



FINECO. SIMPLIFYING BANKING.

1Q23 Results

Alessandro Foti
CEO and General Manager

Milan, May 9th 2023

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Agenda

✓ **Fineco Results**

- ☐ Next steps
- ☐ Fineco international business
- ☐ Key messages
- ☐ Focus on product areas

Executive Summary

Successful growth story: becoming more a Platform than a Bank. Our diversified business model allows us to deliver strong results in every market condition

Strong net profit and growth of the business...

- **1Q23 adj. Net Profit at 147 mln, +19.1% y/y⁽¹⁾** (+61% y/y excluding 1Q22 Profits from Treasury management)
- **1Q23 adj. Revenues at 294 mln, +14.9% y/y⁽¹⁾** mainly supported by **Net Financial Income (+46% y/y, o/w NII +165%)** and **Investing (+2% y/y)**. Brokerage confirmed a structurally higher floor vs pre-pandemic levels
- **Operating Costs well under control at -73 mln, +6.4% y/y (+4.6% y/y** excluding costs related to the acceleration of the growth of the business⁽²⁾). **Strong operating leverage confirmed a key strength of the Bank.** Adj. C/I ratio at 25.0%
- **Net sales** in 1Q23 at 2.7 bn, o/w AUM at 1.0 bn. **TFA** at 112 bn with AuM at 54.1 bn. **April: Strong net sales at 831 mln, o/w AUM at 267mln** (with **FAM retail net sales at 343 mln**) and **AUC at 755 mln and Deposits at -191 mln. Brokerage revenues** estimated at **~12 mln** (>10% vs average April revenues in 2017-2019 y/y), **very solid taking into account the seasonality** in the month (lower trading days and market volumes)

... with solid capital and liquidity position

- **CET1 ratio at 21.80%, TCR at 32.41%, Leverage ratio at 4.21%**
- **LCR at 803%⁽³⁾, NSFR at 377%**

FY23 Guidance and going forward: strong growth confirmed

- **Expected Net Financial Income for FY23 at around +70% vs FY22⁽⁴⁾**
- **Expected Investing revenues in FY23 confirmed to increase high single digit vs FY22 with higher after-tax margins. ManFee margins after tax confirmed at ~55bps in FY24** (pre-tax ~73bps)
- **Brokerage guidance confirmed:** revenues expected strong with a floor higher vs pre-Covid period
- **Operating costs expected in FY23 at +6% vs FY22**, not including additional costs for: FAM strategic discontinuity (~2 mln), for UK operational costs (~3 mln), for the expansion in Germany and eventually additional marketing expenses
- **Cost of Risk: in a range 5/9 bps in 2023**
- **Growing CET1 ratio and Leverage ratio**

⁽¹⁾ 2022 non recurring items: 1Q22 -0.3 mln gross (-0.2 mln net) due to Voluntary Scheme

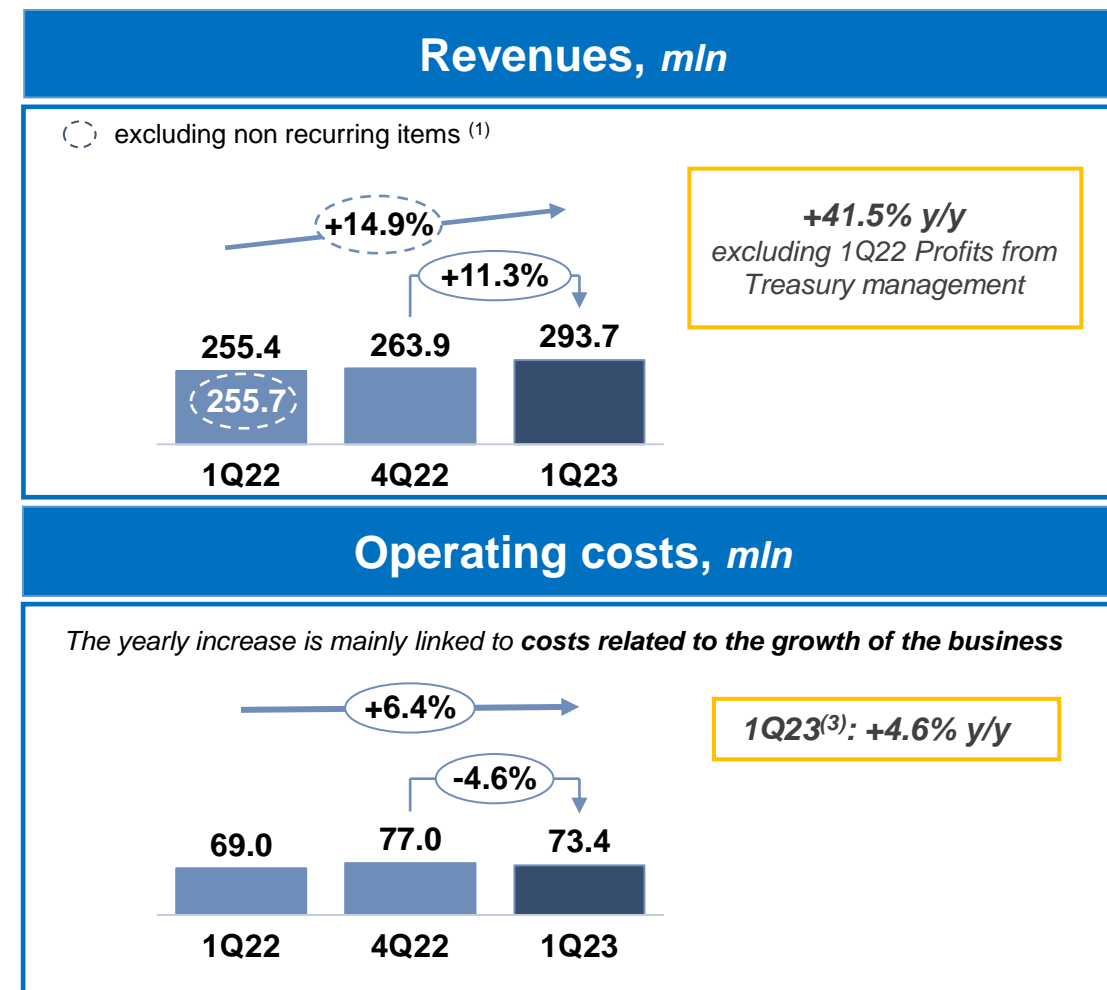
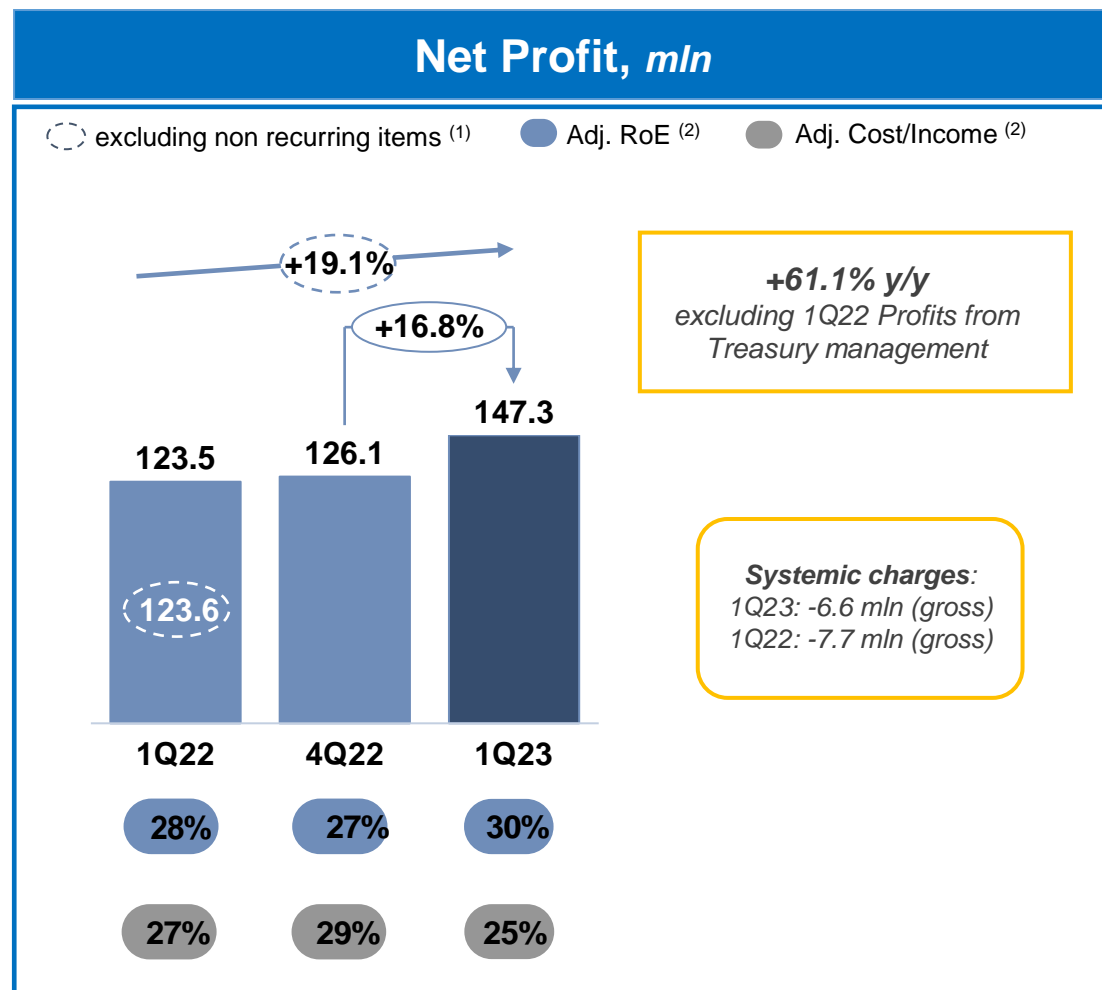
⁽²⁾ Excluding costs strictly related to the growth of the business, mainly FAM (-0.9 mln y/y) and marketing (-0.4 mln y/y)

