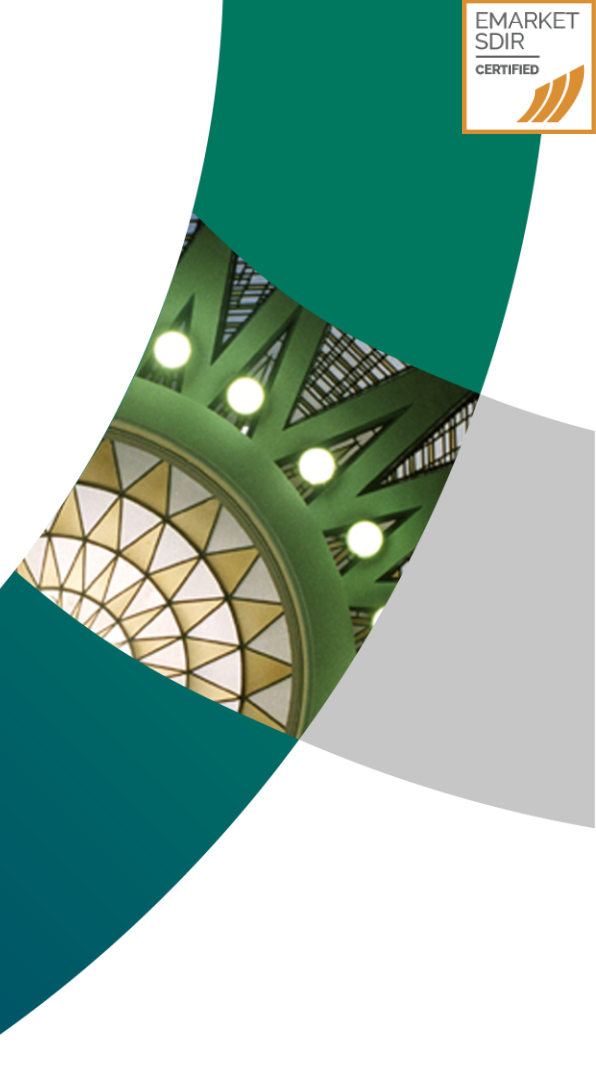




Group H1 2023 Results Presentation

02 August 2023



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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



- The balance sheet and income statement layouts contained in this news release have been reclassified along management criteria in order to provide an indication on the Group's overall performance based on more easily understandable aggregate operating and financial data. These layouts have been prepared based on the financial statement layouts indicated in the Bank of Italy's Circular no. 262/2005 and following updates.
- Starting from 1 July 2022 Banco BPM Vita & Banco BPM Assicurazioni, previously held at 19%, have been consolidated 100% line-by-line. As a consequence:
 - with regard to the balance sheet scheme, starting from 30/09/2022, the items relating to the portfolios of financial assets and liabilities held by these insurance companies were introduced. The previous periods remained unchanged;
 - with regard to the P&L scheme, starting in the third quarter of 2022, the new item 'Net income from insurance business' was introduced, which includes all income components (interest, dividends, realised gains/losses, valuation gains/losses) relating to the financial assets and liabilities portfolio of these insurance companies and the items attributable to the revenues and costs characteristic of the insurance business. It should also be noted that the placement commissions paid by these consolidated insurance companies to Banco BPM's distribution network are shown under the item "Net commissions" for commissions received by the distribution network and under the item "Result from insurance business" for those paid by the companies; the contribution of the above items, as well as that of the other income statement items relating to these wholly-owned companies, is included, line-by-line, in the consolidated income statement starting from the third quarter of 2022. On the other hand, the total net contribution of these companies in the preceding quarters of 2022, when the companies were 19% owned, is shown in the item "Income (loss) from investments in associates carried at equity", for the previous relative stake held;
 - finally, it should be noted that, as of January 1, 2023, IFRS 17 "Insurance Contracts," which introduces new valuation criteria and new accounting rules for insurance products, came into effect, replacing IFRS 4. Therefore, the income statement for the first as second quarter of 2023 and the balance sheet as of 31/03/2023 and 30/06/2023 have been prepared by applying this new accounting standard (for more details, please refer to the methodological notes of the results as of 30/06/2023 press release published on 2 August 2023). In light of this, it should be noted that the balance sheet as at 31/12/2022 and that the quarterly income statements for 2022 shown in this presentation have been restated by retrospective application of IFRS 17.
- Under the agreements between Banco BPM and Crédit Agricole Assurances S.A. entered in December 2022 – covering, among others, the disposal of the 65% controlling stake in Banco BPM Assicurazione – as of 31 December 2022 the assets and liabilities of the above insurance company are not shown on a "line-by-line" basis, whereas they are aggregated in the reclassified balance sheet line items "Non-current assets held for sale and discontinued operations" and "Liabilities associated with assets held for sale", in accordance with IFRS 5. Conversely, in the income statement the associate's contribution is shown on a "line-by-line" basis, as the disposal of the company under examination does not fall within the "discontinued operations" criteria provided under IFRS 5.
- With reference to the binding agreement signed for the establishment of a strategic partnership aimed at developing a new Italian and independent reality in the digital payments sector, which provides for the contribution to the joint venture BCC Pay S.p.A. of Banco BPM's e-money activities and the equity investment in Tecmarket, it should be noted that for the purposes of preparing the situation as of June 30, 2023, the related assets and liabilities, subject to contribution, are reclassified in the specific balance sheet items "Non-current assets and groups of assets held for sale" and "Liabilities associated with assets held for sale," in line with IFRS 5.
- 2023 Group capital ratios included in this presentation are calculated including the interim profit, subject to ECB authorization, and deducting the amount of the dividend pay-out determined according to the current regulation (see the methodological note number 6 included in the H1 2023 results press release published on 2 August 2023 for further details).

Agenda



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2	Key Highlights	11
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Executive Summary

1

Strong overdelivery & business model enhancement

OUTSTANDING RESULTS BASED ON SOLID FUNDAMENTALS

BEST P&L PERFORMANCE & ROBUST CAPITAL GENERATION

**Net income
at €624M +78% Y/Y**

Well above the ambitious
FY trajectory of our latest
guidance

**CET1 Ratio 14.8%¹
(vs. 14.15% as at 31/03/23)**

Material capital generation
capacity (+140bps in H1)

Wide capital buffer,
with MDA at 612bps¹

SOUND BALANCE SHEET

**Gross NPE ratio
down at 3.8%**

Constant reduction in NPE ratio
since the merger:
13 semesters of decline in a row

**LCR 179%
NSFR² >130%**

Strong Funding & Liquidity
position, supported by
high-value deposit base and
successful issuance activity

HIGH-VALUE TRANSFORMATIONAL INITIATIVES



AGREEMENT FOR PAYMENTS BUSINESS SIGNED IN JULY

- Total consideration up to €600m
(€500m at closing, +32bps CET 1)³

- **Creation of the second largest player in the Payments business in Italy, with significant revenue growth potential**



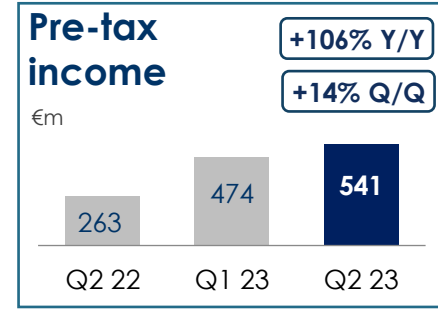
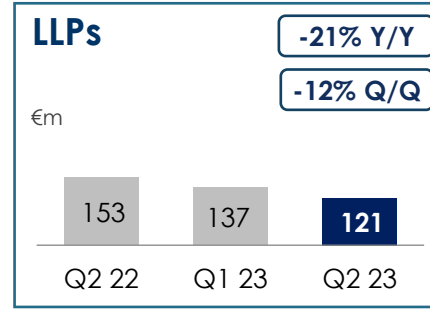
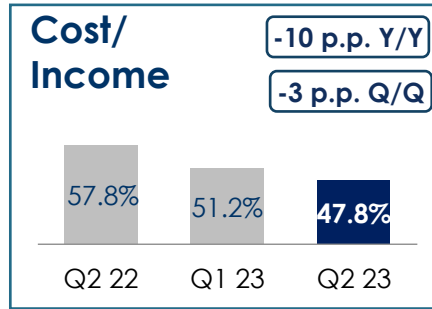
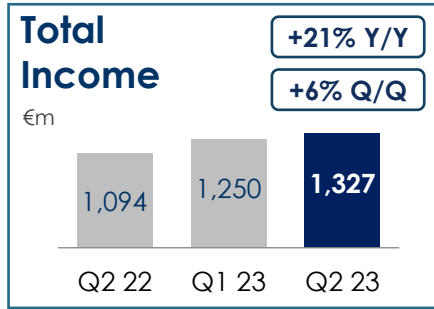
BANCASSURANCE RESHAPING

- Call exercised in May 2023
on 65% of Vera Vita and
Vera Assicurazioni

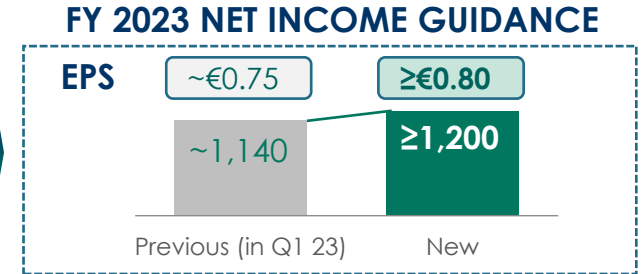
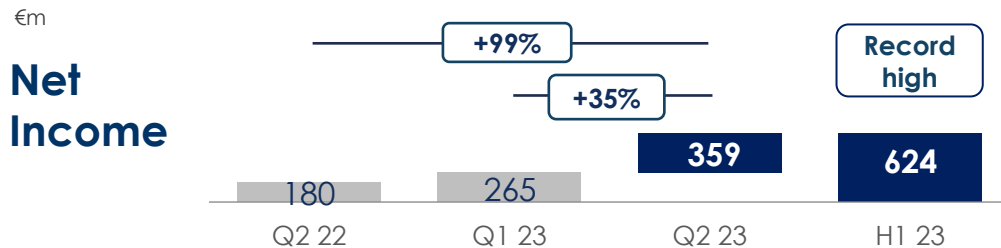
- **Set up of the new Bancassurance organizational model in progress**

Top-level quarterly results leading to a new guidance

RECORD QUARTERLY PROFITABILITY...



