



FINECO. SIMPLIFYING BANKING.

# 4Q21 Results

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Milan, February 9<sup>th</sup> 2022

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# Agenda

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## ✓ **Fineco Results**

☐ Next steps

☐ Fineco UK

☐ Key messages

☐ Focus on product areas

# Executive Summary

Successful growth story: becoming more a Platform than a Bank

The Bank has entered a **new dimension of growth driven by structural trends**. Among the main consequences:

- ✓ **growth of the Balance Sheet comfortably under control** thanks to new initiatives: boosting Fees to increase revenues with a better mix
- ✓ **new discontinuity in FAM, entered in its second wave to take more control of the value chain** and further boost Investing revenues and margins

**Outcome:** structurally higher profitability and capital light business model, allowing us to distribute increasing DPS and to invest more in our growth

## Record-high net profit in “a new normal world”

- **2021 adj. Net Profit at 349mln, +7.6% y/y<sup>(1)</sup> beating the previous record high of 2020**, confirming the sustainability of a business model able to deliver consistent results in every market condition
- **2021 adj. Revenues at 805mln, +7.4% y/y<sup>(1)</sup> mainly supported by Investing (+30% y/y)** thanks to volume effect and to the strong acceleration of AUM flows. Brokerage confirmed a structurally higher floor also in an environment characterized by much lower volatility compared to 2020
- **Operating Costs well under control at -259mln, +4.4% y/y**, excluding costs related to the acceleration of the growth of the business<sup>(2)</sup>
- **C/I ratio adj. at 32.2%**, confirming **strong operating leverage as a key strength of the Bank**

## Strong capital position

- **CET1 ratio at 18.8%, TCR at 29.6%, Leverage ratio at 4.02%**
- **2021 Dividend proposal: € 0.39 per share**

## Accelerating commercial activity towards AUM

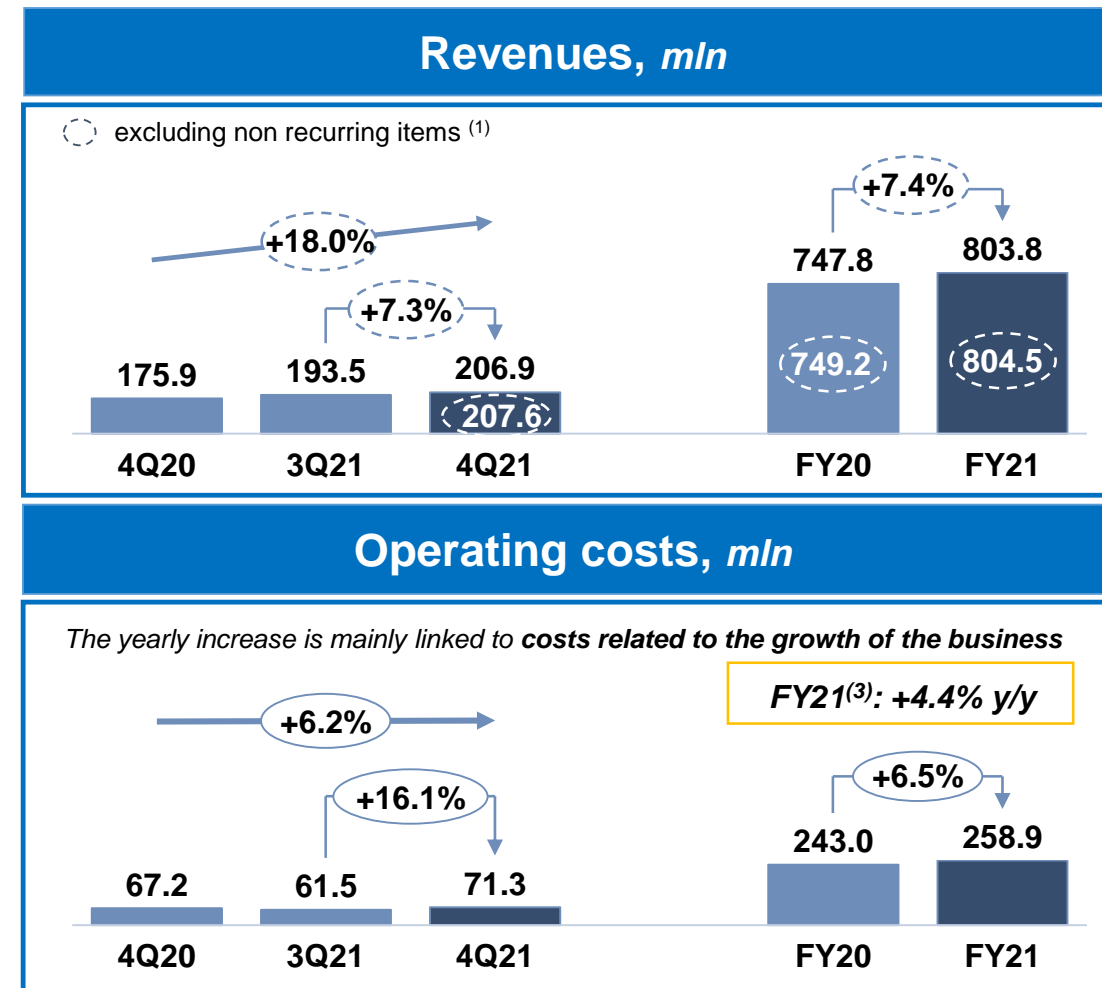
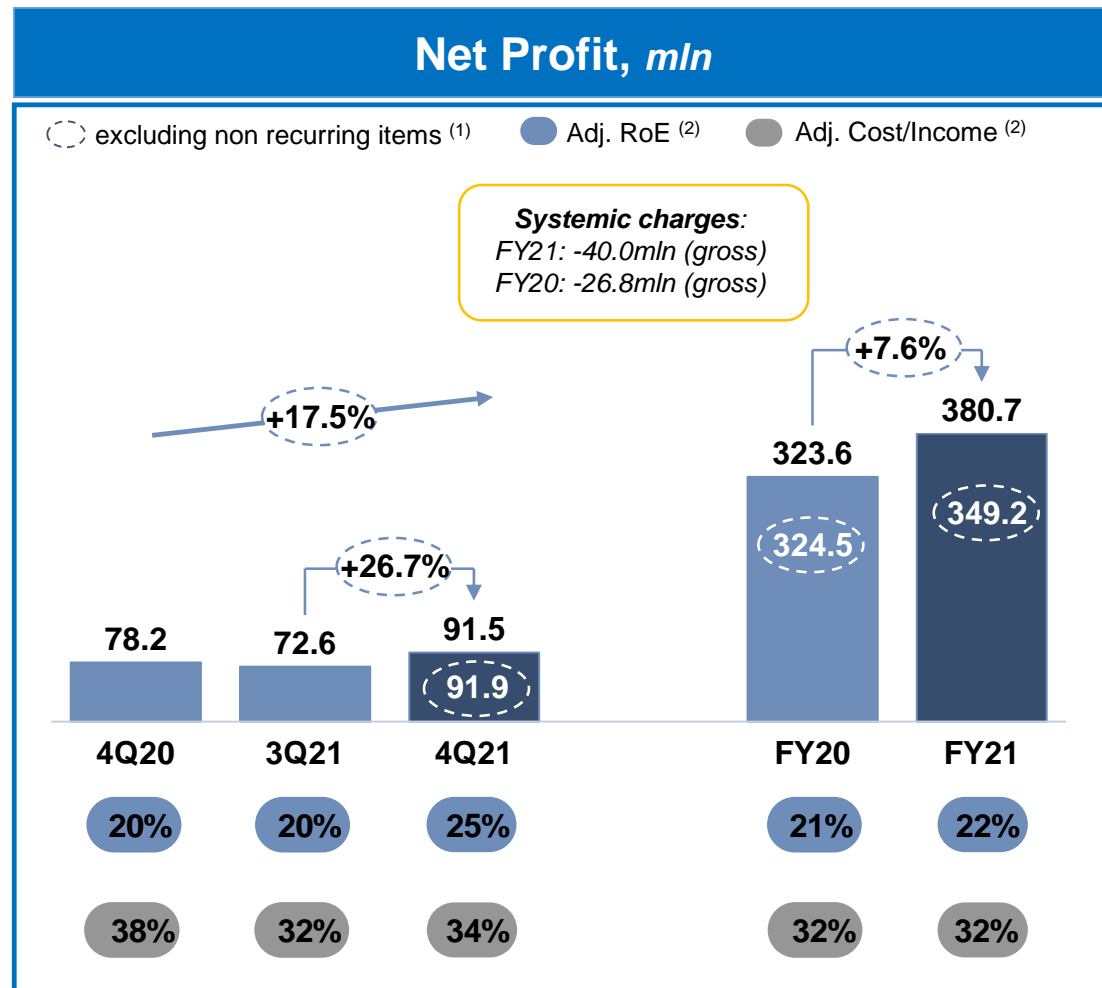
- **Net sales in 2021 at 10.7bn (+15% y/y), o/w AUM at 7.3bn (+70% y/y). TFA at 107.9bn with Asset under Management at 55.5 bn (+22% y/y)** and the penetration of **Guided products on Asset under Management at 76%**
- **Fineco Asset Management retail net sales at 3.9bn in 2021 (+81% y/y)** and TFA at **24.8bn (+52% y/y)**.
- **January: Strong net sales at 0.7bn, o/w AUM 0.3bn. FAM institutional net sales were equal to 0.5 bln. Brokerage revenues estimated at ~19mln** (revenues ~70% higher vs average monthly revenues in 2017-2019 y/y)

<sup>(1)</sup> 2021 non recurring items: 4Q21 -0.7 mln gross (-0.5 mln net) due to Voluntary Scheme; 2Q21 realignment of the intangible assets: 32 mln net; FY20 non recurring items: Voluntary Scheme: 3Q20: -0.2 mln gross, -0.2 mln net; 1Q20 -1.2mln gross, -0.8mln net

<sup>(2)</sup> Excluding costs strictly related to the growth of the business, mainly FAM (-4.2 mln y/y) and marketing related to UK (-1.1 mln y/y)

# Record high FY21 Net Profit in a “new normal world”

Adj. Net Profit at 349.2mIn, +7.6% y/y boosted by strong acceleration of Investing, confirming that the Bank is in a new dimension of growth. Strong operating leverage with C/I ratio at 32%



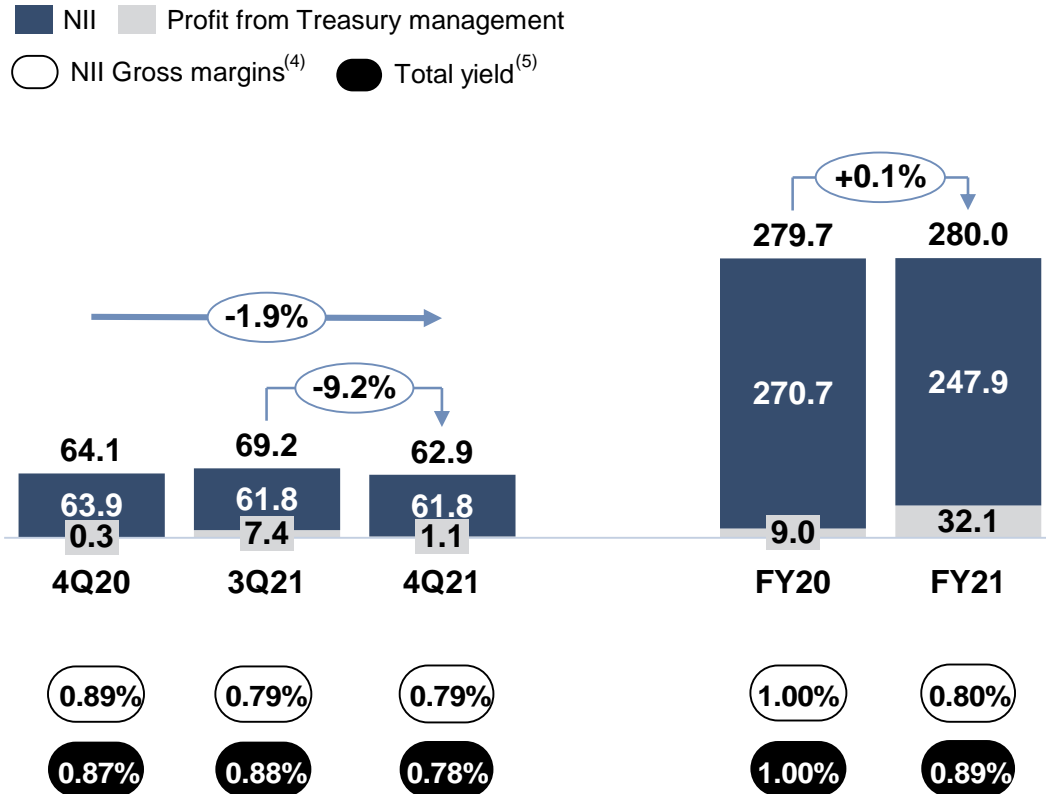
<sup>(1)</sup> 2021 non recurring items: 4Q21 -0.7 mIn gross (-0.5 mIn net) due to Voluntary Scheme; 2Q21 realignment of the intangible assets: 32 mIn net; 9M20 non recurring items: Voluntary Scheme: 3Q20: -0.2 mIn gross, -0.2 mIn net; 1Q20 -1.2mIn gross, -0.8mIn net

<sup>(2)</sup> Adj. Cost/Income and Adj. RoE calculated net of non recurring items. ROE calculated as: annualized adj.net profit divided by average book equity for the period (excl. dividends for which distribution is expected and valuation reserves)

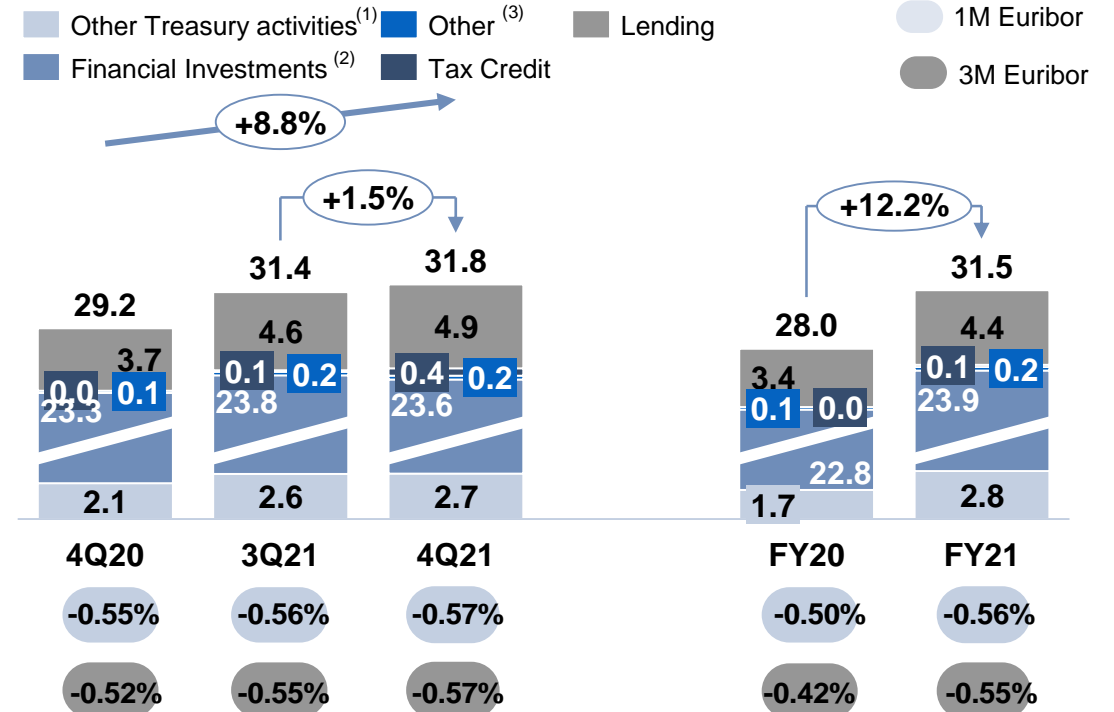
<sup>(3)</sup> Excluding costs strictly related to the growth of the business, mainly FAM (-4.2 mIn y/y) and marketing related to UK (-1.1 mIn y/y)

# Net Financial Income flat y/y also thanks to a more dynamic Treasury management

## Net Financial Income, mln



## Interest-earning assets, avg bn



**Sensitivity analysis +100bps / -100bps parallel shift:  
+133mln NII / -116mln NII**

<sup>(1)</sup> Other treasury activities include Security Lending (to take advantage of tiering) TLTRO and yield enhancement strategies (unsecured lending and collateral switch)

<sup>(2)</sup> Financial investments include Government bonds, UC bonds, Covered bonds, Supranational and Agencies and other financial investments

<sup>(3)</sup> Other interest-earning assets include Leverage

<sup>(4)</sup> NII gross margins: interest income related to financial investments, lending, leverage, security lending, other trading activities on interest-earning assets

<sup>(5)</sup> Total yield: net financial income related to interest-earning assets

# Becoming more a Platform: boosting our Non Financial Income

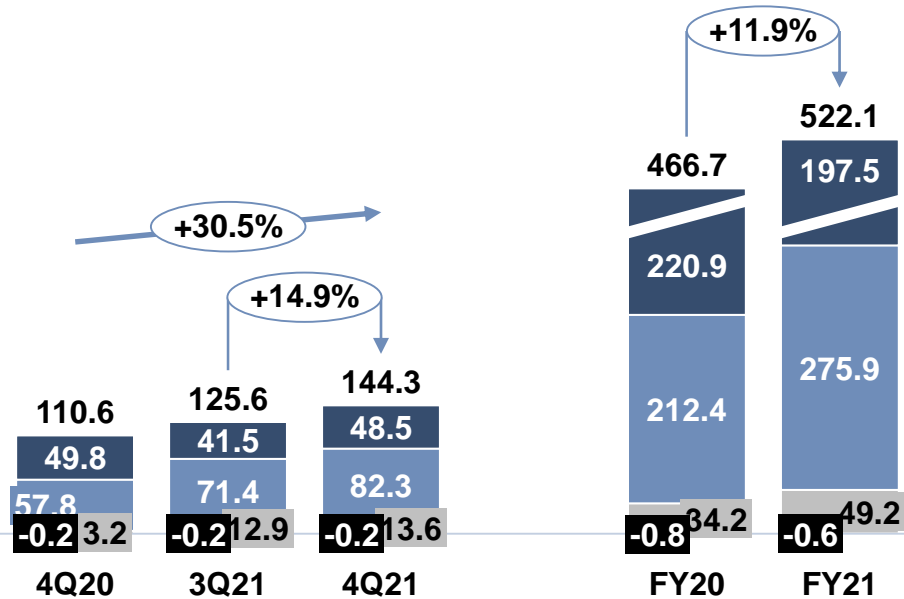
2021 Fees and commissions +18.8% y/y thanks to the contribution by all business areas.

Brokerage confirming the structurally higher floor despite lower market volatility and volumes in 2021 vs 2020

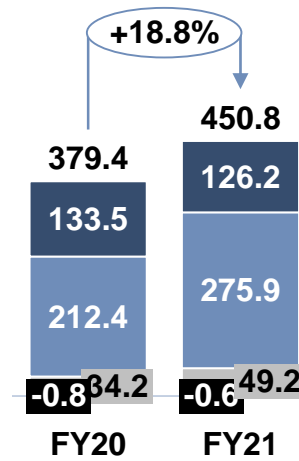
## Improving our revenues mix towards Non Financial Income