⁽³⁾ Avg 12 months

⁽⁴⁾ Assumptions based on forward rate curve as of May 8th, 2023

Delivering strong Net Profit in every market condition

Adj. Net Profit at 147.3mIn, +19.1% y/y boosted by strong acceleration of Investing, confirming the effectiveness of our initiatives, and Net Financial Income. Strong operating leverage confirmed



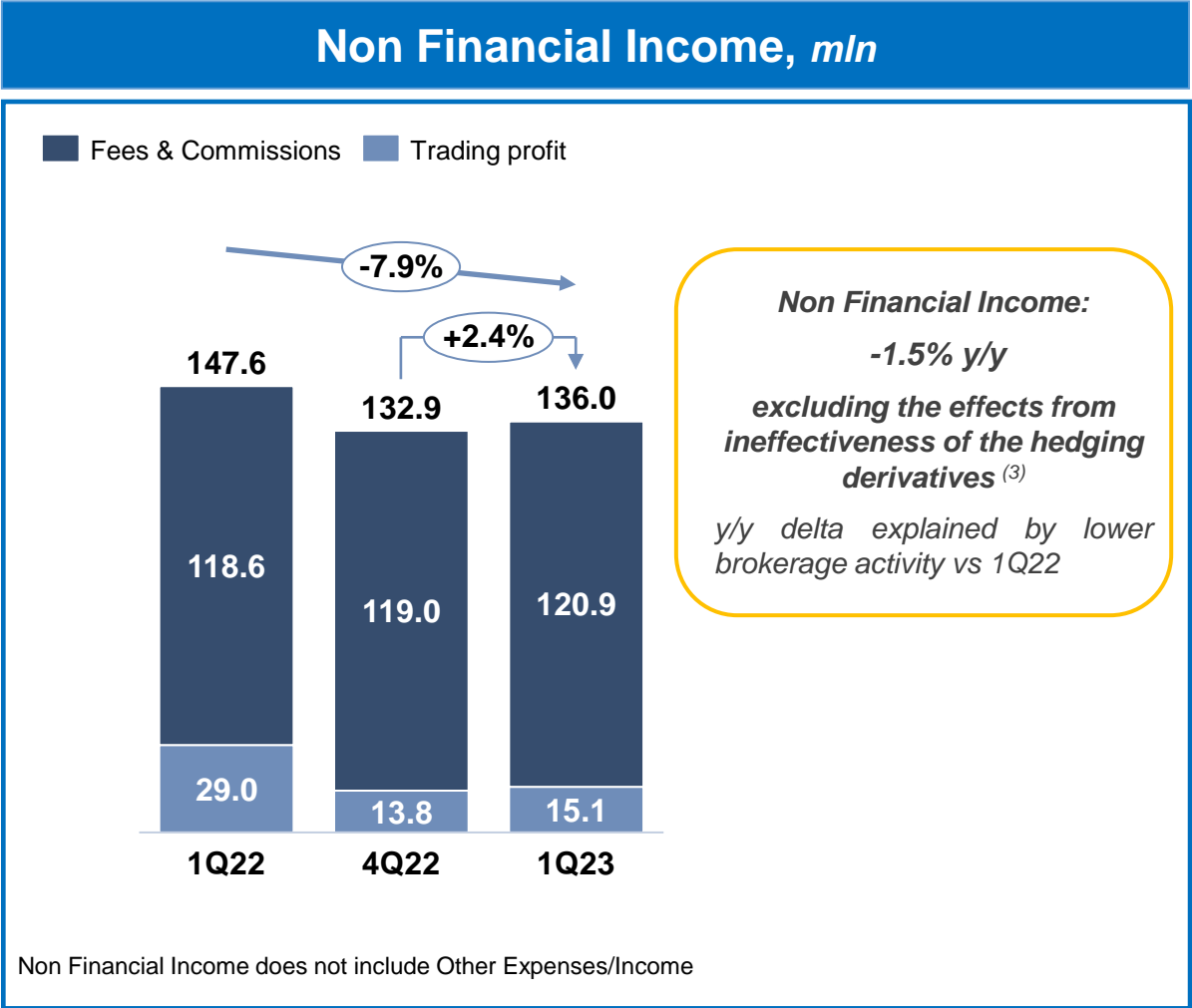
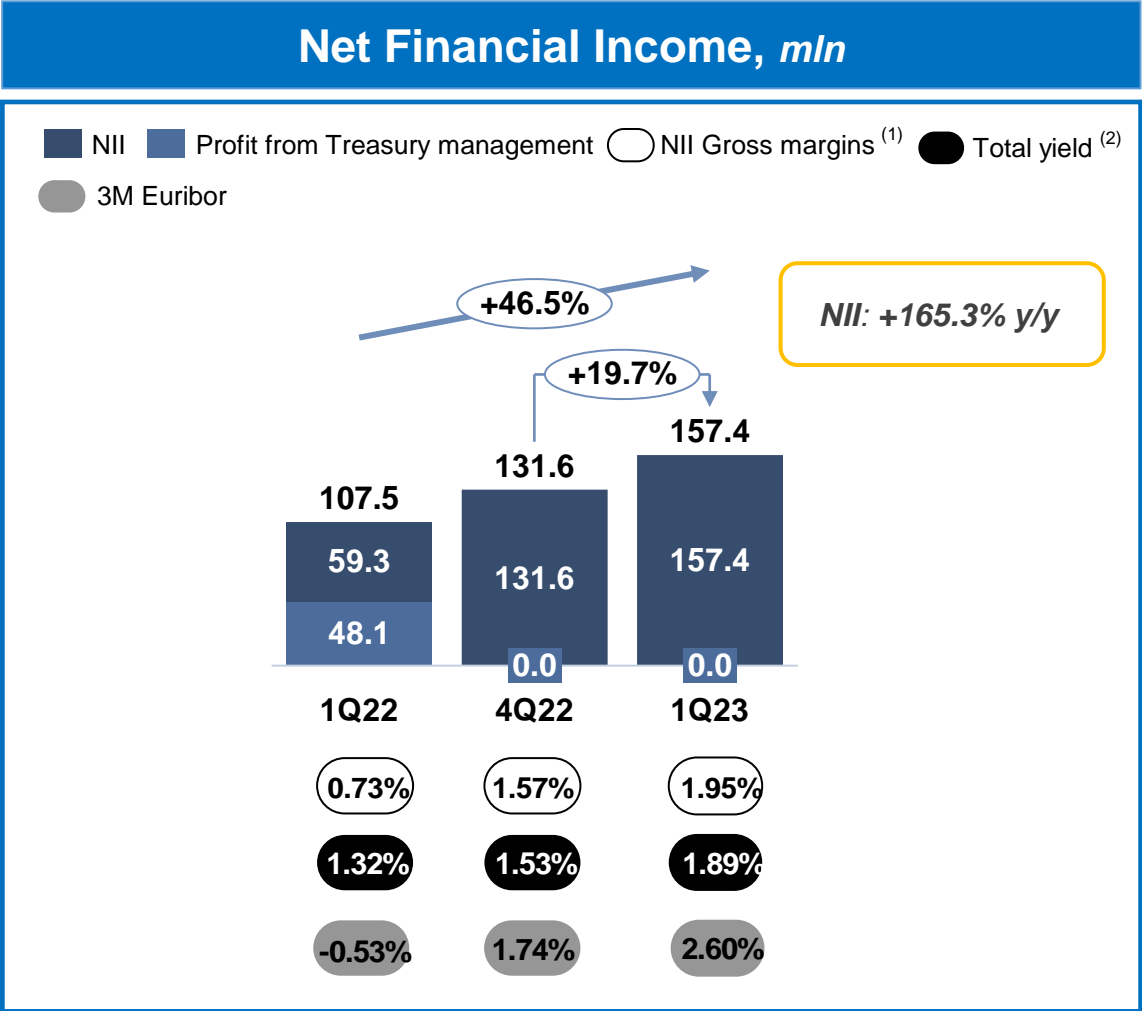
⁽¹⁾ 2022 non recurring items: 1Q22 -0.3 mIn gross (-0.2 mIn net) due to Voluntary Scheme