... SUPPORTING A FURTHER UPGRADE IN 2023 GUIDANCE



Transformational initiatives: Strengthened «ownership» strategy for key high-value added businesses

BANCO BPM'S BUSINESS FOOTPRINT

BANCO BPM

Full ownership

BANCA ALETTI

Private
Banking

Banca Akros

Corporate &
Investment
Banking

To be merged

NEW

BANCO BPM
VITA

100%

VERA Vita

Life
Bancassurance

Key strategic participations and JVs

Partner



AGOS

39.0%

Long-term commercial agreement recently renewed

JV in Consumer Credit



35.0%

JV in Non-Life Bancassurance

Partners



~28.6%

JV in Payment Business

Banco BPM
main
shareholder



21.7%

Asset Management

From 14.3%
stake in 2017

STRATEGIC RATIONALE:

Enhancing value and revenue contribution

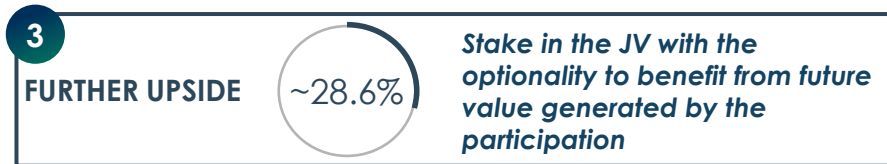
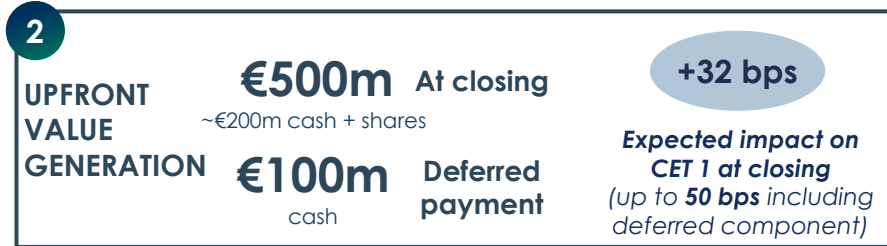
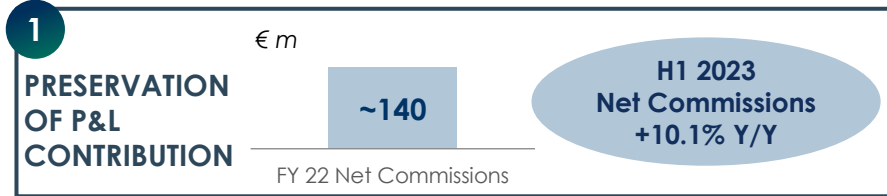
1. Develop top level product offering for our clients
2. Exert “significant influence” through direct involvement in governance and management of the product factories
3. Obtain a long-term stream of revenues/dividends

€1bn value coming from the strategy implementation:

- >€400m for Bancassurance
- Up to €600m consideration for the Payments business

Transformational initiatives: Creation of the second largest player in the Payments business in Italy

A €2BN NPV DEAL BASED ON THREE STRATEGIC PILLARS...



... ESTABLISHING A TOP PLAYER IN THE PAYMENT ARENA



>10% market share



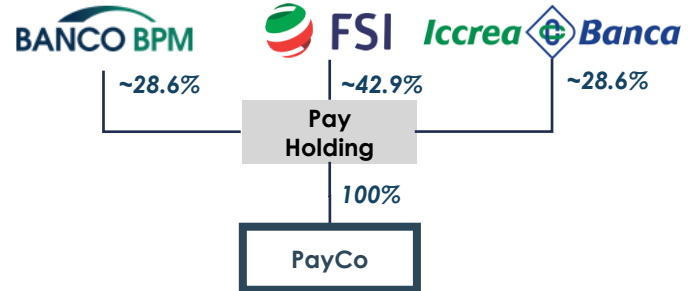
~9m payment cards



~400K POS



~€110bn in transacted business volumes



Closing expected in Q1 2024

Transformational initiatives: Set up of the new Bancassurance organizational model

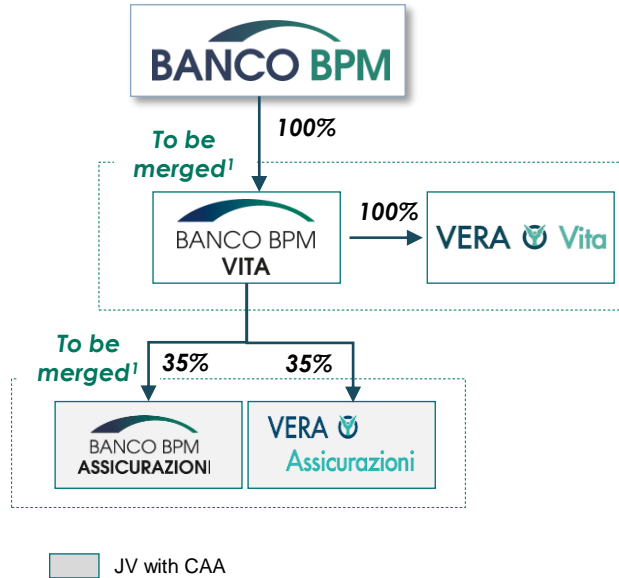
TRANSACTION DETAILS

CALL ON 65% OF VERA VITA AND VERA ASSICURAZIONI EXERCISED IN MAY 2023

CLOSING OF TRANSACTION EXPECTED IN Q4:

- CAA to purchase 65% stake in BBPM Assicurazioni and in Vera Assicurazioni¹, for a consideration of ~€260m (**total valuation of the non-life business €400m**)
- Signing of a **20-year distribution agreement**

PLANNED ORGANIZATIONAL STRUCTURE



STRATEGIC RATIONALE

- 1. Single Insurance Group, with unified governance and oversight by BBPM Vita**
- 2. Single commercial offer to customers across the entire BBPM network by unifying product catalogue**
- 3. Unique in-house product factory capable of developing potential synergies**
- 4. Favourable capital treatment (Danish Compromise)**

Key Highlights

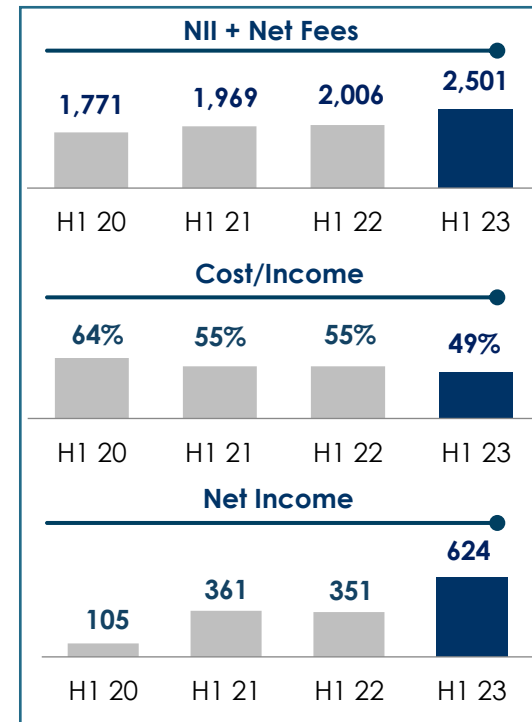
2

Outstanding P&L performance: H1 2023 Net Income at €624m (+77.9% Y/Y)

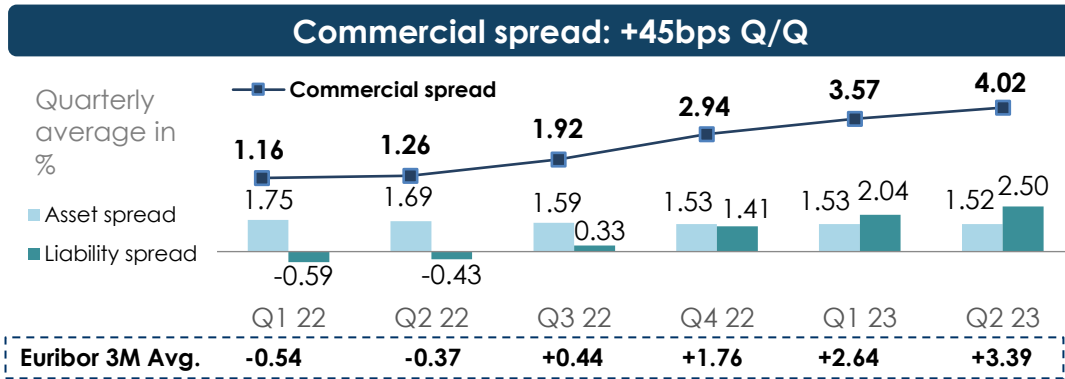
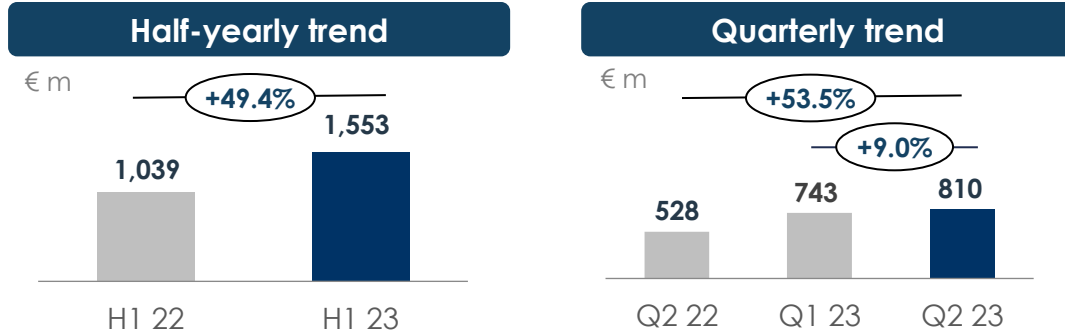
P&L HIGHLIGHTS

€ m	Q1 23	Q2 23	Chg. Q/Q	H1 22 (restated)	H1 23	Chg. Y/Y
Net interest income	743	810	9.0%	1,039	1,553	49.4%
Net fees and commissions	479	470	-1.9%	967	948	-1.9%
NII + Net fees and commissions	1,222	1,279	4.7%	2,006	2,501	24.7%
Net financial result	-34	-8		177	-42	
o/w Cost of certificates	-49	-64		-22	-112	
o/w Other NFR	14	55		199	70	
Income from insurance business	10	15			25	
Other ¹	53	41		90	94	
Total revenues	1,250	1,327	6.1%	2,273	2,577	13.4%
Operating costs	-640	-635	-0.8%	-1,257	-1,275	1.4%
Pre-Provision income	610	692	13.4%	1,016	1,302	28.2%
Loan loss provisions	-137	-121	-11.8%	-304	-259	-14.8%
Other ²	1	-30		-58	-28	
Profit from continuing operations (Pre-tax income)	474	541	14.2%	655	1,016	55.2%
Taxes	-147	-170		-231	-317	
Net profit from continuing operations	327	372	13.8%	424	699	64.9%
Systemic charges and other ³	-61	-13		-73	-74	
Net income	265	359	35.3%	351	624	77.9%

New profitability trajectory



NII growth trend confirmed with further guidance improvement



Revised NII Guidance for FY 2023: ~€3.25bn

(from >€3bn¹)

Based on:

- No further hikes in ECB rates vs. current level
- Estimated deposit beta based on «Observed» data: ~33%
- 12M NII sensitivity (+100bps): >€300m

CONFIRMED

Managerial data

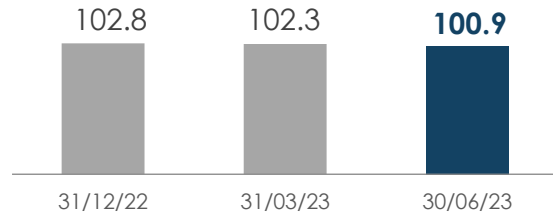
Solid franchise value: customer loans

Share of “Green” new lending to Corporate and Enterprises at 55.8%

Resilient stock of customer loans, with an increased share of secured exposure

€ bn

“CORE” NET PERFORMING CUSTOMER LOANS¹

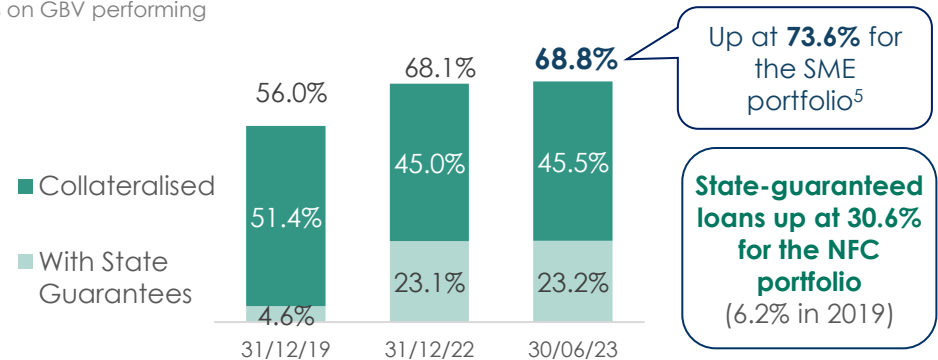


H1 2023 NEW LENDING AT €10.2bn²:

- **96%** concentrated in the **best rating classes** (Low-Mid categories)³
- **76%** in **Northern Italy**
- New lending to **Corporate and Enterprises: 55.8% “green”⁴**

SHARE OF SECURED POSITIONS ON TOTAL PERFORMING LOANS TO HOUSEHOLDS AND NON-FINANCIAL COMPANIES

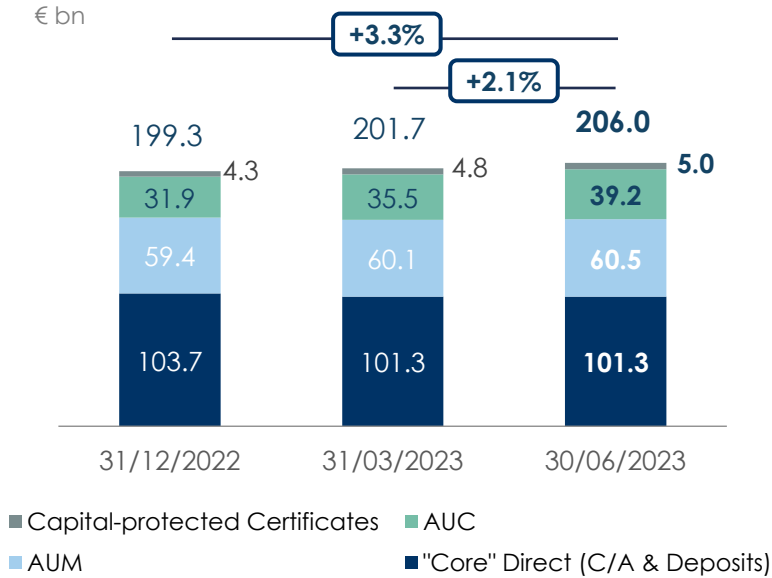
% on GBV performing



Total Customer Loans to Households and Non-Financial Companies at €90.1bn as at 30/06/2023

Solid franchise value: customer funding

Customer funding¹ up by €6.7bn YTD (+€4.3bn in Q2)



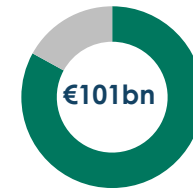
TOTAL CUSTOMER FUNDING driven by strong net flows and market performance:

- AUC +€7.3bn YTD, (+€3.7bn in Q2)
- AUM +1.1bn YTD (+€0.4bn in Q2)

HIGH-VALUE & RESILIENT DEPOSIT BASE

- Huge retail base
- Guaranteed deposits >€57bn¹
- Average retail (Households & SME retail) deposit size: ~€21K

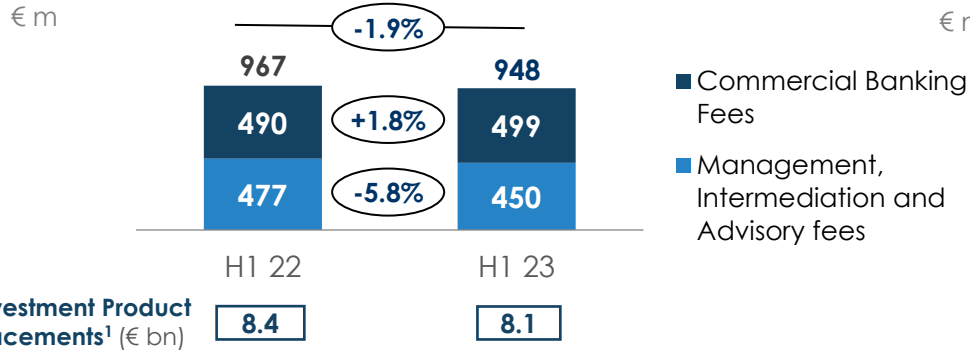
Sight deposits as at 30/06/2023
Managerial data



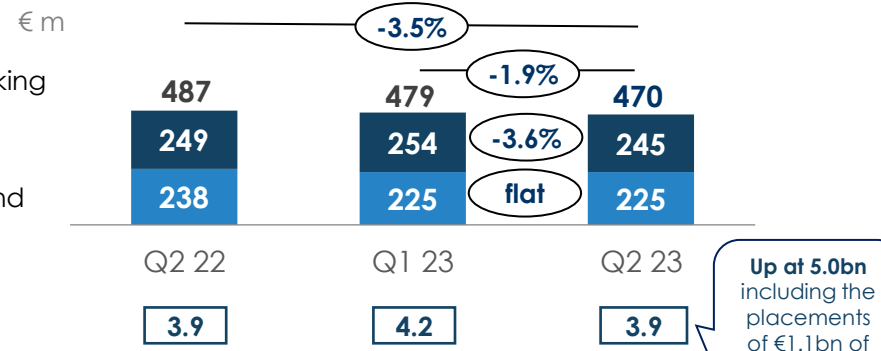
Retail & SME deposits³ >80%

Net Fees at €948m in H1 2023, mainly supported by Commercial Banking

Half-yearly trend



Quarterly trend



Commercial Banking fees:

- €499m in H1 23, +1.8% Y/Y despite **cancellation of fees on excess liquidity on current accounts (-€14m Q/Q)** and higher **costs on synthetic securitizations (-€11m Y/Y)**
- **Strong performance** from **payment services (+€26m Y/Y and +€8m Q/Q)** and **fees on lending (+€5m Y/Y)**

Management, Intermediation and Advisory fees:

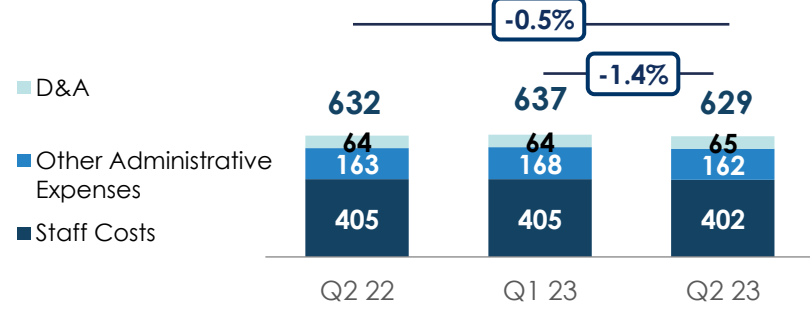
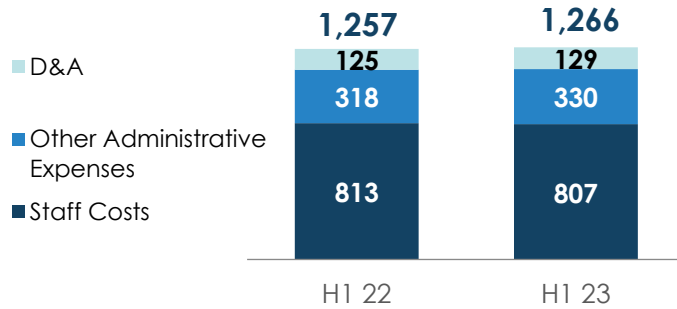
- €450m in H1 23, -5.8% Y/Y mainly due to **lower fees from Funds & Sicav (-€51m)**, partially compensated by **higher fees from certificates (+€16m)** and **AUC products (+€12m)**
- **Resilient trend in Q2 (flat Q/Q)**

Strict cost control: Cost/Income down at 47.8% in Q2 23 (57.8% in Q2 22)



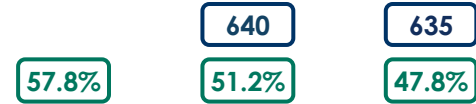
Banking business costs¹

€ m

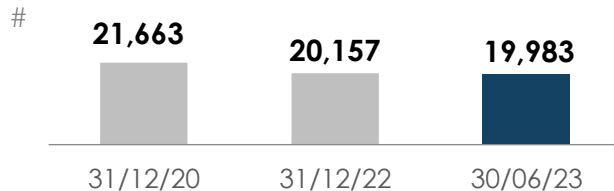


Total Costs including Insurance business costs since Q3 2022

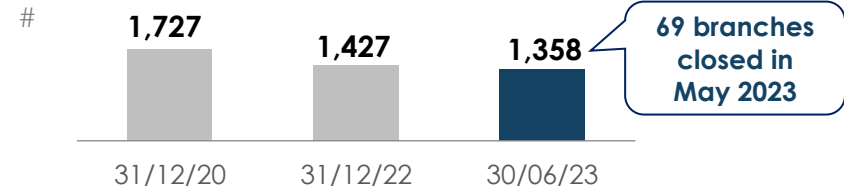
Cost/Income ratio



Headcount Evolution

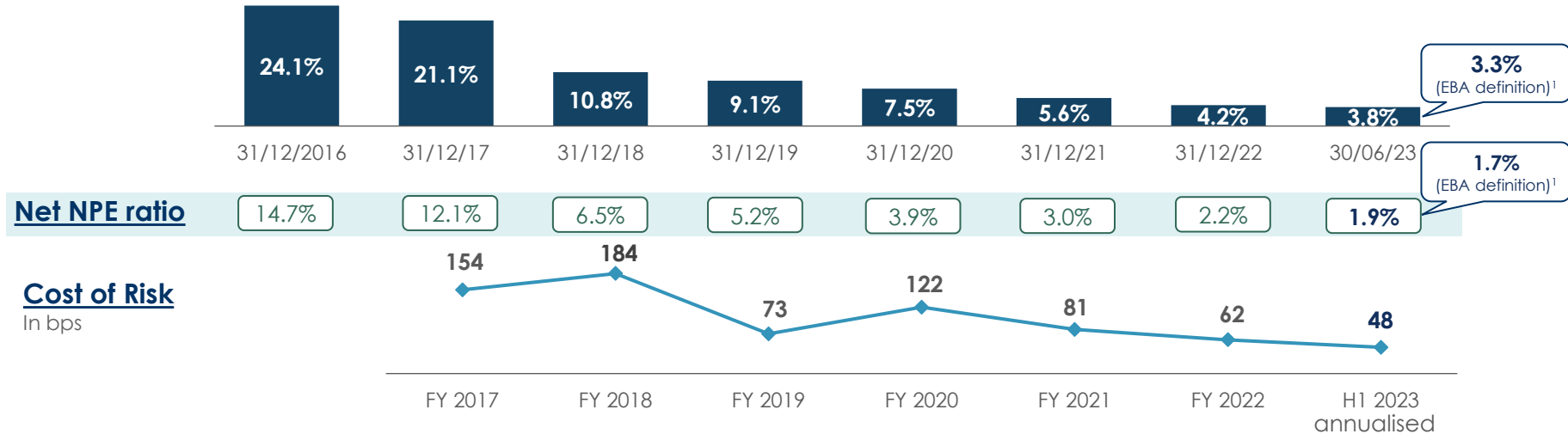


Retail Network Streamlining



Continuous asset quality improvement supporting the reduction of the Cost of Risk