€, mln ■ Brokerage<sup>(1)</sup> ■ Investing ■ Banking ■ Other

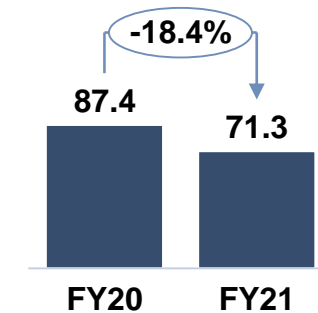
### Non Financial Income



### o/w Fees & Commissions



### o/w Brokerage Trading Income

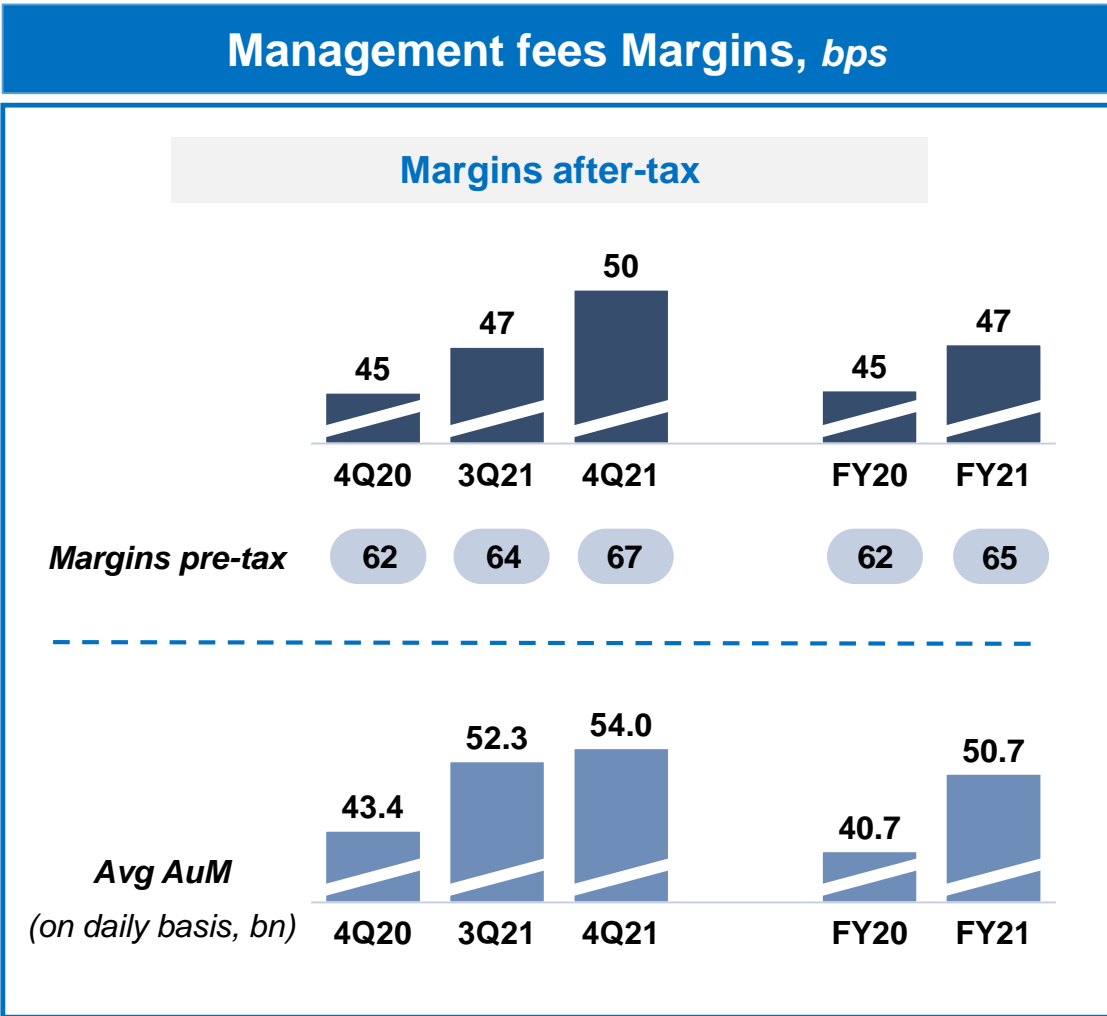
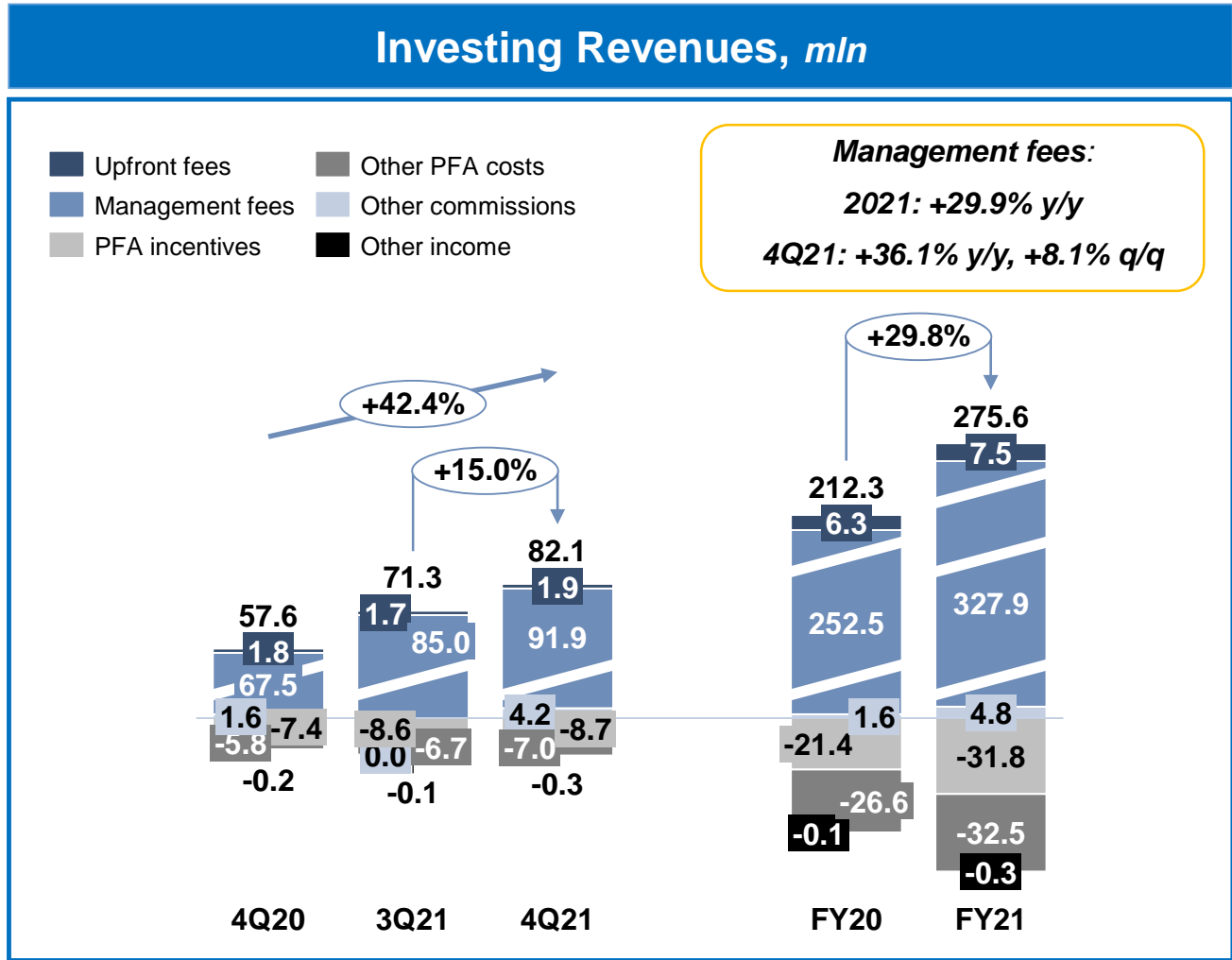


■ Brokerage ■ Investing ■ Banking ■ Other

<sup>(1)</sup> Sum of brokerage commissions and Trading income (net of Profit from Treasury Management)

# Our priority: accelerating on Investing

2021 revenues increasing thanks to volume effect and strong acceleration in AUM net sales. Margins improving thanks to the higher control on the Investing value chain through Fineco Asset Management and higher risk appetite by clients





# Cost efficiency and operating leverage confirmed in our DNA

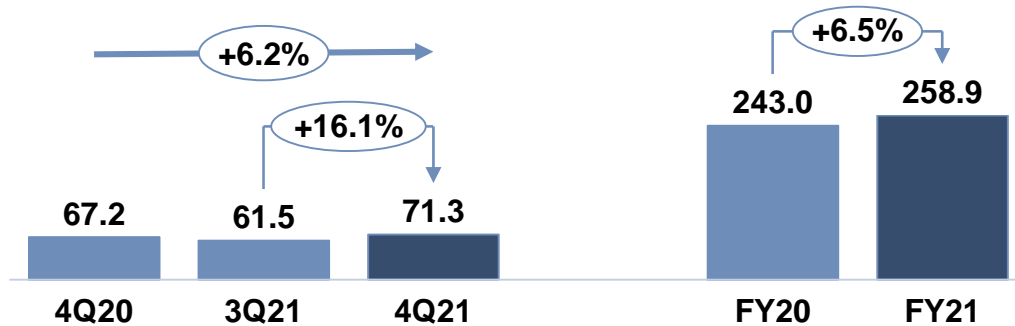
FY21 characterized by costs directly related to the strong acceleration of growth of the business experienced in the “new normal world”

## Operating Costs, mln

The yearly increase is mainly linked to costs related to the growth of the business, mainly related to:

- **FAM** as it is preparing to further increase the efficiency of the value chain
- **Marketing expenses** (mainly related to UK, not fully in place in FY20)

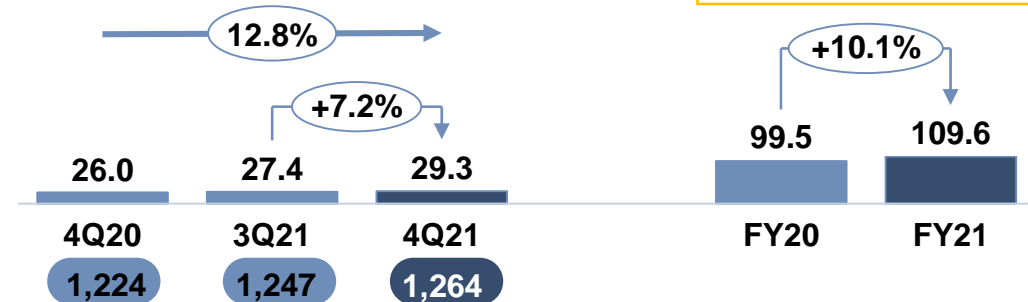
Net of this items, 2021<sup>(1)</sup>: +4.4% y/y



## Staff expenses and FTE, mln

FTE #

2021<sup>(1)</sup>: +6.5% y/y

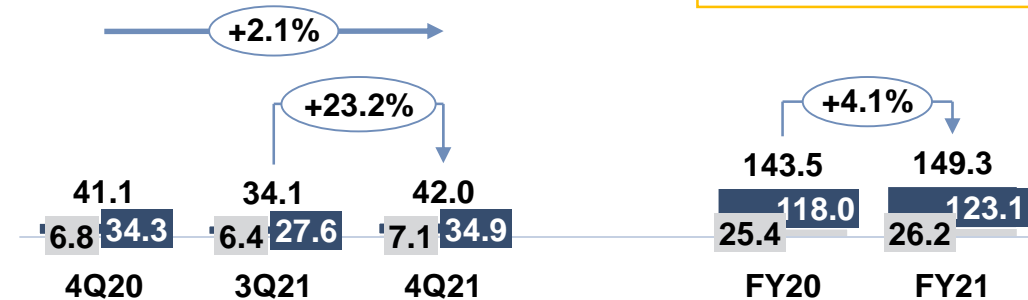


2021 FAM costs up by 3.6mln y/y as it is preparing to further increase the efficiency of the Investing value chain

## Non HR Costs, mln

OAE Write-downs/back & depreciation

2021<sup>(1)</sup>: +2.9% y/y



<sup>(1)</sup> Excluding costs strictly related to the growth of the business in FY21, mainly:

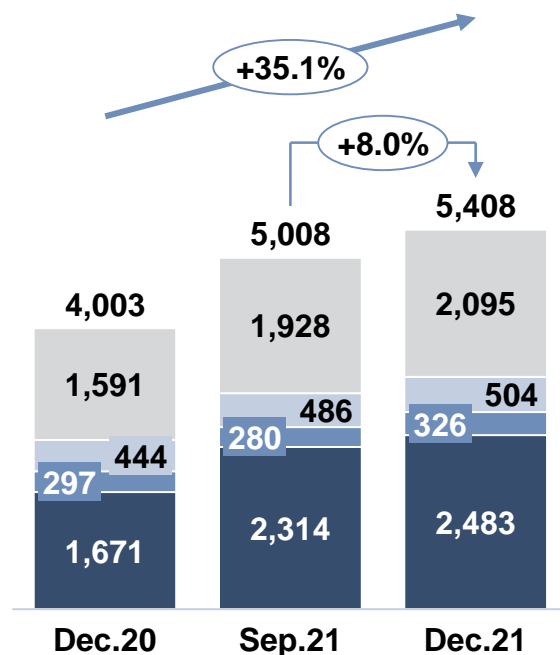
- **Operating costs**, FAM (-4.2mln y/y, o/w -3.6mln y/y related to Staff Expenses and -0.6mln y/y related to Non HR Cost) and marketing related to UK (-1.1 mln y/y)

# High quality lending

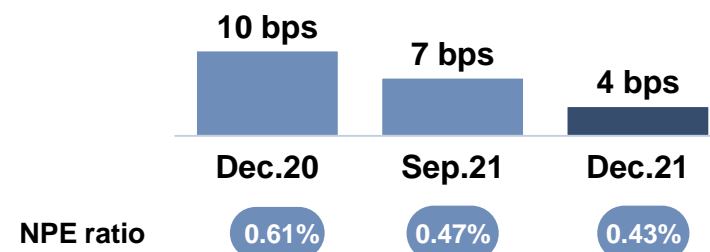
Offered exclusively to the existing base of clients, leveraging on our internal Big Data analytics

## Commercial Loans Portfolio, eop mln

Current accounts/Overdraft <sup>(1)</sup>
 Cards
  Personal loans
  Mortgages



## Cost of Risk on commercial loans <sup>(2)</sup>



- **Cost of Risk well under control thanks** to the constant improvement in the quality of the credit which is mainly secured and low risk
- **We confirm our strategy aims to build a safe lending portfolio**, offering these products exclusively to our very well known base of clients, leveraging on a deep internal IT culture, powerful data warehouse system and Big Data analytics
- **NPE at 23.6 mln with a coverage ratio at 82%, NPE ratio at 0.43%**
- **LLP equal to 1.7 mln in FY21 (3.3 mln in FY20)**
- **Less than 300 mortgages moratories have been granted until now, o/w only less than 15 are active**

<sup>(1)</sup> Current accounts/overdraft Include Lombard loans

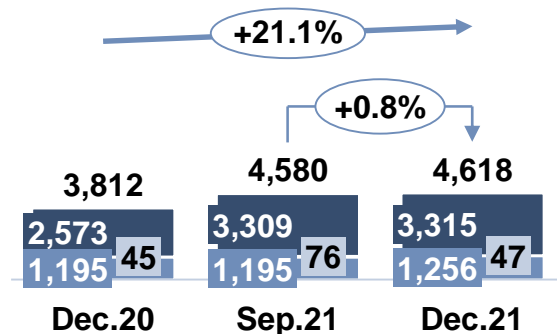
<sup>(2)</sup> Cost of Risk: commercial LLP of the last 12 months on average last 12 months commercial Loans; CoR as of Dec.21, Sep.21 and Dec.20 are pro-forma figures excluding a non recurring write-back

# Capital Ratios

Best in class capital position and low risk balance sheet

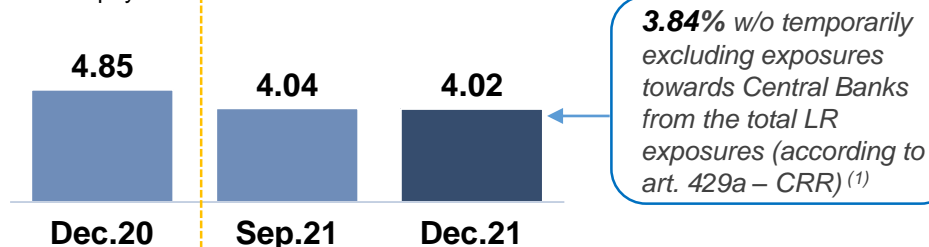
## RWA, mln

■ Credit ■ Market ■ Operational



## Leverage Ratio, %

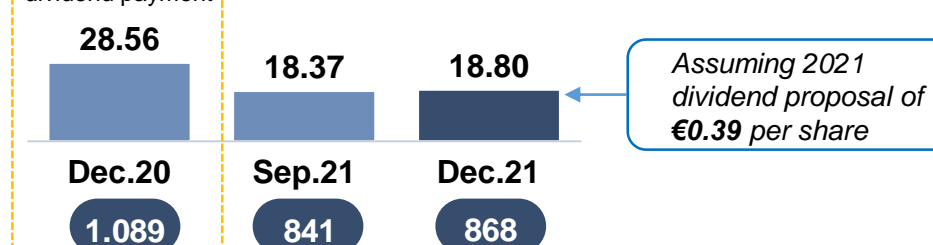
before 2019-2020 dividend payment



## CET1 Ratio, %

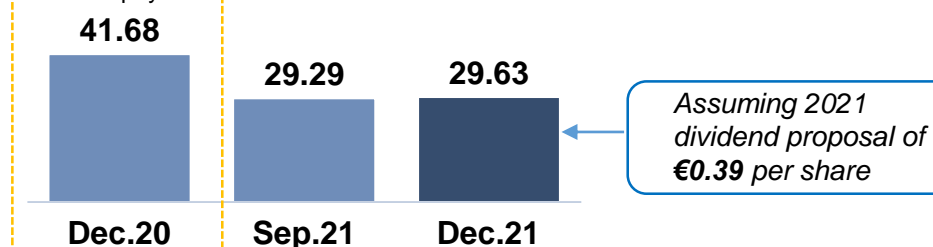
■ CET1 capital, mln

before 2019-2020 dividend payment



## Total Capital Ratio, %

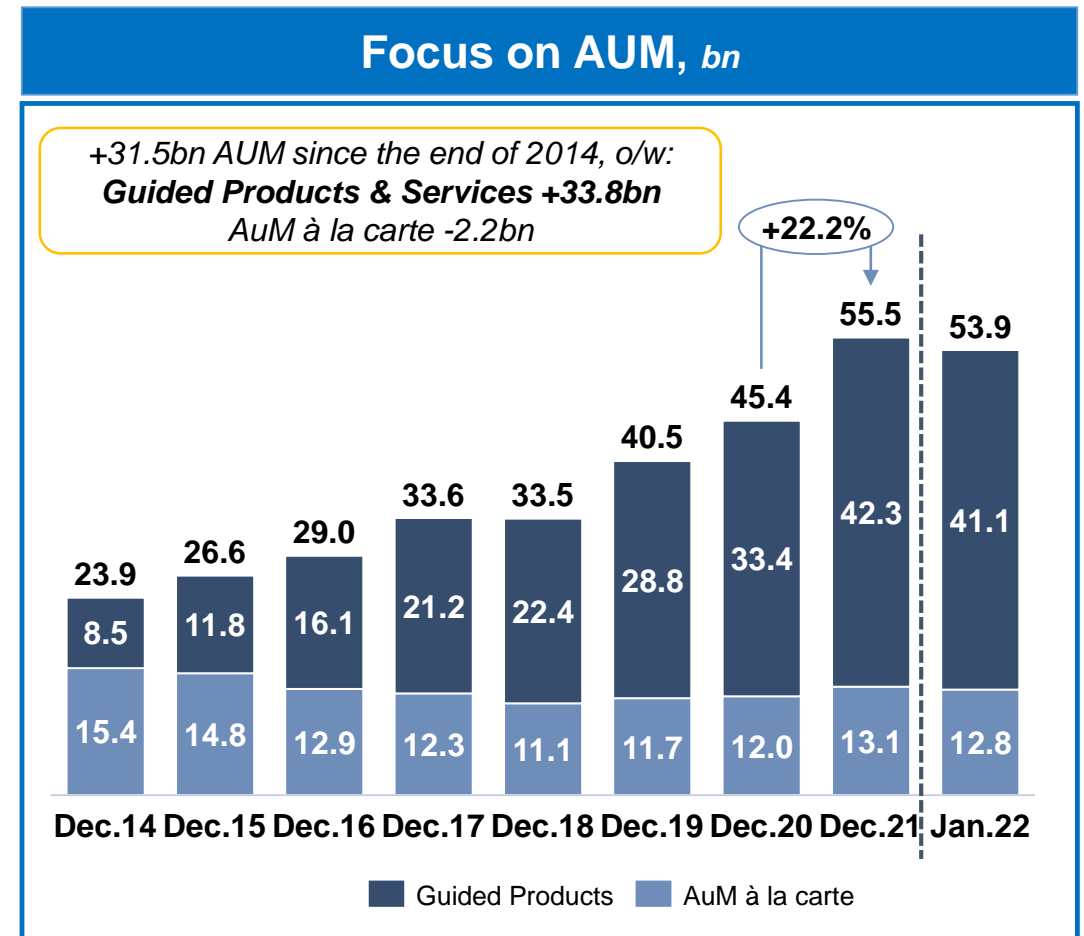
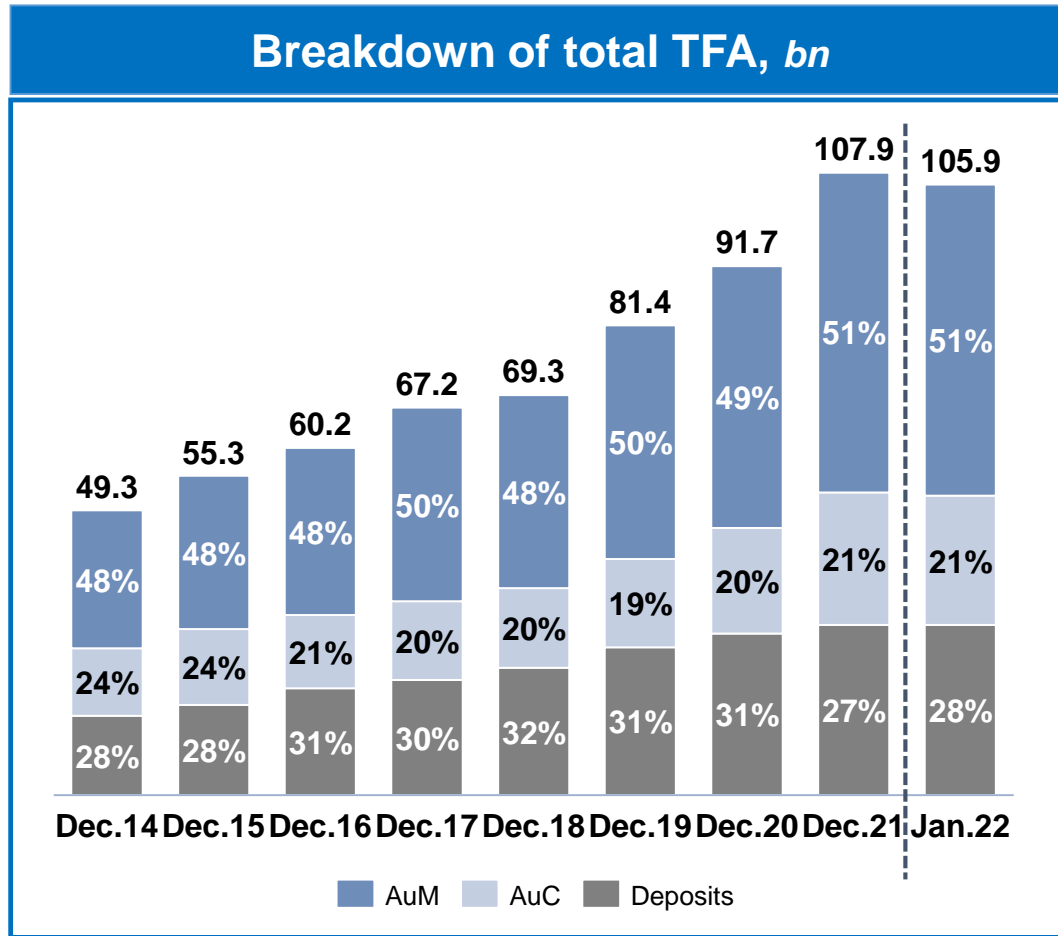
before 2019-2020 dividend payment



<sup>(1)</sup> Following declarations by ECB (18th June 2021) and Bank of Italy (30th June 2021) to temporarily allow banks until March 2022 to exclude central bank exposures from their leverage ratio in exceptional macroeconomic circumstances

# TFA breakdown

Successful shift towards high added value products thanks to strong productivity of the network

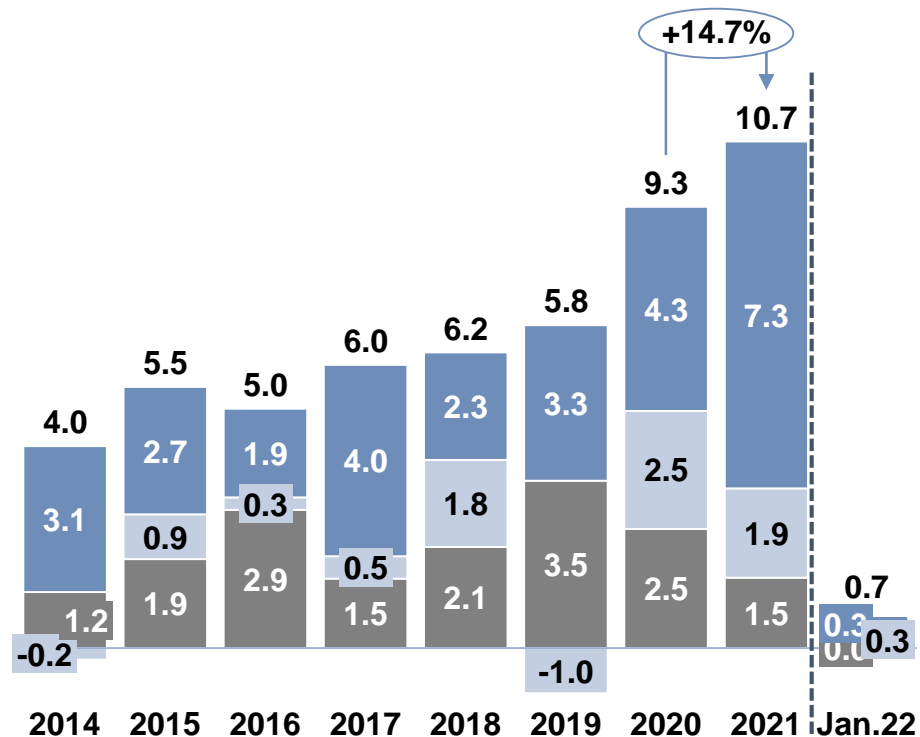


AuC and Deposits under advisory have been reclassified within AuM in order to have a better representation of the advisory nature of Advice and Plus services