⁽²⁾ Adj. Cost/Income and Adj. RoE calculated net of non recurring items. ROE has been recasted and is now calculated as annualised adj.net profit divided by average book equity for the period (excl. valuation reserves). Previously it also excluded dividends for which distribution is expected.

⁽³⁾ Excluding costs strictly related to the growth of the business, mainly FAM (-0.9 mIn y/y) and marketing (-0.4 mIn y/y)

Revenues growth supported by all our initiatives

Quality and capital light NII driven by our clients' valuable transactional liquidity and not by lending as for other Banks.
Focus on increasing Non Financial Income: becoming more a Platform than a Bank.



⁽¹⁾ NII gross margins: interest income related to financial investments, lending, leverage, security lending, other trading activities on interest-earning assets

⁽²⁾ Total yield: net financial income related to interest-earning assets

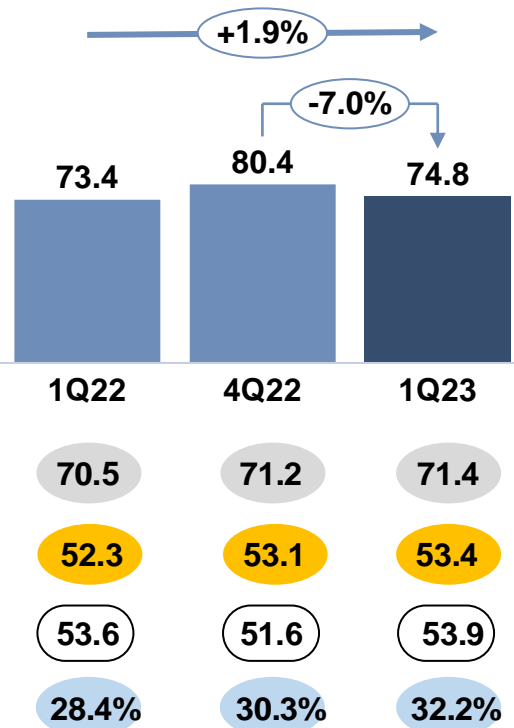
⁽³⁾ The ineffectiveness of the hedging derivatives was equal to +5.1 mln in 1Q22 and -4.3 mln in 1Q23. The value depends on the application of accounting standards IFRS9, and is influenced both by the spread between the ESTR and the Euribor and by the amount of the fair value of the derivatives

Our priority: accelerating on Investing

Improving margins thanks to the higher control on the Investing value chain through FAM. Quarterly comparison characterized by usual seasonality on PFA and FAM

Investing revenues increasing thanks to volume effect and FAM

Investing Revenues, mln



Investing fees q/q decline linked to usual seasonality in the first part of the year:

- on PFA costs (FIRR and Enasarco)
- and FAM (operating efficiencies done during the year and booked in other commissions in the 4Q)

mln	4Q21	1Q22	4Q22	1Q23
Investing	82.1	73.4	80.4	74.8
o/w				
Placement fees	1.9	1.7	1.0	0.9
Management fees	91.9	93.2	92.6	94.8
to PFA's: incentives	-7.7	-8.7	-9.2	-8.1
to PFA's: LTI	-1.0	-1.0	-0.8	-0.8
Other PFA costs	-7.0	-11.8	-7.2	-11.9
Other commissions	4.2	0.0	4.6	0.0
Other income	-0.3	-0.1	-0.6	-0.2

ManFee margins pre-tax (bps) ManFee margins after-tax (bps)

Avg AuM (on daily basis, bn) FAM retail as % of Fineco total AUM

Focus on FAM: delivering on the strategic discontinuity

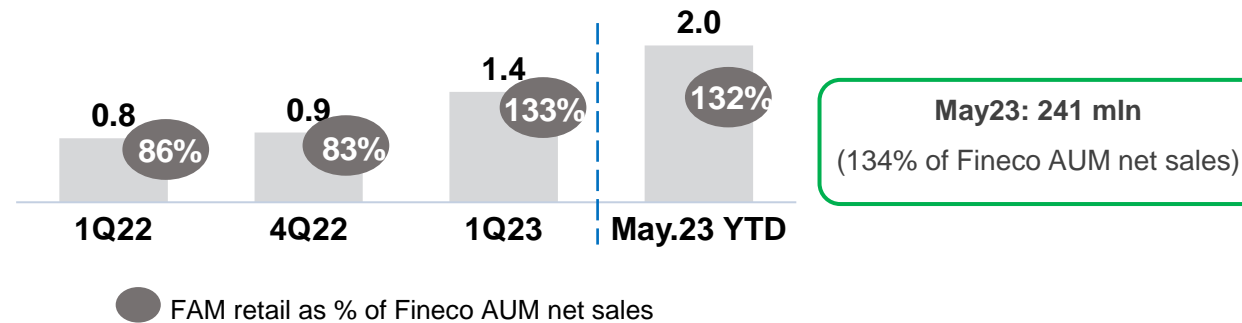
Key to sustain AUM margins thanks to its strong operating leverage and to a more efficient value chain

FAM progressively taking control of the value chain...