Gross NPE ratio: -20.3 p.p. since the merger

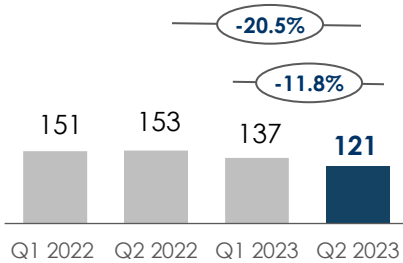


- **Gross and net NPE ratios down at 3.8% and 1.9%, respectively: well below the original Strategic Plan targets for YE 2024 (4.8% gross and ~2.5% net)**
- **NPE disposals of €200m executed in Q2 2023, as part of the >€700m planned, with CoR already frontloaded**
- **Overlays at ~€200m as at 30/06/2023 (vs. ~€160m as at 31/03/2023)**

Prudent provisioning policy with strong NPE coverage and low default rate

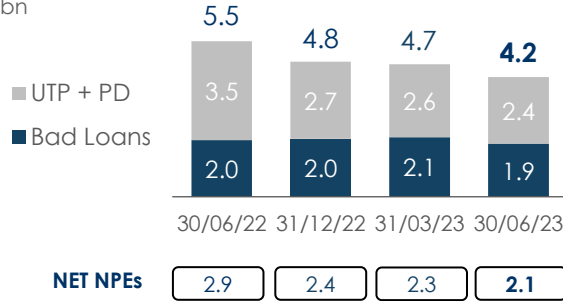
LLPs

€ m



Gross NPEs down by €1.3bn Y/Y

€ bn



Strong NPE coverage ratio

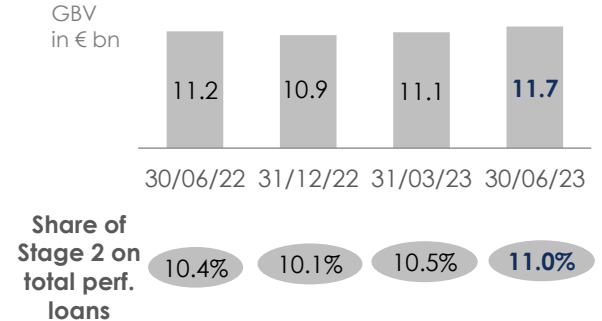
	30/06/22	31/12/22	31/03/23	30/06/23
BAD LOAN COVERAGE	61.5% (70%)	64.8% (72%)	64.9% (72%)	61.9% (70%)
UTP COVERAGE	40.3%	40.3%	40.8%	42.1%
% Share of Secured NPE (GBV)	62%	63%	64%	66%

Higher share of secured positions

Migration rates under control

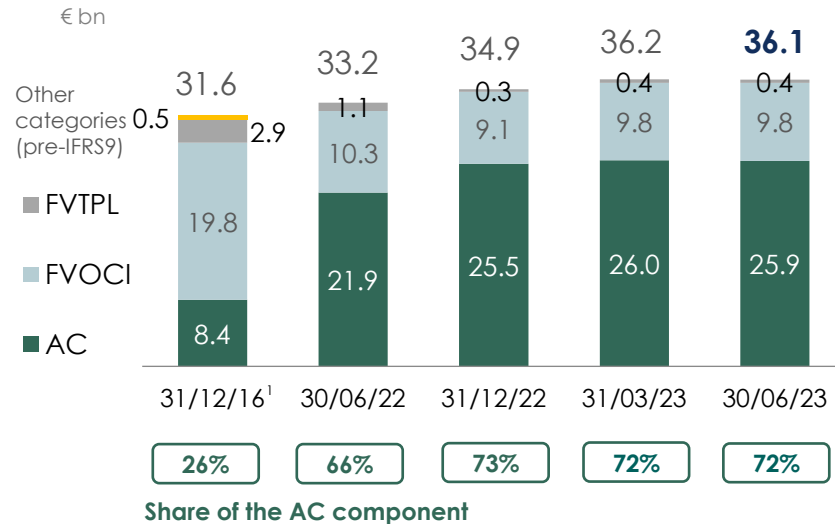
	FY 22	H1 23 annualised
Default rate (from Performing to NPEs)	0.94%	0.93%
Cure rate (from UTP to Performing)	3.31%	5.78%
Net Default rate (Net flows to NPEs from performing)	0.80%	0.78%

Stage 2 loans

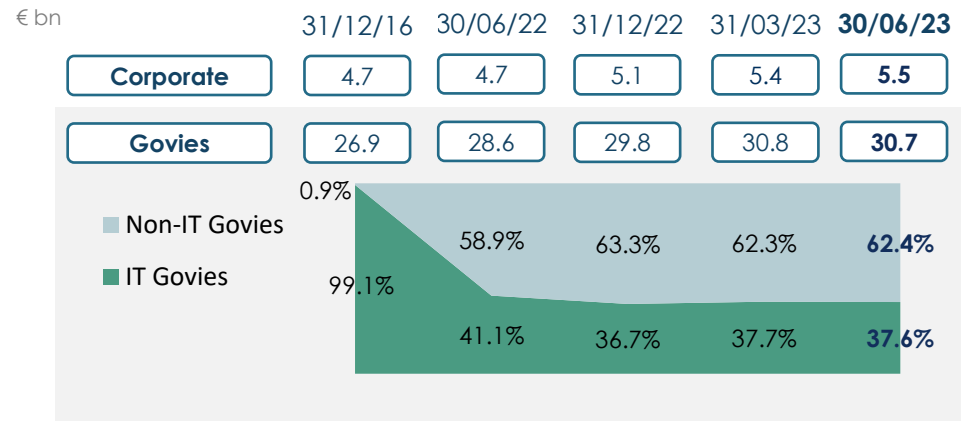


Optimization and increased diversification of Debt securities portfolio

Overall trend and accounting breakdown



Composition by counterparty



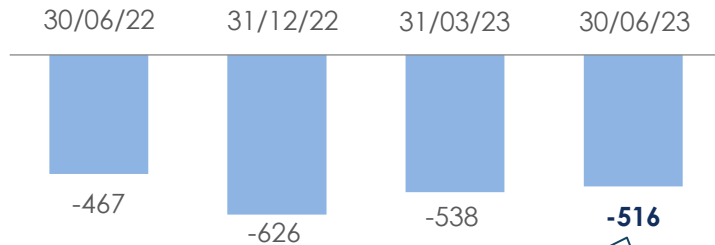
- IT govies on total govies down to **37.6%** from 99.1% at YE 2016
- Share of IT govies at FVOCI down to **20.7%** from 64% at YE 2016

Reserves of debt securities at FVOCI and Net Financial Result

Very low sensitivity of debt securities portfolio at FVOCI confirmed

Reserves of debt securities at FVOCI

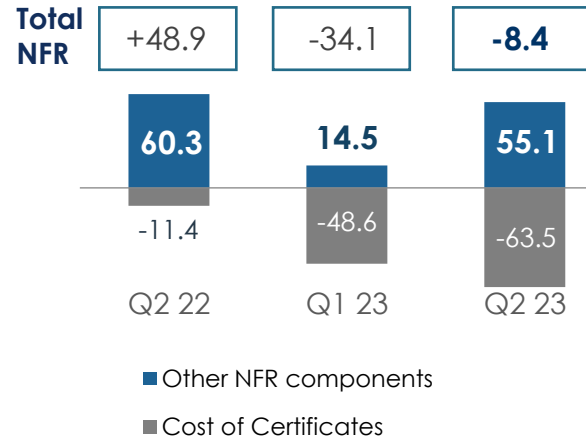
Post-tax
€ m



VERY LOW SENSITIVITY CONFIRMED:
BPV of Total Govies at FVOCI at €0.3m, o/w close to zero for Italian Govies¹

Breakdown of Net Financial Result

€ m



- **Better results from option hedging on FVOCI portfolio** and from **financial assets at FV** drive the improvement in Other NFR components in Q2 2023
- **Cost of Certificates**, classified at NFR, in accordance with Bank of Italy accounting schemes, **impacted by ongoing increase in interest rates**

Rock-solid liquidity & funding position: LCR at 179% and NSFR¹ at >130%



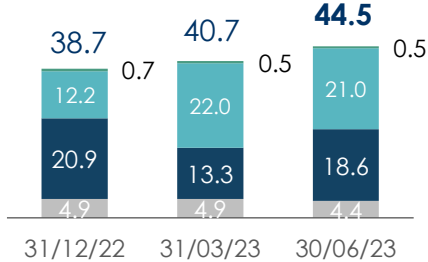
LIQUIDITY

Managerial data
€bn

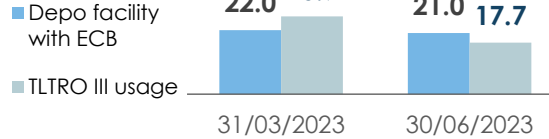
Total liquidity: Cash + Unencumbered Assets²

EuP data, net of haircut

- Cash
- Depo facility with ECB
- Eligible securities
- Other Marketable Securities



Net Exposure with ECB³



- Deposits with ECB at €21bn as at 30/06/23, €3.3bn higher than remaining TLTRO III exposure

31/03/23

30/06/23

LCR

199%

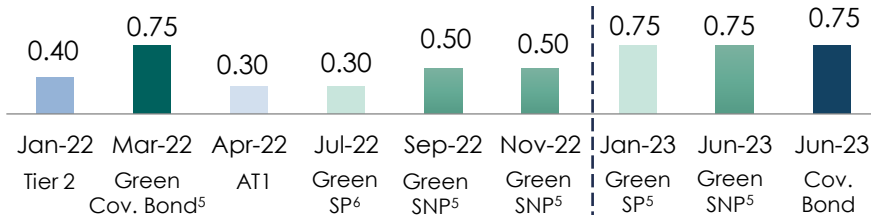
179%

- Limited impact from TLTRO reduction (€9bn reimbursed in June), with HQLA at €33.4bn (vs. €36.1bn end-March 2023)⁴
- LCR expected >140% after full TLTRO reimbursement, with limited recourse to MLT refinancing operations

FUNDING

€bn

Wholesale bonds issued since 2022 at €5.0bn



- €2.25bn wholesale bonds issued in H1 2023, mainly «green» (€1.5bn)
- Publication of our second Green Social & Sustainability Bonds Report in July

At the end of June 2023, Moody's improved the Outlook on Banco BPM's ratings from Stable to Positive

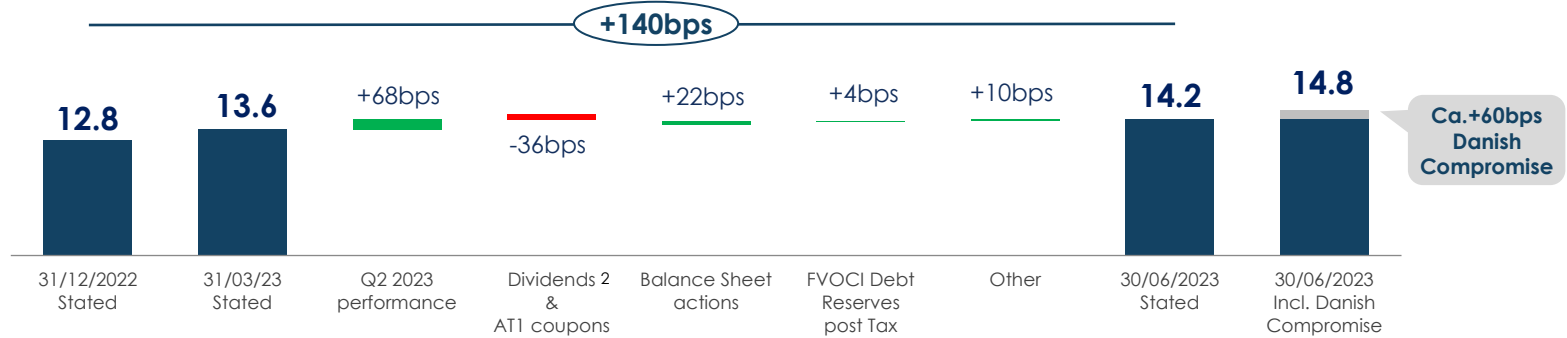


Notes: 1. Managerial data. 2. Include assets received as collateral and is net of accrued interests. 3. Excluding the minimum reserve requirements. 4. Weighted amount. 5. Issued under the Green, Social and Sustainability Bonds Framework. 6. Private placement.