# Net sales breakdown

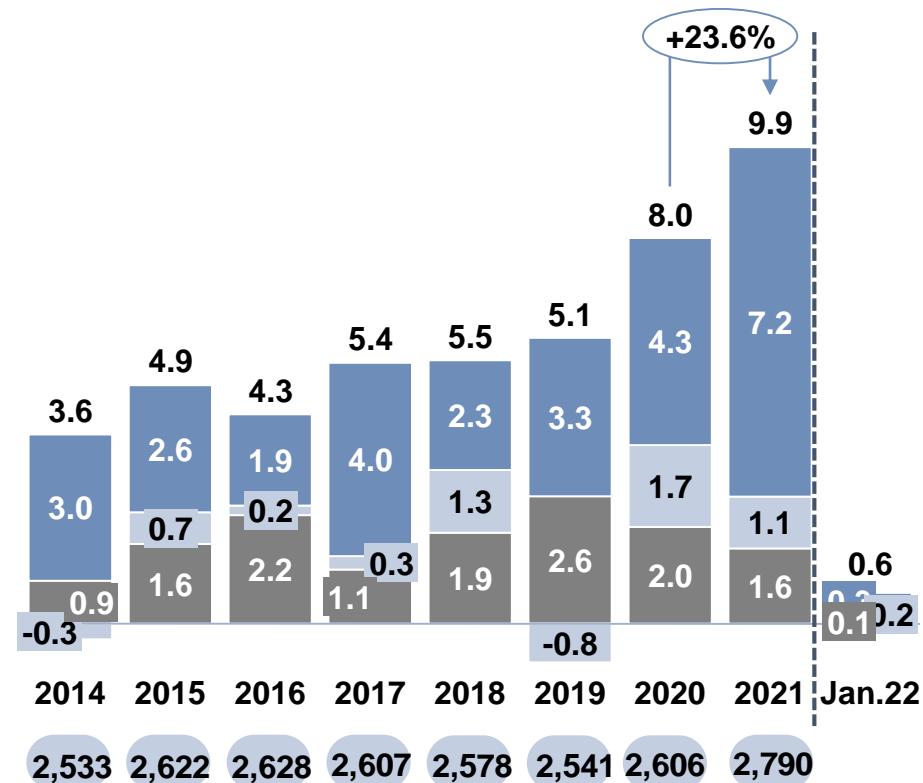
High quality net sales growth with a better mix, on the wave of structural trends thanks to our diversified business model

## Breakdown of total Net Sales, bn



AuM AuC Deposits

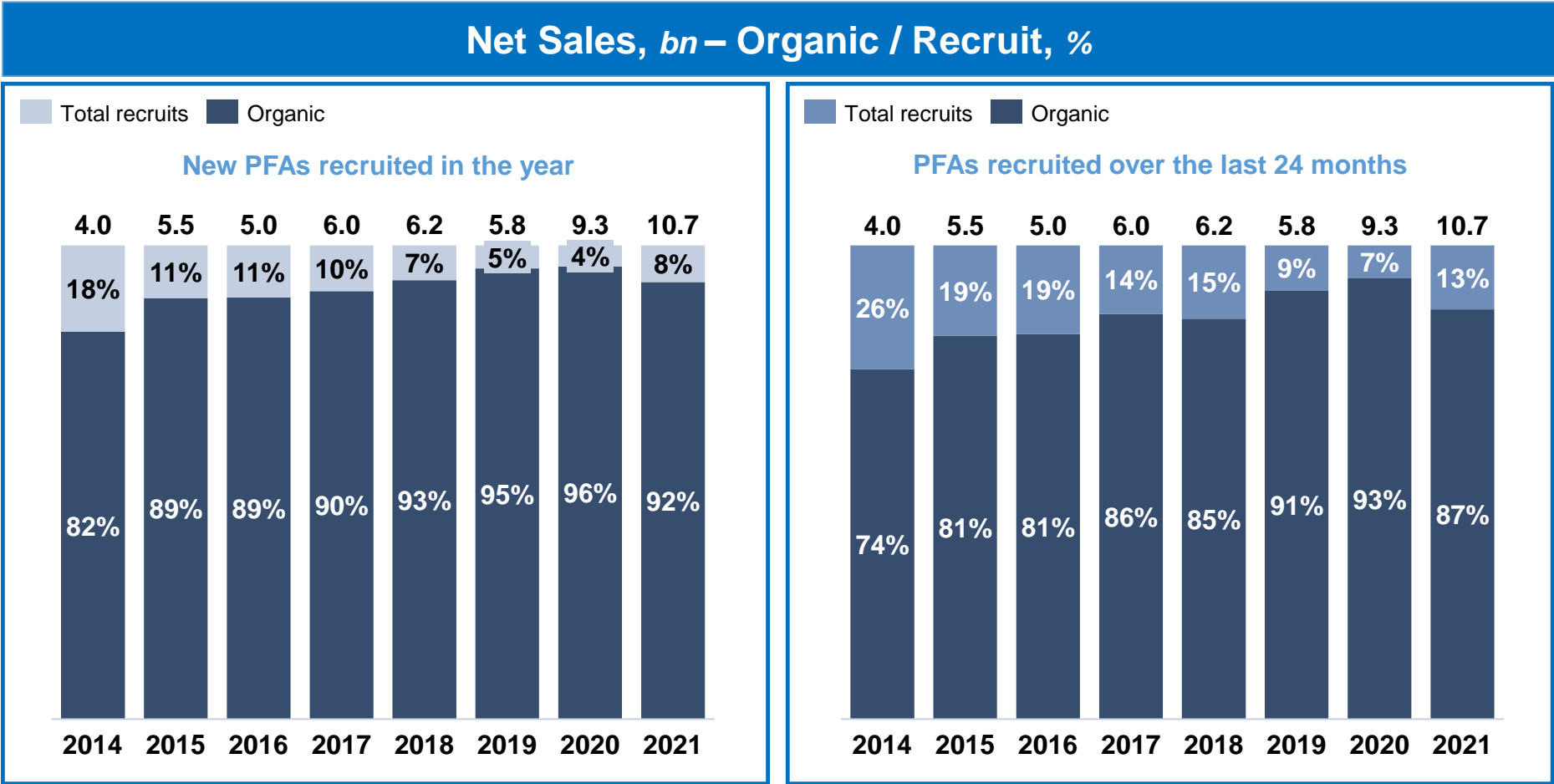
## PFA Network – total Net Sales, bn



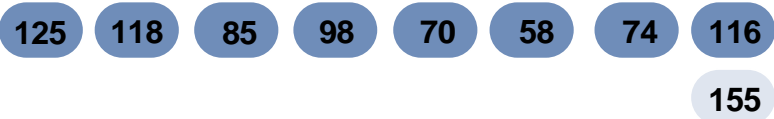
PFA Network - headcount

# Net sales organically driven key in our strategy of growth

The structure of recruiting is changing: more interest in the quality of the business model by PFAs



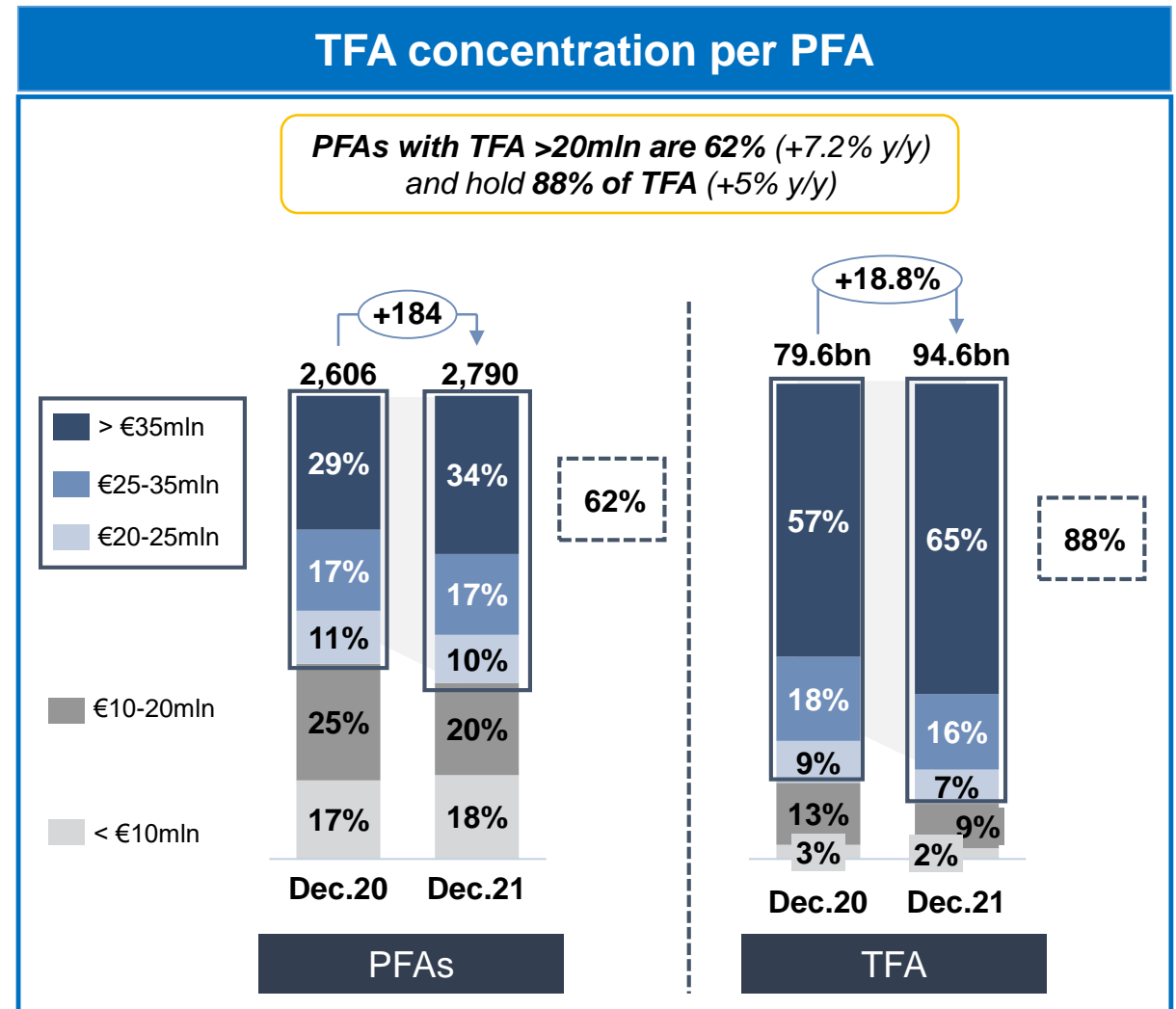
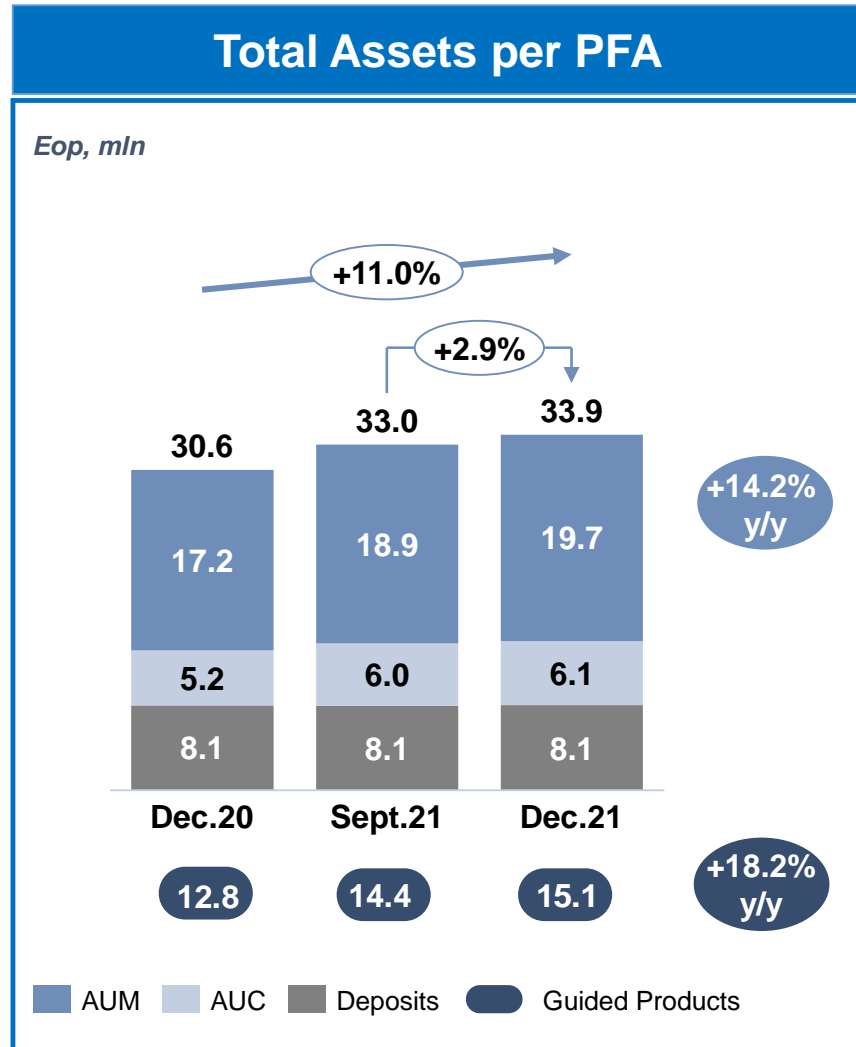
**Recruitment costs**  
(to be amortized)  
**stock 36.3mln**  
as of Dec.21



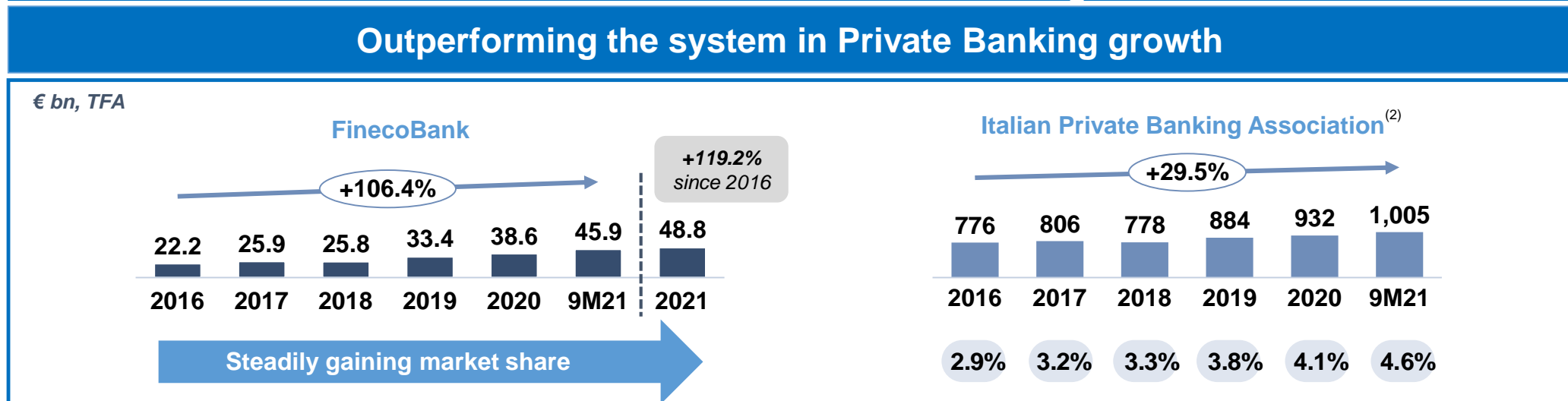
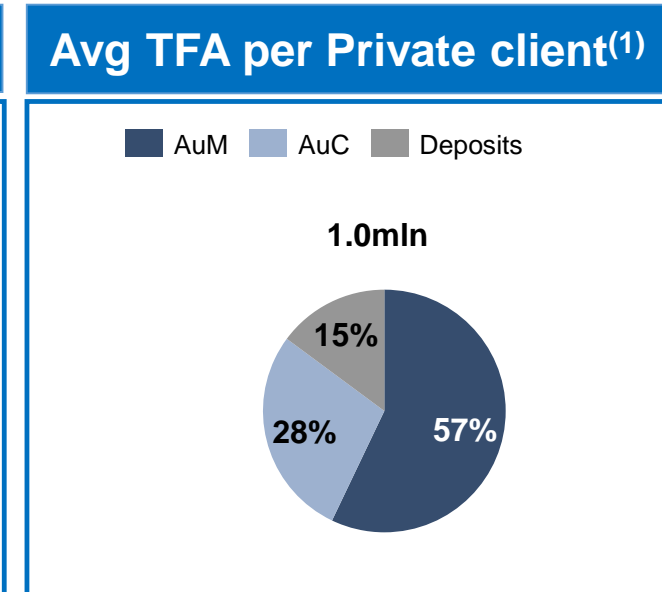
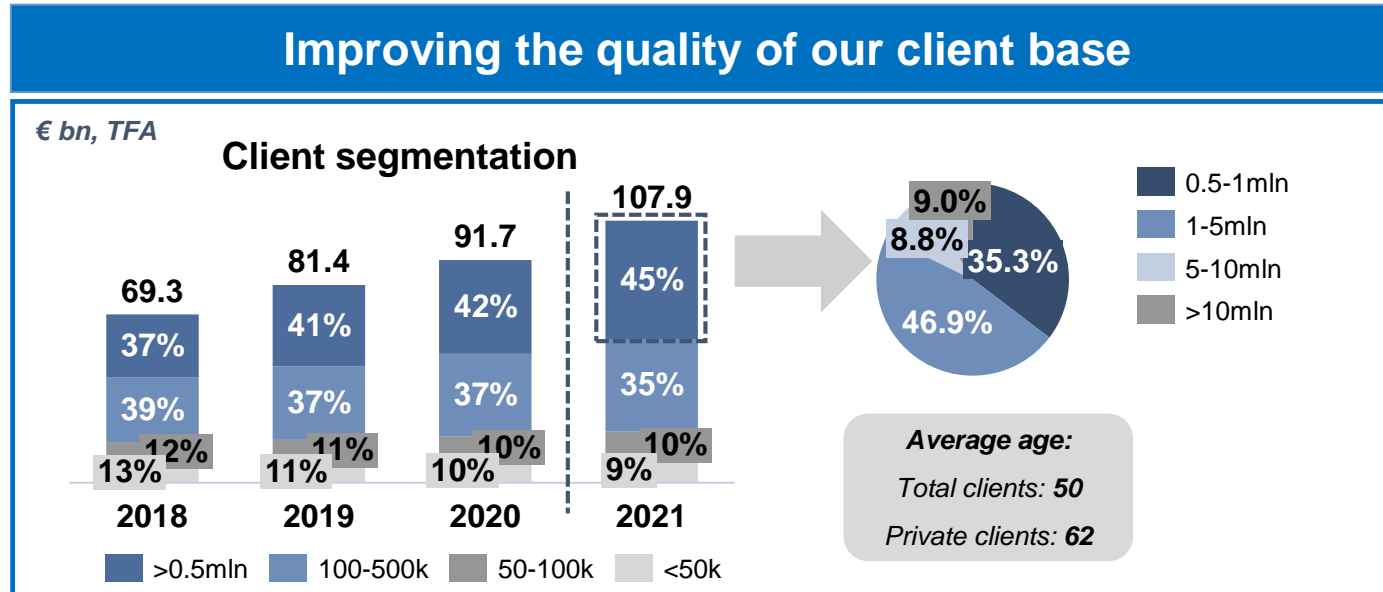
- No change in our recruiting policy
- Increase in the spontaneous interest to join Fineco, which emerged as the perfect partner for professionals looking to grow in a sustainable way

 # of senior PFAs recruited in the period       # of junior PFAs recruited in the period

# Increasing quality and productivity of the Network



# Clients' profile and focus on Private Banking



<sup>(1)</sup> Private Banking clients are clients with more than € 0.5mIn TFA with the Bank

<sup>(2)</sup> AIPB (Associazione Italiana Private Banking) as of 1H21



# Agenda

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☐ Fineco Results

☒ **Next steps**

☐ Fineco UK

☐ Key messages

☐ Focus on product areas

# Current environment is further enlarging our growth opportunities

Current situation is accelerating the structural trends reshaping our society...