bn

FAM RETAIL NET SALES

- ✓ Strong commercial traction in any market environment
- ✓ Increasing contribution to Fineco's AUM net sales

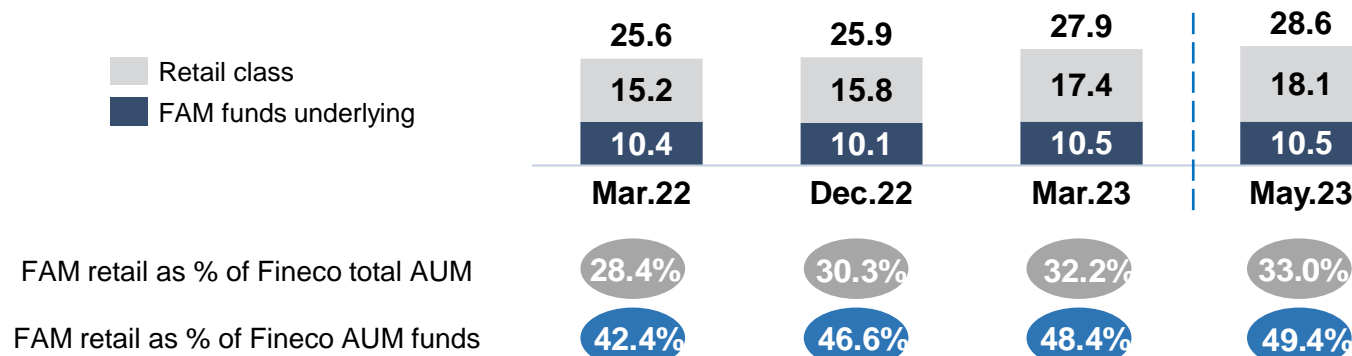


...and becoming the cornerstone of our Investing business

bn

FAM AUM STOCK

- Retail class
- FAM funds underlying



Higher penetration on Fineco's AUM driven by strong net sales dynamics

FAM priorities

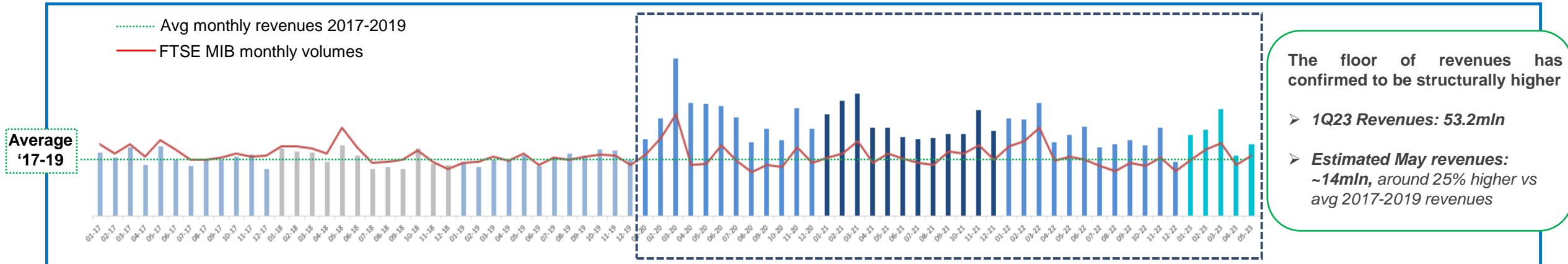
- ✓ Thanks to the **full control of the value chain**, FAM can offer at the same time both an **efficient pricing for clients** and **retain higher margins**
- ✓ Further evolution in the **Global Defence solutions** after the strong success of the previous waves **with a new product innovation**: launch of the **Global Defence Multistrategy**, a fully in-house developed solution allowing clients to build a **protected exposure towards equity**
- ✓ FAM has launched its investment solutions based on passive funds and ETF with diversified solutions and different risk profiles



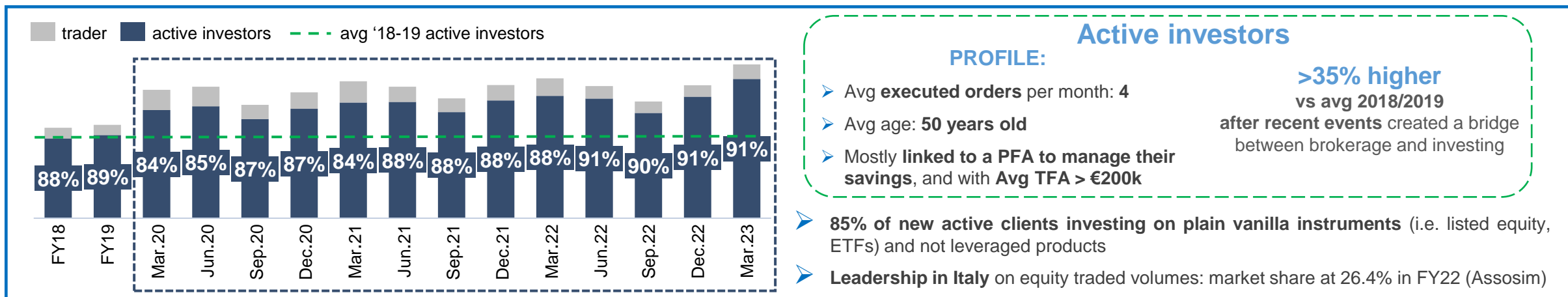
Brokerage: higher floor as the structure of the market is changing

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

Structural growth in revenues: the floor has gone up in a clear way in any market environment



Client base growth mainly driven by “Active investors”



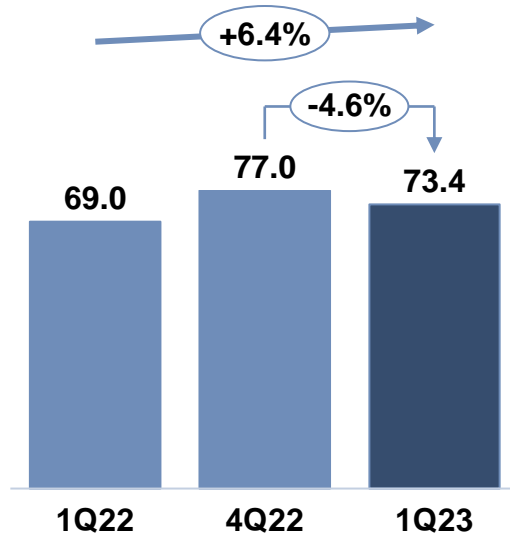
Cost efficiency and operating leverage confirmed in our DNA

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 progressively increasing the efficiency of the value chain
- **Marketing expenses**

