



# Group 9M 2024 Results Presentation

06 November 2024



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This presentation includes both accounting data (based on financial accounts) and internal managerial 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.
- It is reminded that, as part of a wider reorganization on the Bancassurance business model started in 2022 (please refer to FY 2022 and FY 2023 Annual Reports for details), on 14 December 2023 the Group completed:
  - the acquisition of control of Vera Vita – previously already held at 35% - through the purchase of 65% of the capital from Generali Italia, in execution of the exercise of the call option by the Banco BPM Group on 29 May 2023. Consequently, as of 31/12/23, the balance sheet of Vera Vita is included, line-by-line, in the consolidated financial statements. The economic contribution, for the entire 2023 financial year, is shown in the reclassified income statement item "Income (loss) from investments in associates carried at equity", as the company was owned at 35% until the end of 2023, while, starting from Q1 2024, the economic contribution from Vera Vita is reported line-by-line.
  - the purchase transaction of 65% of the shares of Vera Assicurazioni (which in turn holds 100% of Vera Protezione) from Generali Italia and the simultaneous sale of a 65% stake to Crédit Agricole Assurances (CAA). Consequently, as of 31/12/23, the investment held in Vera Assicurazioni (and indirectly in Vera Protezione) for 35% is included in the reclassified balance sheet line item "Equity investment", in line with the classification at the beginning of the year. The related economic contribution, for the stake held (35%), is shown in the reclassified income statement item "Income (loss) from investments in associates carried at equity", as the investment is qualified as an "associates" for the entire 2023 financial year. Nothing changes for the financial year 2024.
  - the sale of its 65% controlling stake in Banco BPM Assicurazione to CAA. As a result of the following loss of control of the subsidiary, the stake held (35%) in Banco BPM Assicurazione is considered as "associate" and included in the reclassified balance sheet line item "Equity investment". The related economic contribution is represented, line-by-line, in the consolidated income statement for the entire 2023 financial year, as it was considered as subsidiary until the end of the 2023, while, starting from Q1 2024, it is included in the reclassified income statement item "Income (loss) from investments in associates carried at equity".

As a result of the above, for the 2023 financial year, in the reclassified income statement a new item "Impact of bancassurance reorganization" has been created, which includes the overall net effects related to bancassurance transactions, with the aim of simplifying their illustration and guarantee a homogeneous comparison (€ -22,2 million). In the first quarter of 2024, the definition of the prices of purchase and sale transactions led to a revision of the estimate of the effects recognized in 2023, by crediting the Q1 2024 income statement of € 2,4 million.

- The strategic partnership on Numia related to e-money sector, announced to the market on 14 July 2023, was finalized on 30 September 2024, with Numia Group (the company holding the entire capital of Numia) becoming 42,86% owned by FSI and 28,57% owned by each of Banco BPM and BCC Banca Iccrea. As a consequence:
  - the assets and liabilities related to e-money sector and the equity investment in Tecmarket Servizi S.p.A were transferred to Numia on 30 September 2024. The aforementioned asset and liabilities were reclassified, starting from the situation as of June 30, 2023, 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;
  - as of 30 September 2024, the interest in Numia Group is shown for an amount of € 272 million, in the reclassified balance sheet item "Interests in associates and joint ventures", qualifying as an associated investment pursuant to IAS 28;
  - the overall Q3 2024 economic impact of the transaction is positive for € 500 million (€ 493 million, net of tax effect), which is shown in ad ad hoc income statement item "Money impact, net of taxes".

Moreover, starting from Q1 2024, the profits generated by activities tied to the monetics sector carried out by the subsidiary Tecmarket Servizi S.p.A., as well as profits from the management of digital payment services, provided by the Parent company (after the partial demerger of the abovementioned subsidiary on 1 January 2023), which were previously posted under "Other net operating income", has been reclassified under the line-item "Net fees and commission income" of the reclassified income statement starting from Q1 2024, due to the incoming finalization of the JV in Payments system. 2023 data have been restated accordingly. Looking ahead, this representation will allow for a more homogeneous comparison with the commission income that will be received by the Group for the distribution of services related to payment/monetics business, following the completion of the deal here described.

- The Group capital ratios and data included in this presentation are calculated including the interim profit and deducting the amount of the dividend pay-out determined according to the current regulation.

# Agenda

|          |                                    |           |
|----------|------------------------------------|-----------|
| <b>1</b> | <b>Executive Summary</b>           | <b>5</b>  |
| <b>2</b> | <b>Key Highlights</b>              | <b>10</b> |
| <b>3</b> | <b>Final Remarks</b>               | <b>22</b> |
| <b>4</b> | <b>9M 2024 Performance Details</b> | <b>24</b> |

# Executive Summary

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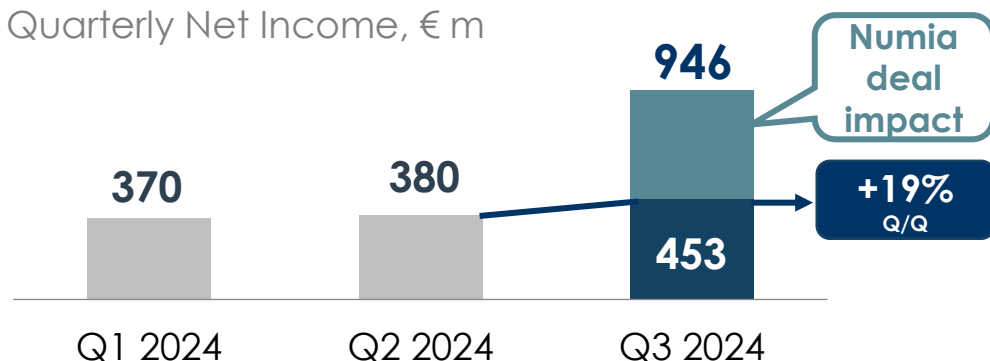
# 9M 2024: CONFIRMING AN OUTSTANDING PERFORMANCE TRACK RECORD...

## INCREASING NET INCOME & SHAREHOLDER REMUNERATION

### 9M NET INCOME €1.7BN

- €1.24bn adjusted, +25% Y/Y

Quarterly Net Income, € m



### CONFIDENT TO OVERPERFORM €0.95 FY 2024 EPS PREVIOUS GUIDANCE (excl. one-offs)

▪ €0.75 DPS MATURED IN 9M

➡ €0.4 DPS APPROVED TODAY<sup>1</sup> (INTERIM DIVIDEND AT €600M)

▪ €1.45bn<sup>2</sup> TOTAL PAYMENT OF DIVIDENDS IN 2024

➡ +€150m VS. ORIGINAL PLAN GUIDANCE

## SOLID PROFITABILITY OUTLOOK SUPPORTED BY:

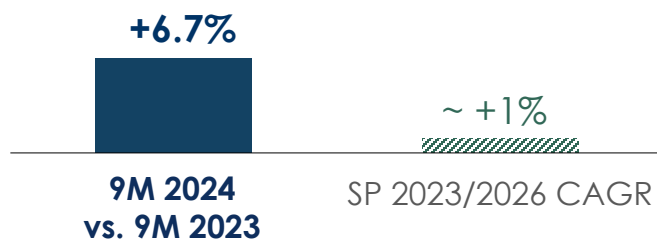
- Reduction in interest rate sensitivity<sup>3</sup>: -€50m in 2024
- Product Factories: progressive deployment to continue in 2025, with full steam by 2026
- Accelerated NPE derisking plan and disposal of Non-instrumental Real Estate assets

# ... LEVERAGING ON KEY STRATEGIC STRENGTHS

## OVERDELIVERY ON MAIN PLAN DRIVERS

**CORE REVENUES**  
€4.27bn in 9M

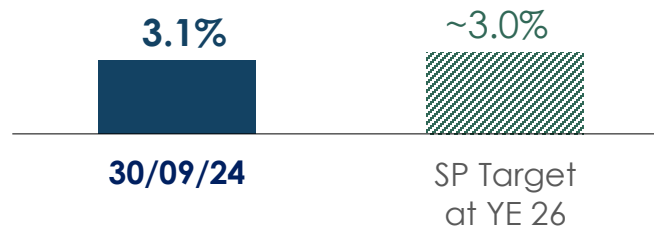
Core Revenue growth



**GROSS NPEs at €3.2bn**  
-18% Y/Y

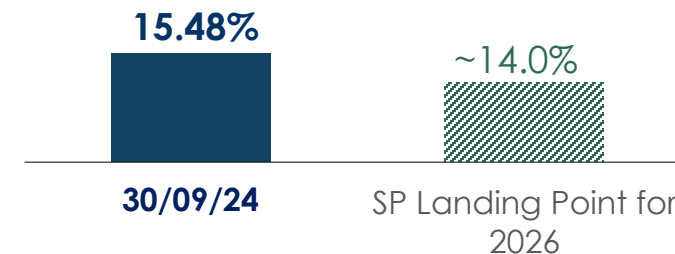
Gross NPE ratio

~€620m NPEs disposed in 9M



**CET 1 ratio +132bps in 9M**  
MDA buffer at 641bps

CET 1 RATIO:



## TRANSFORMATIONAL TRANSACTIONS WELL ON TRACK

**CLOSING OF THE JV IN THE PAYMENTS BUSINESS**

numia

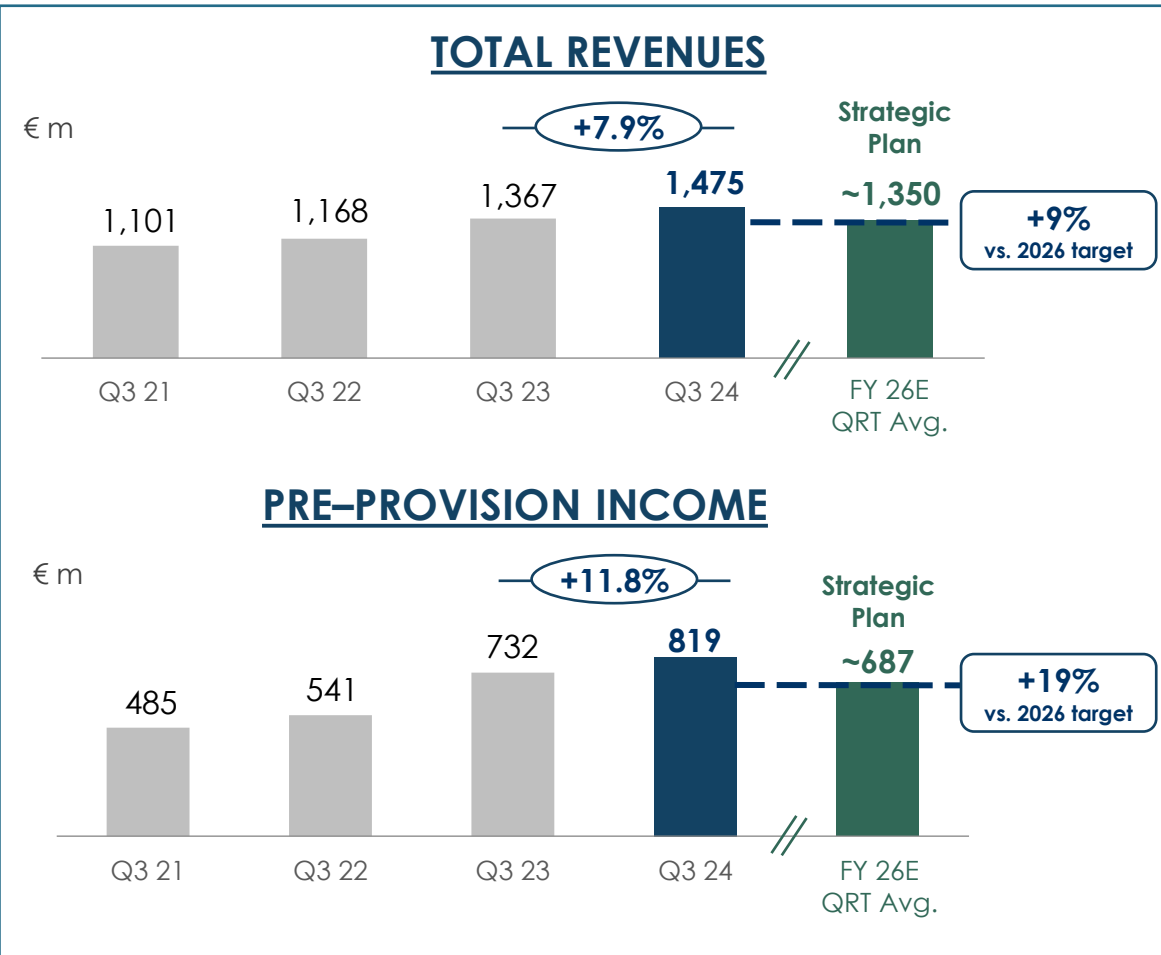
- Deal signed on 30/09/24
- €500m upfront gain (€493m net of taxes)

**ENCOURAGING PERFORMANCE IN BANCASSURANCE**

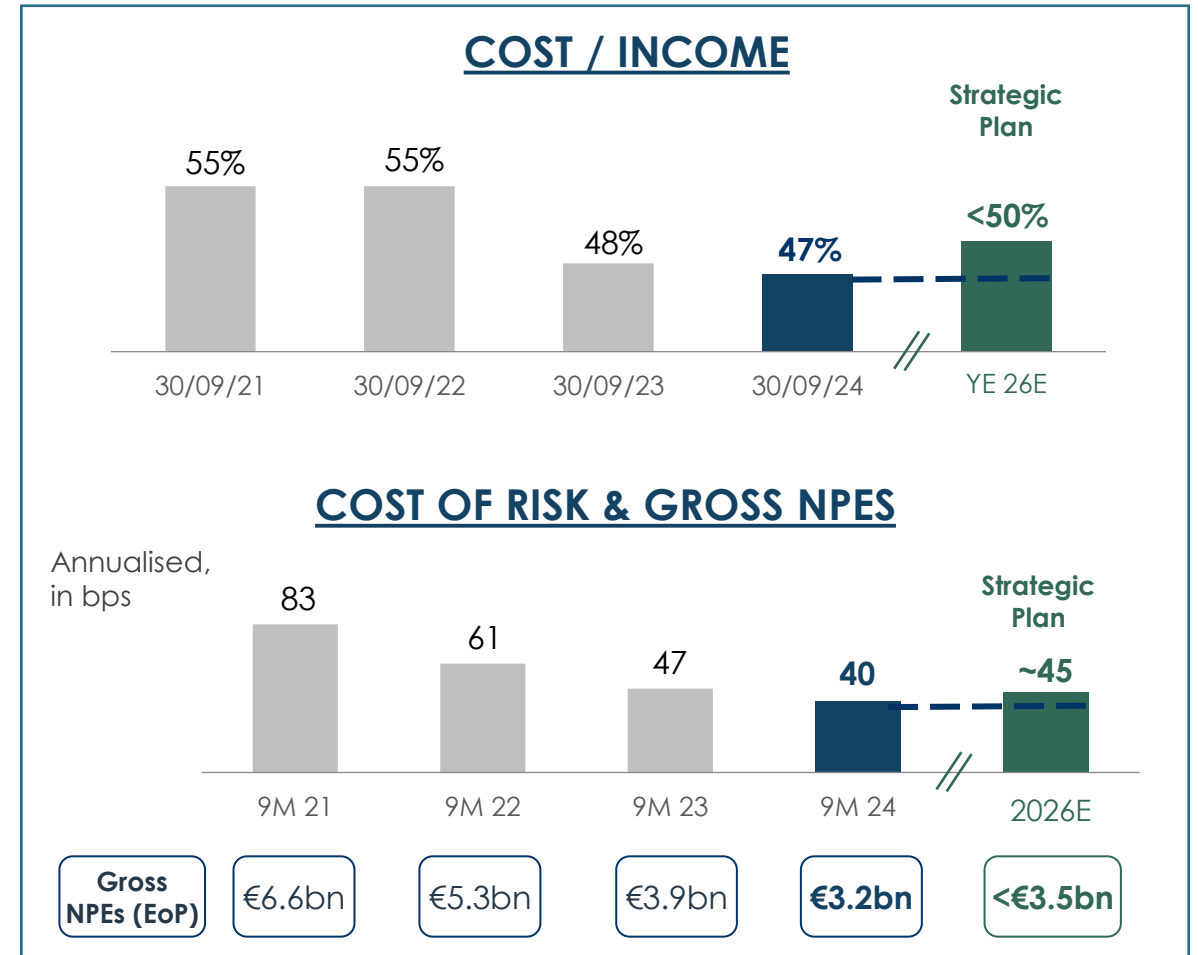
- Income from life insurance at €71m in 9M 24
- Acceleration in Q3 (€56m), including reversal in loss component (~€18m)