Strong capital generation, with CET 1 ratio up at 14.8%¹

Evolution of CET1 Ratio stated up at 14.2%

%



Capital Ratios

%	31/12/22 Stated	31/03/23 Stated	30/06/23 Stated
TIER 1	15.2	15.9	16.6
Total	18.0	18.8	19.5
RWA (€/bn)	59.9	59.5	58.9

Capital Buffers

	31/12/22 Stated	31/03/23 Stated	30/06/23 Stated
Buffer vs. Min. CET1 Req.	413bps	486bps	552bps
MDA Buffer	413bps	486bps	552bps

Wide and strengthened capital buffers, with fully efficient capital structure

Up at 612bps incl. Danish Compromise

Final Remarks

3

H1 2023 performance in a nutshell



Outstanding results...

PROFITABILITY: OVERDELIVERING ON THE NEW TRAJECTORY

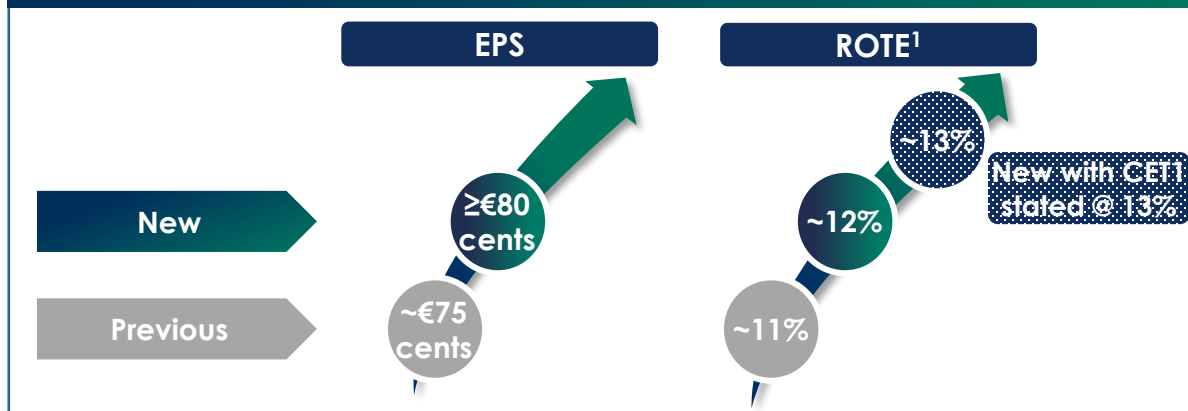
SOLID BALANCE SHEET: ADDITIONAL DERISKING AND STRONG LIQUIDITY & FUNDING

CAPITAL: MATERIAL GENERATION CAPACITY

... leading to a further upgrade in P&L guidance

Profitability Outlook

FURTHER INCREASE IN 2023 P&L GUIDANCE



**2024 EPS GUIDANCE
AT ~€90 CENTS (+12.5% Y/Y)**

**ROOM FOR UPWARD REVISION
IN THE NEXT STRATEGIC PLAN**

ATTRACTIVE DIVIDEND YIELD

~9% in 2023 and ~10% in 2024², at current payout level

CAPITAL DISTRIBUTION

**Strong profitability & capital generation
to be reflected in additional shareholder remuneration in the upcoming Strategic Plan (Q4 2023)**

H1 2023 Performance Details

4

Quarterly Stated P&L results

Reclassified income statement (€m)	Q1 22 (restated)	Q2 22 (restated)	Q3 22 (restated)	Q4 22 (restated)	Q1 23	Q2 23	Chg. Q/Q	Chg. Q/Q %
Net interest income	511.5	527.6	551.3	724.0	743.0	809.9	67.0	9.0%
Income (loss) from invest. in associates carried at equity	42.4	15.7	39.5	38.4	36.3	24.3	-12.0	-33.1%
Net interest, dividend and similar income	554.0	543.3	590.8	762.3	779.3	834.2	54.9	7.0%
Net fee and commission income	480.1	486.8	479.7	453.7	478.7	469.5	-9.1	-1.9%
Other net operating income	16.7	15.0	20.4	19.5	16.9	16.5	-0.4	-2.4%
Net financial result	127.9	48.9	75.1	-9.0	-34.1	-8.4	25.8	-75.5%
Income from insurance business			2.1	6.6	9.6	15.0	5.4	55.7%
Other operating income	624.7	550.7	577.3	470.9	471.0	492.7	21.6	4.6%
Total income	1,178.7	1,094.0	1,168.1	1,233.2	1,250.3	1,326.9	76.6	6.1%
Personnel expenses	-407.9	-405.3	-397.3	-391.9	-405.4	-402.9	2.5	-0.6%
Other administrative expenses	-155.6	-162.7	-159.6	-170.4	-170.2	-166.6	3.6	-2.1%
Amortization and depreciation	-61.2	-64.1	-69.9	-84.6	-64.5	-65.2	-0.7	1.1%
Operating costs	-624.7	-632.1	-626.8	-646.9	-640.1	-634.7	5.4	-0.8%
Profit (loss) from operations	554.0	461.9	541.3	586.3	610.3	692.2	81.9	13.4%
Net adjustments on loans to customers	-151.1	-152.6	-193.9	-184.7	-137.5	-121.3	16.2	-11.8%
Profit (loss) on FV measurement of tangible assets	-1.2	-39.6	-7.5	-60.0	-1.9	-30.5	-28.6	n.m.
Net adjustments on other financial assets	-3.2	-2.3	-3.0	-0.5	0.7	0.5	-0.2	-28.3%
Net provisions for risks and charges	-8.1	-4.6	-16.3	-28.2	2.5	0.9	-1.6	-64.6%
Profit (loss) on the disposal of equity and other invest.	1.5	-0.1	0.3	0.5	0.2	-0.4	-0.5	n.m.
Income (loss) before tax from continuing operations	391.9	262.8	320.9	313.4	474.2	541.4	67.2	14.2%
Tax on income from continuing operations	-138.4	-92.6	-90.4	-85.6	-147.4	-169.7	-22.2	15.1%
Income (loss) after tax from continuing operations	253.4	170.2	230.4	227.8	326.8	371.8	45.0	13.8%
Systemic charges after tax	-74.6	0.0	-77.3	0.0	-57.3	-0.4	56.9	-99.4%
Goodwill impairment	0.0	-8.1	0.0	0.0	0.0	0.0	0.0	
Income (loss) attributable to minority interests	0.0	0.1	0.0	0.6	0.0	0.4	0.4	n.m.
Purchase Price Allocation after tax	-8.5	-7.2	-16.5	-10.2	-7.4	-6.8	0.6	-7.7%
Fair value on own liabilities after Taxes	0.2	25.5	-0.3	-20.5	3.3	-5.8	-9.1	n.m.
Net income (loss) for the period	170.6	180.4	136.4	197.6	265.3	359.1	93.8	35.3%



P&L: H1 2023 stated and adjusted comparison

Reclassified income statement (€m)	1H 22 (restated)	1H 23	Chg. Y/Y %	1H 22 adjusted	1H 23 adjusted	Chg. Y/Y %
Net interest income	1,039.1	1,552.9	49.4%	1,039.1	1,552.9	49.4%
Income (loss) from invest. in associates carried at equity	58.2	60.6	4.2%	58.2	60.6	4.2%
Net interest, dividend and similar income	1,097.3	1,613.5	47.0%	1,097.3	1,613.5	47.0%
Net fee and commission income	966.9	948.2	-1.9%	966.9	948.2	-1.9%
Other net operating income	31.7	33.4	5.4%	31.7	33.4	5.4%
Net financial result	176.8	-42.5	n.m	181.5	-42.5	n.m
Income from insurance business		24.6			24.6	
Other operating income	1,175.4	963.7	-18.0%	1,180.1	963.7	-18.3%
Total income	2,272.7	2,577.2	13.4%	2,277.4	2,577.2	13.2%
Personnel expenses	-813.2	-808.3	-0.6%	-813.2	-808.9	-0.5%
Other administrative expenses	-318.2	-336.8	5.9%	-318.2	-336.8	5.9%
Amortization and depreciation	-125.3	-129.7	3.5%	-125.3	-129.7	3.5%
Operating costs	-1,256.7	-1,274.7	1.4%	-1,256.7	-1,275.3	1.5%
Profit (loss) from operations	1,015.9	1,302.5	28.2%	1,020.7	1,301.9	27.6%
Net adjustments on loans to customers	-303.7	-258.7	-14.8%	-191.0	-258.7	35.5%
Profit (loss) on FV measurement of tangible assets	-40.8	-32.4	-20.7%	0.0	0.0	
Net adjustments on other financial assets	-5.5	1.2	n.m	-5.5	1.2	n.m
Net provisions for risks and charges	-12.7	3.3	n.m	-12.7	12.1	n.m
Profit (loss) on the disposal of equity and other invest.	1.5	-0.2	n.m	0.0	0.0	
Income (loss) before tax from continuing operations	654.6	1,015.6	55.2%	811.4	1,056.4	30.2%
Tax on income from continuing operations	-231.0	-317.1	37.3%	-282.9	-330.0	16.6%
Income (loss) after tax from continuing operations	423.6	698.5	64.9%	528.5	726.4	37.4%
Systemic charges after tax	-74.6	-57.6	-22.7%	-74.6	-57.6	-22.7%
Realignment of fiscal values to accounting values	0.0	0.0	n.m.	0.0	0.0	n.m.
Goodwill impairment	-8.1	0.0	n.m.	0.0	0.0	n.m.
Income (loss) attributable to minority interests	0.1	0.3	n.m.	0.1	0.3	n.m.
Purchase Price Allocation after tax	-15.7	-14.2	-9.1%	-15.7	-14.2	-9.1%
Fair value on own liabilities after Taxes	25.7	-2.6	n.m	25.7	-2.6	n.m
Net income (loss) for the period	351.0	624.4	77.9%	464.0	652.3	40.6%