## DEMAND FOR ADVICE

Increasing participation in financial markets by Italians is building up a **bridge among investing and brokerage**

## DIGITALIZATION

Society **structurally moving** towards a **more digitalized world**: a way of non-return

## DISRUPTION IN TRADITIONAL BANKS

Traditional banks not ready for the new paradigm: **flight-to-quality** is gaining momentum

...and strengthening our long term growth opportunities

**Fintech DNA:**  
we were born already digital

**Strengths of our business model:**  
quality, efficiency, innovation

**Cyborg advisory:**  
our PFAs already used to assist clients in a digital world

- ✓ **Robust Net sales** with **good asset mix**
- ✓ **Boost in Investing** supported by FAM growth
- ✓ **Structurally higher Brokerage**
- ✓ Acceleration in **high-end clients' acquisition**
- ✓ **Decreasing Cost/Income**

# 2022 Guidance and outlook going forward

## ■ Banking:

- **Net financial income (net interest income and Profit from Treasury management):** we expect for FY22 a net financial income at least stable compared to the levels of 2021. Going forward we expect our NII to benefit from the new interest rates scenario both thanks to the sensitivity of the existing portfolio and for the reinvestments
- **Banking fees:** for 2022 above 50mln. Going forward they are expected to keep on growing thanks to the increase of the client base and previous repricing actions

## ■ Investing:

- **For 2022** revenues are expected to **increase high-teens y/y**, already assuming the negative market effect in January, **with higher management fees margins. We expect a net increase in a range of 100-120 PFAs for 2022** as we have emerged as the perfect partner for professionals looking to grow in a sustainable way
- **Going forward we expect a strong acceleration in revenues and margins** thanks to:
  - 1) A further increase in our network productivity leading to higher volumes (**AUM net sales** expected at around ~6bn per year)
  - 2) The implementation of the strategic discontinuity in **Fineco Asset Management**, which is going to increase its penetration in **Fineco AUM**, with **retail net sales** expected at around ~6bn per year

This is expected to generate a progressive increase of Fineco **management fees margins after-tax up to ~55bps in 2024 (margins pre-tax ~75bps)**

- **Brokerage:** countercyclical business, it is **expected to remain strong with a floor** - in relative terms with respect to volatility - **definitely higher** than in the past

## ■ Operating costs:

- **For 2022** expected to grow **around 5% y/y**, not including around 7 million of additional costs related to FAM strategic discontinuity to improve the efficiency of the Investing value chain. We will consider in the coming months the possibility to further accelerate the marketing expenses to take advantage by the strengthening of the structural trends

- **Cost/Income:** we confirm our guidance on a continuously declining cost/income in the long-run thanks to the scalability of our platform and to the strong operating gearing we have (excluding potential higher marketing expenses)

- **Systemic charges:** in a range **-42/44mln** of DGS+SRF in provisions for risk and charges

- **Tax rate:** decline of around 1 p.p. y/y in 2022<sup>(1)</sup>

- **Capital Ratios:** **CET1 floor at 17%, Leverage Ratio** very well under control and in a range **3.5%-4.0%** (for details see slide 54 in Annex)

- **DPS:** going forward we expect a **constantly increasing** dividend per share

- **Cost of Risk:** in a range between **10 and 15 basis points in 2022** thanks to the quality of our portfolio

- **Net sales:** robust, high quality and with a **mix mainly skewed towards Asset under Management** thanks to the new initiatives we are undertaking (see next slides)

# Delivering on our discontinuities: Balance Sheet growth under control

Our set of initiatives to improve the revenues mix, taking advantage from the acceleration of structural trends and our FinTech DNA

## INITIATIVES TO KEEP UNDER CONTROL OUR BALANCE SHEET

### 1 STRONG COMMERCIAL FOCUS ON AUM:

- targeting **only AUM net sales and solutions** with a **strong RISK MANAGEMENT**. FAM already best-positioned thanks to the high-transparency and **daily look-through** on its solutions

### 3 IMPROVE THE QUALITY OF OUR CLIENT BASE:

- **Exploiting our pricing power**: more selective in our client acquisition thanks to the 2021 repricing on new current accounts (€6.95 euro per month with the possibility of a full bonus on the fee according to clients' activity with the Bank)

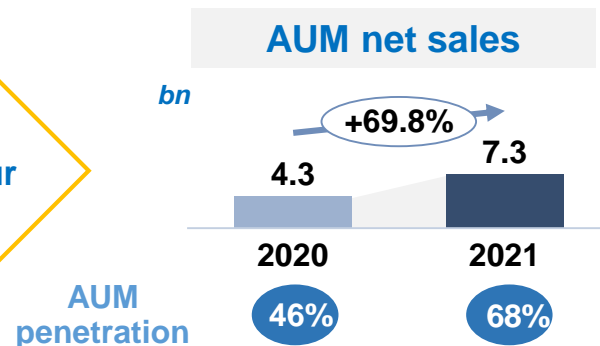
### 2 ROBUST ACCELERATION IN PFAs PRODUCTIVITY through:

- **New software developments** dedicated to our advisory services to improve PFAs productivity in **transforming deposits in AUM** leveraging on Big Data Analytics capabilities
- Coming soon: sophisticated **marketing campaigning** tool

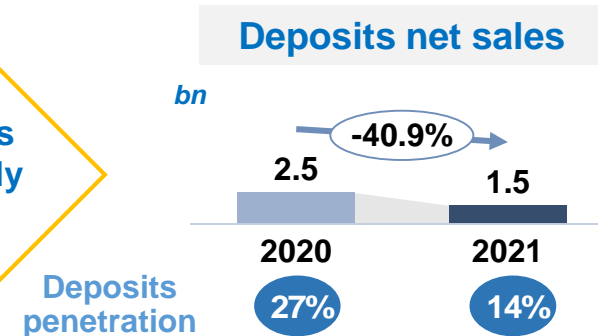
### 4 WIDER PRODUCT RANGE TO FULLY CATCH THE WHOLE SPECTRUM OF CLIENTS' NEEDS ALSO THANKS TO FAM

- **Decumulation products** key to move clients from liquidity towards AUM: our **wide gamma of FAM Target** (~40 decumulation vehicles) **fits all investment needs**
- **New FAM offer**: strong acceleration in the release of new strategies (~15 in the coming weeks). **Coming soon**: passive funds in retail classes
- **Pension funds** for risk-adverse clients
- **Distribution of third-parties savings accounts** live to lower the amount of liquidity held by clients with no intention to invest

...resulting in an improvement of our AUM dynamics...



...and in deposits growth definitively under control



# Banking: Further combining Treasury and Business to boost growth

## INDUSTRIAL ACTIONS TO MANAGE LIQUIDITY



### MORE DYNAMIC TREASURY MANAGEMENT:

- ✓ **yield enhancement strategies** (unsecured lending, collateral switch)
- ✓ full **ADVANTAGE OF ECB's TIERING AND TLTRO**
- ✓ **Profit from Treasury Management**



**INCREASING LENDING** without changing our cautious and conservative approach, as low interest rate environment increases the appetite for lending products



**NEW PLATFORM TO DISTRIBUTE THIRD PARTIES SAVINGS ACCOUNTS** leveraging on our **FinTech DNA**



**SMART REPRICING ON CURRENT ACCOUNTS AND NEW PRICING ON NEW CURRENT ACCOUNTS:** given the acceleration of flight to quality towards our Bank, we can afford to be more selective in our base of clients



**NEW PLATFORM FOR TAX CREDIT (Ecobonus and Superbonus):** we are very active within the framework of the Law Decree no.34/2020, allowing homeowners to have a tax credit up to 110% for a list of interventions on their houses (i.e. increasing energy efficiency of buildings, reducing seismic risk, etc.)

# Discontinuity on our Investing business

Expected acceleration of revenues and margins thanks to higher AUM volumes and to the strategic discontinuity in FAM to take more control of the value chain, improving operational efficiency

## STRONG VOLUME EFFECT

- **INCREASING PFAs PRODUCTIVITY** thanks to our **cyborg-advisory approach** and to **our technology**
- **ROBUST AUM NET SALES** as we are in the sweet spot to capture the acceleration of structural trends already in place
- **NEW PFA INCENTIVE SCHEME** based on inflows in:
  - **Asset Under Management**
  - **quality solutions** with a **strong focus on RISK MANAGEMENT**
- **Clients starting to increase their RISK APPETITE**

## FAM OPERATIONAL EFFICIENCY

- The **internalization of the value chain** will allow FAM to **progressively and structurally lower the costs of third parties**, creating more value (i.e. lower costs of mandate, new advisory services, new flagship product range fully managed in-house)
- FAM is core for **extracting additional value** (on fund administration costs, custodian, etc)
- FAM **margins contribution** expected to grow with the increase of FAM volumes as institutional products can be used as underlying of Investing solutions
- **Widening equity strategies offer** due to the increasing demand by customers

# FAM: delivering on the strategic discontinuity

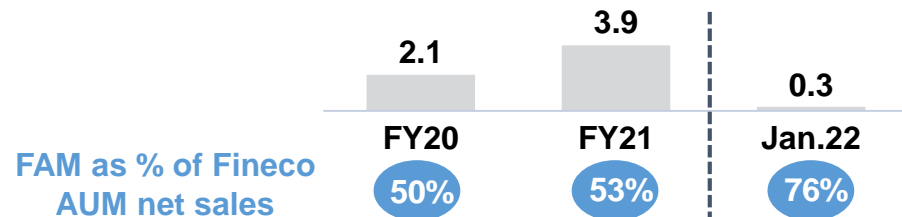
Key to sustain AUM margins thanks to its strong operating leverage and to a more efficient value chain

## FAM progressively taking control of the value chain...

bn

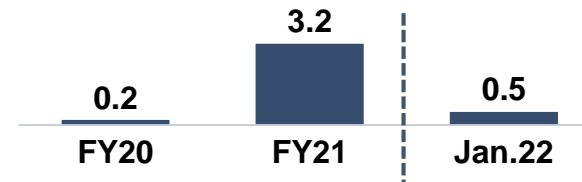
### 1 FAM retail net sales

FAM gaining commercial traction and **increasing its contribution to Fineco's AUM net sales** as its gamma of solutions widens



### 2 FAM institutional net sales

**Strong increase in institutional classes** thanks to the acceleration in the internalization of the value chain

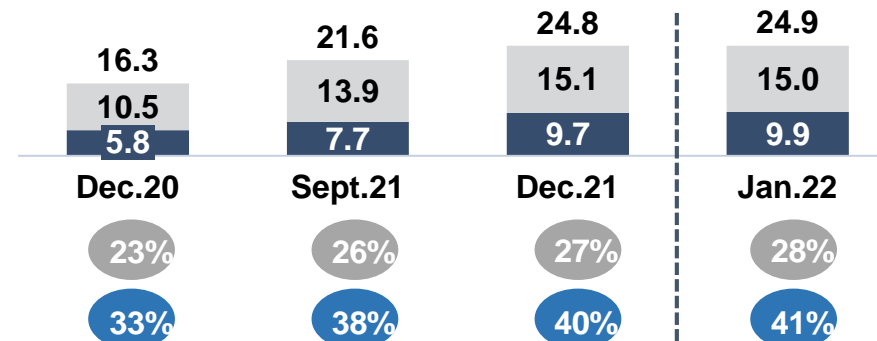


## ...and becoming the cornerstone of our Investing business

bn ■ Retail class ■ Institutional class

### FAM AUM stock

Strong net sales dynamics driving for an higher penetration on Fineco's total AUM



## FAM 2022 priorities

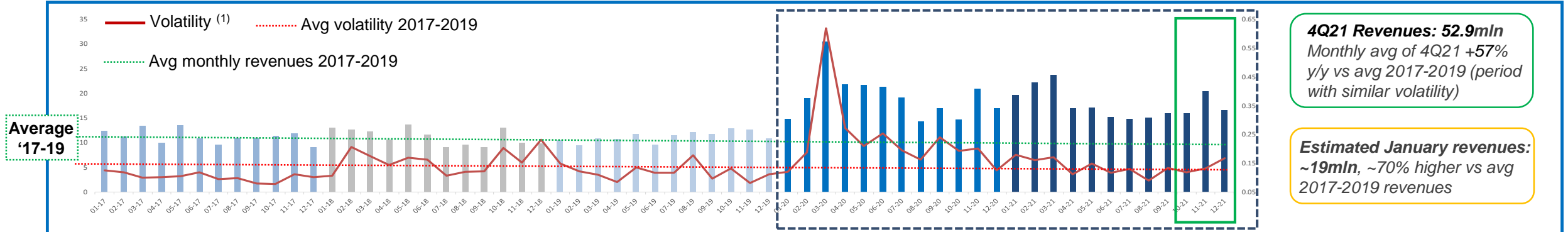
- ✓ In 2022 FAM will focus on further widening its product offer by adding **new solutions focused on equity and sustainability**
- ✓ As FAM is now reaching a new dimension and economies of scale, the **pipeline of new solutions is further accelerating**: after the strong commercial results of its Target China and ESG Target Global Coupon strategies, **FAM is launching a wide set of new strategies (~15 in the coming weeks) to further catch all clients financial needs**
- ✓ **Widening sustainable offer** through the launch of new investment solutions under **SFDR art. 8 and 9**



# Brokerage: higher floor as the structure of the market is changing

Increased interest in financial markets by clients and big jump into a more digitalized society

## Structural growth in brokerage revenues: the floor has gone up in a clear way regardless of volatility



### Continuous reshape of brokerage offer Live with our certificates

- ✓ **Live with the Leveraged certificates platform**, we are now starting the marketing campaign (slide 57 for more details). Our offer is listed on Hi-MTF, thus allowing us to **extract value from the vertical integration of the business**. Next steps: **completing leveraged certificates offer** and study-phase of **Investment certificates**
  - ✓ Other recent releases: Nasdaq after market, US options platform, repricing of futures and derivatives offer, optimization of our systematic internalizer, Multicurrency available 24/7, wider currencies' basket and OTC offer
- COMING SOON:**
- ✓ Based on our Big Data analytics, we are **developing a new proprietary model** that will signal the right moment to increase **brokerage marketing based on volatility and clients behaviours**
  - ✓ We will create *journeys* allowing clients to approach in an easier way opportunities through our brokerage platform. Continuous revamp of our option offer, Asian markets, release of a brand new trading platform

### Enlargement of client base and increasing market share

- **>85% of new active clients investing on plain vanilla instruments** (i.e. listed equity, ETFs) and not leveraged products
- **Avg client profile**: avg age 50 year old, avg TFA > € 200k, mostly linked to a PFA who manages his wealth
- **Leadership confirmed in Italy** on equity traded volumes: market share at 26.1% in FY21 (Assosim)
- See next slide for more details



# Brokerage: enlargement of client base and increased market share

Client base growth mainly driven by “Active investors” starting to use brokerage platform and “sleeping” clients back on the market. New clients are coming from traditional banks

## BROKERAGE CLIENTS EVOLUTION

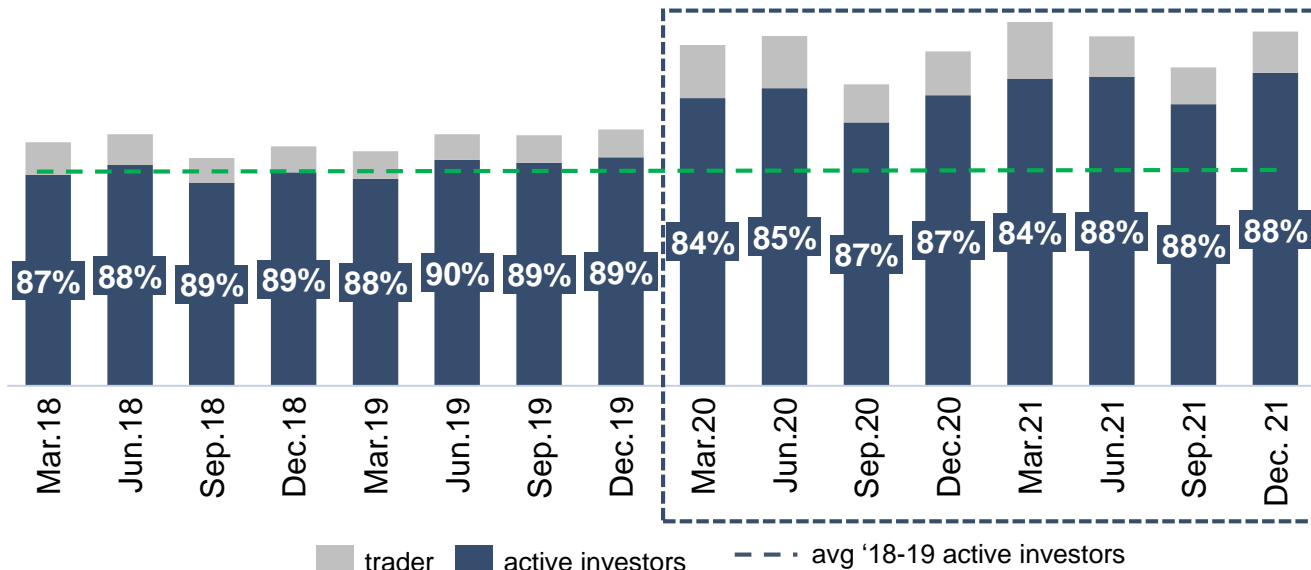
### Active investors

#### PROFILE:

- Avg **executed orders** per month: 4
- Avg age: **50 years old**
- Mostly **linked to a PFA to manage their savings**, and with **Avg TFA > €200k**

**>35% higher**

vs avg 2018/2019  
after recent events created a bridge  
between brokerage and investing



### Developing our Next Generation of active investors

In order to further position Fineco for its long term growth and build up on its sticky and high quality client base, we are **now live with the most competitive offer in Italy to catch the next generation of active investors**

Clients with up to 30 years old have:

- a very aggressive pricing for our investing and brokerage platform to gain full access to global markets through shares, bonds, ETFs, mutual funds also through accumulation plans
- current account for free

# Agenda

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☐ Fineco Results

☐ Next steps

☒ **Fineco UK**

☐ Key messages

☐ Focus on product areas

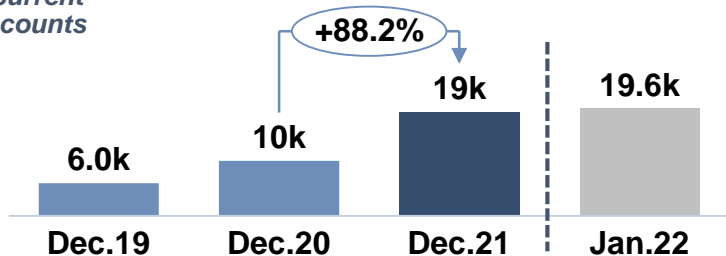
# Fineco UK gaining traction

Strong acceleration in our quality customer acquisition translating in improving revenues dynamics

## An increasing and better quality client base...

### Targeting quality clients with the right offer

# current accounts

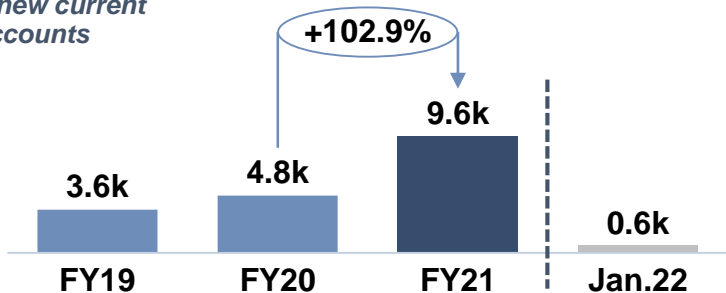


**STRONG ACTIVATION RATE<sup>(1)</sup> on Brokerage in 2021**

~65%

### Improving our customer acquisition dynamics

# new current accounts



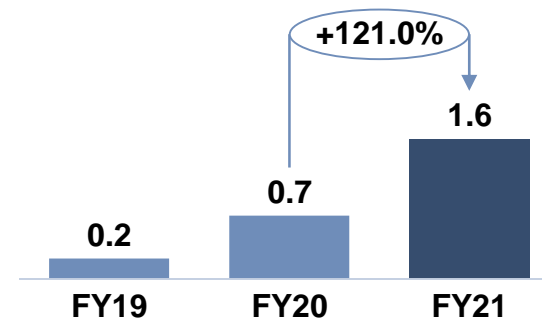
- **Smarter onboarding process** integrated in the APP and desktop with a dedicated CRM chat
- **Improved brand perception** after our marketing campaign

★ Trustpilot ★★★★★ 4.2 (max 5)

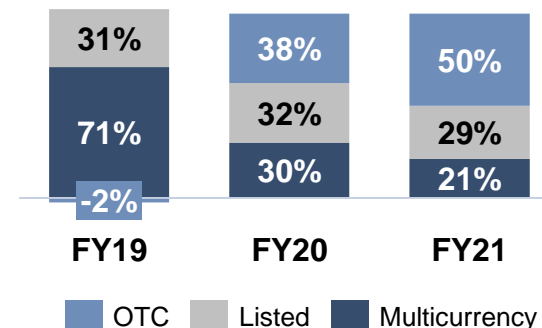
## ...translating in improving revenues metrics

€, mln

### Higher brokerage revenues...



### ...with an improving mix



OTC Listed Multicurrency

# Fineco UK: Investing in the spotlight

ISA accounts offer, already 1,300+ subscriptions. Next step: improving our user experience

## The new phase: building up our Investing offer and improving user experience

### Step 1: Widening our offer

- ✓ Already **21 Asset managers** in our platform, which will be further increased
- ✓ **New ISA promo launched** to attract clients from traditional banks
- ✓ Already **1,000+ ISA subscriptions**
- ✓ **New section for funds** in our APP

### Step 2: Improving user experience

**Focus on easy-to-use *journeys and maps*** to help clients choose the best investment solution based on their goals

Further **development** of our **ISA** by **including multicurrency**

**Grow your ambitions  
investing in our ISA**

Maximise your tax-efficient ISA allowance.

OPEN ACCOUNT

**ZERO%** ISA PLATFORM FEE

Until the end of the 2022/23 tax year if you open your ISA by 30 April 2022. 0.25% max when promo ends.



# Agenda

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☐ Fineco Results

☐ Next steps

☐ Fineco UK

☒ **Key messages**

☐ Focus on product areas

# Long term sustainability at the heart of Fineco business model (1/3)

We are a looking-forward organization playing for the long-run and able to generate a positive impact for all our stakeholders and the society as a whole

**Our corporate purpose: to offer clients a quality and one-stop-solution with a fair pricing leveraging on our 3 pillars**



## TRANSPARENCY

**Fairness** and respect for all our stakeholders

- ✓ FAM as a champion of ESG: **PERFORMANCE FEES FREE** trademark
- ✓ **FAIR PRICING**
- ✓ **LOW UPFRONT FEES** (only ~3% of Investing fees)



## EFFICIENCY

**Fintech DNA:** strong focus on IT & Operations, more flexibility, less costs

- ✓ Delivering **BEST-IN-CLASS CUSTOMER EXPERIENCE**
- ✓ **SHARING FAM BENEFITS WITH CLIENTS:** better quality and timely products with lower TER



## INNOVATION

Quality offer for highly **SATISFIED CLIENTS**

- ✓ **NO short-term AGGRESSIVE COMMERCIAL OFFERS** and **ZERO REMUNERATION** on current accounts
- ✓ Focus on **ORGANIC GROWTH**

# Long term sustainability at the heart of Fineco business model (2/3)

We are a looking-forward organization playing for the long-run and able to generate a positive impact for all our stakeholders and the society as a whole

## Sustainable since inception

### GOVERNANCE

#### MARKET FRIENDLY CORPORATE GOVERNANCE:

- ✓ Up to **3 lists** for Board renewal
- ✓ **10 independent** Board members out of 11, o/w 55% women: **1<sup>st</sup> FTSE MIB company with a predominance of women on the board**



- ✓ In 2020 AGM, **86%** voted for the outgoing Board list proposal
- ✓ In 2021 AGM, **97%** voted for 2021 remuneration policy

#### Ramping up the GOVERNANCE OF SUSTAINABILITY:

- ✓ **Sustainability Committee** at Board and Managerial level
- ✓ **Sustainability Team** within CFO Department
- ✓ **Sustainability compliance model** with specialised oversights on non financial reporting, other sustainability obligations and environmental protection

### STRATEGY & GOALS

- ✓ FOCUS on **Cyber-Security** and **ESG risks** leveraging on **FINTech DNA**
- ✓ Set of **ESG objectives** to be pursued by 2023 within 6 business areas: Human Resources, Responsible Finance, Financial Education and Community Support, Supply Chain, Shareholders and Environment.



- ✓ ESG target included in the **Identified Staff Scorecard** since 2016, related to STI.
- ✓ ESG targets included in the **2021-2023 Long Term Incentive Plan** of the CEO and Identified Staff within the “Stakeholder Value” goal:

KPI	TARGET	MEASUREMENT CRITERIA
Customer satisfaction	Average 2021-2023	TRI*M Index*
People engagement	Average 2021-2023	People Survey
ESG rating for all new funds**	EOY 2023	% of new funds with ESG evaluation

\* Which captures the strength of the relationship with the customer defined as performance but also as the degree of preference towards the brand

\*\*Excluding UK, which represents a new market for Fineco.