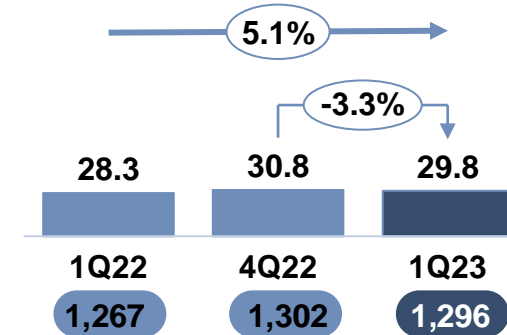
Net of this items, 1Q23⁽¹⁾: +4.6% y/y



Staff expenses and FTE, mln

FTE #

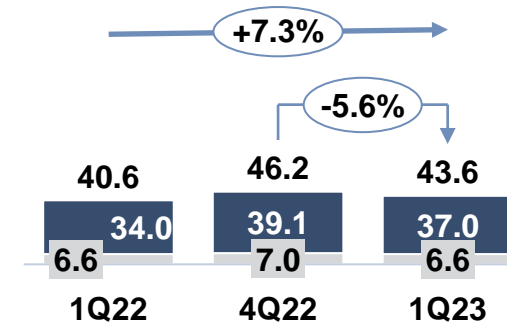
1Q23⁽¹⁾: +4.3% y/y



Non HR Costs, mln

OAE Write-downs/back & depreciation

1Q23⁽¹⁾: +4.7% y/y



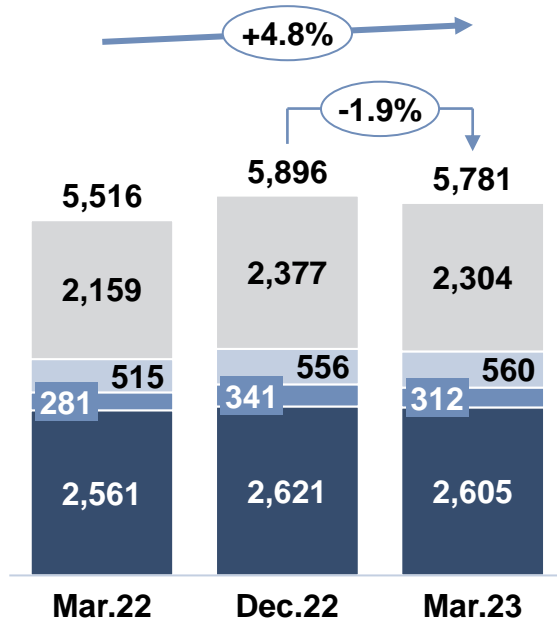
(1) Excluding costs strictly related to the growth of the business in 1Q23, mainly: FAM (-0.9 mln y/y, o/w -0.2 mln y/y related to Staff Expenses and -0.7 mln y/y related to Non HR costs) and marketing (-0.4 mln y/y)

High quality lending

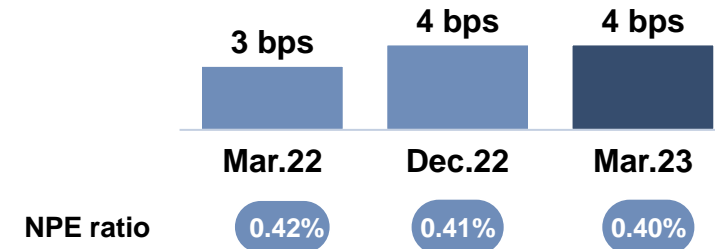
Offered exclusively to the existing base of clients, leveraging on our internal Big Data analytics

Commercial Loans Portfolio, eop mln

Current accounts/Overdraft ⁽¹⁾ Cards
Personal loans Mortgages



Cost of Risk on commercial loans ⁽²⁾



- **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 24 mln with a coverage ratio at 84%, NPE ratio at 0.40%**
- **LLP equal to 0.7 mln in 1Q23**
- Less than 300 mortgages moratories have been granted until now, o/w only less than 5 are active

⁽¹⁾ Current accounts/overdraft Include Lombard loans

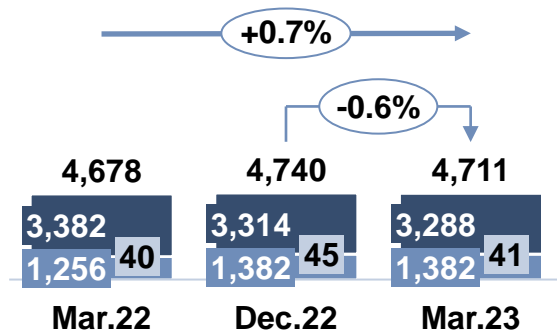
⁽²⁾ Cost of Risk: commercial LLP of the last 12 months on average last 12 months commercial Loans

Capital Ratios

Best in class capital position and low risk balance sheet

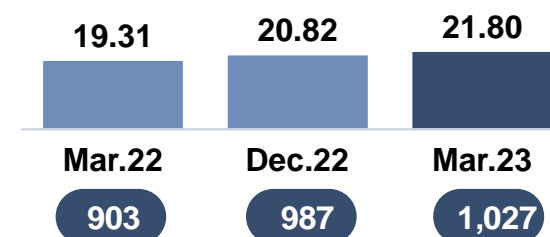
RWA, mln

■ Credit ■ Market ■ Operational

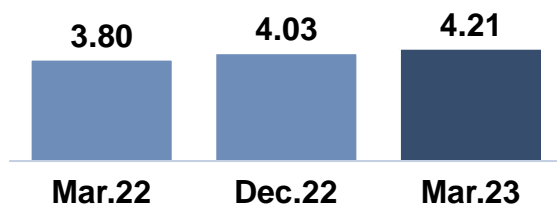


CET1 Ratio, %

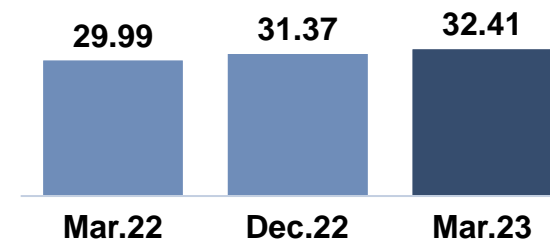
■ CET1 capital, mln



Leverage Ratio⁽¹⁾, %



Total Capital Ratio, %

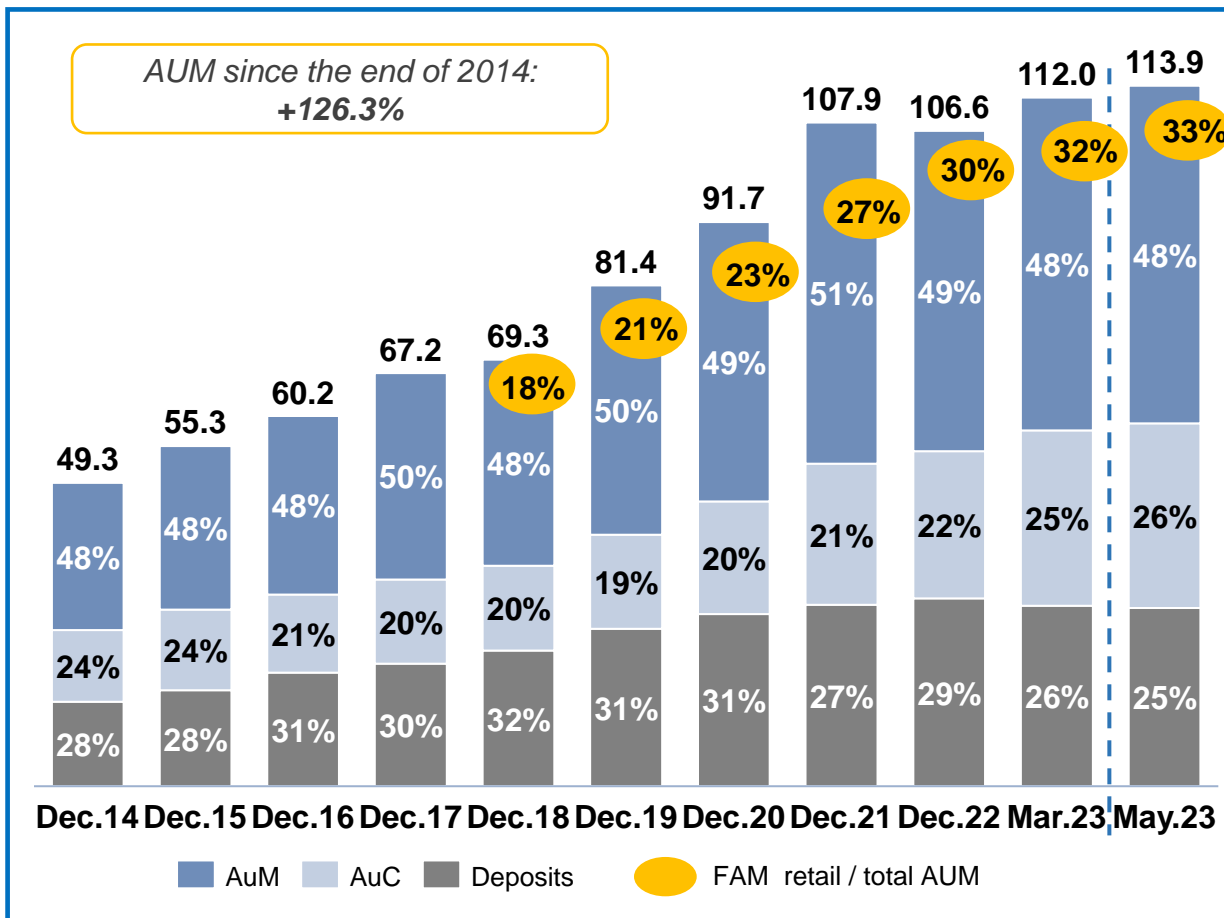


⁽¹⁾ Leverage Ratio excluding exposures towards Central Banks from the total LR exposures (according to art. 429a - CRR) was equal to 3.99% in March 2022.