P&L: H1 2023 comparison of stated and adjusted with one-off details



Reclassified income statement (€m)	1H 23	1H 23 Adjusted	One-off	Non-recurring items
Net interest income	1,552.9	1,552.9	0.0	
Income (loss) from invest. in associates carried at equity	60.6	60.6	0.0	
Net interest, dividend and similar income	1,613.5	1,613.5	0.0	
Net fee and commission income	948.2	948.2	0.0	
Other net operating income	33.4	33.4	0.0	
Net financial result	-42.5	-42.5	0.0	
Income from insurance business	24.6	24.6	0.0	
Other operating income	963.7	963.7	0.0	
Total income	2,577.2	2,577.2	0.0	
Personnel expenses	-808.3	-808.9	0.6	
Other administrative expenses	-336.8	-336.8	0.0	
Amortization and depreciation	-129.7	-129.7	0.0	
Operating costs	-1,274.7	-1,275.3	0.6	
Profit (loss) from operations	1,302.5	1,301.9	0.6	
Net adjustments on loans to customers	-258.7	-258.7	0.0	
Profit (loss) on FV of tangible assets	-32.4	0.0	-32.4	Adjustments on tangible assets
Net adjustments on other financial assets	1.2	1.2	0.0	
Net provisions for risks and charges	3.3	12.1	-8.7	Prudential provisions related to contractual duties
Profit (loss) on the disposal of equity and other invest.	-0.2	0.0	-0.2	
Income (loss) before tax from continuing operations	1,015.6	1,056.4	-40.7	
Tax on income from continuing operations	-317.1	-330.0	12.9	
Income (loss) after tax from continuing operations	698.5	726.4	-27.9	
Systemic charges after tax	-57.6	-57.6	0.0	
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	-14.2	-14.2	0.0	
Fair value on own liabilities after Taxes	-2.6	-2.6	0.0	
Net income (loss) for the period	624.4	652.3	-27.9	

Reclassified Balance Sheet

Reclassified assets (€ m)	Restated		
	31/12/22	31/03/23	30/06/23
Cash and cash equivalents	13,131	23,068	21,845
Loans and advances measured at AC	113,633	111,393	112,014
- Loans and advances to banks	4,178	3,643	3,856
- Loans and advances to customers ⁽¹⁾	109,455	107,751	108,158
Other financial assets	43,094	43,875	44,112
- Assets measured at FV through PL	8,207	7,848	8,084
- Assets measured at FV through OCI	9,381	10,048	10,135
- Assets measured at AC	25,506	25,978	25,894
Financial assets pertaining to insurance companies	5,893	6,016	6,002
Equity investments	1,652	1,610	1,628
Property and equipment	3,035	2,894	2,825
Intangible assets	1,255	1,253	1,242
Tax assets	4,585	4,463	4,324
Non-current assets held for sale and discont. operations	196	209	486
Other assets	3,335	3,931	4,012
Total	189,808	198,712	198,490

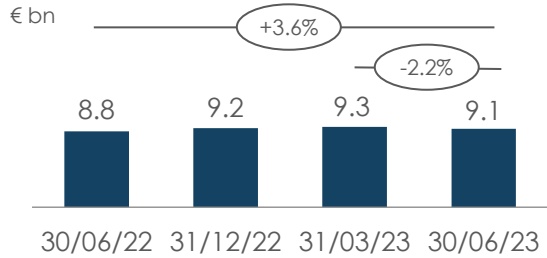
Reclassified liabilities (€ m)	Restated		
	31/12/22	31/03/23	30/06/23
Banking Direct Funding	120,639	120,038	121,155
- Due from customers	107,679	105,122	104,801
- Debt securities and financial liabilities designed at FV	12,960	14,916	16,353
Insurance Direct Funding & Insurance liabilities	5,743	5,854	5,819
- Financial liabilities measured at FV pertaining to insurance companies	1,459	1,478	1,476
- Liabilities pertaining to insurance companies	4,284	4,376	4,343
Due to banks	32,636	31,300	22,870
Debts for Leasing	628	514	497
Other financial liabilities designated at FV	13,598	21,747	26,795
Other financial liabilities pertaining to insurance companies	0	3	2
Liability provisions	989	962	866
Tax liabilities	268	312	319
Liabilities associated with assets held for sale	26	35	245
Other liabilities	2,266	4,587	6,534
Minority interests	1	1	0
Shareholders' equity	13,016	13,358	13,388
Total	189,808	198,712	198,490

Chg. YTD		Chg. Q/Q	
Value	%	Value	%
8,714	66.4%	-1,223	-5.3%
-1,619	-1.4%	620	0.6%
-322	-7.7%	213	5.9%
-1,297	-1.2%	407	0.4%
1,019	2.4%	237	0.5%
-123	-1.5%	235	3.0%
754	8.0%	87	0.9%
388	1.5%	-84	-0.3%
109	1.8%	-14	-0.2%
-24	-1.5%	19	1.2%
-209	-6.9%	-69	-2.4%
-13	-1.1%	-11	-0.9%
-261	-5.7%	-139	-3.1%
290	148.2%	277	132.7%
677	20.3%	80	2.0%
8,682	4.6%	-222	-0.1%

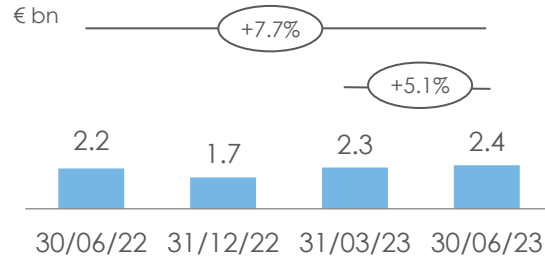
Chg. YTD		Chg. Q/Q	
Value	%	Value	%
516	0.4%	1,117	0.9%
-2,878	-2.7%	-321	-0.3%
3,394	26.2%	1,438	9.6%
76	1.3%	-35	-0.6%
17	1.2%	-2	-0.1%
59	1.4%	-33	-0.8%
-9,766	-29.9%	-8,430	-26.9%
-131	-20.8%	-17	-3.3%
13,197	97.1%	5,048	23.2%
2	4	-1	-39.8%
-123	-12.4%	-96	-10.0%
51	19.1%	7	2.2%
220	850.7%	211	610.2%
4,268	188.4%	1,946	42.4%
0	-46.8%	0	-49.3%
372	2.9%	30	0.2%
8,682	4.6%	-222	-0.1%

Focus on Govies portfolio

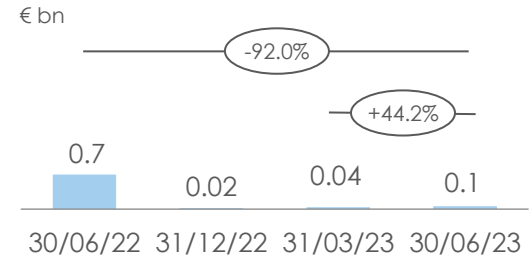
Italian Govies at AC



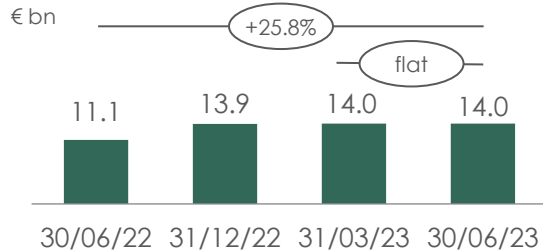
Italian Govies at FVOCI



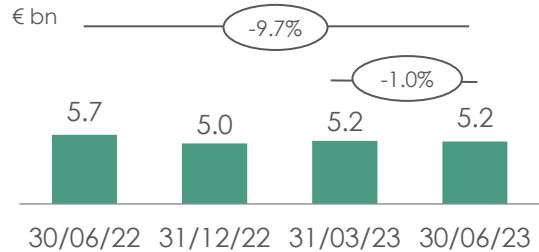
Italian Govies at FVTPL



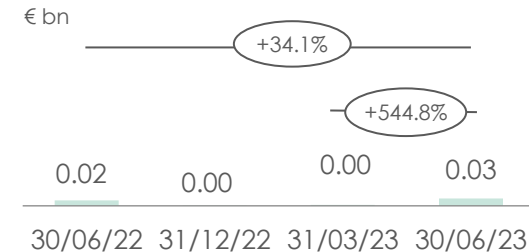
Non-Italian Govies at AC



Non-Italian Govies at FVOCI



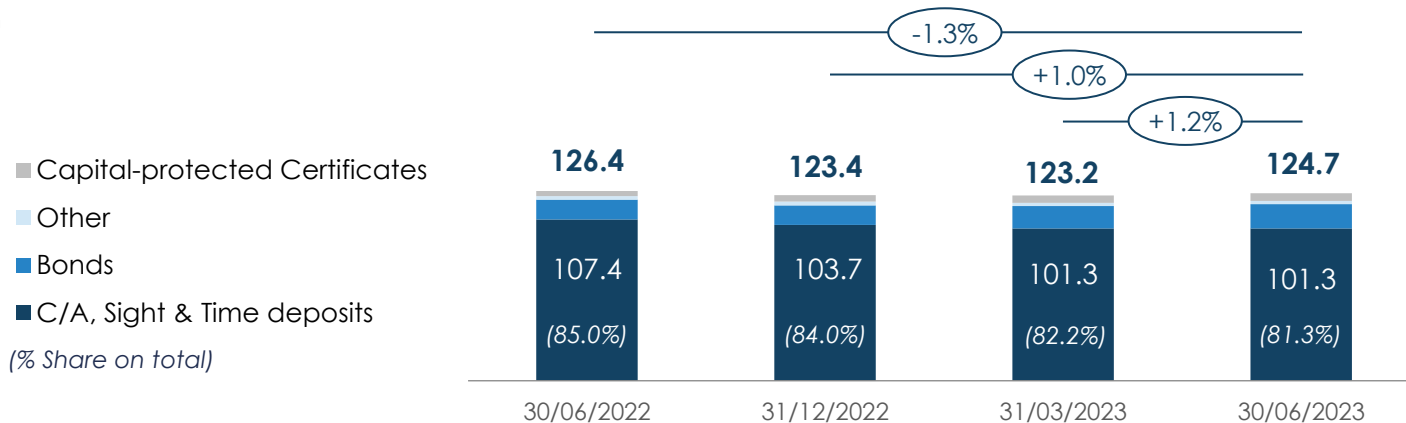
Non-Italian Govies at FVTPL



Direct funding from the Banking business

Direct funding¹

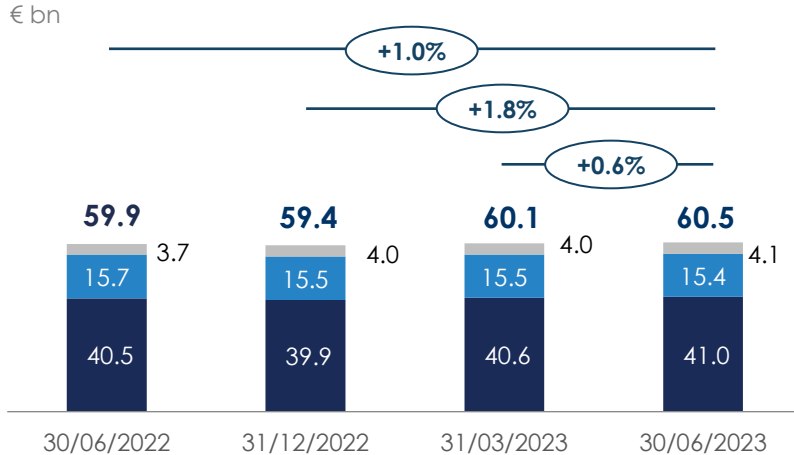
€ bn



	30/06/22	31/12/22	31/03/23	30/06/23	% chg. Y/Y	% chg. YTD	% chg. Q/Q
C/A & Sight deposits	106.7	103.4	101.0	100.9	-5.4%	-2.4%	-0.1%
Time deposits	0.7	0.3	0.3	0.4	-38.6%	50.0%	51.9%
Bonds	13.2	12.9	14.9	16.3	23.8%	26.3%	9.7%
Other	2.2	2.5	2.2	2.0	-8.7%	-19.5%	-8.0%
Capital-protected Certificates	3.5	4.3	4.8	5.0	42.1%	16.7%	4.3%
Direct Funding (excl. Repos)	126.4	123.4	123.2	124.7	-1.3%	1.0%	1.2%

