RISK	3.5	3.5	3.5
OPERATIONAL RISK	7.0	7.0	7.0
CVA	0.2	0.2	0.3
TOTAL	65.9	68.6	68.6

ESG ACTION PLAN: FULL INTEGRATION INTO BUSINESS MODEL

ESG ACTION PLAN 2023: 7 WORKSTREAMS ACTIVATED
32 projects 15 units 50 dedicated people

1	Governance	<ul style="list-style-type: none"> • Integrate ESG-oriented roles and responsibilities within all activities • Integrate ESG topics into corporate policies • Incentive scheme strengthened with ESG KPIs
2	People	<ul style="list-style-type: none"> • Attention to Inclusion & Diversity (I&D), with focus on female empowerment
3	Risk & Credits	<ul style="list-style-type: none"> • Integrate climate-related and environmental topics within the risk and lending processes
4	Customers - Business	<ul style="list-style-type: none"> • Establish a ESG task force in business areas and strengthen ESG commercial offering
5	Customers - WM	<ul style="list-style-type: none"> • Define ESG investment policy and strengthen consulting and offering of ESG investment products
6	Environment	<ul style="list-style-type: none"> • Further reduce direct environmental impacts
7	Stakeholder Engagement & Measurement	<ul style="list-style-type: none"> • Strengthen relationships with international organisations, develop ESG metrics and accountability

ALIGNMENT WITH REGULATORY AND OTHER STAKEHOLDERS' EXPECTATIONS ONGOING

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