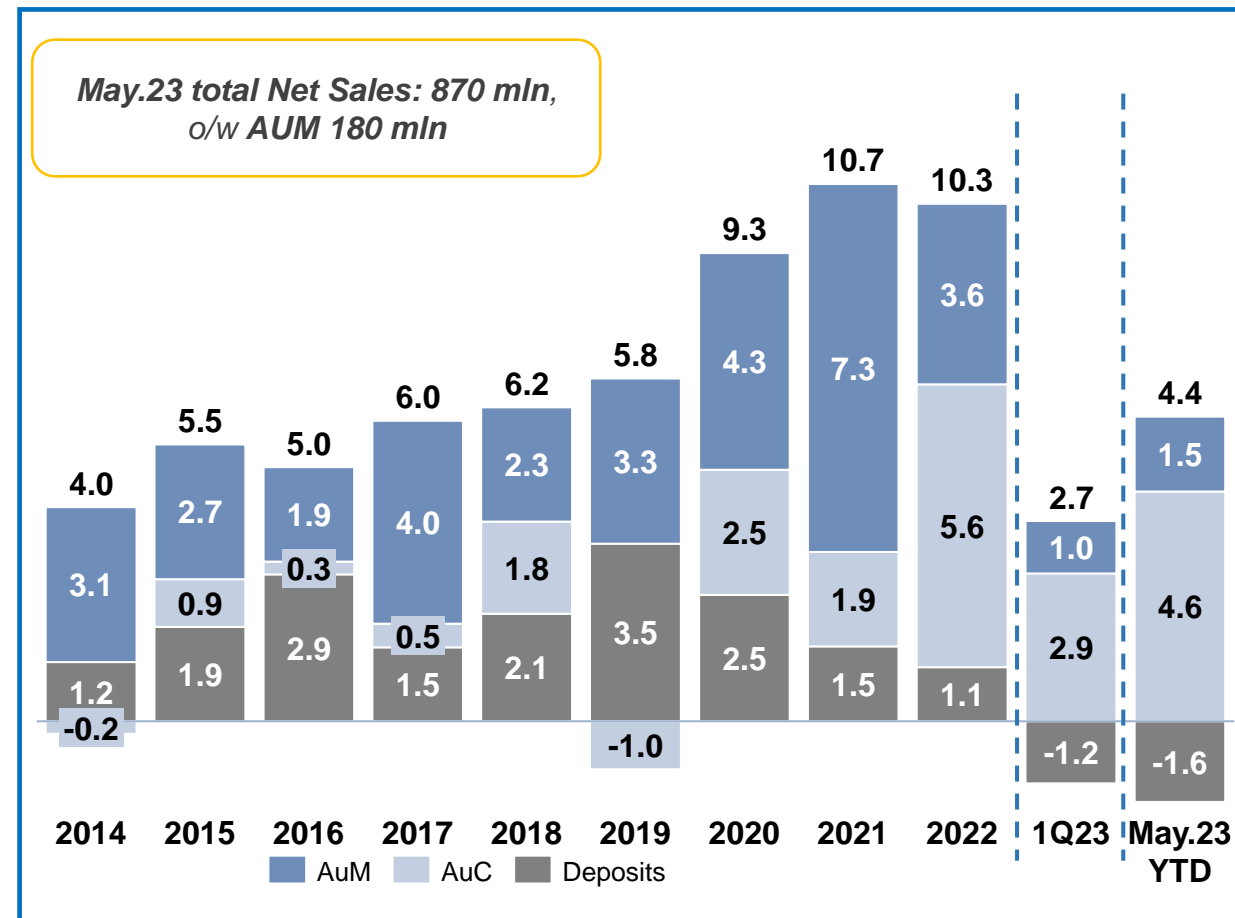
TFA and Net Sales evolution

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

Breakdown of total TFA, bn

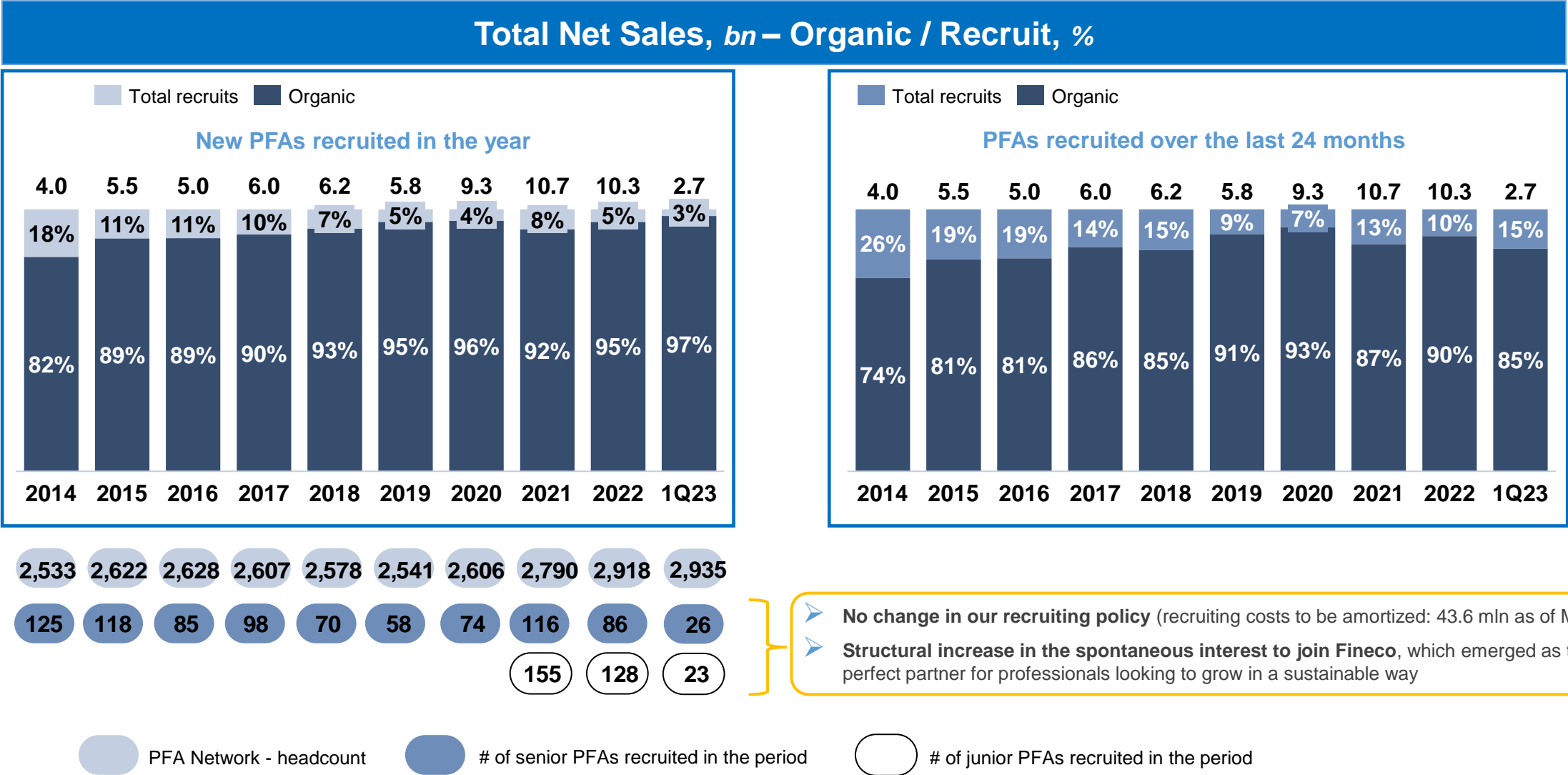


Breakdown of total Net Sales, bn



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

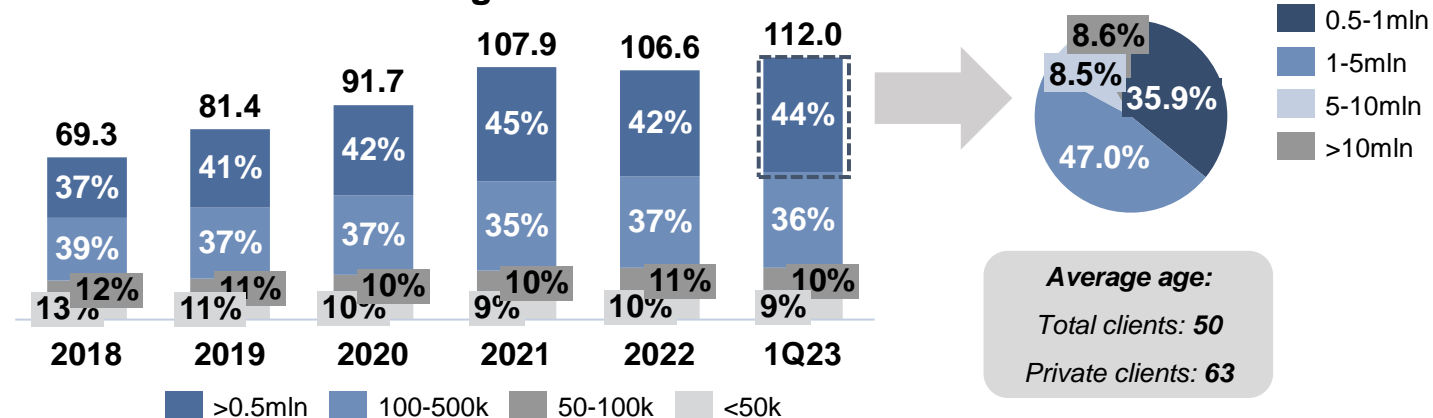


Clients' profile and focus on Private Banking

Improving the quality of our client base

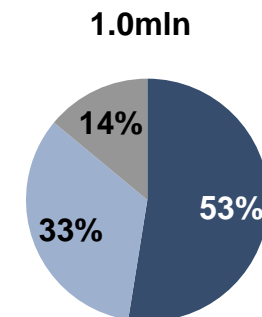
€ bn, TFA

Client segmentation



Avg TFA per Private client⁽¹⁾

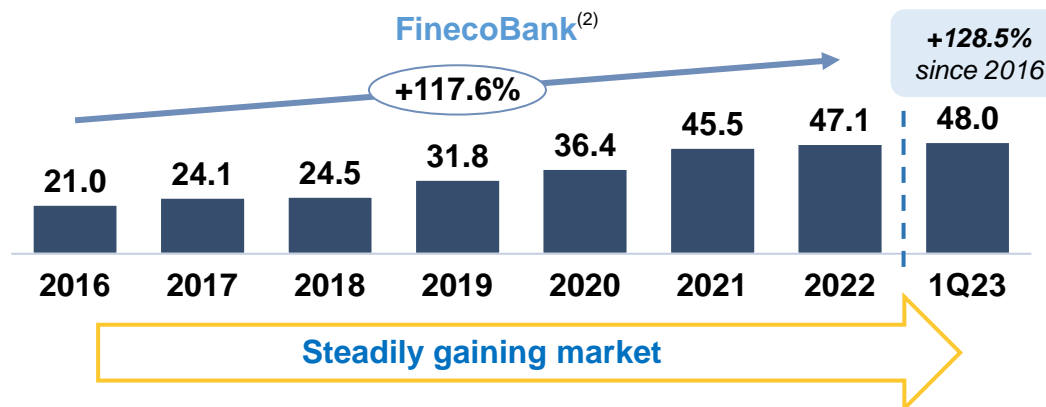
AuM AuC Deposits



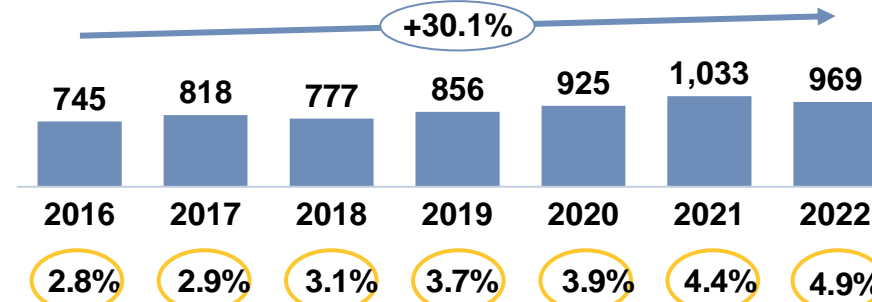
Level of deposits is getting closer to the floor vs TFA (lowest on records since the launch of PB at the end of 2015)

Outperforming the system in Private Banking growth

€ bn, TFA Excluding change of perimeter (i.e. due to market performance, M&A)



Italian Private Banking Association⁽³⁾