### INITIATIVES & KPIs

- ✓ Broad **ESG product offer** both on:
  - **Investing** (i.e. ~**80%** of funds have **ESG rating** by Morningstar; ~**50%** of funds distributed and ~**30%** of FAM funds are classified under **Art. 8 or 9 of SFDR\***)
  - and **Banking & Credit** (“**Green mortgages**”, **Ecobonus** and Sismabonus; **zero-fee account** until age 30).
- ✓ Contribution for the **PFA Network** to be borne by the Bank for obtaining **EFPA ESG certification**
- ✓ **FinecoBank** is signatory of **UN Global Compact** and **UN Principles for Responsible Banking**
- ✓ **Fineco AM** is signatory of **UN Principles for Responsible Investing**
- ✓ **Environmental Management System** implemented in line with the EU Eco-Management and Audit Scheme (**EMAS**) [certification pending]








\* Regulation EU 2019/2088 - Sustainable Finance Disclosure Regulation.

**FINECO**

# Long term sustainability at the heart of Fineco business model (3/3)

We are a looking-forward organization playing for the long-run and able to generate a positive impact for all our stakeholders and the society as a whole

## ESG RATINGS

	Eval. scale	2020	2021	
	(0-100)	54	65	11pt improvement on previous year
	(100-0)	18,7	16,0	Among the <b>best international banks</b> with low ESG risk
	(0-100)	35	54	<b>Robust performance</b>
	(0-100)	85	85	In the <b>Top 3%</b> among banking services companies
	(CCC-AAA)	A	A	<b>In line with average</b> for the diversified financials sector
	(Lagging /Misaligned/ 2°C Aligned)	-**	Aligned: 1,51°C	<b>Aligned with the Paris Agreement target</b> (< 2°C)
	(CCC-AAA)	EE+	EE+	<b>Highest rating</b> awarded to credit institutions

## ESG INDICES

Fineco included in:



FTSE4Good



## RECENT ESG AWARDS



**Top Job 2021-2022**  
Top Employer Italy 2021



**Best Practice Leader** in the Gender Diversity Index Report 2021



**MF Banking Awards and MF ESG Awards 2021** assigned for the Standard Ethics rating



**Sustainability Leader 2021**

**Sustainability Yearbook Member 2022**

**S&P Global**

**S&P's Sustainability Yearbook Member**

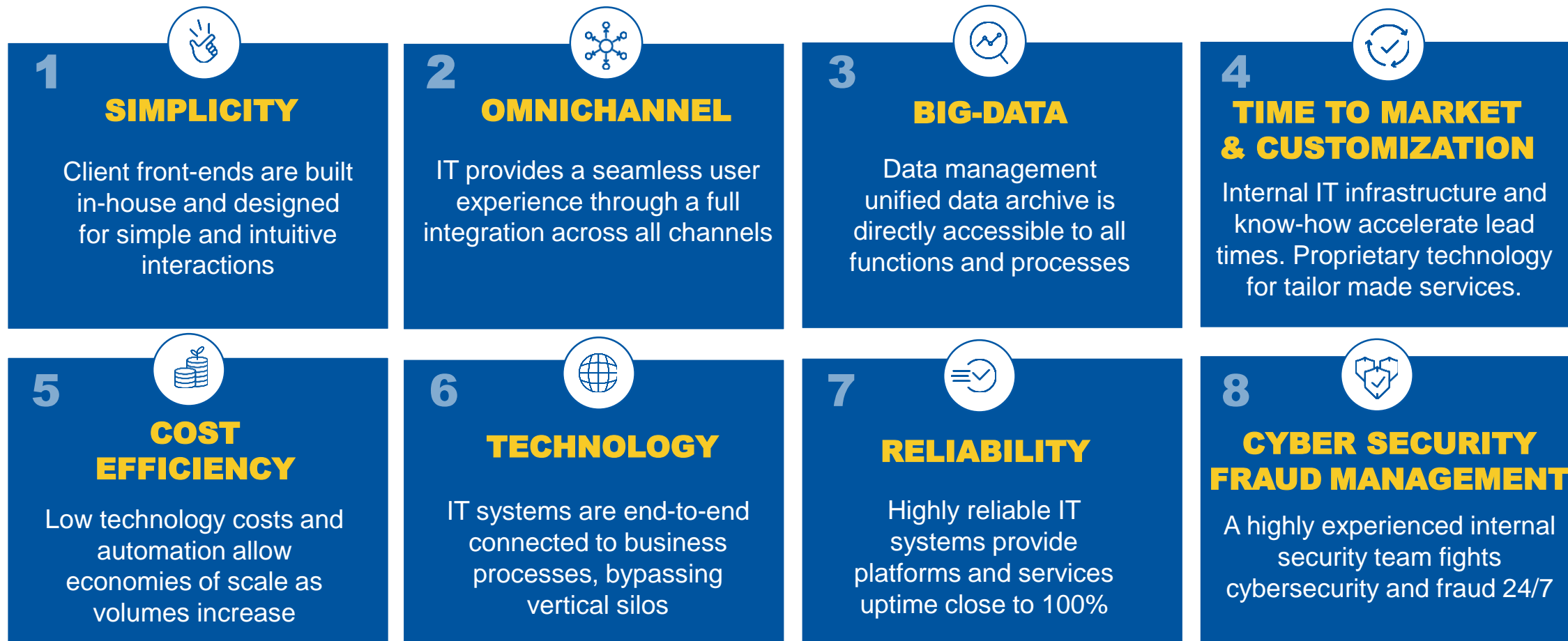
\* Vigeo Eiris (V.E) is the source of this ESG score.

\*\* The "MSCI Implied Temperature Rise" rating has been made available by the rating agency since the year 2021.



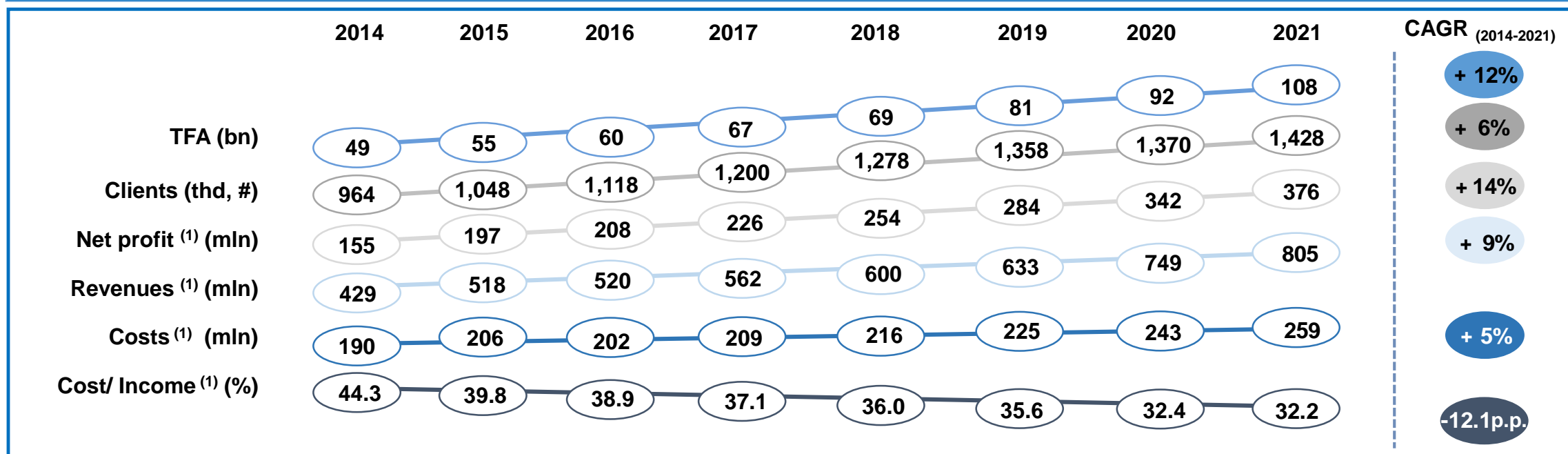
# Fineco as a profitable FinTech Bank: ICT a key business driver

Leveraging on a deep-rooted internal know-how to expand platform scalability and operating gearing

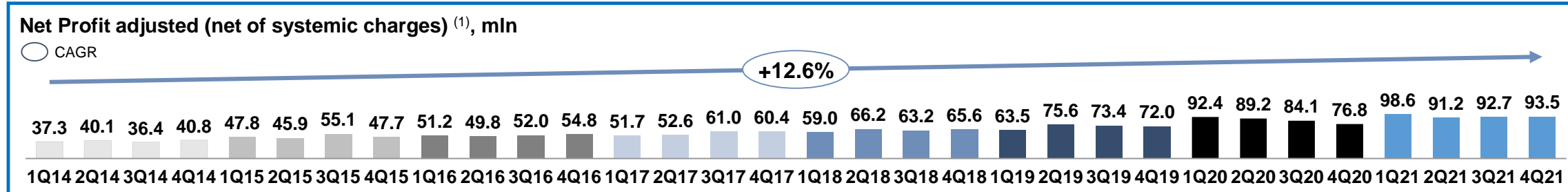


# Healthy and sustainable growth with a long term horizon

## Highly scalable operating platform...



## ...with a diversified revenues mix leading to consistent results in every market conditions



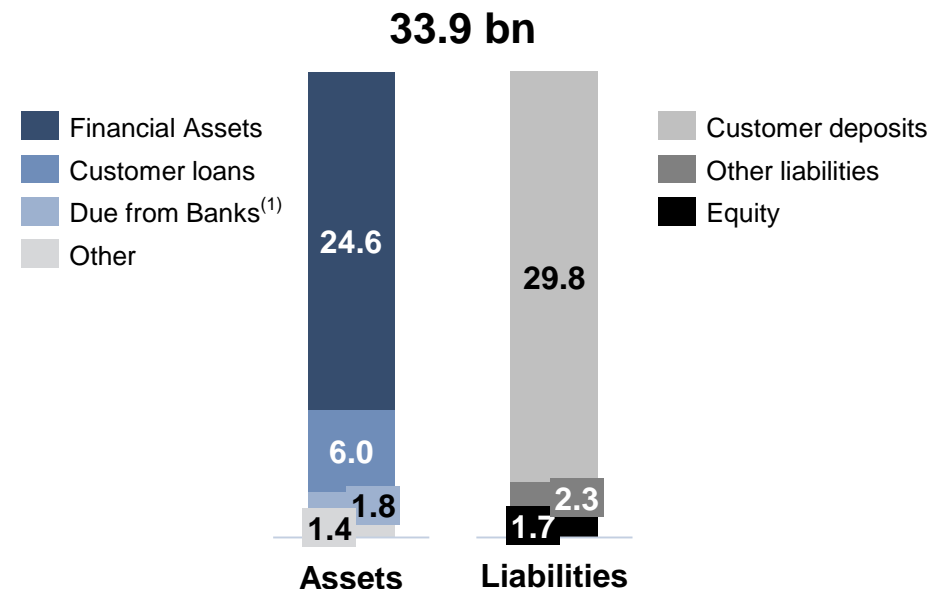
# Safe Balance Sheet: simple, highly liquid

## Diversified investment portfolio

- **Investment strategy announced during FY17 results unchanged:** UC bonds run-offs, blend of government bonds diversified across countries, covered bonds, supranational and agencies
- **99.9% not exposed to volatility** with no impact in our P&L and BS by the widening of spreads. HTC classification since November 2016
- **Avg maturity unchanged at ~ 5 years**

## High-quality lending growth

- Lending offered exclusively to our **well-known base of clients**
- **Low-risk:** CoR at 4bps, cautious approach on mortgages (LTV ~51%, avg maturity 19 yrs)
- **Strong competitive advantage leveraging on Big Data Analytics and internal IT culture** (resulting in unmatched user experience and high customer satisfaction), **continuous in-house innovation** (i.e. look-through implementation with significant benefits on CET1 ratio), **ownership and control of critical infrastructure**



## Rock-solid capital position

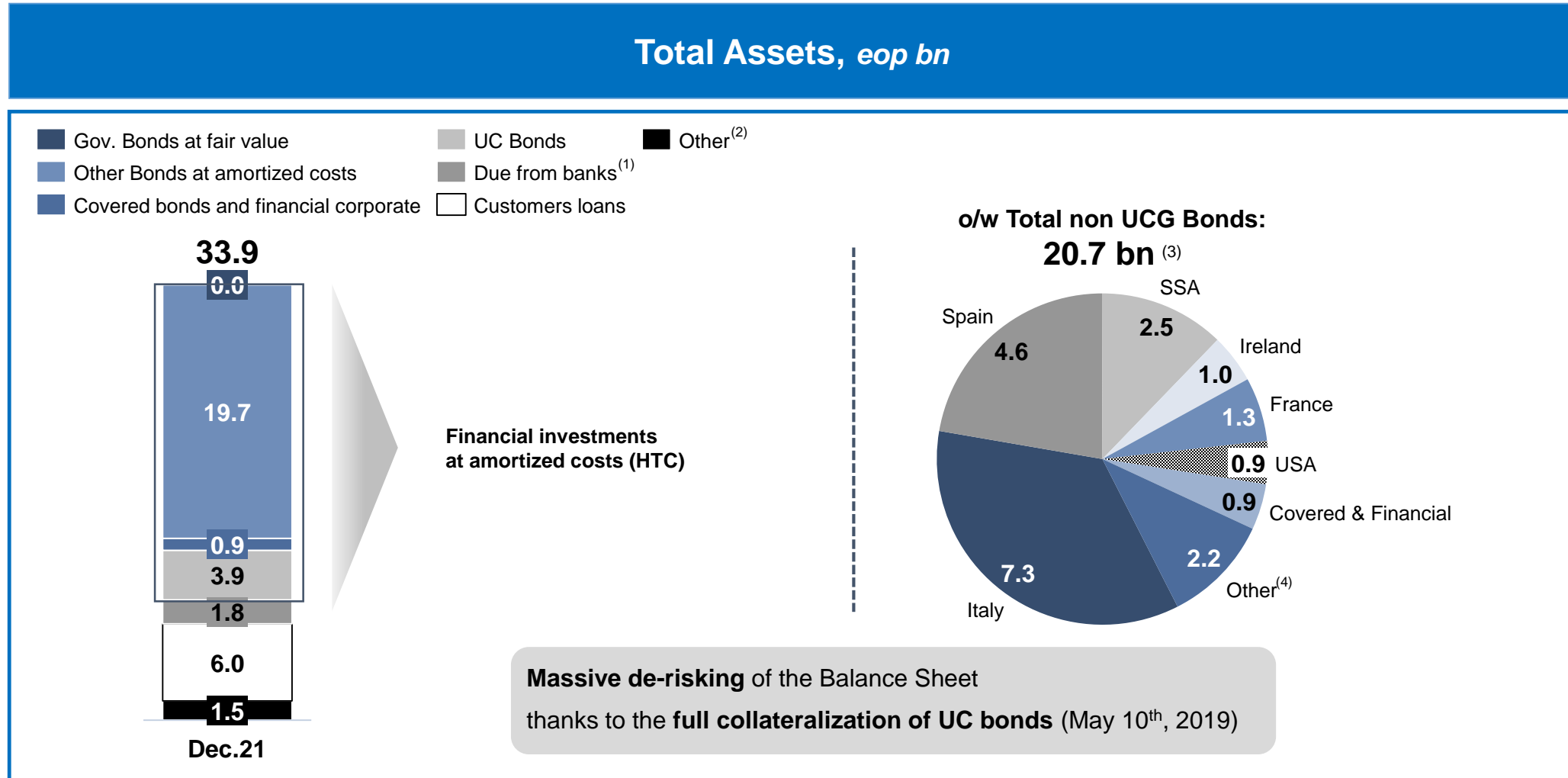
CET1	18.8%	LCR	946%
TCR	29.6%	NSFR	>300%
LEVERAGE RATIO <sup>(2)</sup>		4.02%	

<sup>(1)</sup> Due from banks includes 1.3bn cash deposited at Bank of Italy as of Dec. 2021

<sup>(2)</sup> Following declarations by ECB (18th June 2021) and Bank of Italy (30th June 2021) to temporarily allow banks to exclude central bank exposures from their leverage ratio in exceptional macroeconomic circumstances, starting from June 21 we temporary excluded exposures towards Central Banks from the total exposures (according to art. 429a – CRR). Without this exclusion exposures would be: 3.84%

# Total assets: 99.9% not exposed to volatility in the Balance Sheet

Out of 33.9bn, only 0.04bn of assets at fair value with very limited impacts on Equity reserve



<sup>(1)</sup> Due from banks includes 1.3bn cash deposited at Bank of Italy as of Dec.21

<sup>(2)</sup> Other refers to tangible and intangible assets, derivatives and other assets

<sup>(3)</sup> 20.7bn equal to 19.8bn nominal value, o/w Italy 6.9bn nominal value

<sup>(4)</sup> Other: Austria, Belgium, Germany, Portugal, United Kingdom, Switzerland, Chile, Saudi Arabia, China, Iceland, Latvia

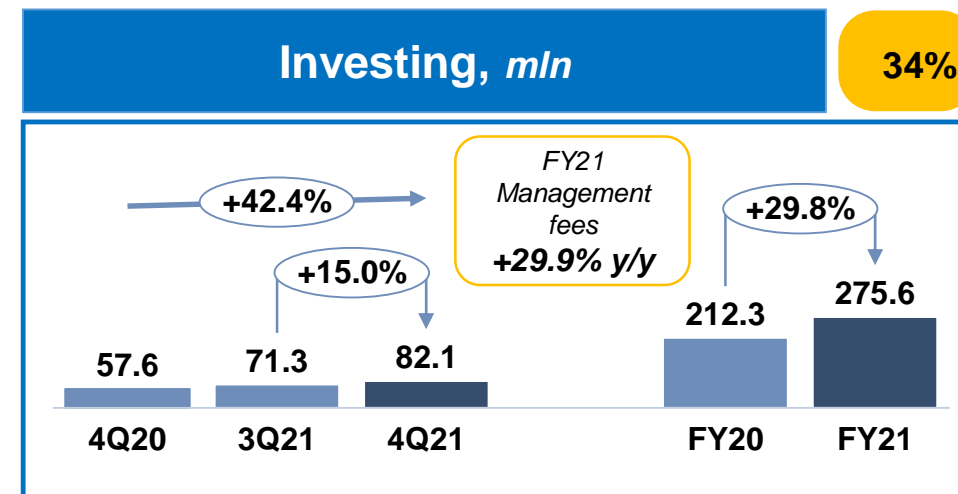
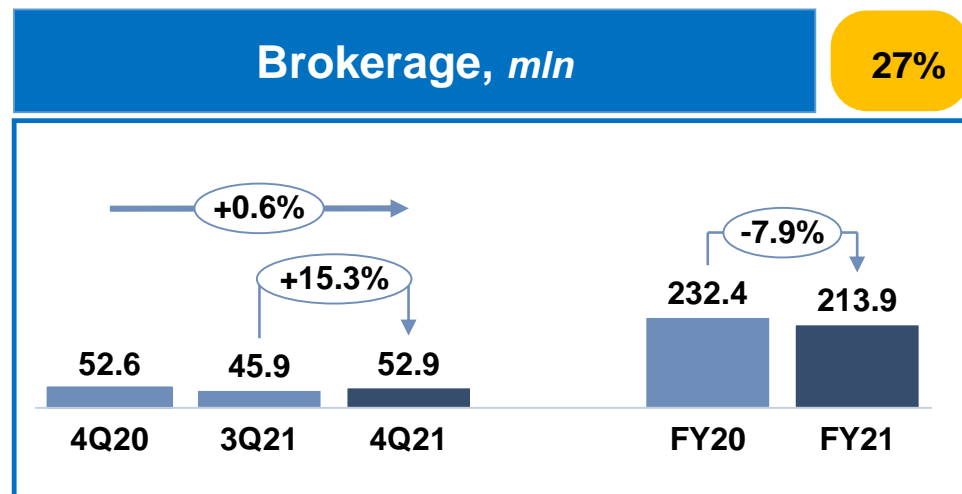
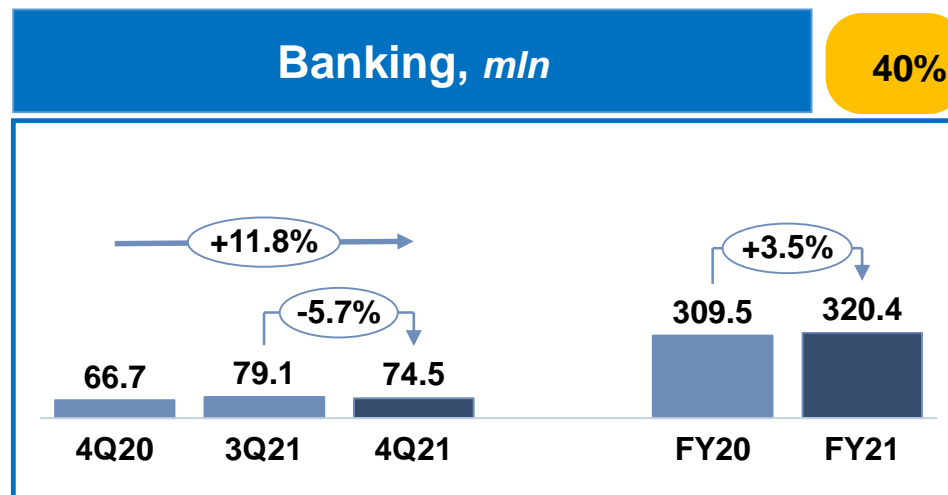
# Agenda

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- ☐ Fineco Results
- ☐ Next steps
- ☐ Fineco UK
- ☐ Key messages
- ☒ **Focus on product areas**

# Revenues by Product Area

Well diversified stream of revenues allow the bank to successfully face any market environment