# Outperforming Strategic Plan targets

## PROFITABILITY: QUARTERLY TREND



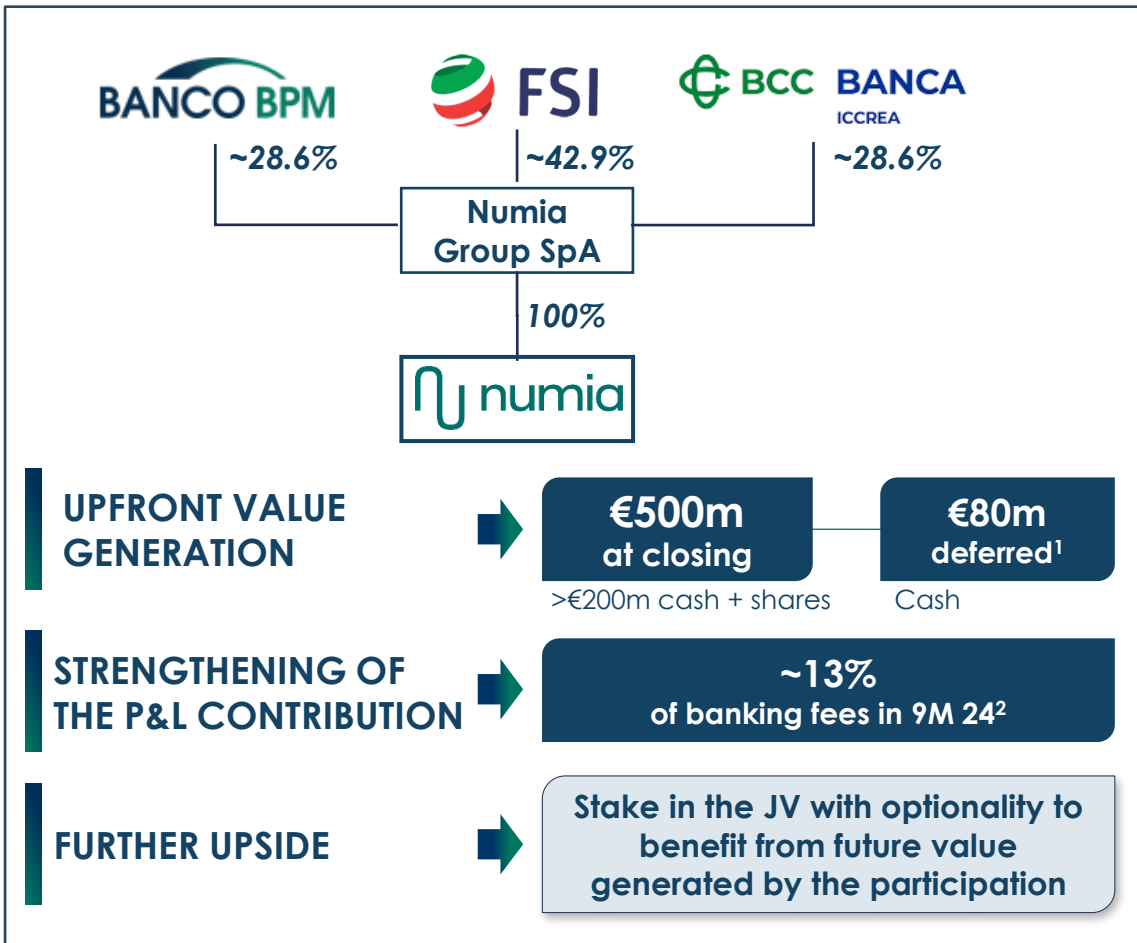
## EFFICIENCY & ASSET QUALITY: YTD PROGRESS





# Numia deal successfully completed, with launch of business well under way

## DEAL OVERVIEW



## ESTABLISHING ITALY'S SECOND LARGEST PLAYER IN THE PAYMENTS BUSINESS

- >10% market share
- ~400K POS
- ~8m payment cards
- >€100bn in transacted business volumes
- Network distribution: ~20% of Italian bank branches

## DEVELOPMENT OF THE JV FOR BANCO BPM

**September 2024: merchant offering started** → **Next steps**

**>46k Numia POS already contractually engaged (~33% of total >141K BBPM POS) for a total of ~29K customers<sup>3</sup>**

↳ **CORRESPONDING TO >65% OF TOTAL RETAIL ACQUIRING VOLUMES<sup>4</sup>**

**2025: completion of POS migration and issuing set-up**



**Note:** 1. Maximum amount. Subject to the achievement of pre-established goals. 2. Calculated on fees & commissions excluding Investment Product Fees. 3. Contractually engaged customers as at 29/10/24. 4. Share of volumes refers to the pre-migration volumes of contractually engaged customers on total pre-migration volumes.

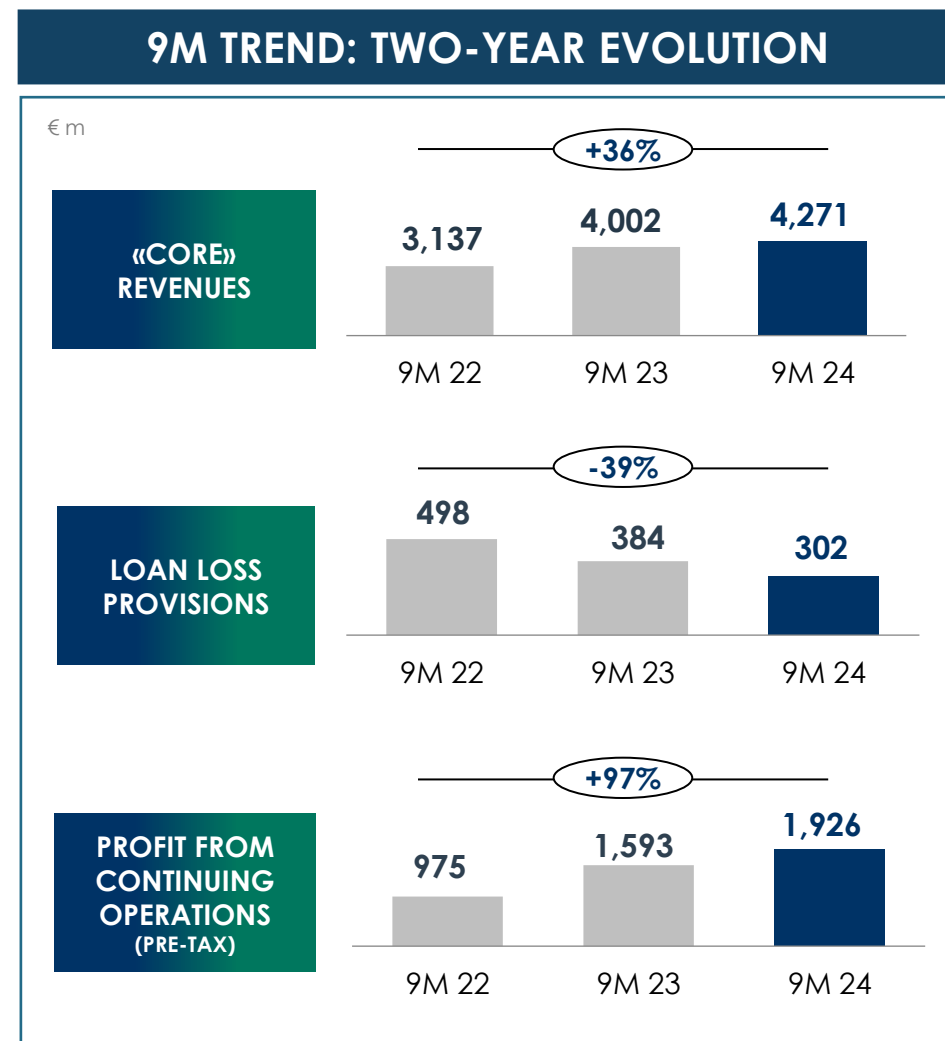
# Key Highlights

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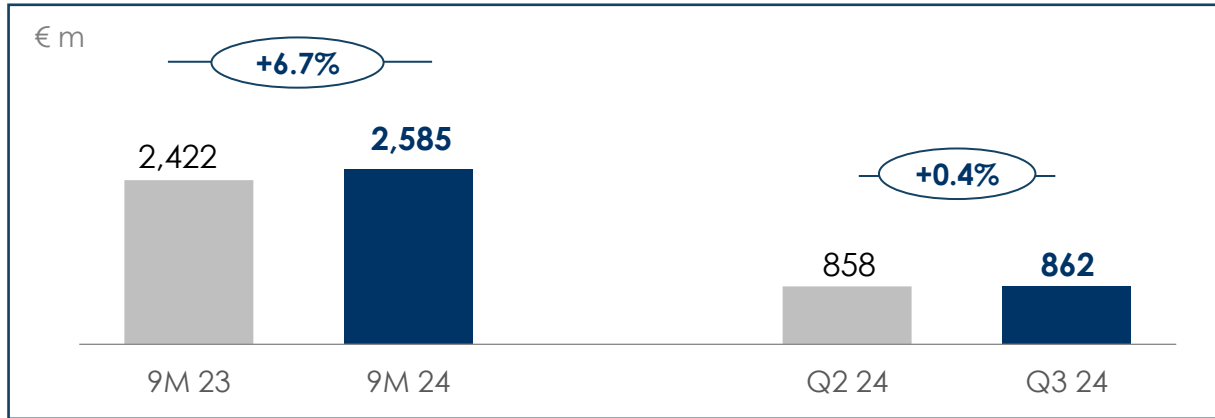
# 9M 2024 Net Income at €1,696m and €1,245m excluding one-offs

| P&L HIGHLIGHTS, €m                                 | Q2 24        | Q3 24        | Chg. Q/Q      | 9M 23        | 9M 24        | Chg. Y/Y     |
|--|--------------|--------------|---------------|--------------|--------------|--------------|
| Net interest income                                | 858          | 862          | 0.4%          | 2,422        | 2,585        | 6.7%         |
| Net fees and commissions                           | 500          | 488          | -2.3%         | 1,453        | 1,509        | 3.9%         |
| Income from associates                             | 45           | 31           |               | 95           | 106          |              |
| Income from insurance                              | 10           | 56           |               | 33           | 71           |              |
| <b>«Core» Revenues</b>                             | <b>1,413</b> | <b>1,437</b> | <b>1.7%</b>   | <b>4,002</b> | <b>4,271</b> | <b>6.7%</b>  |
| Net financial result                               | -51          | 48           |               | -65          | 6            |              |
| o/w Cost of certificates                           | -76          | -69          |               | -188         | -220         |              |
| o/w Other NFR                                      | 25           | 117          |               | 123          | 226          |              |
| Other net operating income                         | -1           | -10          |               | 8            | -8           |              |
| <b>Total revenues</b>                              | <b>1,361</b> | <b>1,475</b> | <b>8.4%</b>   | <b>3,945</b> | <b>4,269</b> | <b>8.2%</b>  |
| Operating costs                                    | -670         | -656         | -2.1%         | -1,910       | -1,995       | 4.4%         |
| <b>Pre-Provision income</b>                        | <b>691</b>   | <b>819</b>   | <b>18.6%</b>  | <b>2,035</b> | <b>2,275</b> | <b>11.8%</b> |
| Loan loss provisions                               | -112         | -108         | -3.4%         | -384         | -302         | -21.3%       |
| Other <sup>1</sup>                                 | 1            | -27          |               | -58          | -47          |              |
| <b>Profit from continuing operations (pre-tax)</b> | <b>580</b>   | <b>684</b>   | <b>17.9%</b>  | <b>1,593</b> | <b>1,926</b> | <b>20.9%</b> |
| Taxes  | -180         | -223         |               | -500         | -619         |              |
| <b>Net profit from continuing operations</b>       | <b>400</b>   | <b>461</b>   | <b>15.4%</b>  | <b>1,093</b> | <b>1,307</b> | <b>19.6%</b> |
| Systemic charges                                   | 1            | 0            |               | -127         | -67          |              |
| One-offs <sup>2</sup> and other                    | -21          | 485          |               | -22          | 456          |              |
| <b>Net income</b>                                  | <b>380</b>   | <b>946</b>   | <b>148.9%</b> | <b>943</b>   | <b>1,696</b> | <b>79.8%</b> |
| <b>Net income excluding one-offs<sup>3</sup></b>   | <b>400</b>   | <b>469</b>   | <b>17.3%</b>  | <b>995</b>   | <b>1,245</b> | <b>25.1%</b> |

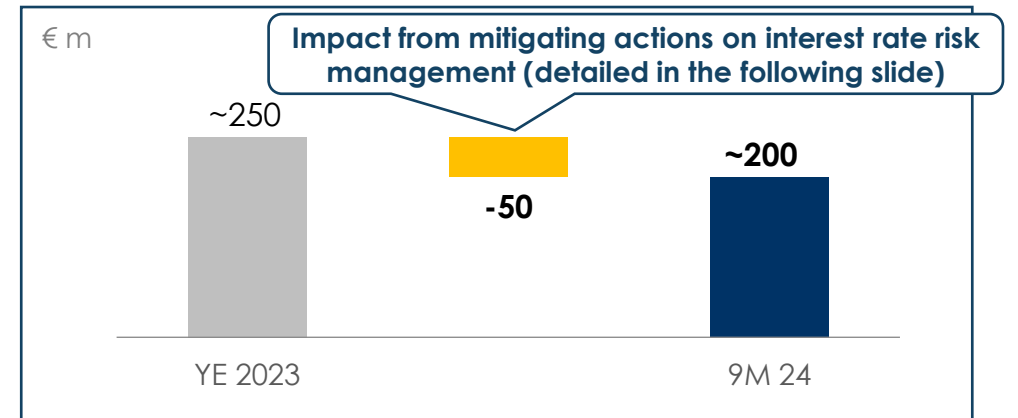


# NII: outperformance and supportive outlook

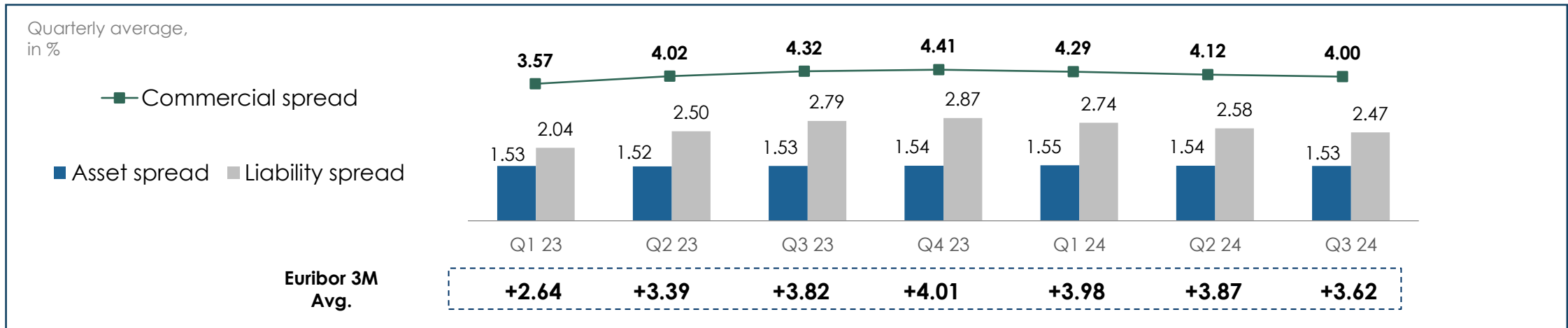
## RESILIENT NII TREND



## REDUCED INTEREST RATE SENSITIVITY<sup>1</sup>



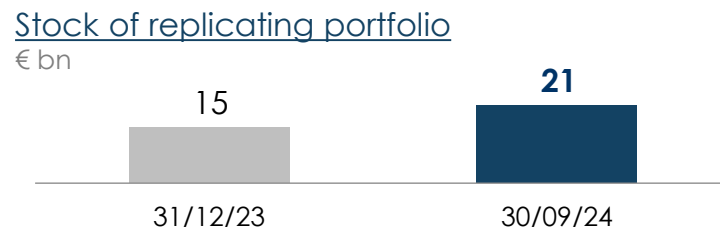
## EVOLUTION OF COMMERCIAL SPREADS<sup>2</sup>



# Actions implemented to support NII target over the Plan horizon

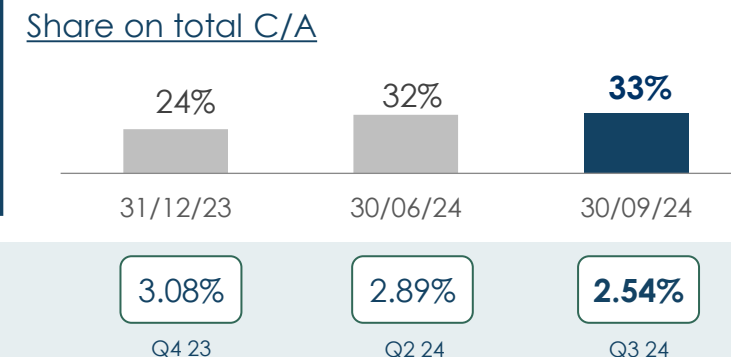
## KEY SENSITIVITY DRIVERS

### GROWING SIZE OF REPLICATING PORTFOLIO<sup>1</sup>

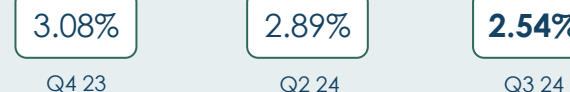


- Avg. Yield 2.1% and duration of 2.2 years as at 30/09/24
- Plan target at €25bn

### INCREASED SHARE OF INDEXED C/A



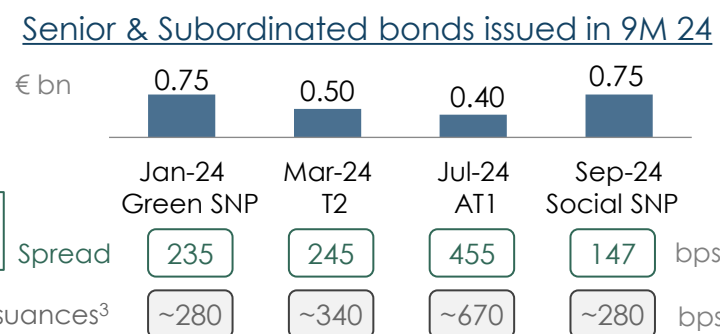
### Decreasing Rates (Quarterly data)