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

⁽²⁾ FinecoBank stated figures: € 22.2 bn in 2016, € 25.9 bn in 2017, € 25.8 bn in 2018, € 33.4 bn in 2019, € 38.6 bn in 2020, € 48.8 bn in 2021, € 43.2 bn in 9M22 and € 48.9 bn in 1Q23

⁽³⁾ AIPB (Associazione Italiana Private Banking) figures as of FY22. AIPB stated figures: € 776 bn in 2016, € 806 bn in 2017, € 778 bn in 2018, € 884 bn in 2019, € 932 bn in 2020, € 1,037 bn in 2021, € 994 bn in FY22

Deep dive on our transactional liquidity

Our business model has fully fledged banking platform used by all our clients for their daily activities

Granular and retail deposit base, very sticky thanks to the quality of our customer experience

97% Retail clients

€ 19k Avg deposit ticket

(€ 140k for private and € 15k for non private clients)

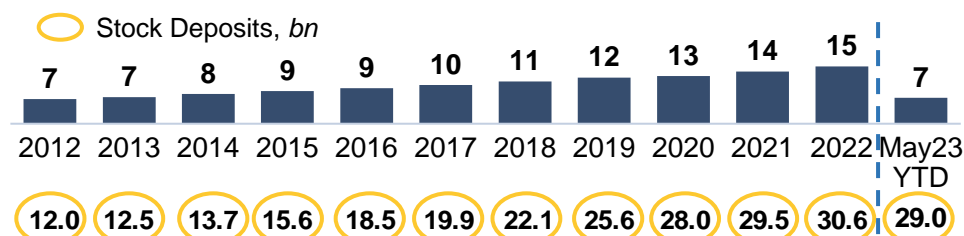
€ 4.8k Median deposit ticket

(€ 47.3k for private banking and € 4.5k for non private clients)