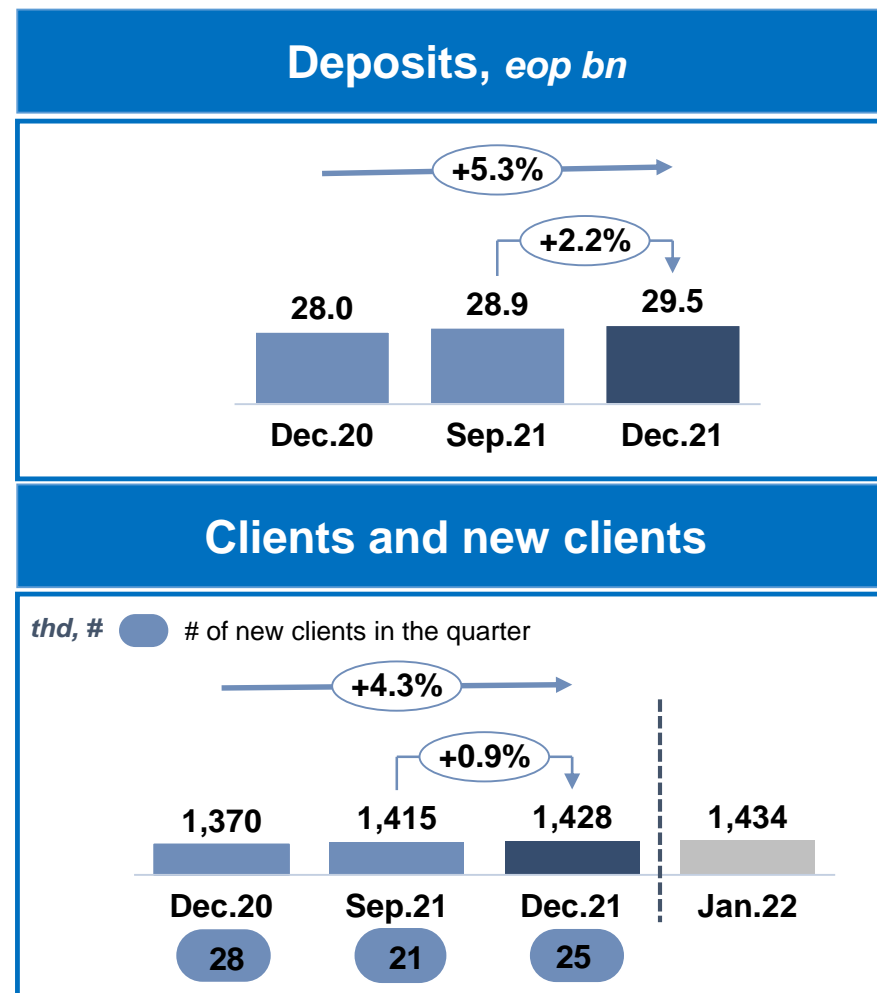
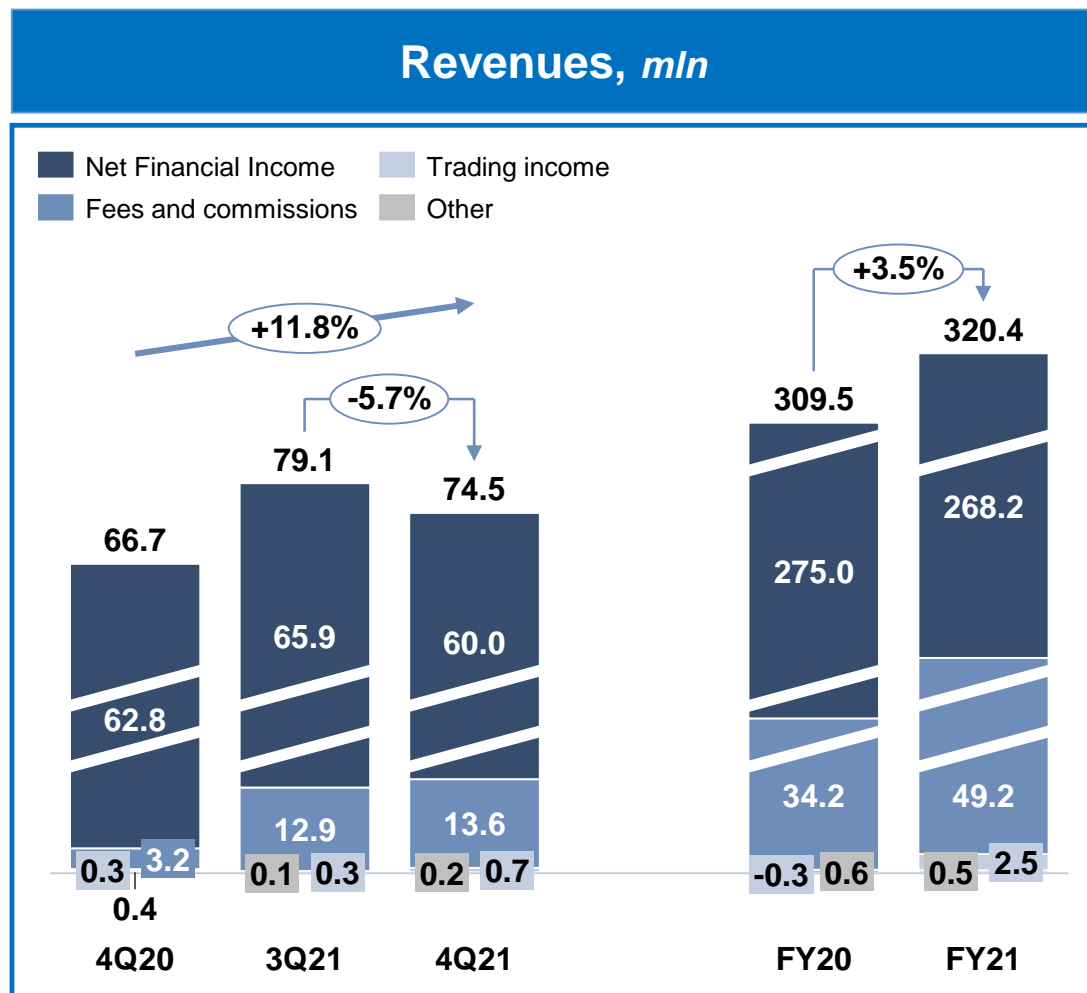


 FY21 weight on total revenues for each product area

Managerial Data. Revenues attributable to single each product area, generated by products / services offered to customers according to the link between products and product area. Banking includes revenues generated by deposits, treasury and credit products. Investing includes revenues generated by asset under management products; Brokerage includes revenues from trading activity.

# Banking

Sound performance and relentless clients' acquisition, thanks to high quality services and best-in-class customer satisfaction

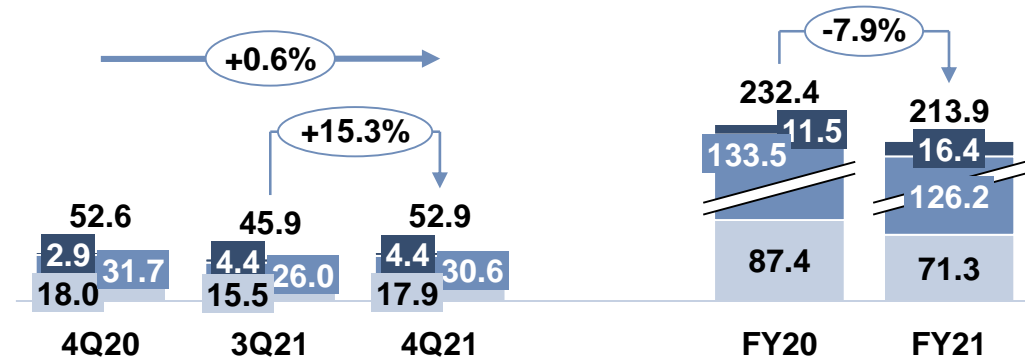


# Brokerage

Structurally higher revenues floor despite lower market volatility and volumes vs FY20 and 3Q21

## Revenues, *mln*

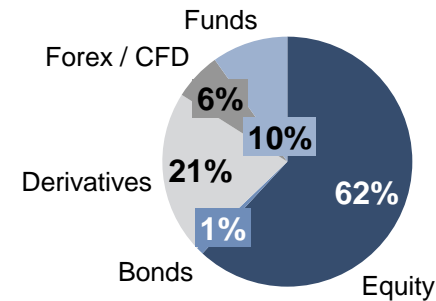
Net Interest Fees and commissions Trading profit



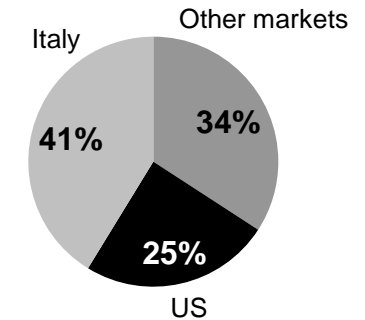
## Well-diversified brokerage offer

### Executed orders

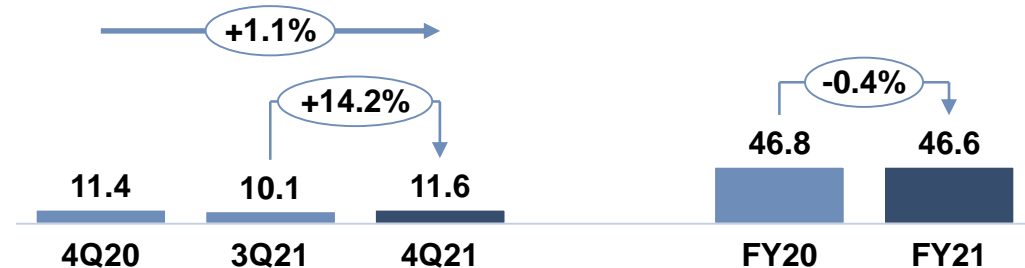
among products...



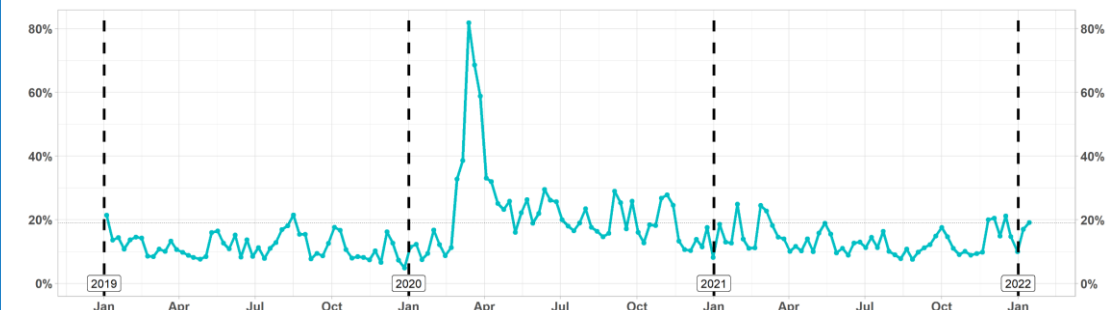
...and geographies



## Executed orders, *mln*



## Volatility <sup>(1)</sup>



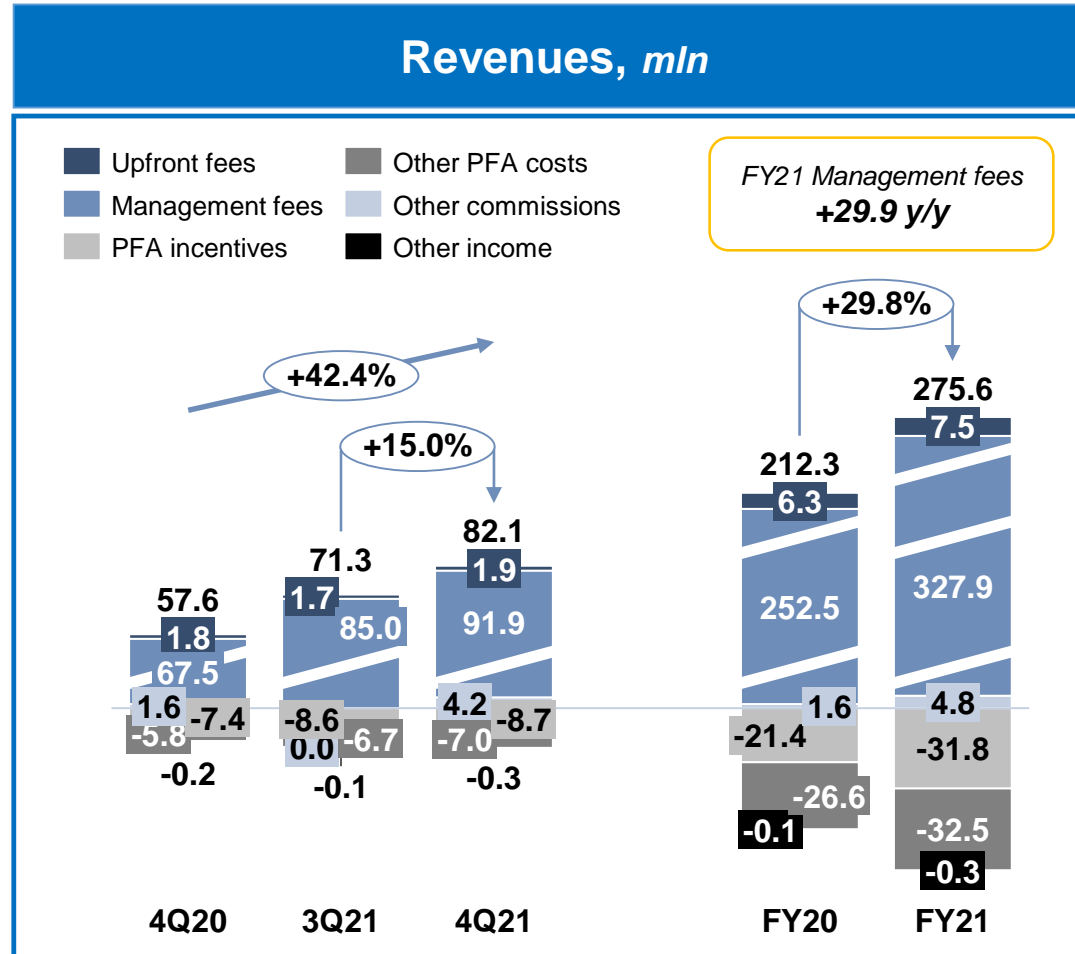
Managerial Data

<sup>(1)</sup> Volatility calculated as avg weekly volatility of BUND, BTP, SP, EUROSTOXX, MINIDAX, DAX, FIB, MINIFIB, NASDAQ, DOW weighted on volumes related to futures traded by our clients

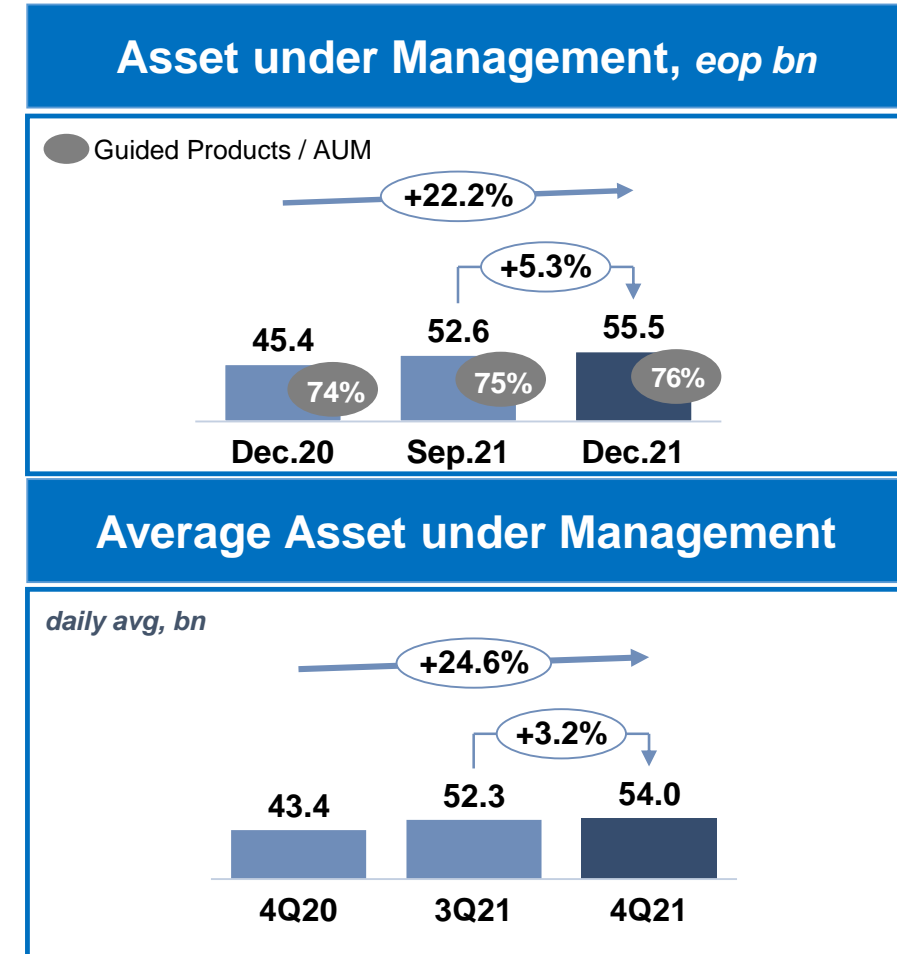


# Investing

Increasing revenues y/y thanks to a successful strategy based on our cyborg advisory approach. Very limited upfront fees, representing only ~3% of Investing fees



Managerial Data



# Annex

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# P&L pro-forma

P&L pro-forma <sup>(1)</sup>										
mln	1Q20	2Q20	3Q20	4Q20	FY20	1Q21	2Q21	3Q21	4Q21	FY21
Net financial income	72.0	75.1	68.6	64.1	279.7	75.1	72.8	69.2	62.9	280.0
<i>o/w Net Interest Income</i>	68.2	70.1	68.6	63.9	270.7	61.8	62.5	61.8	61.8	247.9
<i>o/w Profit from treasury management</i>	3.8	5.0	-0.1	0.3	9.0	13.2	10.3	7.4	1.1	32.1
Net commissions	95.9	98.6	92.3	92.6	379.4	108.1	106.3	110.1	126.4	450.8
Trading profit	22.6	25.1	20.3	18.8	86.8	23.9	16.7	15.6	18.1	74.3
Other expenses/income	0.6	0.8	0.2	0.4	1.9	0.5	0.1	-1.5	-0.5	-1.3
<b>Total revenues</b>	<b>191.0</b>	<b>199.6</b>	<b>181.3</b>	<b>175.9</b>	<b>747.8</b>	<b>207.6</b>	<b>195.9</b>	<b>193.5</b>	<b>206.9</b>	<b>803.8</b>
Staff expenses	-24.0	-24.9	-24.6	-26.0	-99.5	-26.2	-26.7	-27.4	-29.3	-109.6
Other admin.exp. net of recoveries	-27.4	-28.5	-27.8	-34.3	-118.0	-30.6	-29.9	-27.6	-34.9	-123.1
D&A	-6.1	-6.2	-6.4	-6.8	-25.4	-6.3	-6.4	-6.4	-7.1	-26.2
<b>Operating expenses</b>	<b>-57.5</b>	<b>-59.6</b>	<b>-58.8</b>	<b>-67.2</b>	<b>-243.0</b>	<b>-63.1</b>	<b>-63.0</b>	<b>-61.5</b>	<b>-71.3</b>	<b>-258.9</b>
<b>Gross operating profit</b>	<b>133.6</b>	<b>140.0</b>	<b>122.4</b>	<b>108.7</b>	<b>504.8</b>	<b>144.4</b>	<b>132.9</b>	<b>132.0</b>	<b>135.5</b>	<b>544.9</b>
Provisions	-1.1	-6.5	-32.0	5.5	-34.1	-8.2	-5.8	-31.1	-4.9	-49.9
<i>o/w Systemic charges</i>	-0.3	-0.7	-28.0	2.1	-26.8	-5.8	-1.9	-30.0	-2.3	-40.0
LLP	-1.0	-2.7	0.1	0.2	-3.3	-0.5	-1.2	-0.4	0.4	-1.7
Profit from investments	-0.1	-3.7	-0.2	-2.3	-6.3	-0.6	1.8	0.3	-0.4	1.1
<b>Profit before taxes</b>	<b>131.4</b>	<b>127.1</b>	<b>90.4</b>	<b>112.2</b>	<b>461.1</b>	<b>135.2</b>	<b>127.7</b>	<b>100.9</b>	<b>130.6</b>	<b>494.4</b>
Income taxes	-40.0	-38.3	-25.3	-34.0	-137.5	-40.4	-5.8	-28.3	-39.2	-113.7
<b>Net profit for the period</b>	<b>91.4</b>	<b>88.7</b>	<b>65.2</b>	<b>78.2</b>	<b>323.6</b>	<b>94.7</b>	<b>121.9</b>	<b>72.6</b>	<b>91.5</b>	<b>380.7</b>
<b>Net profit adjusted <sup>(2)</sup></b>	<b>92.2</b>	<b>88.7</b>	<b>65.3</b>	<b>78.2</b>	<b>324.5</b>	<b>94.7</b>	<b>89.9</b>	<b>72.6</b>	<b>91.9</b>	<b>349.2</b>
<b>Non recurring items (mln, gross)</b>	<b>1Q20</b>	<b>2Q20</b>	<b>3Q20</b>	<b>4Q20</b>	<b>FY20</b>	<b>1Q21</b>	<b>2Q21</b>	<b>3Q21</b>	<b>4Q21</b>	<b>FY21</b>
<i>Extraord systemic charges (Trading Profit) <sup>(3)</sup></i>	-1.2	0.0	-0.2	0.0	-1.4	0.0	0.0	0.0	-0.7	-0.7
<i>Realignment of Intangible Assets</i>	0.0	0.0	0.0	0.0	0.0	0.0	32.0	0.0	0.0	32.0
<b>Total</b>	<b>-1.2</b>	<b>0.0</b>	<b>-0.2</b>	<b>0.0</b>	<b>-1.4</b>	<b>0.0</b>	<b>32.0</b>	<b>0.0</b>	<b>-0.7</b>	<b>31.3</b>

# P&L net of non recurring items

P&L pro-forma <sup>(1)</sup> net of non recurring items										
<i>mln</i>	1Q20 Adj. <sup>(1)</sup>	2Q20 Adj. <sup>(1)</sup>	3Q20 Adj. <sup>(1)</sup>	4Q20 Adj. <sup>(1)</sup>	FY20 Adj. <sup>(1)</sup>	1Q21 Adj. <sup>(1)</sup>	2Q21 Adj. <sup>(1)</sup>	3Q21 Adj. <sup>(1)</sup>	4Q21 Adj. <sup>(1)</sup>	FY21 Adj. <sup>(1)</sup>
Net financial income	72.0	75.1	68.6	64.1	279.7	75.1	72.8	69.2	62.9	280.0
<i>o/w Net interest income</i>	68.2	70.1	68.6	63.9	270.7	61.8	62.5	61.8	61.8	247.9
<i>o/w Profit from treasury</i>	3.8	5.0	-0.1	0.3	9.0	13.2	10.3	7.4	1.1	32.1
Net commissions	95.9	98.6	92.3	92.6	379.4	108.1	106.3	110.1	126.4	450.8
Trading profit	23.8	25.1	20.5	18.8	88.2	23.9	16.7	15.6	18.9	75.0
Other expenses/income	0.6	0.8	0.2	0.4	1.9	0.5	0.1	-1.5	-0.5	-1.3
<b>Total revenues</b>	<b>192.2</b>	<b>199.6</b>	<b>181.5</b>	<b>175.9</b>	<b>749.2</b>	<b>207.6</b>	<b>195.9</b>	<b>193.5</b>	<b>207.6</b>	<b>804.5</b>
Staff expenses	-24.0	-24.9	-24.6	-26.0	-99.5	-26.2	-26.7	-27.4	-29.3	-109.6
Other admin.expenses	-27.4	-28.5	-27.8	-34.3	-118.0	-30.6	-29.9	-27.6	-34.9	-123.1
D&A	-6.1	-6.2	-6.4	-6.8	-25.4	-6.3	-6.4	-6.4	-7.1	-26.2
<b>Operating expenses</b>	<b>-57.5</b>	<b>-59.6</b>	<b>-58.8</b>	<b>-67.2</b>	<b>-243.0</b>	<b>-63.1</b>	<b>-63.0</b>	<b>-61.5</b>	<b>-71.3</b>	<b>-258.9</b>
<b>Gross operating profit</b>	<b>134.8</b>	<b>140.0</b>	<b>122.7</b>	<b>108.7</b>	<b>506.2</b>	<b>144.5</b>	<b>132.9</b>	<b>132.0</b>	<b>136.3</b>	<b>545.7</b>
Provisions	-1.1	-6.5	-32.0	5.5	-34.1	-8.2	-5.8	-31.1	-4.9	-49.9
<i>o/w Systemic charges</i>	-0.3	-0.7	-28.0	2.1	-26.8	-5.8	-1.9	-30.0	-2.3	-40.0
LLP	-1.0	-2.7	0.1	0.2	-3.3	-0.5	-1.2	-0.4	0.4	-1.7
Profit from investments	-0.1	-3.7	-0.2	-2.3	-6.3	-0.6	1.8	0.3	-0.4	1.1
<b>Profit before taxes</b>	<b>132.6</b>	<b>127.1</b>	<b>90.7</b>	<b>112.2</b>	<b>462.5</b>	<b>135.2</b>	<b>127.7</b>	<b>100.9</b>	<b>131.4</b>	<b>495.1</b>
Income taxes	-40.4	-38.3	-25.3	-34.0	-138.0	-40.4	-37.8	-28.3	-39.4	-146.0
<b>Net profit adjusted <sup>(1)</sup></b>	<b>92.2</b>	<b>88.7</b>	<b>65.3</b>	<b>78.2</b>	<b>324.5</b>	<b>94.7</b>	<b>89.9</b>	<b>72.6</b>	<b>91.9</b>	<b>349.2</b>