## MAIN COST OF FUNDING DRIVERS

### IMPROVING CREDIT RATINGS & IG STATUS

S&P Global Ratings **1 notch upgrade in Oct. 2024<sup>2</sup>**



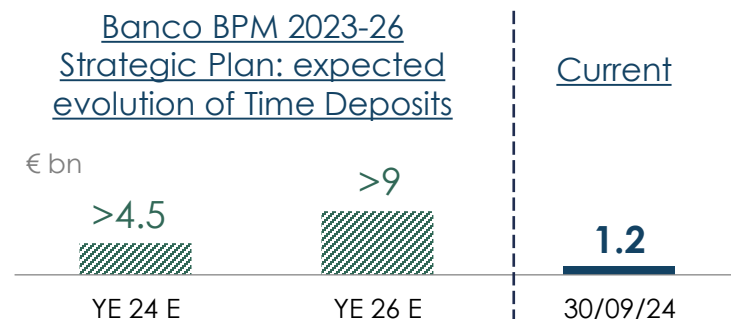
| Instrument        | Spread (bps) |
|-------------------|--------------|
| Jan-24 Green SNP  | 235          |
| Mar-24 T2         | 245          |
| Jul-24 AT1        | 455          |
| Sep-24 Social SNP | 147          |

Spread of previous issuances<sup>3</sup>

|                   |      |
|-------------------|------|
| Jan-24 Green SNP  | ~280 |
| Mar-24 T2         | ~340 |
| Jul-24 AT1        | ~670 |
| Sep-24 Social SNP | ~280 |

Lower spreads of new bonds & certificates  
(>€100m NII benefit in 2026<sup>4</sup>)

### REDUCED RECOURSE TO TIME DEPOSITS



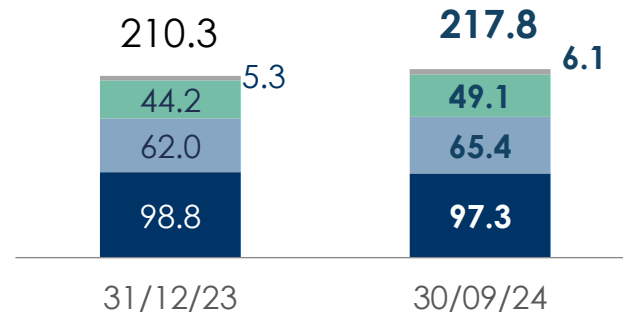
Lower amount of time deposits vs. original Plan assumptions → ~€15m benefit for each €1bn less

# Total Customer Financial Assets +€7.6bn YTD and >€15bn of New Lending

## TOTAL CUSTOMER FINANCIAL ASSETS

€ bn

- Cap.-protected Certificates & other Debt Securities at FV
- AUC
- AUM
- "Core" Direct (C/A & Deposits)



### INDIRECT CUSTOMER FUNDING +7.8% YTD

- **+€4.9bn AUC** (+€6bn in the Strategic Plan horizon<sup>1</sup>)
- **+€3.4bn AUM** (+€8bn in the Strategic Plan horizon<sup>1</sup>)

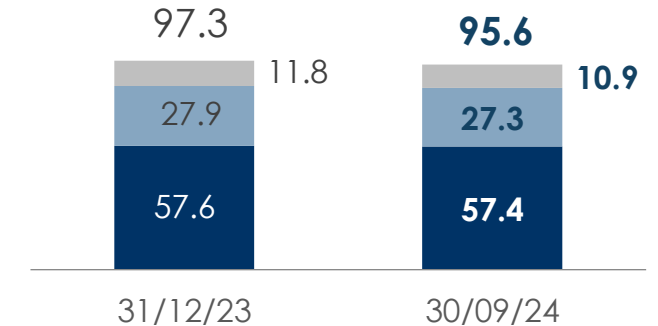
### CORE CUSTOMER DEPOSITS -1.5% YTD

- **Factoring the exit from most expensive institutional customer deposits in Q3 (-€2.7bn in Q3)**
- **Recovery of €1.4bn on 1 Oct.**
  - High-value deposit base, with >80% Retail & SME deposits<sup>2</sup>
  - Guaranteed deposits >€54bn

## CORE PERFORMING CUSTOMER LOANS

GBV, € bn

- Financials, PA & Other
- Households
- Non-Financial Corporates



### HIGHLY SECURED CUSTOMER LOANS<sup>3</sup>:

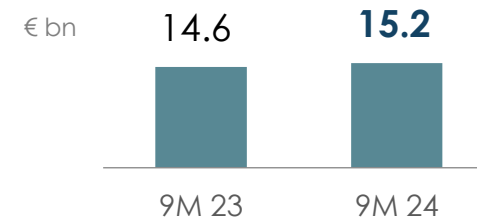
>72% for Small Businesses

### 55% of Non-Financial Corporate portfolio is secured:

- 28% with State Guarantees and 27% Collateralised

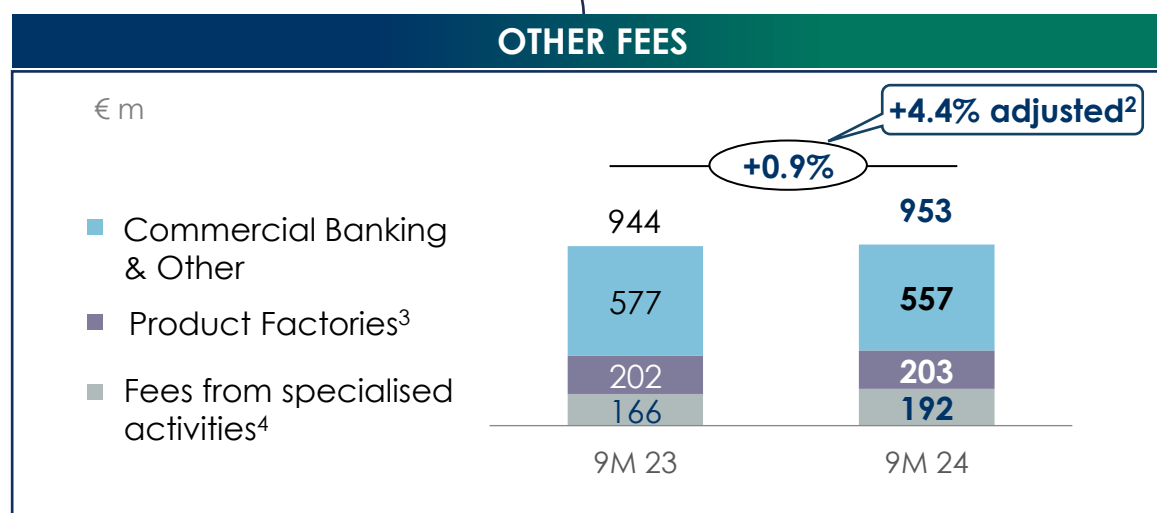
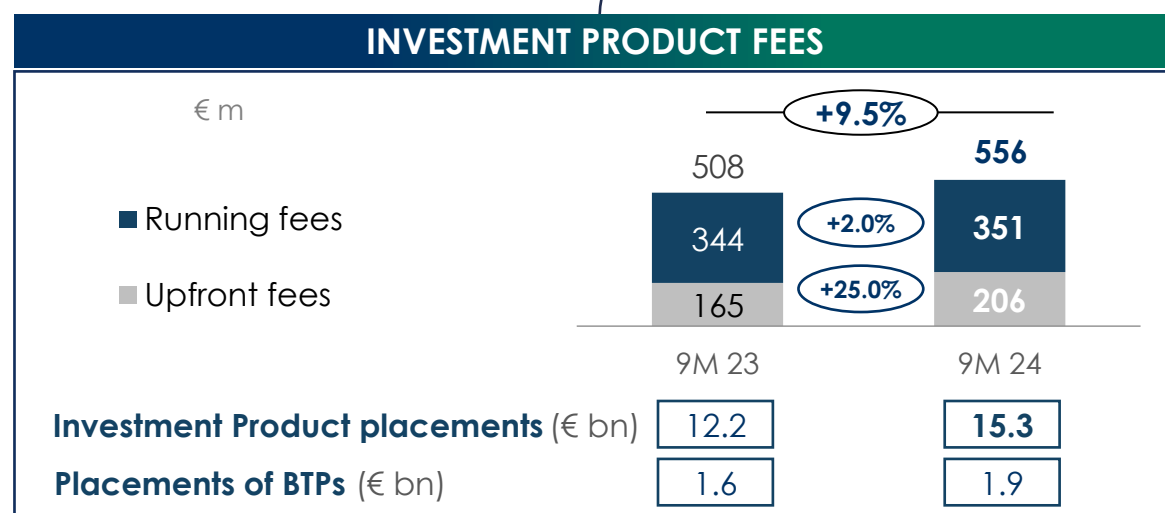
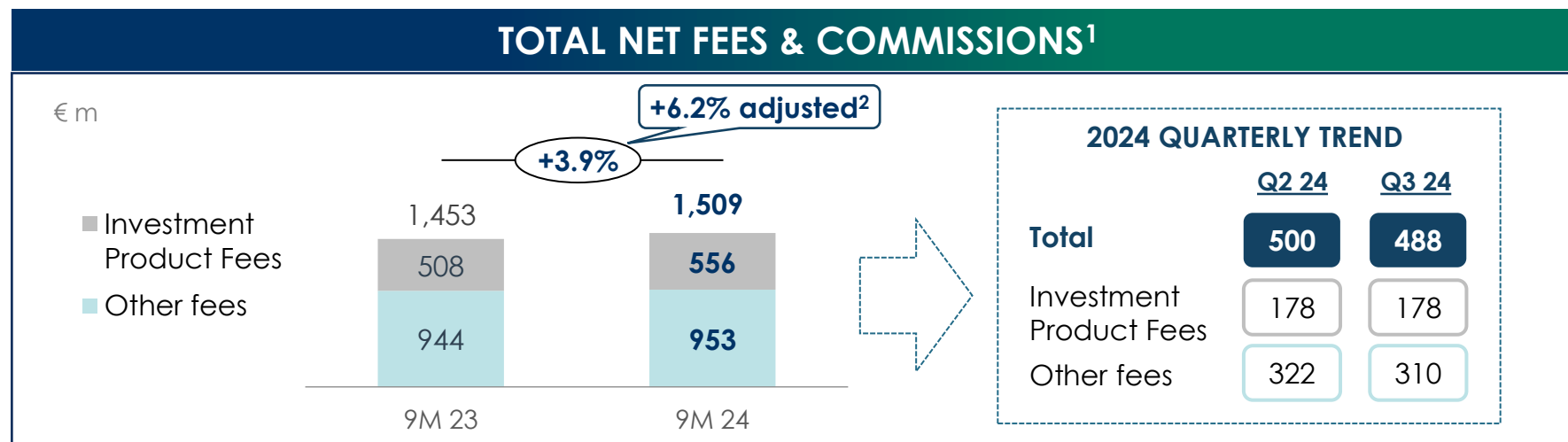
### POSITIVE TREND IN NEW LENDING<sup>3</sup>: +4.0% Y/Y

- Supported by decrease in rates

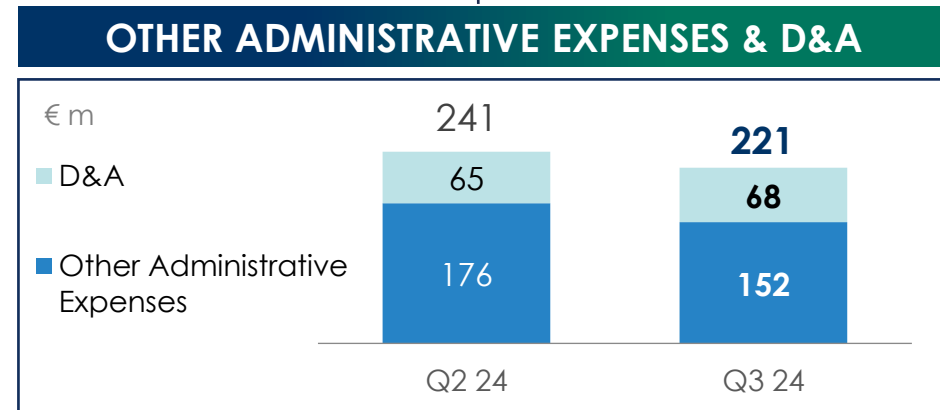
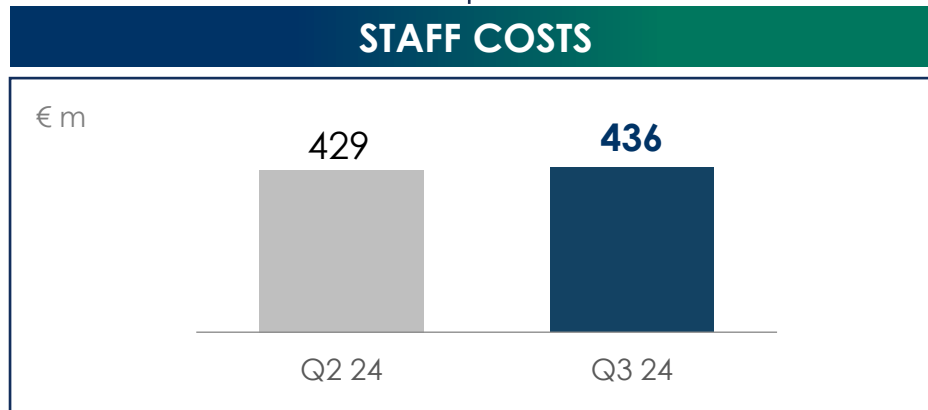
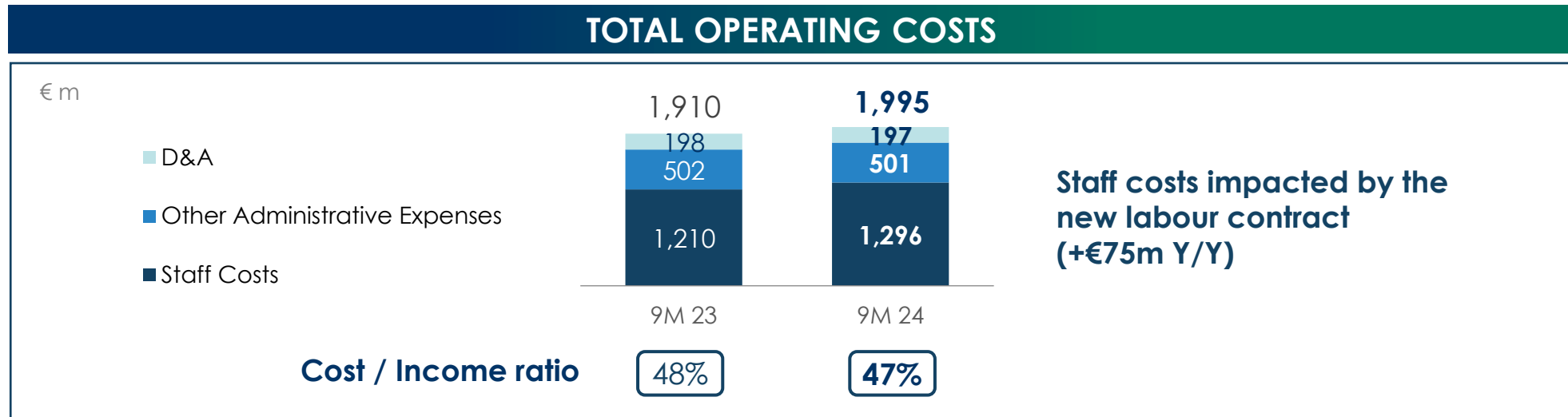


**Low-Carbon New M/L Term financing<sup>3</sup>: €4.2bn in 9M 2024 (vs. €5bn FY 2024 target)**

# Total Net Fees & Commissions up at €1,509m: +3.9% Y/Y



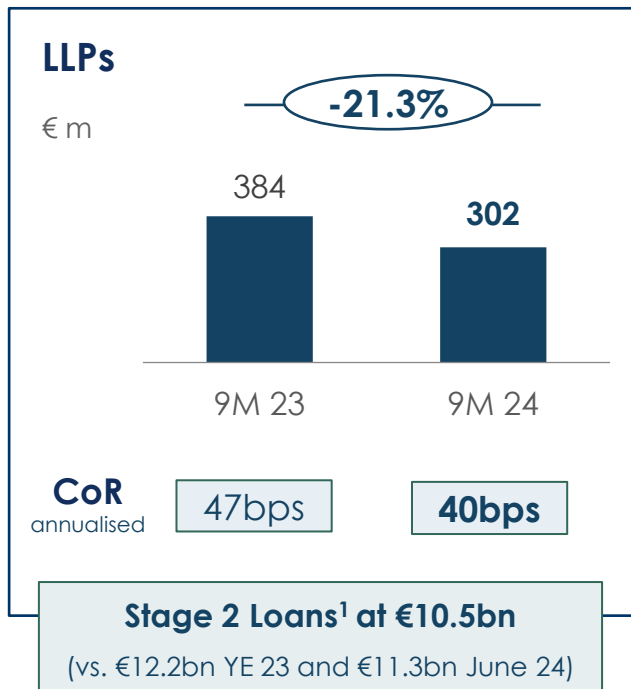
# Cost/Income ratio down at 47%, notwithstanding the new labour contract