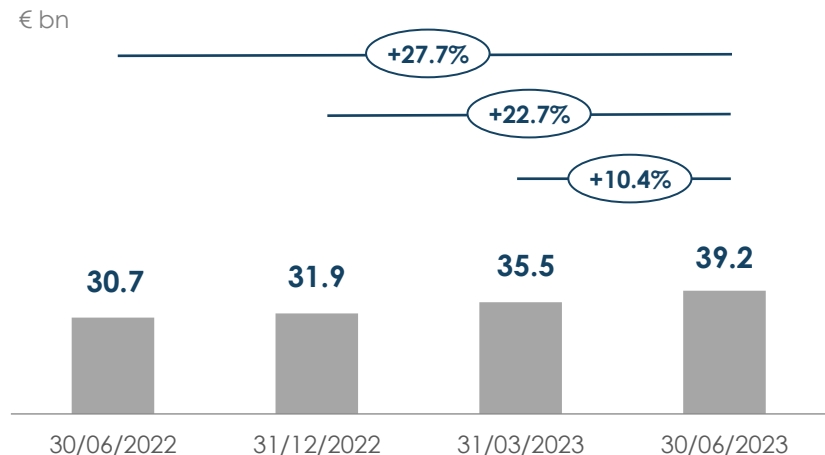
Indirect customer funding up at €99.6bn: +9.1%YTD

Assets under Management (AuM)



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

Assets under Custody (AuC)¹

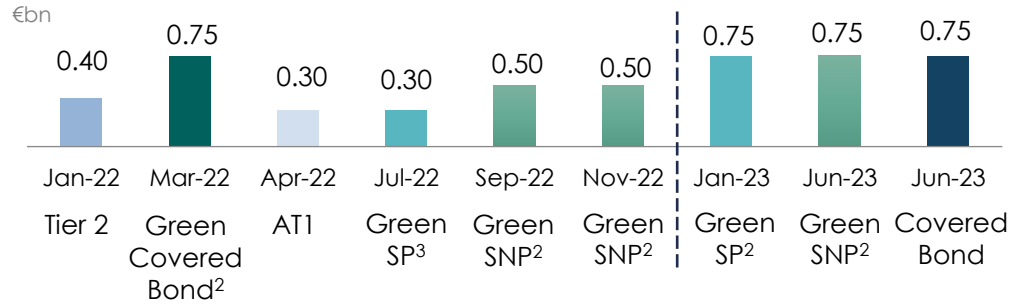


- Total Indirect Customer Funding up at €99.6bn, from €95.6bn as at 31/03/2023, €91.3bn as at 31/12/2022 and €90.5bn as at 30/06/2022
- The increase is driven by Assets under Custody and is mainly due to the volume effect

Successful issuance activity and well diversified liability profile



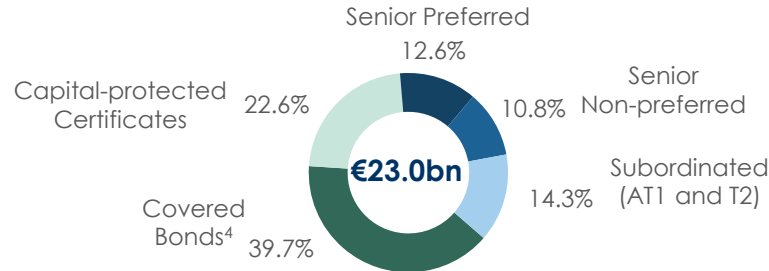
Wholesale bonds issued since 2022 at €5.0bn



- Wholesale bonds issued for a total of €2.25bn in H1 2023, mainly «green» (€1.5bn), with a well diversified seniority
- In rolling out its funding plan, Banco BPM will consider not only regulatory MREL requirements but also rating agency thresholds

Bonds & Certificates outstanding

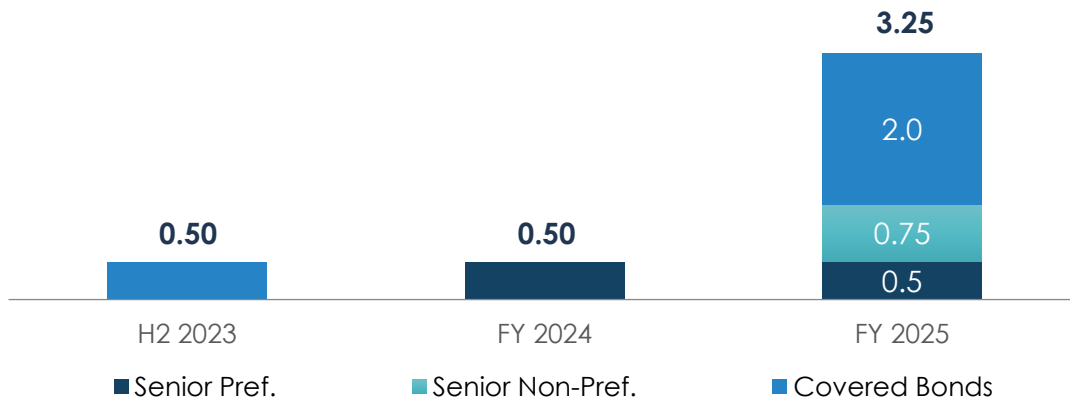
Nominal amounts as at 30/06/2023



Bond maturities: limited and manageable amounts

Institutional bond maturities

€ bn

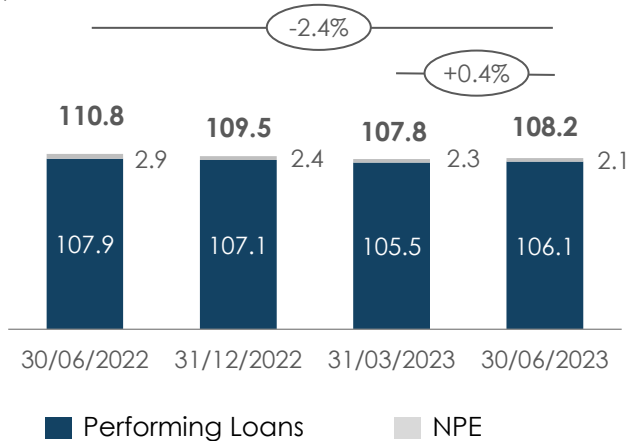


Following the reimbursement in H1 2023 of institutional bonds for a total of €1.4bn (of which: €0.9bn Covered Bonds and €0.5bn Senior Preferred), the Group faces rather limited and manageable amounts of bond maturities in the future

Net Customer Loans

Net Customer Loans

€ bn



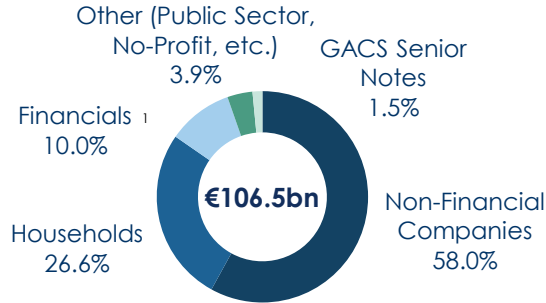
Net Performing Customer Loans	30/06/22	31/12/22	31/03/23	30/06/23	Change		
					In % Y/Y	In % YTD	In % Q/Q
Core customer loans	102.8	102.8	102.3	100.9	-1.9%	-1.8%	-1.4%
- Medium/Long-Term loans	79.7	80.4	80.1	79.3	-0.4%	-1.4%	-1.0%
- Current Accounts	9.6	8.4	8.4	8.6	-9.9%	3.0%	2.1%
- Cards & Personal Loans	1.1	1.0	0.8	0.8	-29.1%	-17.6%	-6.8%
- Other loans	12.5	13.0	12.9	12.2	-2.8%	-6.6%	-6.0%
GACS Senior Notes	2.1	1.9	1.8	1.6	-25.3%	-17.1%	-8.4%
Repos	2.3	1.9	0.9	3.1	34.2%	66.6%	231.1%
Leasing	0.6	0.5	0.5	0.5	-25.3%	-12.7%	-6.1%
Total Net Performing Loans	107.9	107.1	105.5	106.1	-1.7%	-1.0%	0.6%

Analysis of Customer loan portfolio

Performing customer loan breakdown as at 30/06/2023

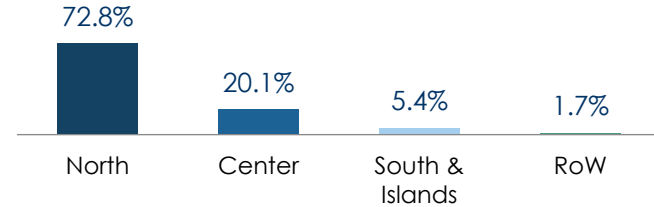
Managerial data,
GBV

Breakdown by customer segments



Breakdown by geographic area

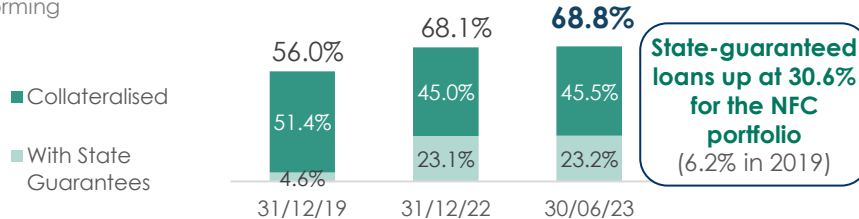
(excluding GACS Senior Notes)



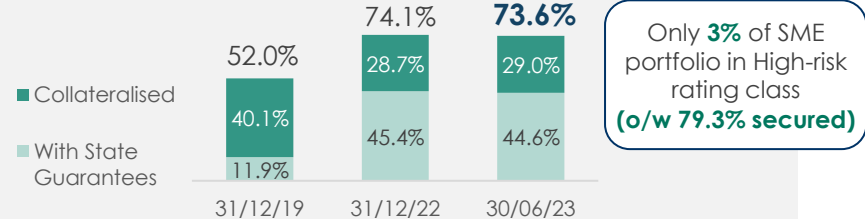
Total customer loans: increased share of secured exposure, mainly in the SME segment