# 2021 P&L FinecoBank and Fineco Asset Management

<i>mln</i>	Fineco Asset Management	FinecoBank Individual	FinecoBank Consolidated
Net financial income	-0.3	280.4	280.0
Dividends		61.5	0.0
Net commissions	98.2	352.6	450.8
Trading profit	0.0	74.3	74.3
Other expenses/income	-0.3	-0.9	-1.3
<b>Total revenues</b>	<b>97.5</b>	<b>768.0</b>	<b>803.8</b>
Staff expenses	-8.2	-101.4	-109.6
Other admin.exp. net of recoveries	-4.8	-118.3	-123.1
D&A	-0.3	-26.0	-26.2
<b>Operating expenses</b>	<b>-13.3</b>	<b>-245.7</b>	<b>-258.9</b>
<b>Gross operating profit</b>	<b>84.3</b>	<b>522.2</b>	<b>544.9</b>
Provisions		-49.9	-49.9
LLP		-1.7	-1.7
Profit on Investments		1.1	1.1
<b>Profit before taxes</b>	<b>84.3</b>	<b>471.7</b>	<b>494.4</b>
Income taxes	-10.6	-103.1	-113.7
<b>Net profit for the period</b>	<b>73.7</b>	<b>368.6</b>	<b>380.7</b>

# Details on Net Interest Income

<i>mIn</i>	1Q20	Volumes & Margins	2Q20	Volumes & Margins	3Q20	Volumes & Margins	4Q20	Volumes & Margins	FY20	Volumes & Margins	1Q21	Volumes & Margins	2Q21	Volumes & Margins	3Q21	Volumes & Margins	4Q21	Volumes & Margins	FY21	Volumes & Margins
Financial Investments	54.8	22,543	56.3	22,676	53.0	22,491	49.0	23,334	213.1	22,761	44.6	24,416	43.2	23,977	41.3	23,824	39.8	23,564	168.8	23,945
<i>Net Margin</i>		0.98%		1.00%		0.94%		0.84%		0.94%		0.74%		0.72%		0.69%		0.67%		0.71%
<i>Gross margin</i>	56.8	1.01%	57.1	1.01%	53.1	0.94%	49.1	0.84%	216.1	0.95%	44.8	0.74%	43.2	0.72%	41.4	0.69%	39.8	0.67%	169.2	0.71%
Treasury activities <sup>(1)</sup>	0.9	703	2.1	1,916	2.4	2,114	2.5	2,103	7.9	1,709	3.9	2,791	4.7	3,140	4.3	2,646	4.4	2,670	17.2	2,812
<i>Net Margin</i>		<sup>(1)</sup> 0.50%		0.44%		0.45%		0.47%		0.46%		0.57%		0.59%		0.64%		0.65%		0.61%
Leverage - Long	2.9	137	2.4	117	3.1	150	2.8	138	11.1	136	3.4	171	3.9	199	4.3	214	4.3	213	16.0	199
<i>Net Margin</i>		8.42%		8.13%		8.13%		8.10%		8.20%		8.12%		7.92%		8.00%		8.01%		8.01%
Tax Credit	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	1	0.3	42	0.5	95	1.6	441	2.4	145
<i>Net Margin</i>		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		2.50%		2.15%		1.43%		1.63%
Lending	11.0	3,094	11.4	3,393	11.6	3,582	11.1	3,670	45.0	3,435	10.8	3,805	11.4	4,141	12.3	4,583	13.2	4,931	47.7	4,365
<i>Net Margin</i>		1.42%		1.35%		1.28%		1.20%		1.31%		1.15%		1.10%		1.07%		1.06%		1.09%
<i>o/w Current accounts</i>	3.4	1,316	3.6	1,375	3.6	1,453	3.7	1,527	14.3	1,418	3.6	1,632	3.9	1,748	4.1	1,866	4.3	2,005	16.0	1,812
<i>Net Margin</i>		1.05%		1.04%		0.99%		0.97%		1.01%		0.90%		0.90%		0.87%		0.86%		0.88%
<i>o/w Cards</i>	1.2	43	1.1	40	1.1	39	1.1	38	4.5	40	1.0	36	1.0	34	1.0	35	1.0	35	4.0	35
<i>Net Margin</i>		11.41%		11.40%		11.43%		11.45%		11.42%		11.40%		11.36%		11.43%		11.47%		11.41%
<i>o/w Personal loans</i>	4.5	462	4.4	448	4.2	437	4.2	439	17.4	447	4.2	447	4.3	466	4.4	481	4.5	495	17.4	472
<i>Net Margin</i>		3.93%		3.93%		3.86%		3.82%		3.88%		3.83%		3.72%		3.64%		3.60%		3.69%
<i>o/w Mortgages</i>	1.8	1,273	2.3	1,530	2.6	1,653	2.1	1,666	8.8	1,530	2.0	1,690	2.1	1,893	2.8	2,202	3.4	2,397	10.3	2,045
<i>Net Margin</i>		0.57%		0.61%		0.63%		0.49%		0.57%		0.47%		0.45%		0.51%		0.55%		0.50%
Other <sup>(2)</sup>	-1.3		-2.1		-1.4		-1.5		-6.3		-0.9		-0.9		-0.9		-1.5		-4.2	
<b>Total</b>	<b>68.2</b>		<b>70.1</b>		<b>68.6</b>		<b>63.9</b>		<b>270.7</b>		<b>61.8</b>		<b>62.5</b>		<b>61.8</b>		<b>61.8</b>		<b>247.9</b>	
<b>Gross Margin</b>		<b>1.09%</b>		<b>1.04%</b>		<b>0.99%</b>		<b>0.89%</b>		<b>1.00%</b>		<b>0.82%</b>		<b>0.81%</b>		<b>0.79%</b>		<b>0.79%</b>		<b>0.80%</b>
<b>Cost of Deposits</b>		<b>-0.03%</b>		<b>-0.01%</b>		<b>0.00%</b>		<b>0.00%</b>		<b>-0.01%</b>		<b>0.00%</b>		<b>0.00%</b>		<b>0.00%</b>		<b>0.00%</b>		<b>0.00%</b>

Volumes and margins: average of the period  
Net margin calculated on real interest income and expenses

<sup>(1)</sup> Treasury activities: Unsecured lending, collateral switch, tiering, TLTRO, other repos (moved from «Other» to «Treasury activities»).

<sup>(2)</sup> Other includes mainly marketing costs. 2020 figures recasted (NII from other repos moved from «Other» to «Treasury Activities»): 1Q20 0.0mIn, 2Q20 0.0mIn, 3Q20 -0.1mIn, 4Q20 -0.2mIn, FY20 -0.4mIn

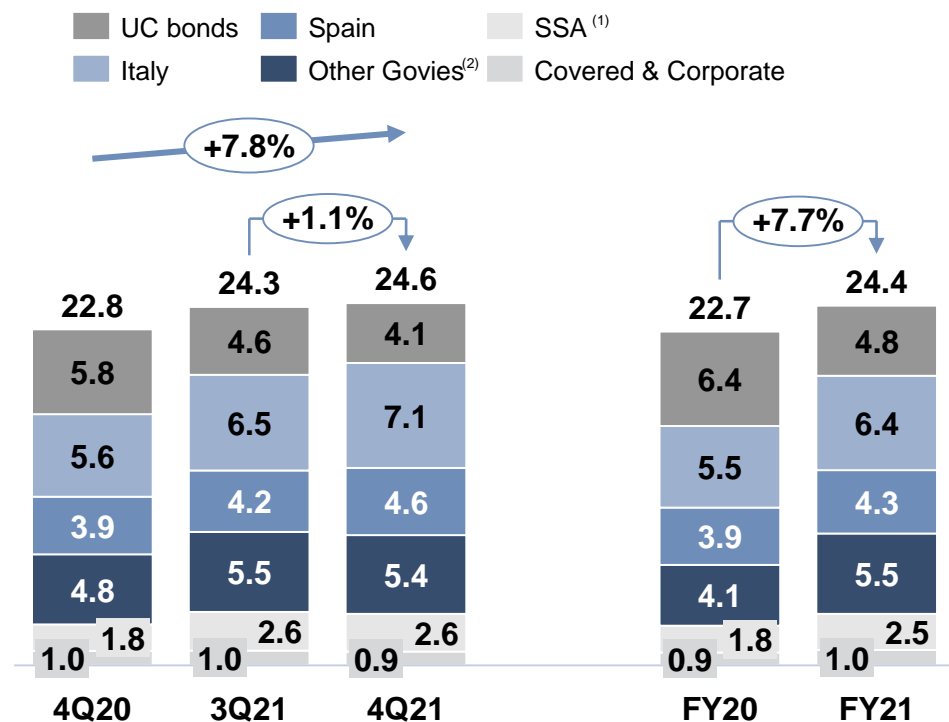
# UniCredit bonds underwritten

	ISIN	Currency	Amount (€ m)	Maturity	Indexation	Spread
1	IT0005040099	Euro	100.0	24-Jan-22	Euribor 1m	1.46%
2	IT0005057994	Euro	200.0	11-Apr-22	Euribor 1m	1.43%
3	IT0005083743	Euro	300.0	28-Jan-22	Euribor 1m	1.25%
4	IT0005114688	Euro	180.0	19-May-22	Euribor 1m	1.19%
5	IT0005120347	Euro	700.0	27-Jun-22	Euribor 1m	1.58%
6	IT0005144065	Euro	450.0	14-Nov-22	Euribor 3m	1.40%
7	IT0005158412	Euro	250.0	23-Dec-22	Euribor 3m	1.47%
8	IT0005163180	Euro	600.0	11-Feb-23	Euribor 3m	1.97%
9	IT0005175135	Euro	100.0	24-Mar-23	Euribor 3m	1.58%
10	IT0005217606	Euro	350.0	11-Oct-23	Euribor 3m	1.65%
11	IT0005241317	Euro	622.5	2-Feb-24	Euribor 3m	1.52%
<b>Total</b>		<b>Euro</b>	<b>3,852.5</b>		<b>Euribor 1m</b>	<b>1.56%</b>

# Financial Investments

Further improvements for a diversified asset side

## Bond Portfolio, avg bn

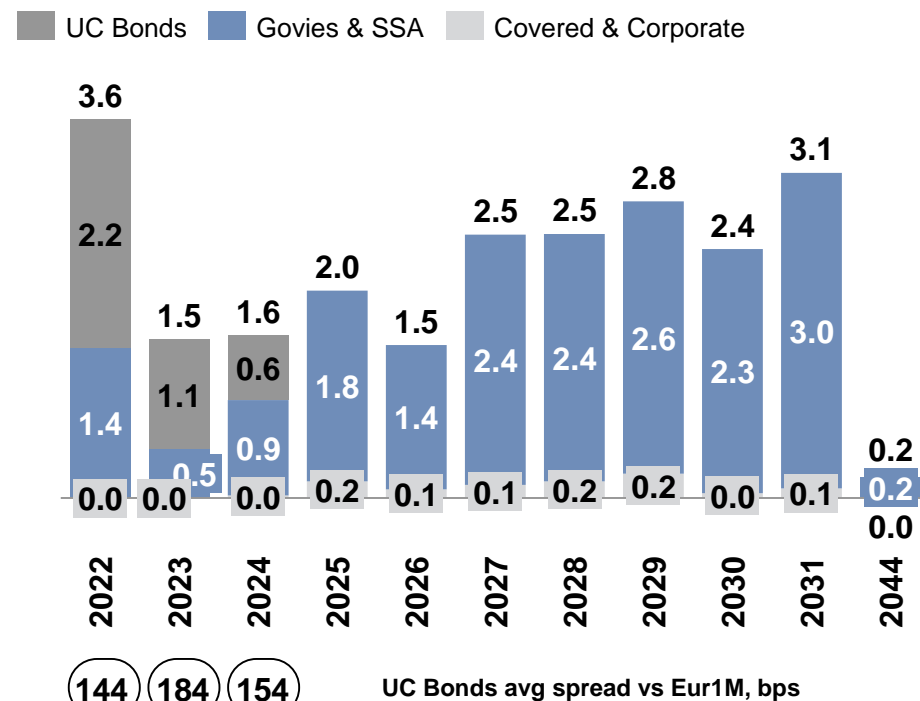


**Avg Bond portfolio FY21 (excl. UC Bonds):**

**19.7bn, +20.9% y/y**

**67% at fixed rate, avg yield: 53bps<sup>(3)</sup>**

## Bond portfolio run-offs, eop bn



**Residual maturity total portfolio: 5.4 yrs**

*o/w UC Bonds: 1.0 yrs*

*o/w bonds (excl. UC bonds): 6.2 yrs*

<sup>(1)</sup> Sovereign Supranational and Agencies

<sup>(2)</sup> Avg FY21 "Other" includes: 1.3bn France, 1.0bn Ireland, 0.8bn USA, 0.6bn Belgium, 0.5bn Austria, 0.4bn Portugal, 0.1bn Israel, 0.2bn Chile, 0.1bn Saudi Arabia, 0.1bn Germany, 0.1bn China, 0.1bn other (UK, Switzerland, Iceland, Latvia, Poland)

<sup>(3)</sup> Calculated on nominal value as of December 31st 2021

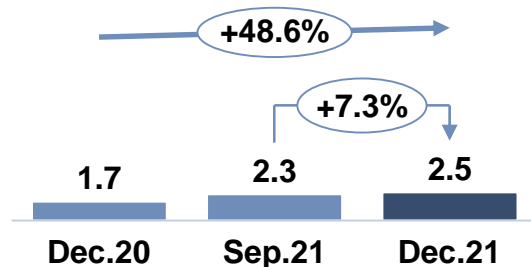


# Lending: high quality portfolio and cautious approach

## 2022 Guidance

### Mortgages

Eop, bn

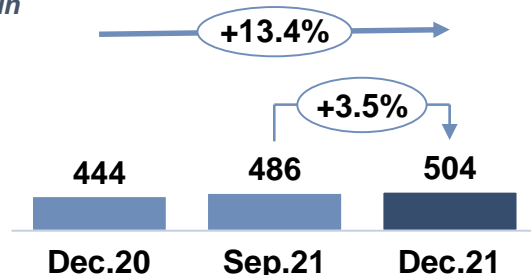


- **25,614 mortgages** granted since December 2016
- Average customer rate: **142 bps**. **FY21 Yield<sup>(1)</sup> at 50 bps**
- Average Loan to Value on actual portfolio **~51%**, average maturity **19 yrs**
- **Low expected credit loss** (~15 bps). Only **11** clients accounted in NPL after 60 months from the launch

- yearly new production: ~ 300-400 mln
- Expected yield<sup>(3)</sup>: ~ 45-55 bps

### Personal Loans

Eop, mln

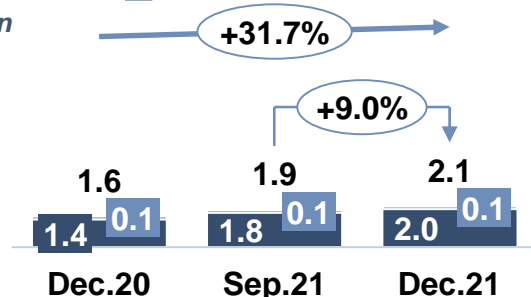


- Average ticket € 9,500 and average maturity 4.7 years
- **FY21 Yield at 369 bps**
- **Efficient and real time process**, instant approval platform for eligible clients' requests thanks to a deep knowledge of clients.
- **Low expected credit loss** (~36 bps)

- yearly new production: ~ 250-300 mln  
~ (20-50 mln net)
- Expected yield<sup>(3)</sup>: ~ 360-380 bps

### Lombard Loans

■ Other lombard ■ Credit lombard  
Eop, bn



**o/w Credit Lombard<sup>(2)</sup>:**

- **Attractive pricing:** retail clients 100bps and private clients 75bps (on 3M Eur with floor zero)
- **Differentiated margins** according to the riskiness of the pledged assets
- **Very low expected loss** (~10 bps)

**o/w Credit Lombard<sup>(2)</sup>:**

- Expected growth: ~ 300-400 mln per year
- Expected yield<sup>(3)</sup>: ~ 70-80 bps

<sup>(1)</sup> Yield on mortgages net of amortized and hedging costs

<sup>(2)</sup> Credit Lombard allows to change pledged assets without closing and re-opening the credit line, allowing more flexibility and efficiency with floor at zero

<sup>(3)</sup> Expected yield are referred to the stock

# Details on Net Commissions

Net commissions by product area										
<i>mln</i>	1Q20	2Q20	3Q20	4Q20	FY20	1Q21	2Q21	3Q21	4Q21	FY21
<b>Banking</b>	<b>9.5</b>	<b>11.1</b>	<b>10.4</b>	<b>3.2</b>	<b>34.2</b>	<b>10.8</b>	<b>11.9</b>	<b>12.9</b>	<b>13.6</b>	<b>49.2</b>
<b>Brokerage</b>	<b>36.3</b>	<b>38.3</b>	<b>27.1</b>	<b>31.7</b>	<b>133.5</b>	<b>40.2</b>	<b>29.5</b>	<b>26.0</b>	<b>30.6</b>	<b>126.2</b>
o/w										
Equity	30.0	31.0	21.7	26.5	109.2	36.1	24.6	22.5	26.2	109.5
Bond	1.0	3.8	2.2	1.9	9.0	0.8	2.3	0.4	1.2	4.6
Derivatives	4.5	3.7	2.6	2.7	13.5	2.9	2.2	2.3	2.8	10.1
Other commissions	0.7	-0.1	0.7	0.6	1.8	0.4	0.4	0.8	0.4	2.0
<b>Investing</b>	<b>50.3</b>	<b>49.4</b>	<b>54.9</b>	<b>57.8</b>	<b>212.4</b>	<b>57.2</b>	<b>65.0</b>	<b>71.4</b>	<b>82.3</b>	<b>275.9</b>
o/w										
Placement fees	1.7	1.4	1.5	1.8	6.3	2.2	1.7	1.7	1.9	7.5
Management fees	61.9	58.9	64.2	67.5	252.5	72.5	78.4	85.0	91.9	327.9
to PFA's: incentives	-4.0	-4.0	-4.4	-6.8	-19.2	-6.2	-6.7	-7.8	-7.7	-28.4
to PFA's: LTI	-0.2	-0.7	-0.7	-0.6	-2.3	-0.6	-0.9	-0.8	-1.0	-3.3
Other PFA costs	-9.1	-6.1	-5.6	-5.8	-26.6	-10.7	-8.1	-6.7	-7.0	-32.5
Other commissions	0.0	0.0	0.0	1.6	1.6	0.0	0.6	0.0	4.2	4.8
<b>Other</b>	<b>-0.2</b>	<b>-0.2</b>	<b>-0.2</b>	<b>-0.2</b>	<b>-0.8</b>	<b>-0.1</b>	<b>-0.1</b>	<b>-0.2</b>	<b>-0.2</b>	<b>-0.6</b>
<b>Total</b>	<b>95.9</b>	<b>98.6</b>	<b>92.3</b>	<b>92.6</b>	<b>379.4</b>	<b>108.1</b>	<b>106.3</b>	<b>110.1</b>	<b>126.4</b>	<b>450.8</b>

<sup>(1)</sup> Other commissions include security lending and other PFA commissions related to AuC

# Revenues breakdown by Product Area

P&L by product area										
<i>mln</i>	1Q20	2Q20	3Q20	4Q20	FY20	1Q21	2Q21	3Q21	4Q21	FY21
Net financial income	70.5	74.8	66.9	62.8	275.0	72.6	69.8	65.9	60.0	268.2
<i>o/w Net interest income</i>	66.6	69.8	67.0	62.6	266.0	59.3	59.5	58.4	58.9	236.1
<i>o/w Profit from Treasury Management</i>	3.8	5.0	-0.1	0.3	9.0	13.2	10.3	7.4	1.1	32.1
Net commissions	9.5	11.1	10.4	3.2	34.2	10.8	11.9	12.9	13.6	49.2
Trading profit	-0.3	-0.6	0.3	0.3	-0.3	1.4	0.1	0.3	0.7	2.5
Other	0.2	0.3	-0.3	0.4	0.6	0.1	0.1	0.1	0.2	0.5
<b>Total Banking</b>	<b>79.9</b>	<b>85.7</b>	<b>77.2</b>	<b>66.7</b>	<b>309.5</b>	<b>84.9</b>	<b>81.9</b>	<b>79.1</b>	<b>74.5</b>	<b>320.4</b>
Net interest income	3.0	2.5	3.1	2.9	11.5	3.5	4.0	4.4	4.4	16.4
Net commissions	36.3	38.3	27.1	31.7	133.5	40.2	29.5	26.0	30.6	126.2
Trading profit	25.1	24.2	20.1	18.0	87.4	22.0	15.9	15.5	17.9	71.3
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Brokerage</b>	<b>64.4</b>	<b>65.0</b>	<b>50.4</b>	<b>52.6</b>	<b>232.4</b>	<b>65.7</b>	<b>49.4</b>	<b>45.9</b>	<b>52.9</b>	<b>213.9</b>
Net interest income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net commissions	50.3	49.4	54.9	57.8	212.4	57.2	65.0	71.4	82.3	275.9
Trading profit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.1	-0.2	0.2	-0.2	-0.1	0.0	0.0	-0.1	-0.3	-0.3
<b>Total Investing</b>	<b>50.4</b>	<b>49.2</b>	<b>55.1</b>	<b>57.6</b>	<b>212.3</b>	<b>57.2</b>	<b>65.0</b>	<b>71.3</b>	<b>82.1</b>	<b>275.6</b>