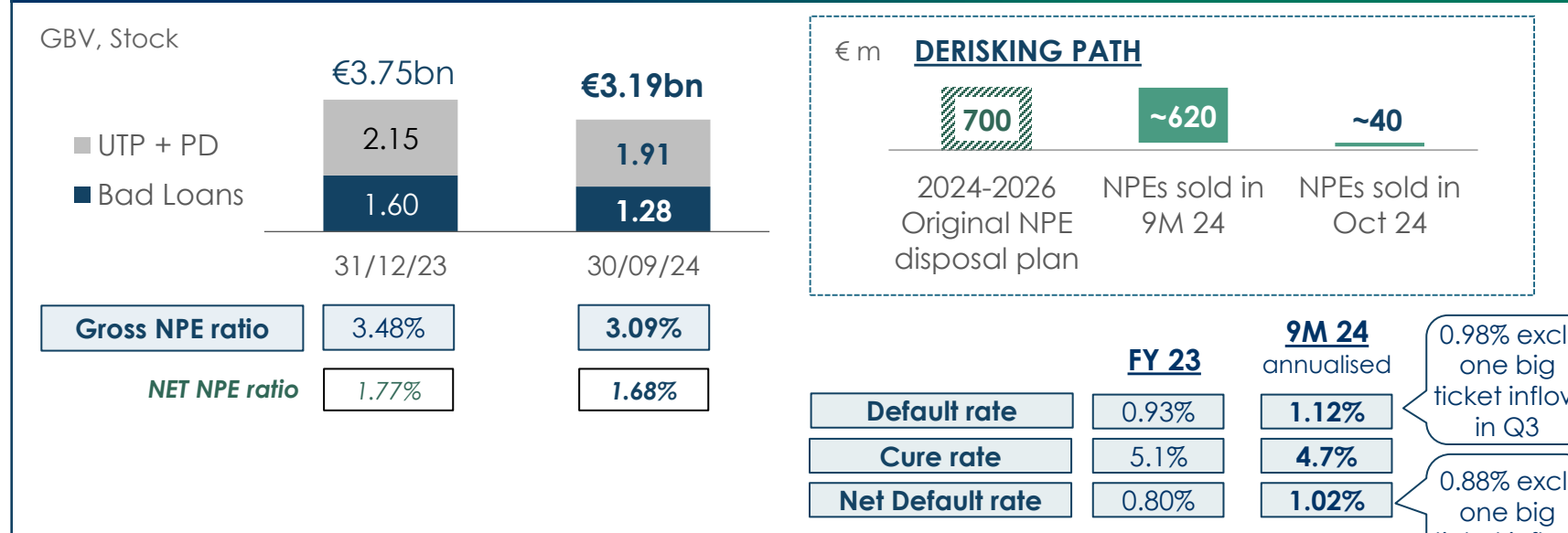


# Accelerated derisking plan, with enhanced asset quality and CoR

## LLPS & COST OF RISK



## Gross NPEs: -15.0% YTD



## COVERAGE RATIOS

|                  | 31/12/23    | 30/09/24    | excl. loans with State Guarantees |
|------------------|-------------|-------------|-----------------------------------|
| <b>BAD LOANS</b> | 60.9% (69%) | 59.5% (69%) | 74% (81%)                         |
| <b>UTP</b>       | 43.2%       | 39.9%       | 44%                               |
| <b>NPEs</b>      | 50.4% (55%) | 46.7% (52%) | 54% (60%)                         |

## VINTAGE (in years)

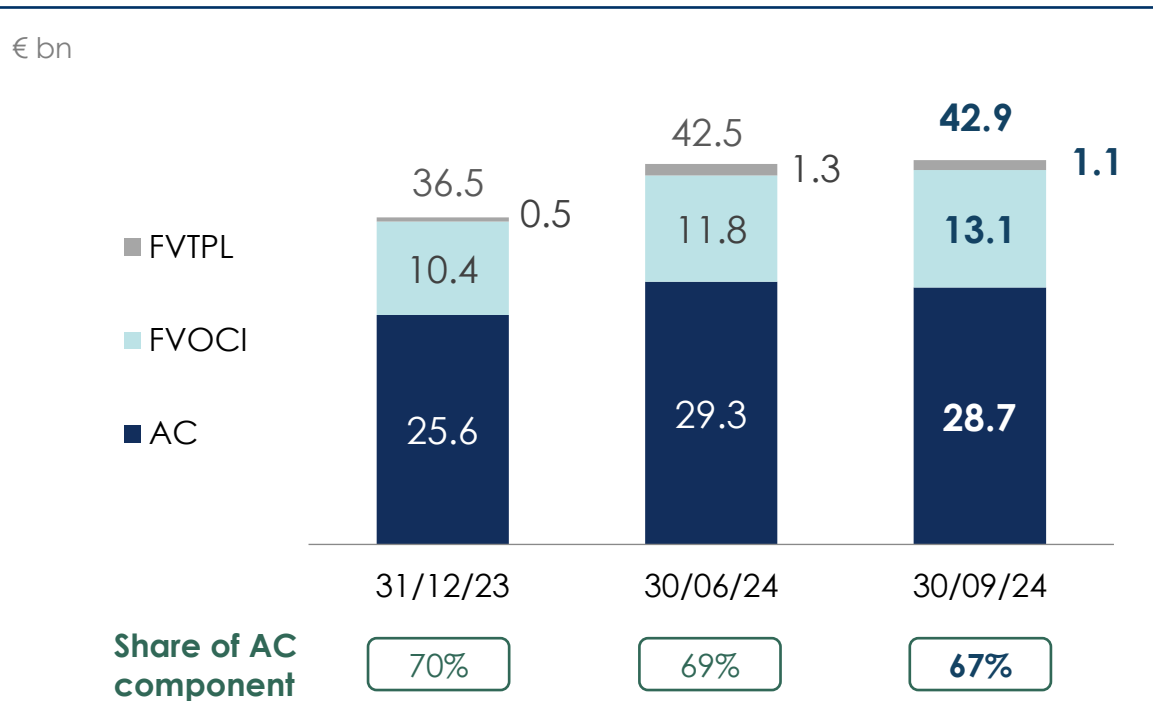
|                  | 31/12/23 | 30/09/24 |
|------------------|----------|----------|
| <b>BAD LOANS</b> | 5.0      | 3.8      |
| <b>UTP</b>       | 2.5      | 2.1      |
| <b>NPEs</b>      | 3.5      | 2.7      |

**NPE coverage & vintage evolution reflect significant derisking**

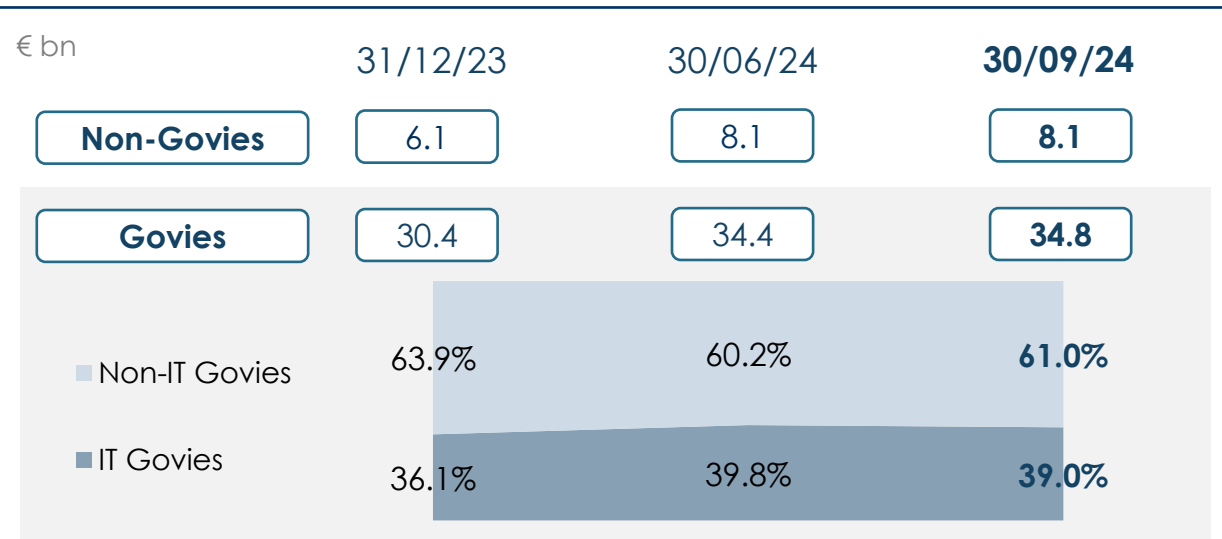
Coverage ratios indicated in brackets include write-offs

# Optimization and diversification of Debt Securities portfolio

## TREND AND BREAKDOWN BY ACCOUNTING CATEGORY



## COMPOSITION BY COUNTERPARTY



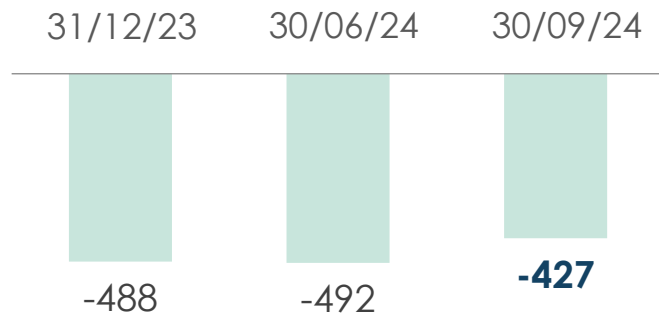
- IT govies on total govies at 39%, well below Strategic Plan Target for the 2024-26 period (<50%)
- Share of IT govies on FVOCI govies pff. at 19.8%

Share of ESG bonds in the Corporate proprietary pff. at 35.4%  
(29.1% at YE 2023)<sup>1</sup>

# Positive trend in FVOCI debt reserves and Net Financial Result

## RESERVES OF DEBT SECURITIES AT FVOCI<sup>1</sup>

Post-tax  
€ m



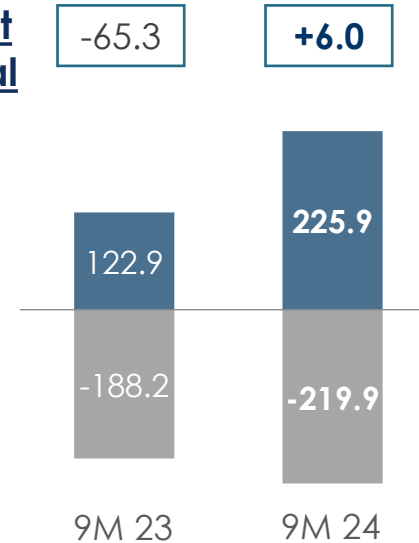
- Positive evolution of net reserves in Q3 24 (+€64m)
- Moderate increase in BPV<sup>2</sup> of total Govies, aimed at mitigating NII impact of interest rate reduction: from <€1m as at 31/12/23 to ~€1.5m as at 30/09/24 (of which only €0.2m for IT Govies)

## BREAKDOWN OF NET FINANCIAL RESULT: STRONG CONTRIBUTION FROM HEDGING STRATEGIES

### EVOLUTION Y/Y

**Total Net Financial Result**

€ m

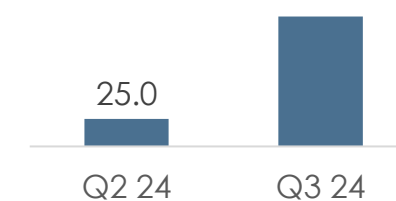


- Other NFR components
- Cost of Certificates<sup>3</sup>

### DETAILS Q/Q

#### Other NFR Components

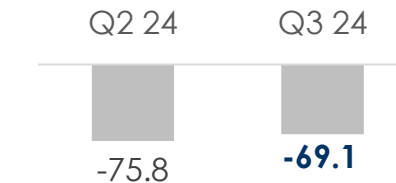
€ m



- Benefitting from hedging strategies implemented in response to the declining interest rate trend

#### Cost of certificates<sup>3</sup>

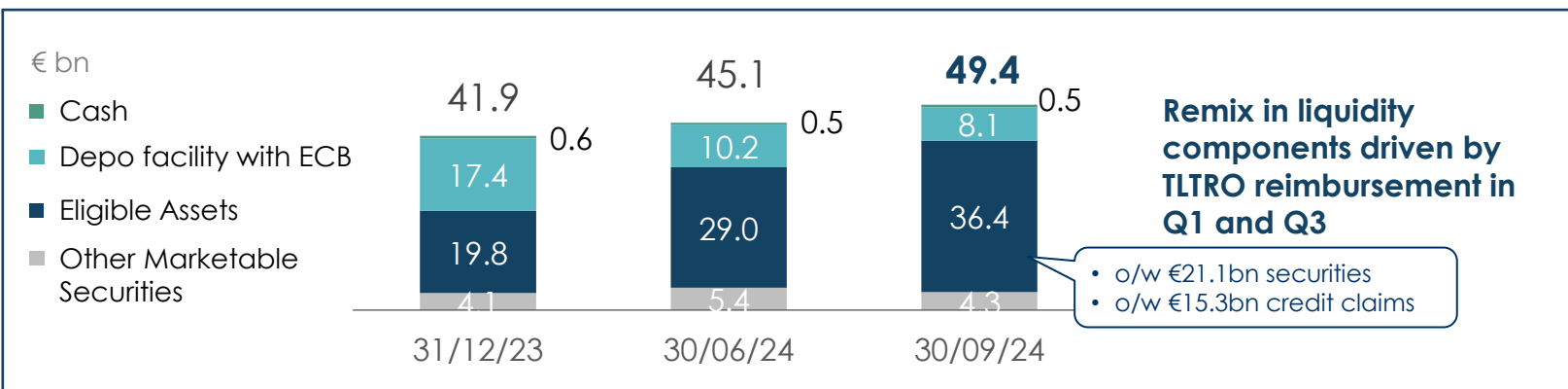
€ m



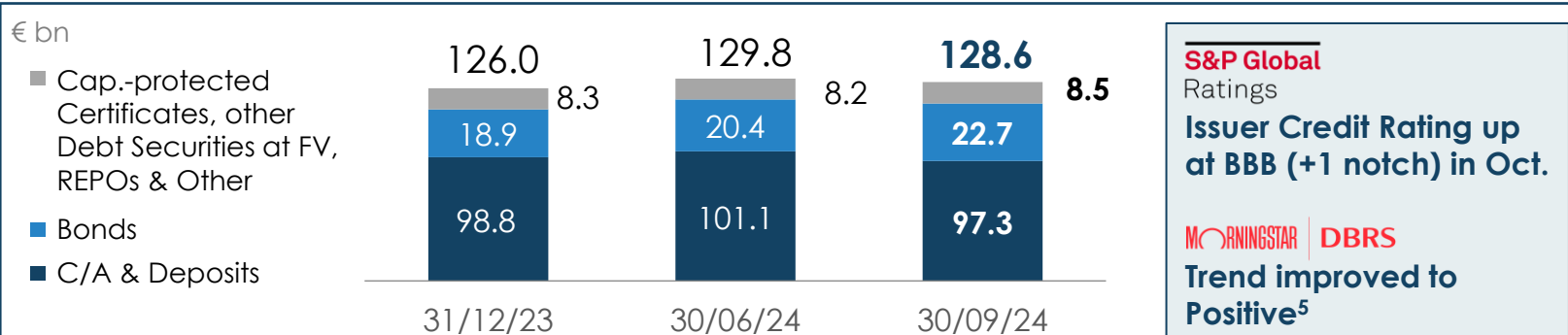
- Contributing to mitigate P&L rate sensitivity in a declining Euribor scenario