% share of secured positions on total stock of gross Performing

Total Customer Loans to Households and Non-financial Companies at €90.1bn

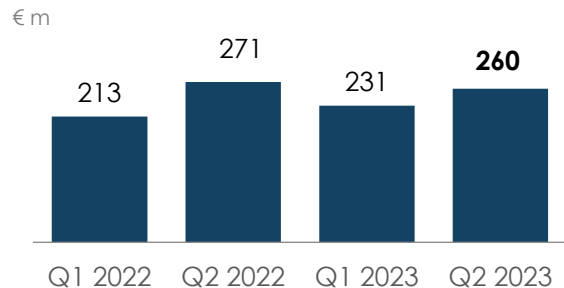


o/w: Focus on Customer Loans to SMEs² at €18.0bn

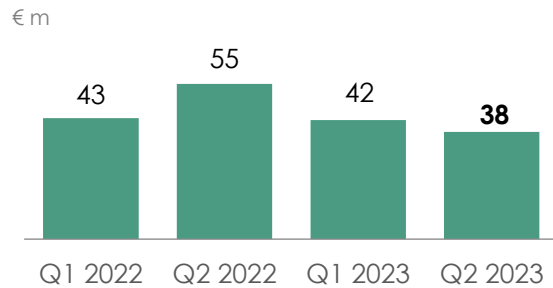


NPE migration dynamics

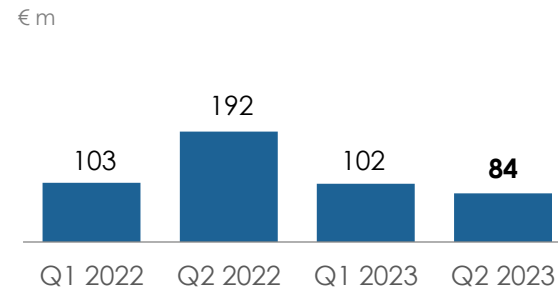
Inflows from Performing to NPEs



Outflows from NPEs to Perf. Loans



Flows from UTP to Bad Loans



Asset Quality details

Loans to Customers at AC¹

Gross exposures €/m and %	30/06/2022	31/12/2022	31/03/2023	30/06/2023	Chg. Y/Y		Chg. YTD		Chg. Q/Q	
					Value	%	Value	%	Value	%
Bad Loans	1,996	2,047	2,094	1,868	-127	-6.4%	-179	-8.7%	-226	-10.8%
UTP	3,405	2,639	2,522	2,280	-1,125	-33.0%	-360	-13.6%	-242	-9.6%
Past Due	84	82	64	77	-7	-8.0%	-5	-6.0%	13	20.1%
NPE	5,485	4,769	4,680	4,225	-1,259	-23.0%	-543	-11.4%	-455	-9.7%
Performing Loans	108,392	107,520	105,894	106,484	-1,908	-1.8%	-1,036	-1.0%	590	0.6%
TOTAL CUSTOMER LOANS	113,876	112,289	110,574	110,709	-3,167	-2.8%	-1,580	-1.4%	135	0.1%

Net exposures €/m and %	30/06/2022	31/12/2022	31/03/2023	30/06/2023	Chg. Y/Y		Chg. YTD		Chg. Q/Q	
					Value	%	Value	%	Value	%
Bad Loans	769	721	734	711	-58	-7.5%	-9	-1.3%	-23	-3.2%
UTP	2,034	1,575	1,493	1,321	-713	-35.1%	-254	-16.1%	-172	-11.5%
Past Due	59	60	48	56	-3	-5.1%	-4	-6.9%	8	16.2%
NPE	2,862	2,356	2,275	2,088	-774	-27.0%	-268	-11.4%	-188	-8.2%
Performing Loans	107,947	107,099	105,475	106,070	-1,877	-1.7%	-1,029	-1.0%	595	0.6%
TOTAL CUSTOMER LOANS	110,808	109,455	107,751	108,158	-2,651	-2.4%	-1,297	-1.2%	407	0.4%

Coverage ratios %	30/06/2022	31/12/2022	31/03/2023	30/06/2023
Bad Loans	61.5%	64.8%	64.9%	61.9%
UTP	40.3%	40.3%	40.8%	42.1%
Past Due	29.8%	26.9%	25.1%	27.6%
NPE	47.8%	50.6%	51.4%	50.6%
Performing Loans	0.41%	0.39%	0.40%	0.39%
TOTAL CUSTOMER LOANS	2.7%	2.5%	2.6%	2.3%

Details on Insurance business

Banco BPM Vita & Banco BPM Assicurazioni portfolio fully consolidated starting from 1 July 2022¹

P&L contribution of Banco BPM Vita & Assicurazioni

	H1 23
Income from insurance business	24.6
Total income	24.6
Personnel expenses	-1.3
Other administrative expenses	-7.1
Amortization and depreciation	-0.2
Operating costs	-8.6
Profit (loss) from operations	15.9
Tax on income from continuing operations	-5.5
Net income (insurance 100%)	10.4

IFRS 17 impacts on FY 2022 P&L

Reclassified income statement (€m)	IFRS 17 impacts on FY 2022	Q4 2022			
		Q4 2022	Q3 2022	Q2 2022	Q1 2022
Income (loss) from invest. in associates carried at equity	-21.5	3.6	7.9	-25.7	-7.2
Net interest, dividend and similar income	-21.5	3.6	7.9	-25.7	-7.2
Net fee and commission income	12.9	6.5	6.5	0.0	0.0
Other net operating income	0.0	0.0	0.0	0.0	0.0
Income from insurance business	-23.0	-11.5	-11.5	0.0	0.0
Other operating income	-10.1	-5.0	-5.0	0.0	0.0
Total income	-31.6	-1.5	2.9	-25.7	-7.2
Personnel expenses	6.5	3.2	3.2	0.0	0.0
Other administrative expenses	2.1	1.1	1.1	0.0	0.0
Amortization and depreciation	0.4	0.2	0.2	0.0	0.0
Operating costs	9.0	4.5	4.5	0.0	0.0
Profit (loss) from operations	-22.6	3.0	7.4	-25.7	-7.2
Income (loss) before tax from continuing operations	-22.6	3.0	7.4	-25.7	-7.2
Tax on income from continuing operations	1.9	0.9	0.9	0.0	0.0
Income (loss) after tax from continuing operations	-20.7	4.0	8.3	-25.7	-7.2
Purchase Price Allocation after tax	3.1	1.6	1.6	0.0	0.0
Net income (loss) for the period	-17.5	5.5	9.9	-25.7	-7.2

Capital position in detail¹

FULLY LOADED CAPITAL POSITION (€/m and %)	30/06/2022	31/12/2022 Restated	30/06/2023
CET 1 Capital	8,053	7,686	8,386
T1 Capital	9,443	9,076	9,776
Total Capital	11,717	10,800	11,484
RWA	63,123	59,859	58,859
CET 1 Ratio	12.76%	12.84%	14.25%
AT1	2.20%	2.32%	2.36%
T1 Ratio	14.96%	15.16%	16.61%
Tier 2	3.60%	2.88%	2.90%
Total Capital Ratio	18.56%	18.04%	19.51%

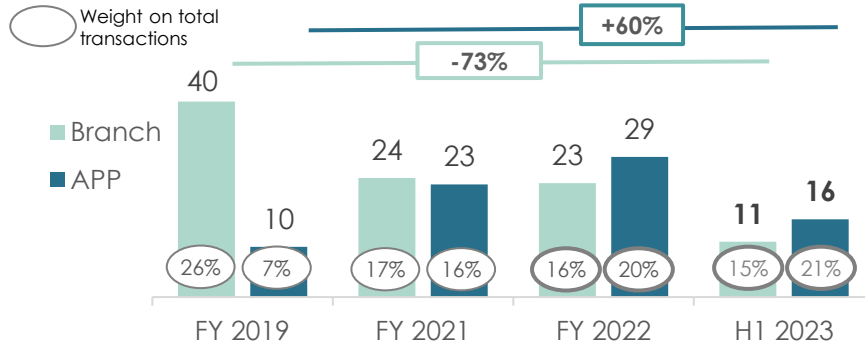
Leverage ratio Fully Loaded as at 30/06/2023: 4.85%

FULLY LOADED RWA COMPOSITION (€/bn)	30/06/2022	31/12/2022 Restated	30/06/2023
CREDIT & COUNTERPARTY RISK	54.0	50.8	49.8
<i>of which: Standard</i>	29.1	26.1	26.6
MARKET RISK	1.8	1.4	1.4
OPERATIONAL RISK	7.1	7.4	7.4
CVA	0.2	0.3	0.2
TOTAL	63.1	59.9	58.9

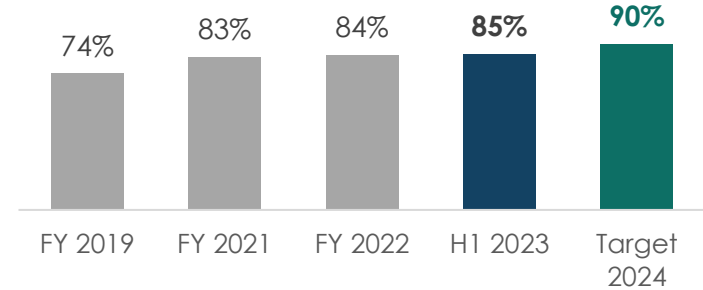
Further progress in new digital-driven distribution model

Main digital-enabled achievements

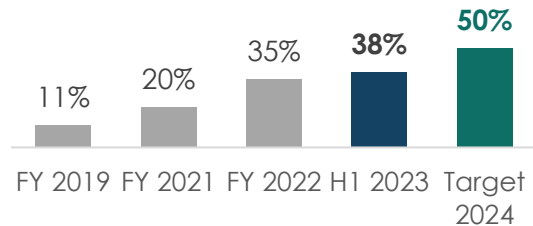
Branch and APP-based transactions (m)



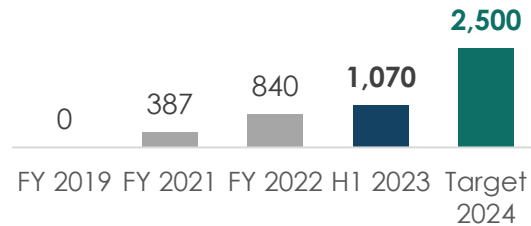
% Remote-based transaction



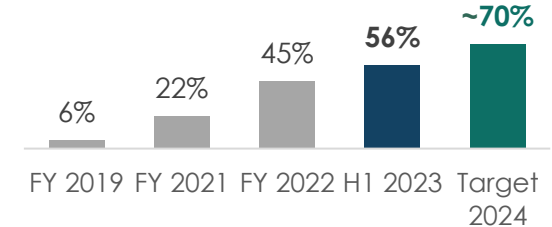
% Remote & Omnichannel Sales



Customers enrolled in Digital Identity¹ (k)



% Commercial contacts on total Digital Branch



ESG integration update: Key results & selected KPIs

		2022	H1 2023
 BUSINESS	% of Green new lending to corporate and enterprise segments ¹	55.6%	55.8%
	Green residential mortgages (new lending)	€620m	€178m
	Green & Social Bonds issued	€2.05bn ²	€1.5bn
	Share of ESG corporate bonds in the proprietary portfolio	24.2%	27.0%
	ESG bond issues assisted by Banca Akros	€8.1bn	€6.8bn
 ENVIRONMENT	Net Scope 1&2 emissions market based (% chg. y/y) ³	-54.3%	-13.9%
	Total consumptions (% chg. y/y)	-12.0%	-15.9%
 PEOPLE	Share of women in managerial positions	26.1%	27.4%
	Hours of ESG training courses	174,200	90,975
	Share of new hirings between 20-30 years (cumulated, since Jan.21)	89.5%	88.1%
 COMMUNITY	Donations and sponsorship for social & environmental projects	€4.6m	€4.0m
	Hours of corporate community services, ESG awareness and financial education	14,600	5,270
	New lending to third sector	€180m	€64m

Note: 1. New lending to corporate and enterprises belonging to green/low transition risk sectors and green lending products to corporate and enterprise segments (excluding small business & institutional segments). 2. Includes 3 bonds for a total of €1,750m under our Green, Social and Sustainability Bonds Framework and one Private Placement for €300m. 3. 2022 FY data include compensation of ~8,000 t. of CO2 eq. in 2022 and ~800 t. of CO2 eq. in FY 2021.

OTHER KEY ACHIEVEMENTS

In March 2023 Banco BPM joined the NZBA



ESG governance further strengthened:
Sustainability Committee established at Board level in April 2023

Publication of the 2023 Green Social & Sustainability Bonds Report in July

MSCI
ESG RATINGS



MSCI rating upgraded from BBB to A in March 2023

CCC B BB BBB A AA AAA



Standard Ethics confirms the rating at EE and improves the outlook to Positive

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