# Breakdown Total Financial Assets

<i>mln</i>	Mar.20	Jun.20	Sep.20	Dec.20	Mar.21	Jun.21	Sep.21	Dec.21
<b>AUM</b>	<b>35,516</b>	<b>40,083</b>	<b>41,744</b>	<b>45,381</b>	<b>48,018</b>	<b>51,399</b>	<b>52,648</b>	<b>55,450</b>
o/w Funds and Sicav	24,122	27,657	28,929	31,578	33,271	35,699	36,233	38,053
o/w Insurance	9,961	10,676	11,020	11,819	12,659	13,448	14,122	14,963
o/w GPM	127	169	185	209	238	282	294	330
o/w AuC + deposits under advisory	1,307	1,580	1,610	1,776	1,850	1,970	1,998	2,105
<i>o/w in Advice</i>	516	550	554	561	572	596	603	637
<i>o/w in Plus</i>	792	1,030	1,056	1,215	1,278	1,374	1,395	1,468
<b>AUC</b>	<b>13,485</b>	<b>16,486</b>	<b>16,821</b>	<b>18,314</b>	<b>20,347</b>	<b>21,760</b>	<b>22,038</b>	<b>22,970</b>
o/w Equity	8,308	10,565	11,006	12,614	14,503	15,695	16,054	17,020
o/w Bond	5,147	5,878	5,766	5,637	5,772	5,993	5,893	5,796
o/w Other	30	43	49	63	72	72	90	155
<b>Direct Deposits</b>	<b>26,925</b>	<b>26,077</b>	<b>26,432</b>	<b>28,014</b>	<b>28,687</b>	<b>28,273</b>	<b>28,867</b>	<b>29,495</b>
o/w Sight	26,924	26,077	26,432	28,014	28,687	28,273	28,867	29,495
o/w Term	1	1	0	0	0	0	0	0
<b>Total</b>	<b>75,927</b>	<b>82,646</b>	<b>84,997</b>	<b>91,709</b>	<b>97,052</b>	<b>101,431</b>	<b>103,552</b>	<b>107,915</b>
<i>o/w Guided Products &amp; Services</i>	<b>25,486</b>	<b>28,984</b>	<b>30,331</b>	<b>33,420</b>	<b>35,381</b>	<b>38,531</b>	<b>39,721</b>	<b>42,304</b>
<i>o/w TFA FAM retail</i>	<b>7,626</b>	<b>8,920</b>	<b>9,465</b>	<b>10,542</b>	<b>11,465</b>	<b>13,215</b>	<b>13,929</b>	<b>15,133</b>
<i>o/w TFA Private Banking</i>	<b>28,844</b>	<b>33,024</b>	<b>34,438</b>	<b>38,614</b>	<b>41,844</b>	<b>44,763</b>	<b>45,924</b>	<b>48,761</b>

AuC and Deposits under advisory have been reclassified within AuM in order to have a better representation of the advisory nature of Advice and Plus services

# Balance Sheet

<i>mln</i>	Mar.20	Jun.20	Sep.20	Dec.20	Mar.21	Jun.21	Sep.21	Dec.21
Due from Banks <sup>(1)</sup>	1,801	1,633	1,761	2,541	1,902	2,253	2,429	1,844
Customer Loans	3,741	4,204	4,320	4,528	4,639	5,269	5,624	6,002
Financial Assets	23,414	22,961	22,988	23,957	25,398	24,648	24,446	24,581
Tangible and Intangible Assets	280	280	278	281	277	281	279	279
Derivatives	76	76	76	74	84	85	92	126
Tax credit acquired	0	0	0	0	9	75	394	509
Other Assets	207	259	298	374	279	293	271	528
<b>Total Assets</b>	<b>29,519</b>	<b>29,412</b>	<b>29,721</b>	<b>31,755</b>	<b>32,588</b>	<b>32,905</b>	<b>33,534</b>	<b>33,867</b>
Customer Deposits	27,202	27,021	27,297	28,360	29,102	29,141	29,805	29,848
Due to Banks	331	113	105	1,065	1,149	1,173	1,169	1,225
Debt securities in Issue	0	0	0	0	0	0	0	497
Derivatives	144	207	212	232	140	119	91	65
Funds and other Liabilities	365	515	487	411	413	575	501	505
Equity	1,477	1,556	1,620	1,687	1,783	1,897	1,969	1,727
<b>Total Liabilities and Equity</b>	<b>29,519</b>	<b>29,412</b>	<b>29,721</b>	<b>31,755</b>	<b>32,588</b>	<b>32,905</b>	<b>33,534</b>	<b>33,867</b>

<sup>(1)</sup> Due from banks includes cash deposited at Bank of Italy (1.3bn as of Dec.21, 1.8bn as of Sep.2021, 1.6bn as of June 2021, 1.3bn as of Mar.2021, 1.8bn as of Dec.2020, 1.0bn as of Sep.2020, 0.9bn as of June 2020, 1.2bn as of Mar.2020) and bank current accounts (0.2bn as of Dec.21, 0.3bn as of Sep.2021, 0.3bn as of June 2021, 0.2bn as of Mar.2021, 0.3bn as of Dec.2020, 0.3bn as of Sep.2020, 0.3bn as of June 2020, 0.2bn as of Mar.2020)

# Leverage Ratio Sensitivity

## OUR PRIORITY

Focus on **our Balance Sheet** to keep under control the growth of deposits and improve our quality revenues mix. Thanks to our new initiatives, which are not yet at full speed, **at the same time we can:**

- 1) sustain our growth
- 2) distribute a growing dividend per share
- 3) keep our Leverage Ratio comfortably above the regulatory requirements and within our guidance (in a range 3.5%-4.0%)

## Leverage Ratio comfortably under control

Retained earnings = Tier 1 Capital (mln)

	70	80	90	100	110	120	130	140	150	200	250	300	350	400	450	500
-500	4.09%	4.12%	4.14%	4.17%	4.20%	4.23%	4.25%	4.28%	4.31%	4.44%	4.58%	4.71%	4.85%	4.98%	5.11%	5.25%
0	4.03%	4.06%	4.09%	4.11%	4.14%	4.17%	4.19%	4.22%	4.25%	4.38%	4.51%	4.65%	4.78%	4.91%	5.04%	5.18%
500	3.98%	4.00%	4.03%	4.06%	4.08%	4.11%	4.14%	4.16%	4.19%	4.32%	4.45%	4.58%	4.71%	4.84%	4.97%	5.10%
1,000	3.92%	3.95%	3.97%	4.00%	4.03%	4.05%	4.08%	4.11%	4.13%	4.26%	4.39%	4.52%	4.65%	4.78%	4.91%	5.04%
1,500	3.87%	3.90%	3.92%	3.95%	3.97%	4.00%	4.02%	4.05%	4.08%	4.20%	4.33%	4.46%	4.59%	4.72%	4.84%	4.97%
2,000	3.82%	3.84%	3.87%	3.89%	3.92%	3.95%	3.97%	4.00%	4.02%	4.15%	4.28%	4.40%	4.53%	4.65%	4.78%	4.90%
2,500	3.77%	3.79%	3.82%	3.84%	3.87%	3.89%	3.92%	3.94%	3.97%	4.09%	4.22%	4.34%	4.47%	4.59%	4.72%	4.84%
3,000	3.72%	3.74%	3.77%	3.79%	3.82%	3.84%	3.87%	3.89%	3.92%	4.04%	4.17%	4.29%	4.41%	4.53%	4.66%	4.78%
4,000	3.63%	3.65%	3.67%	3.70%	3.72%	3.75%	3.77%	3.80%	3.82%	3.94%	4.06%	4.18%	4.30%	4.42%	4.54%	4.66%
5,000	3.54%	3.56%	3.58%	3.61%	3.63%	3.65%	3.68%	3.70%	3.73%	3.84%	3.96%	4.08%	4.20%	4.31%	4.43%	4.55%
6,000	3.45%	3.47%	3.50%	3.52%	3.54%	3.57%	3.59%	3.61%	3.64%	3.75%	3.87%	3.98%	4.10%	4.21%	4.32%	4.44%
7,000	3.37%	3.39%	3.42%	3.44%	3.46%	3.48%	3.51%	3.53%	3.55%	3.66%	3.78%	3.89%	4.00%	4.11%	4.22%	4.33%
8,000	3.29%	3.32%	3.34%	3.36%	3.38%	3.40%	3.43%	3.45%	3.47%	3.58%	3.69%	3.80%	3.91%	4.02%	4.13%	4.24%
9,000	3.22%	3.24%	3.26%	3.28%	3.31%	3.33%	3.35%	3.37%	3.39%	3.50%	3.61%	3.72%	3.82%	3.93%	4.04%	4.14%
10,000	3.15%	3.17%	3.19%	3.21%	3.23%	3.26%	3.28%	3.30%	3.32%	3.42%	3.53%	3.63%	3.74%	3.84%	3.95%	4.05%

Considering our organic capital generation after dividend distribution and payment of AT1 coupon, also in case of extremely adverse market scenario, our **Leverage ratio** would comfortably remain in a range 3.5%-4.0%

LR > 4.0%    3.5% < LR < 4.0%    3.0% < LR < 3.5%

# Main Financial Ratios

	Mar.20	Jun.20	Sep.20	Dec.20	Mar.21	Jun.21	Sep.21	Dec.21
PFA TFA/ PFA (mln) <sup>(1)</sup>	25.7	27.9	28.7	30.6	31.6	32.5	33.0	33.9
Guided Products / TFA <sup>(2)</sup>	34%	35%	36%	36%	36%	38%	38%	39%
Cost / income Ratio <sup>(3)</sup>	29.9%	29.9%	30.7%	32.4%	30.4%	31.3%	31.4%	32.2%
CET 1 Ratio	25.4%	24.1%	23.3%	28.6%	26.5%	18.6%	18.4%	18.8%
Adjusted RoE <sup>(4)</sup>	26.5%	26.0%	23.4%	21.2%	22.2%	23.3%	21.5%	22.0%
Leverage Ratio	4.39%	4.41%	4.35%	4.85%	4.77%	4.03%	4.04%	4.02%
Leverage Ratio excl. temporary exemption <sup>(5)</sup>	4.39%	4.41%	4.35%	4.85%	4.77%	3.81%	3.80%	3.84%

<sup>(1)</sup> PFA TFA/PFA: calculated as end of period Total Financial Assets related to the network divided by number of PFAs eop

<sup>(2)</sup> Calculated as Guided Products eop divided by Total Financial Assets eop

<sup>(3)</sup> C/I ratio net of non recurring items (see page 43 for details) calculated as Operating Costs divided by Revenues net of non recurring items

<sup>(4)</sup> RoE: annualized Net Profit, net of non recurring items (see page 43 for details) divided by the average book shareholders' equity for the period (excluding dividends expected to be distributed and the revaluation reserves)

<sup>(5)</sup> Leverage ratio excluding temporary exemption (it includes exposures towards Central Banks within total leverage ratio exposures).

# Fineco Asset Management in a nutshell

AUM at €24.9bn, of which €15.0bn retail classes<sup>(1)</sup>

## FUNDS OF FUNDS

## FAM SERIES (sub-advised funds)

## INSTITUTIONAL BUSINESS

### FAM EVOLUTION (57 strategies)

- ✓ **FAM Megatrend**: multi-thematic fund investing in secular trends
- ✓ **New building blocks** both vertical and based on risk profile
- ✓ **FAM Target**: decumulation products for customers who want to take advantage of bear market phases

### CORE SERIES (30 strategies)

- ✓ Release of **Premium Share Classes**
- 
- ✓ **Additional sub-advisory mandates in pipeline with ~15 new strategies in the coming weeks** to further enlarge the offer through quality and exclusivity agreements for Fineco
  - ✓ **FAM Global Defence**: new capital preservation solution
  - ✓ **New flagship FAM Target China Coupon and ESG Target Global Coupon**: investment solutions to build up exposure towards equity
  - ✓ 55 strategies
- 
- ✓ Underlying funds for advisory solutions (both funds of funds and Insurance wrappers) allowing a better control of the value chain **to retain more margins and lower customers' TER**
  - ✓ 64 strategies, including also Passive and new Smart Beta funds

## BENEFITS

### Quality improvement and time to market for customers and distribution needs

**Several efficiencies** leveraging on a vertically integrated business model combined with the strong operating efficiency which is in Fineco's DNA

**Better risk management** thanks to the look-through on daily basis on funds' underlying assets

**Win-win solution**: lower price for clients, higher margins



# Brokerage: extracting value from the vertical integration

After the successful integration of our asset management business through FAM, we are now applying the same strategy with the launch of Leveraged Certificates thanks to our strong operating leverage and to the consistently increasing volumes

## Leveraged Certificates

**We have launched our offer Leveraged Certificates offer and are now issuer, market maker and distributor.**

Thanks to the **vertical integration** of the business and the **full control in the relationship with clients**, over time we are going to convert low-value flows on other issuers' certificates into our own.

**Market size** in Italy: 13 bn<sup>(1)</sup> volumes and 100 mln revenues<sup>(2)</sup>. **We are also targeting flows on leveraged ETFs and covered warrants**

**Step 1:** launch of the first certificates on FTSE MIB, DAX, EuroSTOXX50, CAC and forex (eur/usd, eur/gbp, eur/jpy, gbp/usd)

**Step 2:** widen the **leveraged certificates offer**

## Hi-MTF

**On July 22<sup>nd</sup>, 2021 FinecoBank finalized the acquisition of a 20% stake** (cost around 1.25mln) **of Hi-MTF**


**Rationale:** to increase our ability to extract value from the vertical integration of the business thanks to our clients' strong volumes

<sup>(1)</sup> ACEPI (Italian Association of Certificates and Investment Products)

<sup>(2)</sup> Internal estimates

# Fineco UK vs competitors

## Products and services

					
BANKING	Bank Account	✓	✗	✗	✓
	Multi Currency	✓	✗	✗	✓
	Debit Cards	✓	✗	✗	✓
TRADING	Shares	✓	✓	✓	✓
	Bonds	✓	✗	✓	✗
	Futures & Options	✓	✗	✗	✗
	CFDs	✓	✓	✗	✗
	FX	✓	✓	✗	✗
	Analytic tools	✓	✗	✗	✗
INVESTING	Funds	✓	✗	✓	✗
	ISA	✓	✓	✓	✗
	SIPP 	✓	✗	✓	✗

 Coming Soon

## Platform features

*Usability, reliability and advanced tools*

					
Free Basic Market Data	✓	✓	✓	✓	✓
Free Real time DMA	✓	✗	✗	✗	✗
Advanced Charting tool	✓	✗	✗	✗	✗
Recurring investments	✓	✗	✓	✗	✓
Trading order strategies	✓	✓	✗	✗	✗
Stock screener	✓	✗	✗	✗	✗
Payments	✓	✗	✗	✓	✓
Budget track	✓	✗	✗	✓	✗
Open banking	✓	✗	✗	✓	✓

# Fineco UK: Premium service without premium price

Disruptive pricing 100% sustainable thanks to our strong operating leverage

## OTC: zero commission, no added spreads

Share CFD\Broker Buy 100 units	<b>FINECO</b> BANK	IG	CMIC cmc markets	SAXO BANK	Plus500
HSBC * 498.20 GBP	0	£10	£9	£8	£0.67
APPLE * 225.64 USD	0	£15	\$10	\$10	\$9.5
BMW * 42.61 EUR	0	€10	€9	€10	€10.75

	<b>FINECO</b> BANK	IG	CMIC cmc markets	SAXO BANK
CFD on UK INDEX	PIPS	PIPS	PIPS	PIPS
Ftse100	0.6	1	1	0.8

## Multicurrency: best spreads, no commissions

£ ↔ €	<b>FINECO</b> BANK	Revolut	TransferWise	STARLING BANK	HSBC	HARGREAVES LANSDOWN	interactive investor
£2,000	£4.46	£4.99 Saving: -12%	£7.49 Saving: -68%	£8.02 Saving: -80%	£14.98 Saving: -236%	£16.94 Saving: -280%	£29.95 Saving: -572%
£10,000	£22.3	£44.93 Saving: -101%	£37.44 Saving: -68%	£40.7 Saving: -83%	£74.88 Saving: -236%	£84.7 Saving: -280%	£150 Saving: -573%
£500,000	£668.63	£2,491.22 Saving: -273%	£1,872.16 Saving: -180%	£2,005.88 Saving: -200%	£3,744.32 Saving: -460%	£4,234.64 Saving: -533%	£2,496.21 Saving: -273%
£1,000,000	£1,114.4	£4,987.43 Saving: -348%	£2,852.8 Saving: -156%	£4,011.77 Saving: -260%	£7,488.6 Saving: -572%	£8,470 Saving: -660%	£2,496.21 Saving: -124%

## Platform fees: the most competitive

Portfolio size	<b>FINECO</b> BANK	HARGREAVES LANSDOWN	AJBell	BARCLAYS	Fidelity INTERNATIONAL	HSBC
£20,000.00	0.25%	0.45%	0.28%	0.30%	0.35%	0.25%

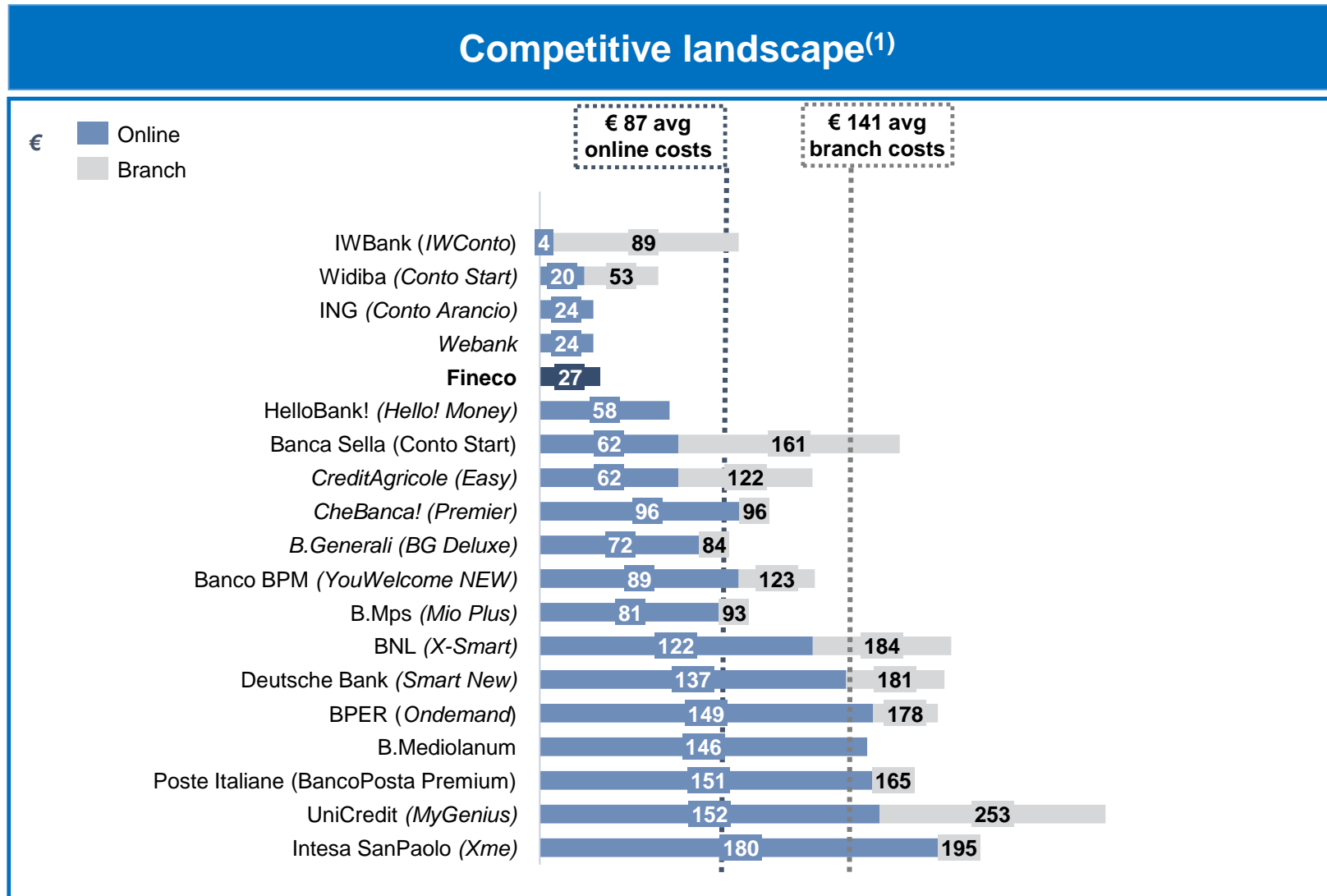
## Stock broking: flat fees

	<b>FINECO</b> BANK	HARGREAVES LANSDOWN	interactive investor	AJBell	IG	SAXO BANK	Interactive Brokers
London Stock Exchange							
Stock for £5,000	£2.95	£11.95	£7.99 <sup>(1)</sup>	£9.95 <sup>(1)</sup>	£8	£8	£3
Stock for £20,000	£2.95	£11.95	£7.99 <sup>(1)</sup>	£9.95 <sup>(1)</sup>	£8	£20	£3

## Transaction fees

	<b>FINECO</b> BANK	HARGREAVES LANSDOWN	AJBell	BARCLAYS	Fidelity INTERNATIONAL	HSBC
	£0.00	£0.00	£1.50	£3.00	£10.00	No online Phone dealing only

# Preserving our best price/quality ratio

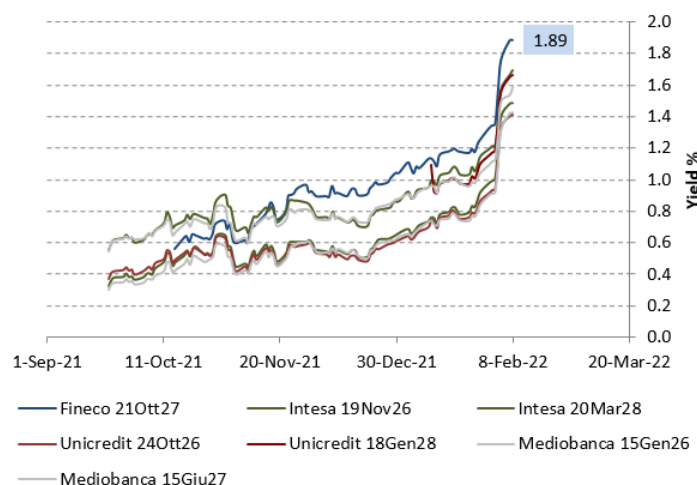


# Fixed Income

## Senior Preferred instrument

- On October 14<sup>th</sup>, 2021, Fineco successfully issued 500mIn Senior Preferred in order to be immediately compliant with the Fully Loaded MREL Requirement on Leverage Ratio Exposure, which will be binding starting from January 1st, 2024.
  - Annual **coupon at 0.50%** (5 years Mid Swap Rate plus 70 bps vs initial guidance of plus 100 bps) for the first 5 years, floating rate between the fifth and sixth year
  - Public placement with a **strong demand, more than 4 times the offer**
  - The instrument has been **rated BBB by S&P**

### Italian Senior Preferred



## AT1 instruments

- **€200 mln perpetual AT1 issued on January 23<sup>rd</sup>, 2018:**
  - Coupon fixed at **4.82%** for the initial **5.5 years**
  - **Private placement**, fully subscribed by UniCredit SpA
  - **Semi-annual coupon.** Coupon (net of taxes) will impact directly Equity reserves
- **€300mln perpetual AT1 issued on July 11<sup>th</sup>, 2019** in order to maintain the Leverage Ratio above 3.5% after the exit from the UniCredit Group:
  - Coupon fixed at **5.875%** (initial guidance at 6.5%) for the initial **5.5 years**
  - **Public placement**, with strong demand (9x, €2.7bn), listed in Euronext Dublin
  - **Semi-annual coupon.** Coupon (net of taxes) will impact directly Equity reserves
  - The instrument was assigned a **BB-** rating by **S&P**

### Italian AT1 yield at first call date