# Strong liquidity & funding position

## Cash + Unencumbered Assets: +€7.5bn in 9M



## Total Direct Funding<sup>3</sup>: +€2.5bn in 9M

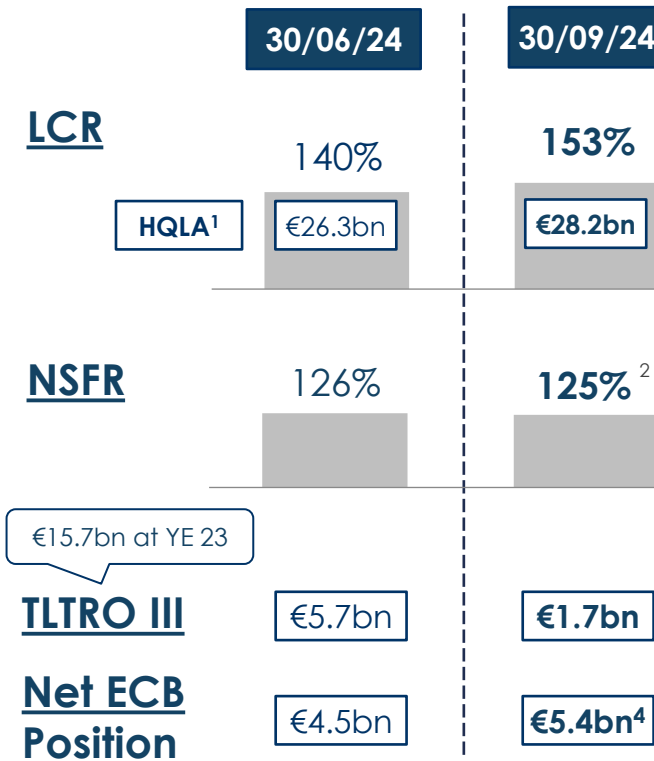


€3.65bn wholesale bonds issued in 9M 24 (€3.0bn in 9M 23),

o/w €1.5bn within GS&S Bonds Framework



~€1bn of structured bonds issued through our retail network in 9M

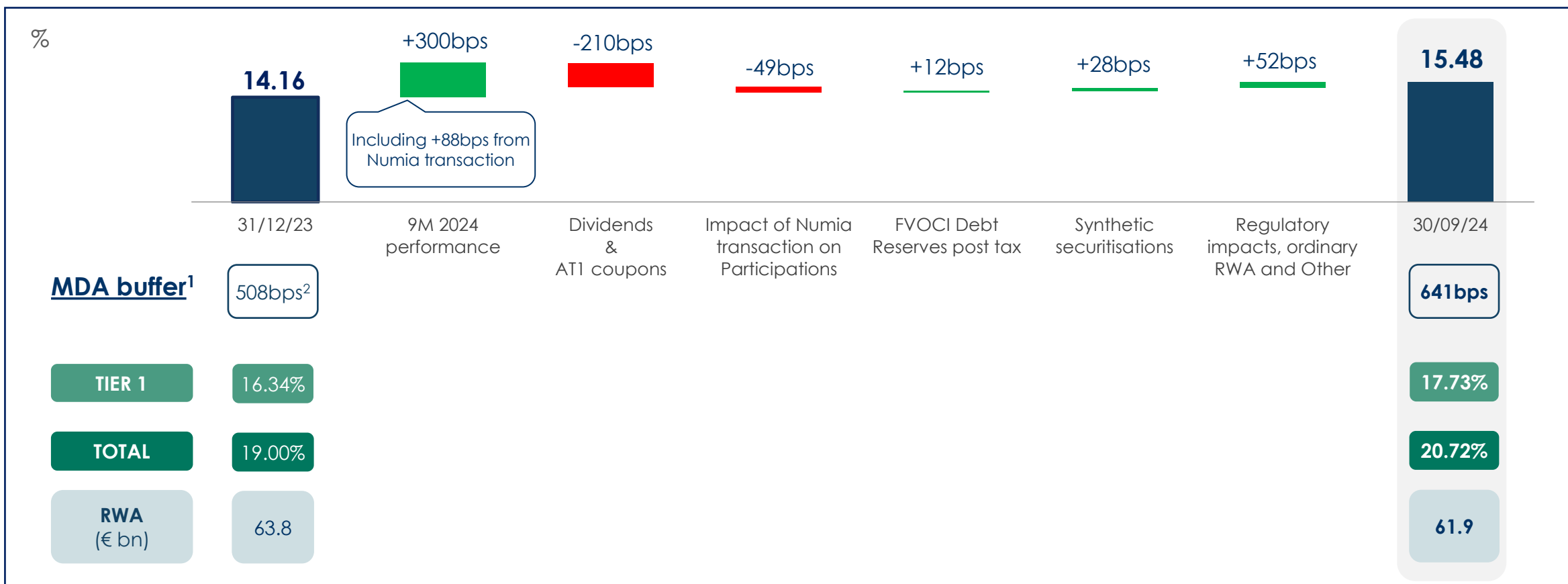


**Wide MREL buffer<sup>6</sup>:**  
11.05 p.p. (9.45 p.p. in H1)  
vs. Total Requirement 2024

# Strong internal capital generation: CET 1 ratio improving to 15.48%

## Further significant enhancement of ratios and buffers YTD

### CET 1 RATIO EVOLUTION: +132BPS IN 9M 2024



# Final Remarks

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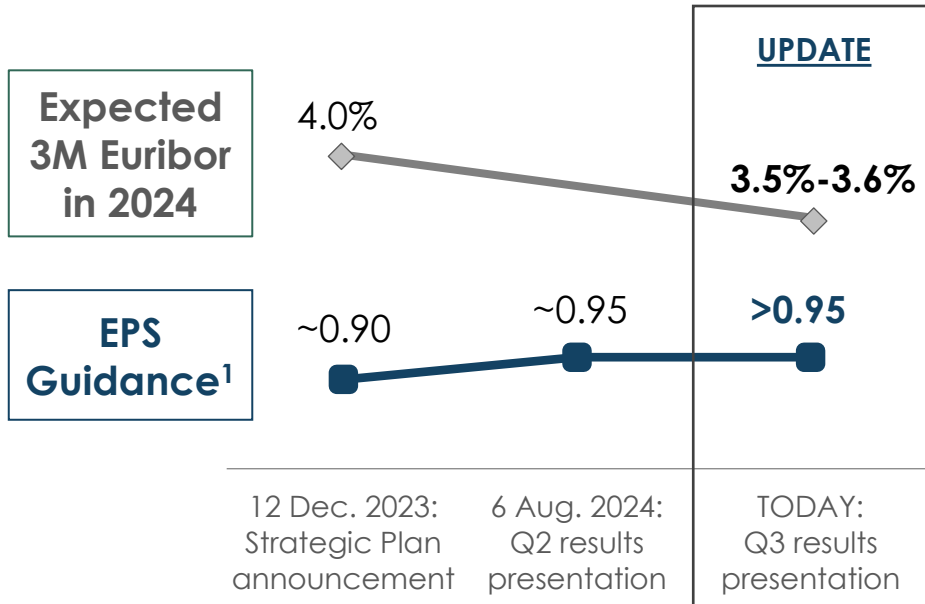
3

# Excellent 9M 24 performance: another step towards our targets' achievement

## NET INCOME: RESILIENT OUTLOOK

Progressive 2024 EPS guidance improvement, despite declining 3M Euribor expectations...

... supporting long-term P&L objectives



**CUMULATIVE NET INCOME TARGET FOR 2023-26**

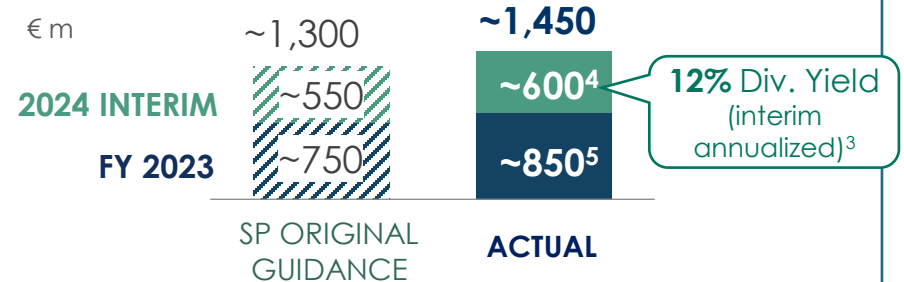
**~€6bn: CONFIRMED EVEN WITH AVG 3M EURIBOR AT ~2% IN 2026**

## CAPITAL & REMUNERATION: CONTINUING OVERDELIVERY

CET1 Ratio above Plan landing point<sup>2</sup>: **148bps buffer**

2024 distribution at €1.45bn:

- €150m overdelivery
- 15% Dividend Yield<sup>3</sup>



**AHEAD OF TRAJECTORY TOWARDS €4bn<sup>6</sup> CUMULATIVE REMUNERATION TARGET FOR 2023-26**

**9M 2024**

# **Performance Details**

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**4**



# P&L: Quarterly comparison

| Reclassified income statement (€m)                         | Q1 23          | Q2 23          | Q3 23          | Q4 23          | Q1 24          | Q2 24          | Q3 24          | Chg. Q/Q     | Chg. Q/Q %    |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|--------------|---------------|
| Net interest income  | 743.0          | 809.9          | 868.7          | 867.7          | 864.4          | 858.4          | 861.9          | 3.5          | 0.4%          |
| Income (loss) from invest. in associates carried at equity | 36.3           | 24.3           | 34.1           | 49.4           | 30.3           | 44.6           | 31.1           | -13.4        | -30.1%        |
| <b>Net interest, dividend and similar income</b>           | <b>779.3</b>   | <b>834.2</b>   | <b>902.8</b>   | <b>917.0</b>   | <b>894.7</b>   | <b>903.0</b>   | <b>893.1</b>   | <b>-9.9</b>  | <b>-1.1%</b>  |
| Net fee and commission income                              | 493.1          | 484.7          | 474.9          | 466.8          | 521.6          | 499.8          | 488.1          | -11.7        | -2.3%         |
| Other net operating income                                 | 2.4            | 1.4            | 4.2            | 13.7           | 3.8            | -1.3           | -10.4          | -9.1         | n.m.          |
| Net financial result                                       | -34.1          | -8.4           | -22.8          | -13.8          | 8.8            | -50.8          | 48.0           | 98.8         | n.m.          |
| Income from insurance business                             | 9.6            | 15.0           | 8.2            | 13.1           | 4.8            | 10.0           | 56.2           | 46.2         | n.m.          |
| <b>Other operating income</b>                              | <b>471.0</b>   | <b>492.7</b>   | <b>464.5</b>   | <b>479.9</b>   | <b>539.1</b>   | <b>457.6</b>   | <b>581.8</b>   | <b>124.2</b> | <b>27.1%</b>  |
| <b>Total income</b>  | <b>1,250.3</b> | <b>1,326.9</b> | <b>1,367.3</b> | <b>1,396.9</b> | <b>1,433.8</b> | <b>1,360.6</b> | <b>1,474.9</b> | <b>114.3</b> | <b>8.4%</b>   |
| Personnel expenses   | -405.4         | -402.9         | -402.2         | -461.5         | -431.6         | -428.9         | -435.6         | -6.7         | 1.6%          |
| Other administrative expenses                              | -170.2         | -166.6         | -165.1         | -150.5         | -172.9         | -176.1         | -152.3         | 23.7         | -13.5%        |
| Amortization and depreciation                              | -64.5          | -65.2          | -68.1          | -49.1          | -64.1          | -64.9          | -68.2          | -3.3         | 5.0%          |
| <b>Operating costs</b>                                     | <b>-640.1</b>  | <b>-634.7</b>  | <b>-635.3</b>  | <b>-661.1</b>  | <b>-668.7</b>  | <b>-669.9</b>  | <b>-656.1</b>  | <b>13.8</b>  | <b>-2.1%</b>  |
| <b>Profit (loss) from operations</b>                       | <b>610.3</b>   | <b>692.2</b>   | <b>732.1</b>   | <b>735.7</b>   | <b>765.1</b>   | <b>690.6</b>   | <b>818.8</b>   | <b>128.1</b> | <b>18.6%</b>  |
| Net adjustments on loans to customers                      | -137.5         | -121.3         | -124.8         | -175.0         | -82.5          | -111.6         | -107.8         | 3.8          | -3.4%         |
| Profit (loss) on FV measurement of tangible assets         | -1.9           | -30.5          | -11.8          | -102.7         | -13.4          | -12.6          | -14.1          | -1.5         | 12.2%         |
| Net adjustments on other financial assets                  | 0.7            | 0.5            | -1.0           | -2.1           | -3.0           | -0.3           | 1.2            | 1.5          | n.m.          |
| Net provisions for risks and charges                       | 2.4            | 0.9            | -17.2          | -8.3           | -5.0           | 13.2           | -16.1          | -29.4        | n.m.          |
| Profit (loss) on the disposal of equity and other invest.  | 0.2            | -0.4           | 0.3            | 0.3            | 0.4            | 0.6            | 2.1            | 1.4          | n.m.          |
| <b>Income (loss) before tax from continuing operations</b> | <b>474.2</b>   | <b>541.4</b>   | <b>577.6</b>   | <b>447.8</b>   | <b>661.7</b>   | <b>580.0</b>   | <b>684.0</b>   | <b>103.9</b> | <b>17.9%</b>  |
| Tax on income from continuing operations                   | -147.4         | -169.7         | -183.0         | -104.7         | -215.4         | -180.4         | -223.0         | -42.6        | 23.6%         |
| <b>Income (loss) after tax from continuing operations</b>  | <b>326.8</b>   | <b>371.8</b>   | <b>394.6</b>   | <b>343.1</b>   | <b>446.3</b>   | <b>399.6</b>   | <b>461.0</b>   | <b>61.4</b>  | <b>15.4%</b>  |
| Systemic charges after tax                                 | -57.3          | -0.4           | -69.6          | 0.7            | -68.1          | 1.5            | 0.0            | -1.5         | -100.0%       |
| Impact of bancassurance reorganization                     | 0.0            | 0.0            | 0.0            | -22.2          | 2.5            | 0.0            | 0.0            | 0.0          | n.m.          |
| Realignment of fiscal values to accounting values          | 0.0            | 0.0            | 0.0            | 8.8            | 0.0            | 0.0            | 0.0            | 0.0          | n.m.          |
| Restructuring costs  | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            | -11.7          | 0.0            | 11.7         | n.m.          |
| Impact on Payment Business                                 | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            | 493.1          | 493.1        | n.m.          |
| Income (loss) attributable to minority interests           | 0.0            | 0.4            | 0.1            | -0.4           | 0.0            | 0.0            | 0.0            | 0.0          | n.m.          |
| Purchase Price Allocation after tax                        | -7.4           | -6.8           | -7.3           | -6.8           | -8.7           | -10.0          | -9.4           | 0.6          | -5.8%         |
| Fair value on own liabilities after Taxes                  | 3.3            | -5.8           | 1.2            | -2.1           | -1.8           | 0.5            | 1.0            | 0.5          | n.m.          |
| <b>Net income (loss) for the period</b>                    | <b>265.3</b>   | <b>359.1</b>   | <b>319.0</b>   | <b>321.1</b>   | <b>370.2</b>   | <b>379.9</b>   | <b>945.7</b>   | <b>565.8</b> | <b>148.9%</b> |

# P&L: 9M comparison

| Reclassified income statement (€m)                         | 9M 23           | 9M 24           | Chg. Y/Y     | Chg. Y/Y %   |
|--|-----------------|-----------------|--------------|--------------|
| Net interest income  | 2,421.6         | 2,584.7         | 163.1        | 6.7%         |
| Income (loss) from invest. in associates carried at equity | 94.7            | 106.1           | 11.3         | 11.9%        |
| <b>Net interest, dividend and similar income</b>           | <b>2,516.3</b>  | <b>2,690.8</b>  | <b>174.4</b> | <b>6.9%</b>  |
| Net fee and commission income                              | 1,452.8         | 1,509.5         | 56.7         | 3.9%         |
| Other net operating income                                 | 8.0             | -7.9            | -15.9        | n.m          |
| Net financial result                                       | -65.3           | 6.0             | 71.3         | n.m          |
| Income from insurance business                             | 32.7            | 71.0            | 38.3         | n.m.         |
| <b>Other operating income</b>                              | <b>1,428.2</b>  | <b>1,578.5</b>  | <b>150.3</b> | <b>10.5%</b> |
| <b>Total income</b>  | <b>3,944.6</b>  | <b>4,269.3</b>  | <b>324.7</b> | <b>8.2%</b>  |
| Personnel expenses   | -1,210.4        | -1,296.1        | -85.7        | 7.1%         |
| Other administrative expenses                              | -501.9          | -501.3          | 0.6          | -0.1%        |
| Amortization and depreciation                              | -197.7          | -197.3          | 0.5          | -0.2%        |
| <b>Operating costs</b>                                     | <b>-1,910.0</b> | <b>-1,994.7</b> | <b>-84.7</b> | <b>4.4%</b>  |
| <b>Profit (loss) from operations</b>                       | <b>2,034.5</b>  | <b>2,274.6</b>  | <b>240.0</b> | <b>11.8%</b> |
| Net adjustments on loans to customers                      | -383.6          | -301.9          | 81.7         | -21.3%       |
| Profit (loss) on FV measurement of tangible assets         | -44.1           | -40.1           | 4.0          | -9.1%        |
| Net adjustments on other financial assets                  | 0.1             | -2.1            | -2.2         | n.m          |
| Net provisions for risks and charges                       | -13.8           | -7.9            | 6.0          | -43.0%       |
| Profit (loss) on the disposal of equity and other invest.  | 0.1             | 3.1             | 3.0          | n.m.         |
| <b>Income (loss) before tax from continuing operations</b> | <b>1,593.2</b>  | <b>1,925.7</b>  | <b>332.5</b> | <b>20.9%</b> |
| Tax on income from continuing operations                   | -500.1          | -618.8          | -118.8       | 23.7%        |
| <b>Income (loss) after tax from continuing operations</b>  | <b>1,093.1</b>  | <b>1,306.9</b>  | <b>213.7</b> | <b>19.6%</b> |
| Systemic charges after tax                                 | -127.3          | -66.6           | 60.6         | -47.6%       |
| Impact of bancassurance reorganization                     | 0.0             | 2.5             | 2.5          | n.m          |
| Realignment of fiscal values to accounting values          | 0.0             | 0.0             | 0.0          | n.m          |
| Restructuring costs  | 0.0             | -11.7           | -11.7        | n.m          |
| Impact on Payment Business                                 | 0.0             | 493.1           | 493.1        | n.m          |
| Income (loss) attributable to minority interests           | 0.4             | 0.0             | -0.4         | -98.2%       |
| Purchase Price Allocation after tax                        | -21.5           | -28.0           | -6.5         | 30.3%        |
| Fair value on own liabilities after Taxes                  | -1.4            | -0.3            | 1.1          | -77.3%       |
| <b>Net income (loss) for the period</b>                    | <b>943.4</b>    | <b>1,695.8</b>  | <b>752.4</b> | <b>79.8%</b> |

# P&L 9M 2024: comparison of stated vs. adjusted

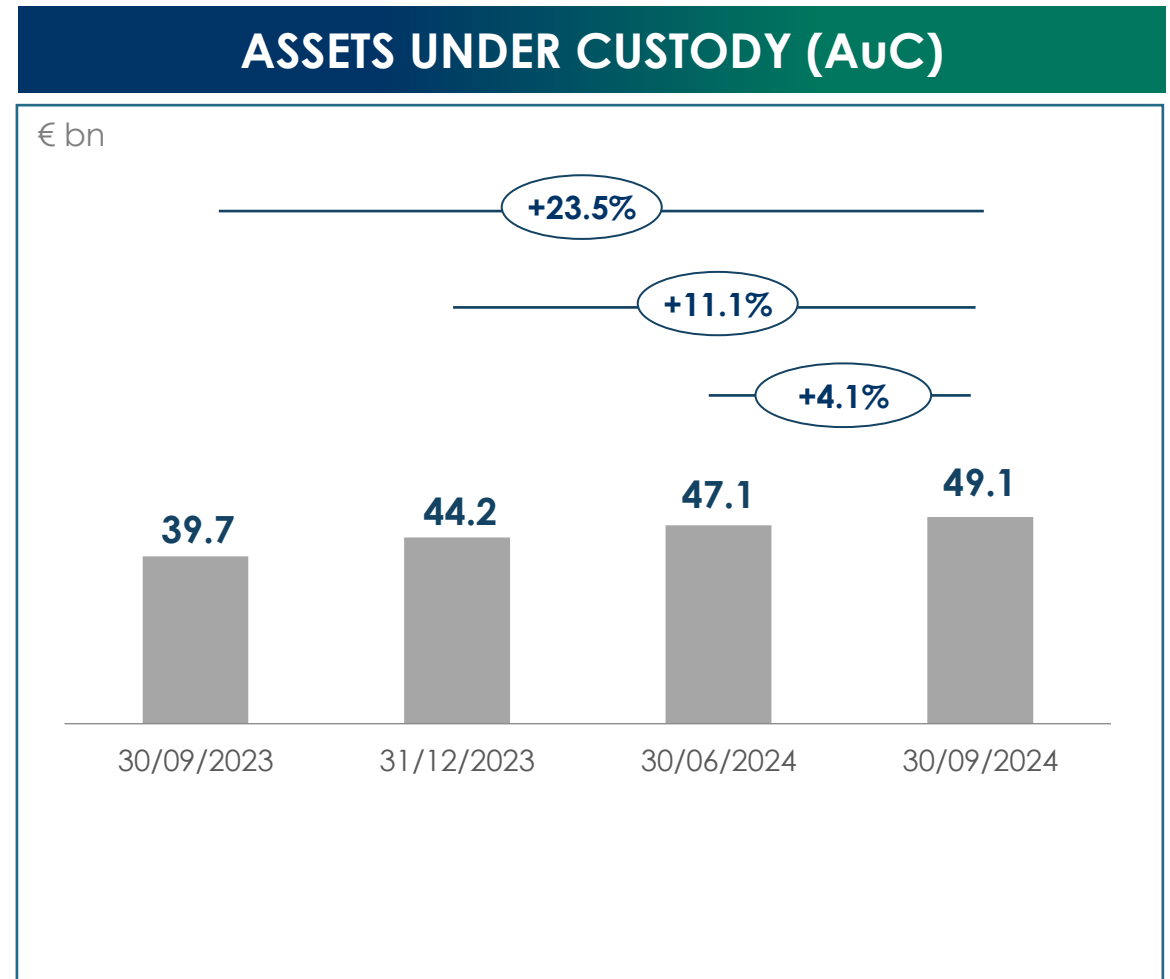
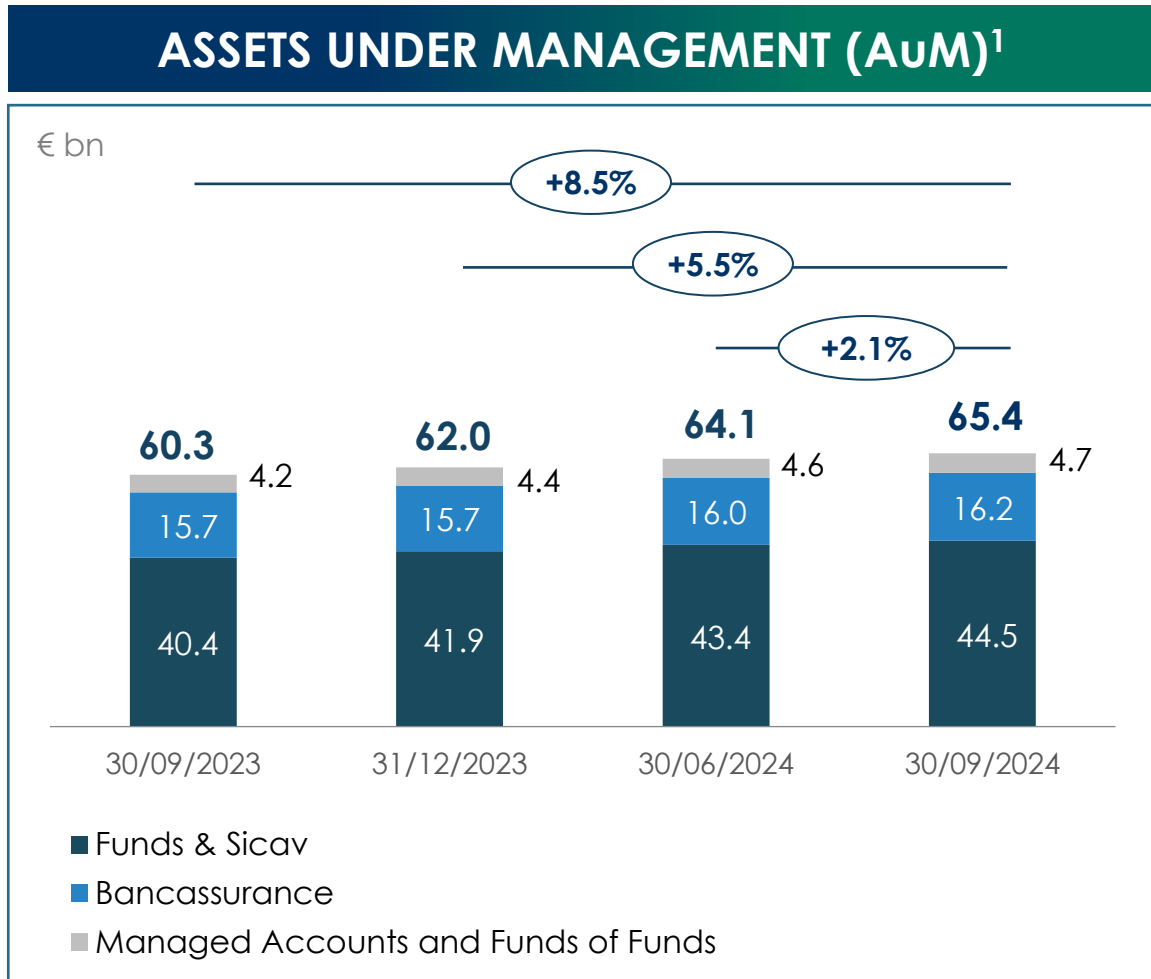
| Reclassified income statement (€m)                         | 9M 24           | 9M 24 Adjusted  | One-off      | Non-recurring items   |
|--|-----------------|-----------------|--------------|---|
| Net interest income  | 2,584.7         | 2,584.7         | 0.0          |   |
| Income (loss) from invest. in associates carried at equity | 106.1           | 106.1           | 0.0          |   |
| <b>Net interest, dividend and similar income</b>           | <b>2,690.8</b>  | <b>2,690.8</b>  | <b>0.0</b>   |   |
| Net fee and commission income                              | 1,509.5         | 1,509.5         | 0.0          |   |
| Other net operating income                                 | -7.9            | -7.9            | 0.0          |   |
| Net financial result                                       | 6.0             | 6.0             | 0.0          |   |
| Income from insurance business                             | 71.0            | 71.0            | 0.0          |   |
| <b>Other operating income</b>                              | <b>1,578.5</b>  | <b>1,578.5</b>  | <b>0.0</b>   |   |
| <b>Total income</b>  | <b>4,269.3</b>  | <b>4,269.3</b>  | <b>0.0</b>   |   |
| Personnel expenses   | -1,296.1        | -1,296.1        | 0.0          |   |
| Other administrative expenses                              | -501.3          | -501.3          | 0.0          |   |
| Amortization and depreciation                              | -197.3          | -197.3          | 0.0          |   |
| <b>Operating costs</b>                                     | <b>-1,994.7</b> | <b>-1,994.7</b> | <b>0.0</b>   |   |
| <b>Profit (loss) from operations</b>                       | <b>2,274.6</b>  | <b>2,274.6</b>  | <b>0.0</b>   |   |
| Net adjustments on loans to customers                      | -301.9          | -301.9          | 0.0          |   |
| Profit (loss) on FV measurement of tangible assets         | -40.1           | 0.0             | -40.1        | Adjustments on tangible assets (including Project "Square") |
| Net adjustments on other financial assets                  | -2.1            | -2.1            | 0.0          |   |
| Net provisions for risks and charges                       | -7.9            | 3.3             | -11.2        | Real Estate disposal (Project " Square")                    |
| Profit (loss) on the disposal of equity and other invest.  | 3.1             | 0.0             | 3.1          |   |
| <b>Income (loss) before tax from continuing operations</b> | <b>1,925.7</b>  | <b>1,974.0</b>  | <b>-48.2</b> |   |
| Tax on income from continuing operations                   | -618.8          | -634.2          | 15.4         |   |
| <b>Income (loss) after tax from continuing operations</b>  | <b>1,306.9</b>  | <b>1,339.7</b>  | <b>-32.8</b> |   |
| Systemic charges after tax                                 | -66.6           | -66.6           | 0.0          |   |
| Impact of bancassurance reorganization                     | 2.5             | 0.0             | 2.5          |   |
| Realignment of fiscal values to accounting values          | 0.0             | 0.0             | 0.0          |   |
| Restructuring costs  | -11.7           | 0.0             | -11.7        | Costs related to the incentivised pension scheme            |
| Impact on Payment Business                                 | 493.1           | 0.0             | 493.1        | Capital gain from closure on Numia deal                     |
| Income (loss) attributable to minority interests           | 0.0             | 0.0             | 0.0          |   |
| Purchase Price Allocation after tax                        | -28.0           | -28.0           | 0.0          |   |
| Fair value on own liabilities after Taxes                  | -0.3            | -0.3            | 0.0          |   |
| <b>Net income (loss) for the period</b>                    | <b>1,695.8</b>  | <b>1,244.8</b>  | <b>451.1</b> |   |

# Balance Sheet

| Reclassified assets (€ m)  | 30/09/23       | 31/12/23       | 30/06/24       | 30/09/24       | Chg. Y/Y   |             | Chg. YTD      |              | Chg. Q/Q      |              |
|--|----------------|----------------|----------------|----------------|------------|-------------|---------------|--------------|---------------|--------------|
|  |                |                |                |                | Value      | %           | Value         | %            | Value         | %            |
| Cash and cash equivalents  | 17,617         | 18,297         | 10,994         | 9,079          | -8,538     | -48.5%      | -9,219        | -50.4%       | -1,916        | -17.4%       |
| Loans and advances measured at AC  | 111,926        | 109,568        | 105,594        | 104,694        | -7,232     | -6.5%       | -4,874        | -4.4%        | -900          | -0.9%        |
| - Loans and advances to banks  | 3,877          | 4,142          | 3,621          | 3,332          | -545       | -14.1%      | -810          | -19.6%       | -289          | -8.0%        |
| - Loans and advances to customers <sup>(1)</sup>                         | 108,048        | 105,427        | 101,973        | 101,362        | -6,686     | -6.2%       | -4,065        | -6.2%        | -611          | -0.6%        |
| Other financial assets   | 44,853         | 43,706         | 50,159         | 50,048         | 5,195      | 11.6%       | 6,342         | 14.5%        | -111          | -0.2%        |
| - Assets measured at FV through PL                                       | 8,310          | 7,392          | 8,698          | 7,986          | -324       | -3.9%       | 594           | 8.0%         | -712          | -8.2%        |
| - Assets measured at FV through OCI                                      | 10,202         | 10,693         | 12,111         | 13,363         | 3,162      | 31.0%       | 2,671         | 25.0%        | 1,252         | 10.3%        |
| - Assets measured at AC  | 26,342         | 25,622         | 29,349         | 28,699         | 2,357      | 8.9%        | 3,077         | 12.0%        | -651          | -2.2%        |
| Financial assets pertaining to insurance companies                       | 5,805          | 15,345         | 15,695         | 16,291         | 10,485     | 180.6%      | 946           | 6.2%         | 595           | 3.8%         |
| Equity investments   | 1,651          | 1,454          | 1,429          | 1,736          | 84         | 5.1%        | 282           | 19.4%        | 306           | 21.4%        |
| Property and equipment   | 2,795          | 2,858          | 2,775          | 2,502          | -293       | -10.5%      | -356          | -12.5%       | -274          | -9.9%        |
| Intangible assets  | 1,235          | 1,257          | 1,248          | 1,240          | 4          | 0.4%        | -18           | -1.4%        | -8            | -0.7%        |
| Tax assets   | 4,196          | 4,201          | 3,926          | 3,708          | -488       | -11.6%      | -493          | -11.7%       | -219          | -5.6%        |
| Non-current assets held for sale and discont. operations                 | 529            | 469            | 445            | 526            | -4         | -0.7%       | 57            | 12.2%        | 80            | 18.0%        |
| Other assets   | 3,856          | 4,975          | 5,516          | 5,613          | 1,757      | 45.6%       | 638           | 12.8%        | 97            | 1.8%         |
| <b>Total</b>   | <b>194,463</b> | <b>202,132</b> | <b>197,782</b> | <b>195,434</b> | <b>971</b> | <b>0.5%</b> | <b>-6,698</b> | <b>-3.3%</b> | <b>-2,348</b> | <b>-1.2%</b> |
| Reclassified liabilities (€ m)   | 30/09/23       | 31/12/23       | 30/06/24       | 30/09/24       | Chg. Y/Y   |             | Chg. YTD      |              | Chg. Q/Q      |              |
|  |                |                |                |                | Value      | %           | Value         | %            | Value         | %            |
| Banking Direct Funding   | 120,705        | 120,770        | 124,149        | 122,503        | 1,798      | 1.5%        | 1,733         | 1.4%         | -1,646        | -1.3%        |
| - Due from customers   | 103,585        | 101,862        | 103,683        | 99,750         | -3,835     | -3.7%       | -2,112        | -2.1%        | -3,933        | -3.8%        |
| - Debt securities and other financial liabilities                        | 17,121         | 18,908         | 20,466         | 22,753         | 5,632      | 32.9%       | 3,845         | 20.3%        | 2,287         | 11.2%        |
| Insurance Direct Funding & Insurance liabilities                         | 5,615          | 15,040         | 15,388         | 15,973         | 10,358     | 184.5%      | 933           | 6.2%         | 584           | 3.8%         |
| - Financial liabilities measured at FV pertaining to insurance companies | 1,420          | 2,800          | 3,076          | 3,226          | 1,806      | 127.1%      | 426           | 15.2%        | 150           | 4.9%         |
| - Liabilities pertaining to insurance companies                          | 4,194          | 12,240         | 12,312         | 12,746         | 8,552      | 203.9%      | 507           | 4.1%         | 434           | 3.5%         |
| Due to banks   | 22,623         | 21,691         | 12,396         | 8,594          | -14,029    | -62.0%      | -13,097       | -60.4%       | -3,802        | -30.7%       |
| Debts for Leasing  | 498            | 671            | 646            | 660            | 162        | 32.4%       | -11           | -1.6%        | 14            | 2.2%         |
| Other financial liabilities designated at FV                             | 27,774         | 25,698         | 26,746         | 25,792         | -1,981     | -7.1%       | 95            | 0.4%         | -954          | -3.6%        |
| Other financial liabilities pertaining to insurance companies            | 2              | 73             | 71             | 70             | 68         | n.m.        | -3            | -3.7%        | -1            | -1.6%        |
| Liability provisions   | 874            | 895            | 778            | 792            | -83        | -9.5%       | -103          | -11.5%       | 13            | 1.7%         |
| Tax liabilities  | 294            | 454            | 481            | 504            | 211        | 71.9%       | 51            | 11.1%        | 23            | 4.9%         |
| Liabilities associated with assets held for sale                         | 244            | 212            | 215            | 1              | -243       | -99.5%      | -211          | -99.5%       | -214          | -99.5%       |
| Other liabilities  | 2,218          | 2,592          | 3,177          | 5,563          | 3,345      | 150.8%      | 2,971         | 114.7%       | 2,385         | 75.1%        |
| Minority interests   | 0              | 0              | 0              | 0              | 0          | -74.8%      | 0             | 5.9%         | 0             | -2.7%        |
| Shareholders' equity   | 13,617         | 14,038         | 13,733         | 14,982         | 1,365      | 10.0%       | 944           | 6.7%         | 1,249         | 9.1%         |
| <b>Total</b>   | <b>194,463</b> | <b>202,132</b> | <b>197,782</b> | <b>195,434</b> | <b>971</b> | <b>0.5%</b> | <b>-6,698</b> | <b>-3.3%</b> | <b>-2,348</b> | <b>-1.2%</b> |

Note: 1. The item "Customer Loans" includes the Senior notes of GACS transactions

# Indirect customer funding up at €114.4bn: +14.5% Y/Y; +7.8% YTD and +2.9% Q/Q



Managerial data of the commercial network



**Notes:** 1. AuM from Bancassurance as at 30/09/2024 contains €15.6bn pertaining to Banco BPM Vita, Vera Vita and BBPM Life included also in the balance sheet item "Insurance Direct Funding and Insurance liabilities", as fully consolidated (€15.5bn as at 30/06/2024; €15.2bn as at 31/12/23 and €5.6bn as at 30/09/23, this latter considering only Banco BPM Vita, as Vera Vita and BBPM Life have been consolidated starting from 31/12/2023).

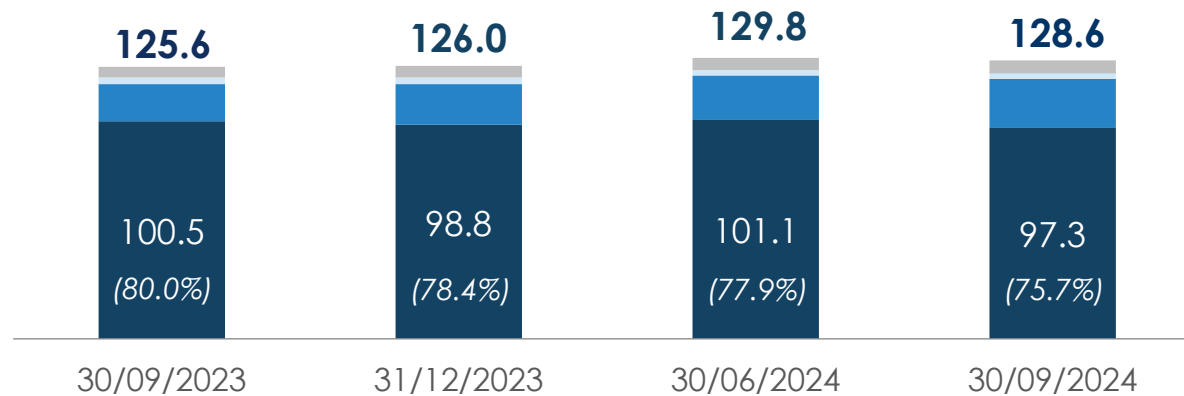
# Total Direct Funding from the Banking business

## EVOLUTION OF TOTAL DIRECT FUNDING<sup>1</sup>

€ bn

- Capital-protected Certificates & other Debt Securities at FV
- REPOs & Other
- Bonds
- C/A, Sight & Time deposits - (Core Funding)

(% Share on total)

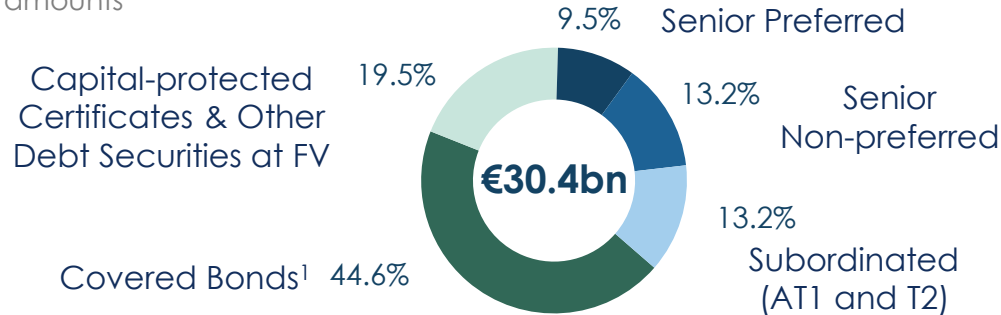


|  | 30/09/23     | 31/12/23     | 30/06/24     | 30/09/24     | % chg. Y/Y  | % chg. YTD  | % chg. Q/Q   |
|--|--------------|--------------|--------------|--------------|-------------|-------------|--------------|
| C/A & Sight deposits   | 100.1        | 98.6         | 100.1        | 96.1         | -4.0%       | -2.5%       | -4.0%        |
| Time deposits  | 0.3          | 0.2          | 1.1          | 1.2          | 260.3%      | 398.2%      | 14.4%        |
| Bonds  | 17.1         | 18.9         | 20.4         | 22.7         | 33.0%       | 20.4%       | 11.2%        |
| REPOs & Other  | 3.1          | 3.0          | 2.6          | 2.4          | -21.8%      | -19.9%      | -4.6%        |
| Capital-protected Certificates & other Debt Securities at FV | 4.9          | 5.3          | 5.7          | 6.1          | 24.0%       | 14.9%       | 7.0%         |
| <b>Total Direct Funding</b>                                  | <b>125.6</b> | <b>126.0</b> | <b>129.8</b> | <b>128.6</b> | <b>2.4%</b> | <b>2.0%</b> | <b>-1.0%</b> |

# Strong and well diversified liability profile, driven by successful issuance activity

## BONDS, CERTIFICATES & OTHER DEBT SECURITIES AT FV outstanding as at 30/09/2024

Nominal amounts



## MREL REQUIREMENTS & BUFFERS as at 30/09/2024

MREL as % of RWA, including Combined Buffer Requirement<sup>2</sup>

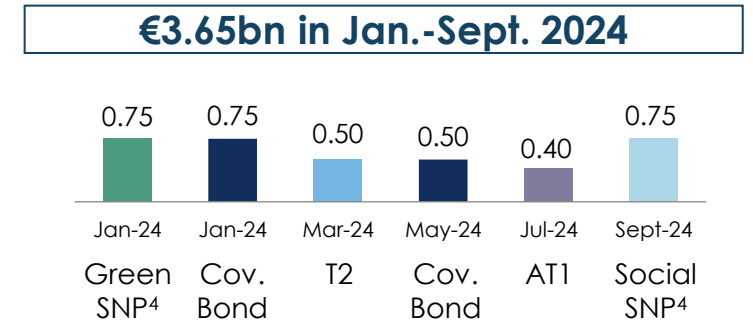
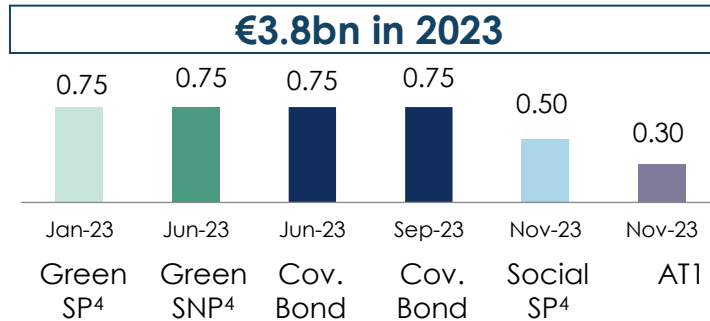
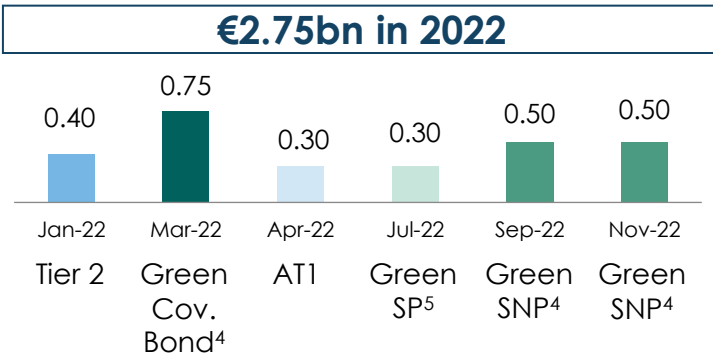
|             | TOTAL RATIO | SUBORD. RATIO |
|-------------|-------------|---------------|
| Requirement | 26.35%      | 20.26%        |
| Buffer      | 11.05 p.p.  | 5.71 p.p.     |

Corresponding to €6.8bn

Corresponding to €3.5bn

## WHOLESALE BONDS ISSUED SINCE 2022<sup>3</sup>

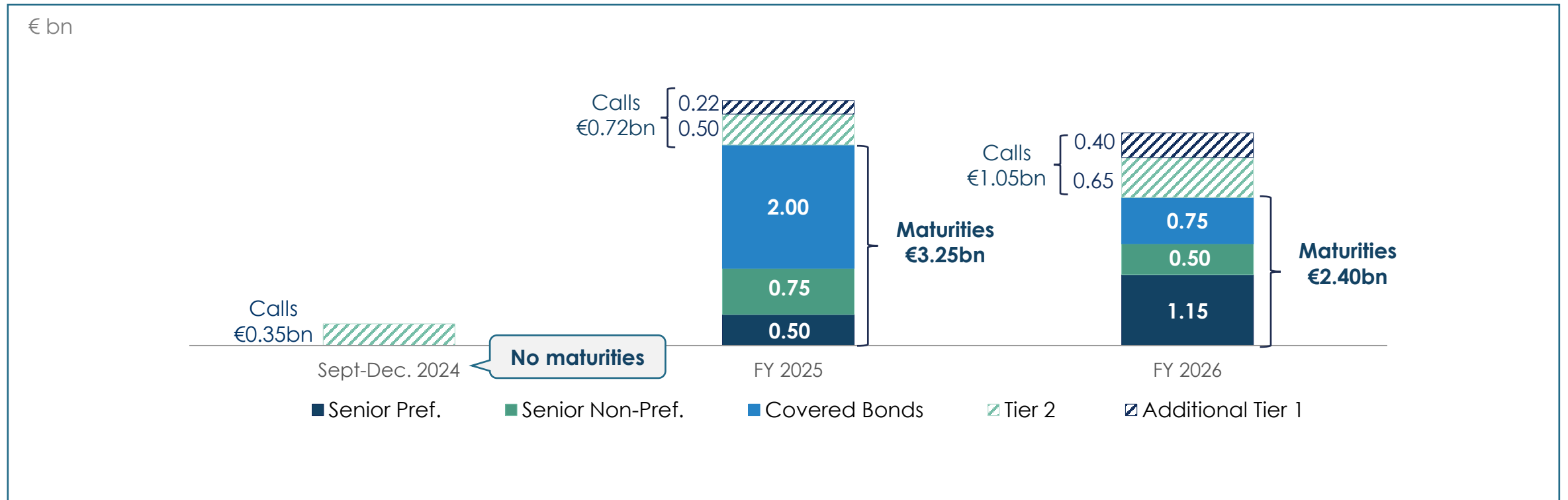
€ bn



In rolling out its funding plan, Banco BPM considers not only regulatory MREL requirements but also rating agency thresholds and buffers

# Wholesale bond maturities and calls

## SENIORITY PROFILE OF WHOLESALE BOND MATURITIES<sup>1</sup> & CALLS<sup>2</sup> UNTIL YE 2026

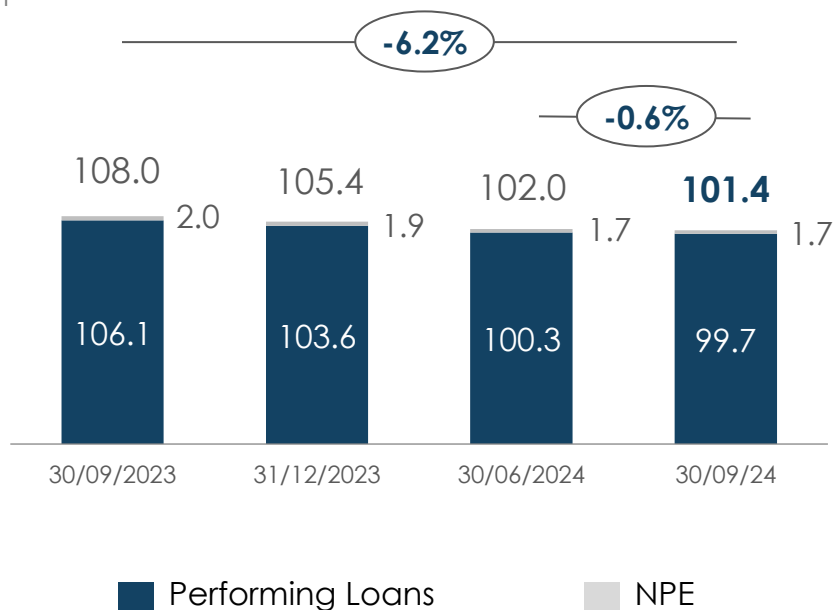




# Net Customer Loans at Amortized Cost

## EVOLUTION OF NET CUSTOMER LOANS

€ bn



| Net Performing Customer Loans     | 30/09/23     | 31/12/23     | 30/06/24     | 30/09/24    | Change        |               |               |
|-----------------------------------|--------------|--------------|--------------|-------------|---------------|---------------|---------------|
|                                   |              |              |              |             | In % Y/Y      | In % YTD      | In % Q/Q      |
| <b>Core customer loans</b>        | <b>99.1</b>  | <b>96.9</b>  | <b>95.3</b>  | <b>95.1</b> | <b>-4.0%</b>  | <b>-1.8%</b>  | <b>-0.2%</b>  |
| - Medium/Long-Term loans          | 78.6         | 77.1         | 76.2         | 75.7        | -3.7%         | -1.8%         | -0.7%         |
| - Current Accounts                | 7.6          | 7.5          | 7.0          | 7.6         | -0.4%         | 1.3%          | 7.8%          |
| - Cards & Personal Loans          | 0.7          | 0.7          | 0.5          | 0.5         | -30.2%        | -25.8%        | -9.2%         |
| - Other loans                     | 12.1         | 11.7         | 11.6         | 11.4        | -6.5%         | -3.1%         | -1.8%         |
| <b>GACS Senior Notes</b>          | <b>1.5</b>   | <b>1.4</b>   | <b>1.2</b>   | <b>1.1</b>  | <b>-24.8%</b> | <b>-20.8%</b> | <b>-5.7%</b>  |
| <b>Repos</b>                      | <b>5.1</b>   | <b>4.8</b>   | <b>3.4</b>   | <b>3.1</b>  | <b>-39.0%</b> | <b>-35.9%</b> | <b>-10.2%</b> |
| <b>Leasing</b>                    | <b>0.4</b>   | <b>0.4</b>   | <b>0.3</b>   | <b>0.3</b>  | <b>-27.1%</b> | <b>-20.5%</b> | <b>-8.3%</b>  |
| <b>Total Net Performing Loans</b> | <b>106.1</b> | <b>103.6</b> | <b>100.3</b> | <b>99.7</b> | <b>-6.0%</b>  | <b>-3.8%</b>  | <b>-0.7%</b>  |

# Analysis of Commercial Real Estate exposure as at 30/09/2024

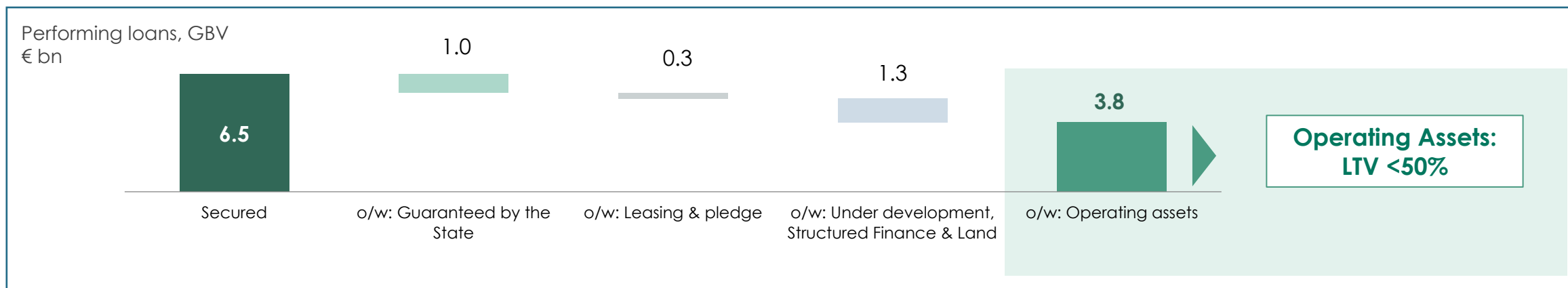
## Highly secured, concentrated in low-mid risk rating classes and in the North of Italy

| GBV, in € bn                           | Performing Exposure | In % on total Perf. loans |
|--|---------------------|---------------------------|
| Construction of buildings <sup>1</sup> | 2.96                | 3%                        |
| RE Activities                          | 4.39                | 4%                        |
| <b>TOTAL</b>                           | <b>7.35</b>         | <b>7%</b>                 |

### SAFE RISK PROFILE:

- **89% Secured (€6.5bn)**
- **84%** in Low-Mid Risk rating classes
- **72%** of the collateralized portfolio<sup>2</sup> is located in the North (**49%** in Lombardy, o/w **34%** Milan)

## SECURED EXPOSURE: COMPOSITION BY GUARANTEES & COLLATERAL



Managerial data of CRE sectors included in Non-Financial Corporates portfolio.

# Asset Quality details

## Loans to Customers at AC

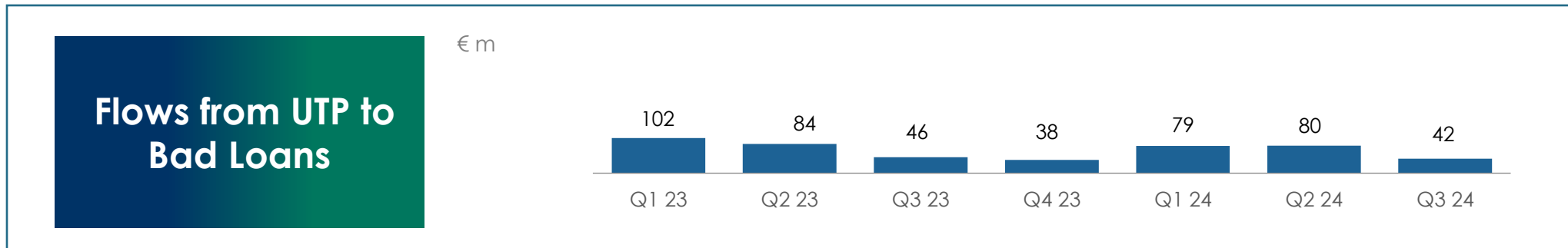
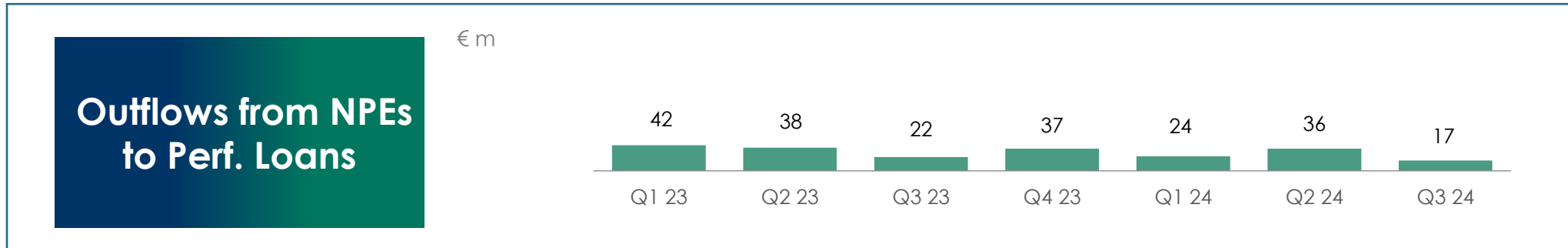
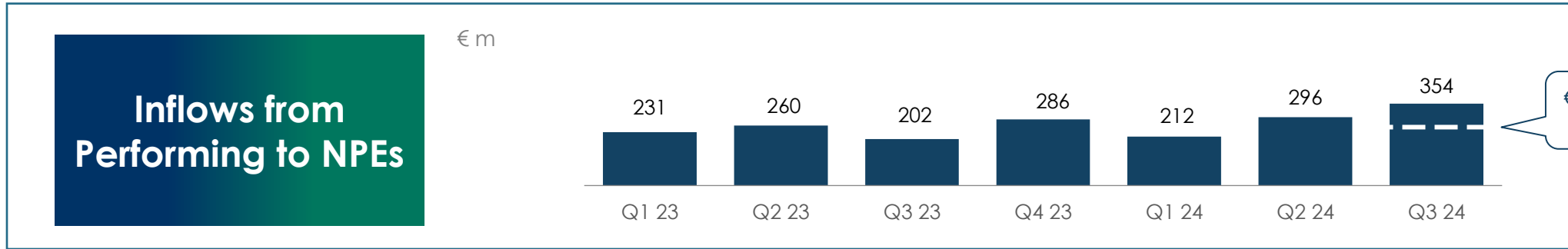
| Gross exposures<br>€ m and % | 30/09/2023     | 31/12/2023     | 30/06/2024     | 30/09/2024     | Chg. Y/Y      |               | Chg. YTD      |               | Chg. Q/Q    |              |
|------------------------------|----------------|----------------|----------------|----------------|---------------|---------------|---------------|---------------|-------------|--------------|
|                              |                |                |                |                | Value         | %             | Value         | %             | Value       | %            |
| Bad Loans                    | 1,630          | 1,601          | 1,545          | 1,282          | -348          | -21.3%        | -319          | -19.9%        | -262        | -17.0%       |
| UTP                          | 2,169          | 2,056          | 1,697          | 1,703          | -466          | -21.5%        | -352          | -17.1%        | 6           | 0.4%         |
| Past Due                     | 91             | 93             | 146            | 204            | 113           | 123.6%        | 110           | 117.8%        | 58          | 39.6%        |
| <b>NPE</b>                   | <b>3,891</b>   | <b>3,751</b>   | <b>3,388</b>   | <b>3,190</b>   | <b>-701</b>   | <b>-18.0%</b> | <b>-561</b>   | <b>-15.0%</b> | <b>-198</b> | <b>-5.9%</b> |
| Performing Loans             | 106,499        | 103,991        | 100,758        | 100,098        | -6,401        | -6.0%         | -3,894        | -3.7%         | -660        | -0.7%        |
| <b>TOTAL CUSTOMER LOANS</b>  | <b>110,390</b> | <b>107,742</b> | <b>104,146</b> | <b>103,287</b> | <b>-7,103</b> | <b>-6.4%</b>  | <b>-4,455</b> | <b>-4.1%</b>  | <b>-859</b> | <b>-0.8%</b> |

| Net exposures<br>€ m and %  | 30/09/2023     | 31/12/2023     | 30/06/2024     | 30/09/2024     | Chg. Y/Y      |               | Chg. YTD      |              | Chg. Q/Q    |              |
|-----------------------------|----------------|----------------|----------------|----------------|---------------|---------------|---------------|--------------|-------------|--------------|
|                             |                |                |                |                | Value         | %             | Value         | %            | Value       | %            |
| Bad Loans                   | 673            | 626            | 601            | 519            | -154          | -22.9%        | -107          | -17.1%       | -82         | -13.6%       |
| UTP                         | 1,235          | 1,168          | 950            | 1,024          | -211          | -17.1%        | -144          | -12.3%       | 74          | 7.8%         |
| Past Due                    | 64             | 67             | 103            | 157            | 93            | 144.4%        | 90            | 133.4%       | 54          | 52.3%        |
| <b>NPE</b>                  | <b>1,972</b>   | <b>1,862</b>   | <b>1,654</b>   | <b>1,700</b>   | <b>-272</b>   | <b>-13.8%</b> | <b>-162</b>   | <b>-8.7%</b> | <b>46</b>   | <b>2.8%</b>  |
| Performing Loans            | 106,076        | 103,565        | 100,318        | 99,662         | -6,414        | -6.0%         | -3,903        | -3.8%        | -656        | -0.7%        |
| <b>TOTAL CUSTOMER LOANS</b> | <b>108,048</b> | <b>105,427</b> | <b>101,973</b> | <b>101,362</b> | <b>-6,686</b> | <b>-6.2%</b>  | <b>-4,065</b> | <b>-3.9%</b> | <b>-611</b> | <b>-0.6%</b> |

| Coverage ratios<br>%        | 30/09/2023   | 31/12/2023   | 30/06/2024   | 30/09/2024   |
|-----------------------------|--------------|--------------|--------------|--------------|
| Bad Loans                   | 58.7%        | 60.9%        | 61.1%        | 59.5%        |
| UTP                         | 43.1%        | 43.2%        | 44.0%        | 39.9%        |
| Past Due                    | 29.6%        | 28.2%        | 29.4%        | 23.0%        |
| <b>NPE</b>                  | <b>49.3%</b> | <b>50.4%</b> | <b>51.2%</b> | <b>46.7%</b> |
| Performing Loans            | 0.40%        | 0.41%        | 0.44%        | 0.44%        |
| <b>TOTAL CUSTOMER LOANS</b> | <b>2.1%</b>  | <b>2.1%</b>  | <b>2.1%</b>  | <b>1.9%</b>  |

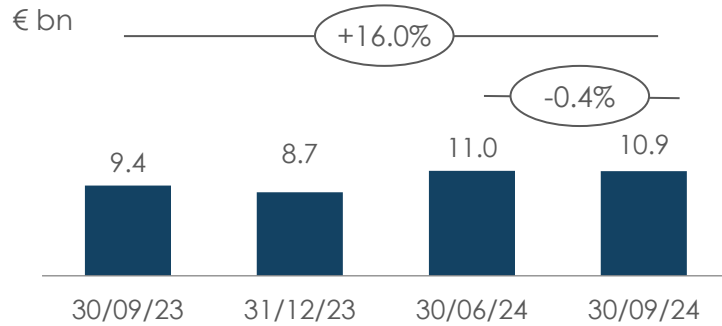
Overlays at ~€92m as at 30/09/24: progressive enlargement in the perimeter of risks directly captured by statistical models, with no write-backs in the CoR, while preserving the overall coverage level of performing loans. This trend is expected to be continued also in Q4.

# NPE migration dynamics

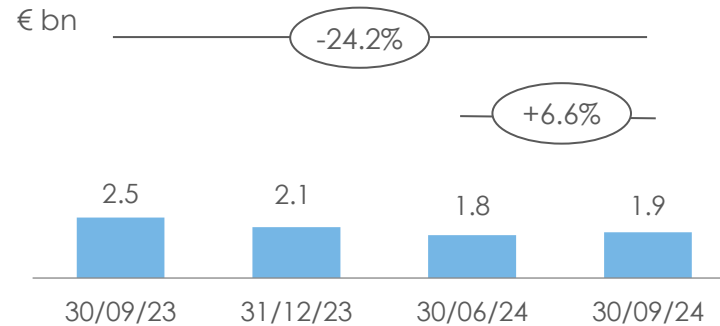


# Focus on Govies portfolio of the Banking Business

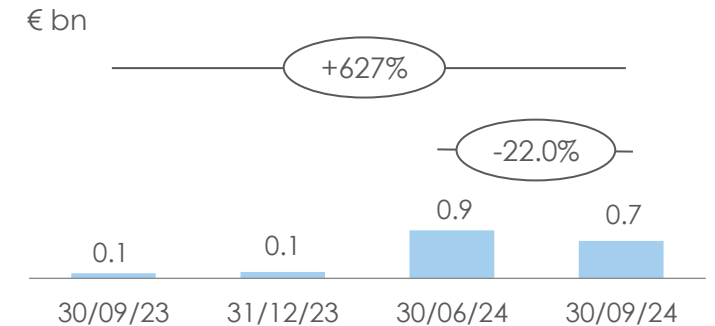
## Italian Govies at AC



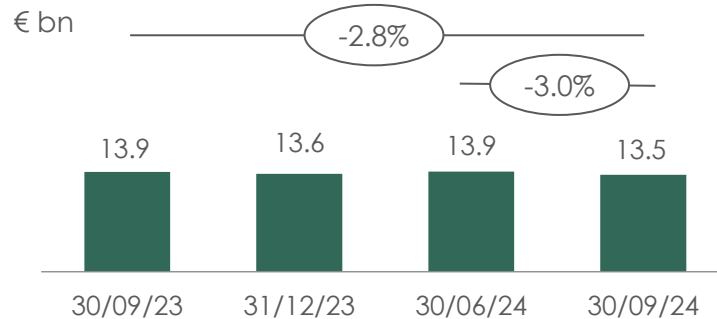
## Italian Govies at FVOCI



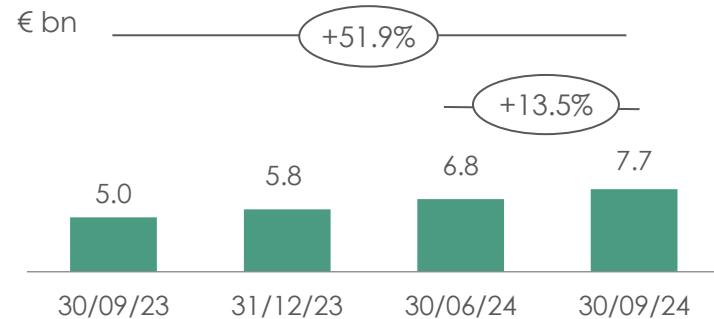
## Italian Govies at FVTPL



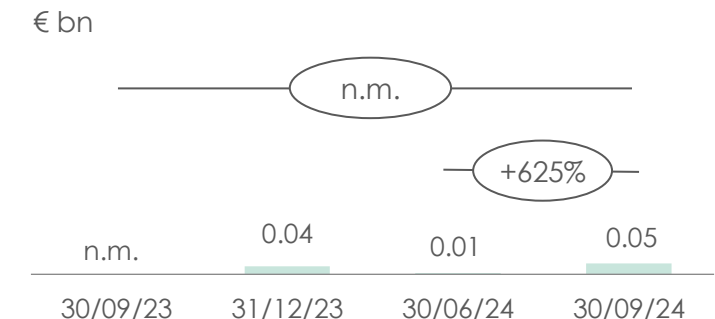
## Non-Italian Govies at AC



## Non-Italian Govies at FVOCI



## Non-Italian Govies at FVTPL



# Capital position in detail

| FULLY LOADED CAPITAL POSITION (€ m and %) | 30/09/2023    | 31/12/2023    | 30/06/2024    | 30/09/2024    |
|---|---------------|---------------|---------------|---------------|
| CET 1 Capital                             | 8,381         | 9,036         | 9,438         | 9,583         |
| T1 Capital                                | 9,771         | 10,425        | 10,828        | 10,972        |
| Total Capital                             | 11,510        | 12,125        | 13,018        | 12,822        |
| RWA                                       | 58,501        | 63,823        | 62,226        | 61,887        |
| <b>CET 1 Ratio</b>                        | <b>14.33%</b> | <b>14.16%</b> | <b>15.17%</b> | <b>15.48%</b> |
| AT1                                       | 2.38%         | 2.18%         | 2.23%         | 2.25%         |
| <b>T1 Ratio</b>                           | <b>16.70%</b> | <b>16.34%</b> | <b>17.40%</b> | <b>17.73%</b> |
| Tier 2                                    | 2.97%         | 2.66%         | 3.52%         | 2.99%         |
| <b>Total Capital Ratio</b>                | <b>19.68%</b> | <b>19.00%</b> | <b>20.92%</b> | <b>20.72%</b> |





| FULLY LOADED RWA COMPOSITION (€ bn) | 30/09/2023  | 31/12/2023  | 30/06/2024  | 30/09/2024  |
|-------------------------------------|-------------|-------------|-------------|-------------|
| CREDIT & COUNTERPARTY RISK          | 49.6        | 54.2        | 53.0        | 52.7        |
| <i>of which: AIRB</i>               | 26.3        | 20.8        | 29.0        | 28.3        |
| MARKET RISK                         | 1.3         | 1.5         | 1.2         | 1.1         |
| OPERATIONAL RISK                    | 7.4         | 7.9         | 7.9         | 7.9         |
| CVA                                 | 0.2         | 0.2         | 0.2         | 0.2         |
| <b>TOTAL</b>                        | <b>58.5</b> | <b>63.8</b> | <b>62.2</b> | <b>61.9</b> |

| LEVERAGE (€/m and %)  | 30/09/2023   | 31/12/2023   | 30/06/2024   | 30/09/2024   |
|-----------------------|--------------|--------------|--------------|--------------|
| Total Exposure        | 196,582      | 199,614      | 199,834      | 195,661      |
| Class 1 Capital       | 9,771        | 10,425       | 10,829       | 10,972       |
| <b>Leverage Ratio</b> | <b>4.97%</b> | <b>5.22%</b> | <b>5.42%</b> | <b>5.61%</b> |

# DEFINITIONS OF KEY INDICATORS INCLUDED IN THE PRESENTATION

| INDICATOR  | DEFINITION   |
|--|--|
| <b>CASH + UNENCUMBERED ASSETS</b>                | Including assets received as collateral, net of accrued interests. Managerial data, net of haircuts  |
| <b>CORE REVENUES</b>                             | Core Revenues: NII + Net Commissions + Income from Associates and Income from Insurance business   |
| <b>COST OF RISK</b>                              | Loan loss Provisions / Total Net Customer Loans at Amortised Cost. Annualised for interim periods  |
| <b>CURE RATE</b>                                 | Flows from UTP to Performing loans / Stock of UTP (GBV BoP). Excluding loans at IFRS 5. Annualised for interim periods   |
| <b>CUSTOMER LOANS</b>                            | Loans at Amortised Costs, including the Senior notes of GACS transactions  |
| <b>DEFAULT RATE</b>                              | Flows from Performing to NPEs / Stock of performing loans (GBV BoP). Annualised for interim periods  |
| <b>GUARANTEED DEPOSITS</b>                       | Deposits <100K covered by FITD   |
| <b>INDIRECT CUSTOMER FUNDING</b>                 | Assets under Management (in the form of Funds & Sicav, Bancassurance and Managed Accounts & Funds of Funds) + Assets under Custody net of Capital-protected Certificates, as they have been regrouped under Total Direct Funding   |
| <b>INVESTMENT PRODUCT PLACEMENTS</b>             | Managerial data: Funds & Sicav, Bancassurance, Managed Accounts & Funds of Funds, Certificates and other Debt Securities at FV   |
| <b>LOW-CARBON NEW MEDIUM/LONG-TERM FINANCING</b> | Managerial data: New lending to Households, Corporate and Enterprises with maturity > 18 months. Including green lending products (finalized loans) and ordinary loans granted to specific sectors that are classified as "green" or with a low exposure to climate-related risk drivers |
| <b>MREL BUFFER</b>                               | MREL as % of RWA, including Combined Buffer Requirement  |
| <b>NET DEFAULT RATE</b>                          | Net flows to NPEs from Performing / Stock of Performing loans (GBV BoP). Annualised for interim periods  |
| <b>NEW LENDING</b>                               | Managerial data: M/L-term Mortgages (Secured and Unsec.), Pool & Structured Finance (including revolving) and ST Unsec. Loans  |
| <b>ROTE</b>                                      | Calculated as Net Profit from P&L / Tangible Shareholders' Equity (EoP, excluding Net Profit of the period, AT1 instruments and Intangible assets net of fiscal effect)  |
| <b>SMALL BUSINESSES</b>                          | Businesses with turnover up to €5m   |
| <b>TOTAL DIRECT FUNDING</b>                      | Total Direct Funding from the Banking Business (C/A & Sight deposits, Time deposits, Bonds, REPOs & Other) + Capital-protected Certificates and Other Debt Securities at FV  |

# Contacts for Investors and Financial Analysts

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## **Banco BPM**

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