75% Guaranteed deposits by DGS (<€100k)

50% Salary credited in current accounts

Salary credit total inflows, € bn

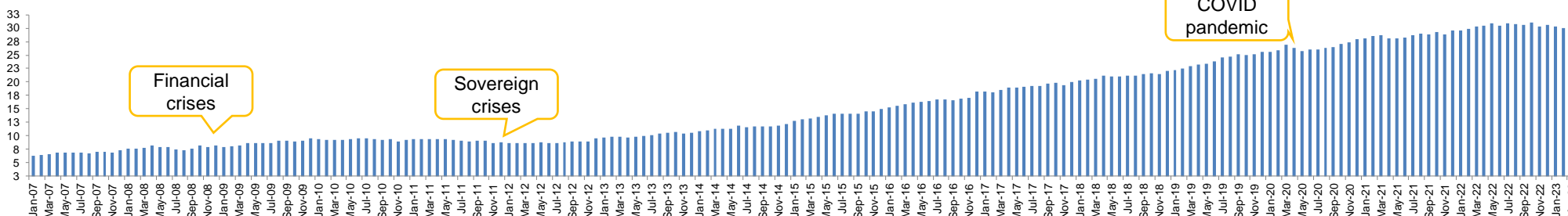


TRANSACTIONAL LIQUIDITY

89% (vs 85% in Dec.22)

Relentless growth throughout the years

Deposits growth since 2007



FINECO

Focus on net inflows and stickiness of deposits

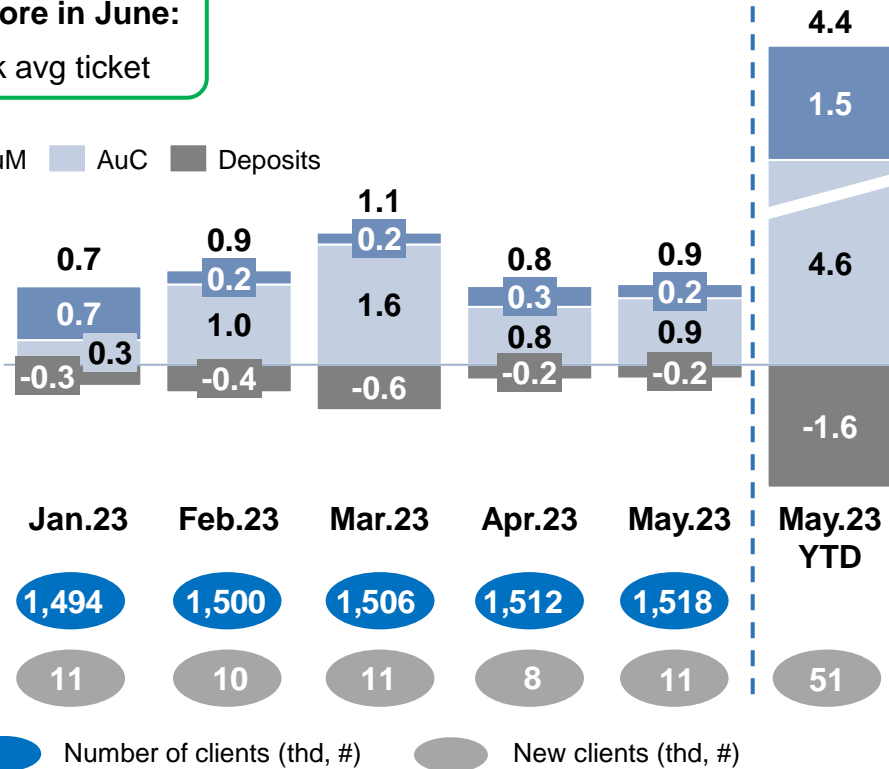
Deep diving on liquidity transformation

Breakdown of Total Net Sales, € bn

BTP Valore in June:

€22.4k avg ticket

AuM AuC Deposits

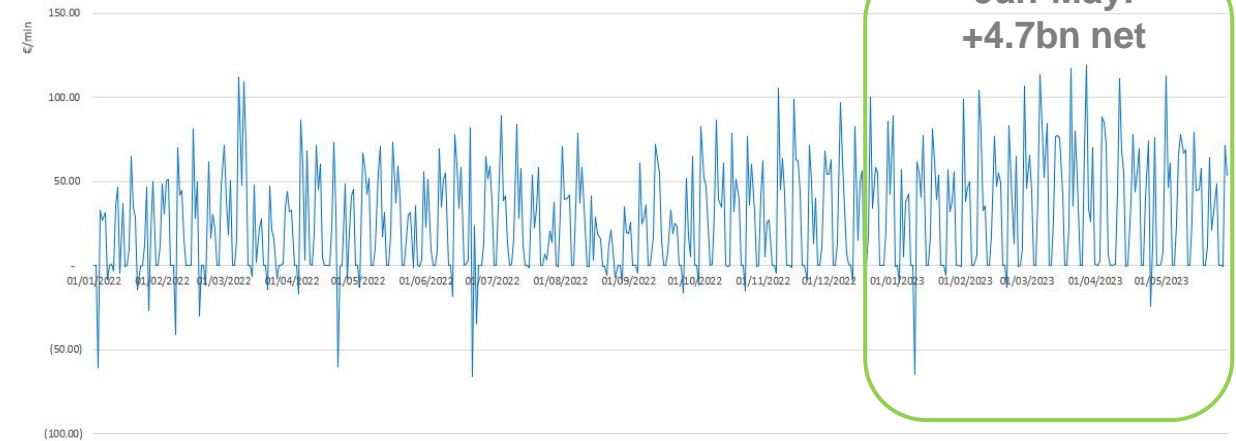


Strong improvement in clients' acquisition monthly trend:

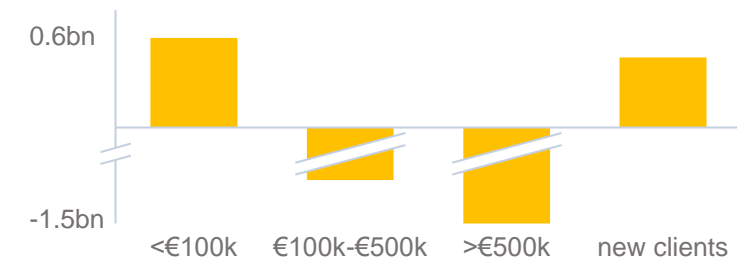
+25% in 1Q23 vs avg 2020/2022

Trend confirmed also in April (**+24%** y/y) and May (**+49%** y/y)

Balance of bank transfers firmly positive



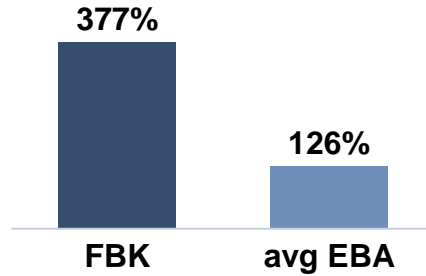
YTD Deposits net sales per cluster of clients (by TFA) ⁽¹⁾



- Positive deposits inflows for clients with TFA <€100k
- Clients with TFA >€100k are investing the liquidity in excess

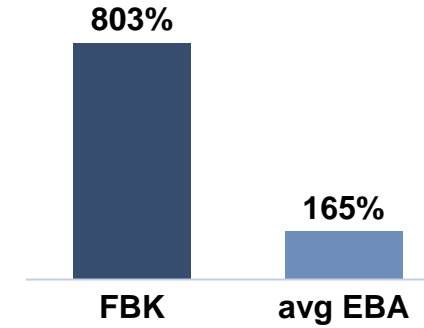
Very strong liquidity ratios

NSFR



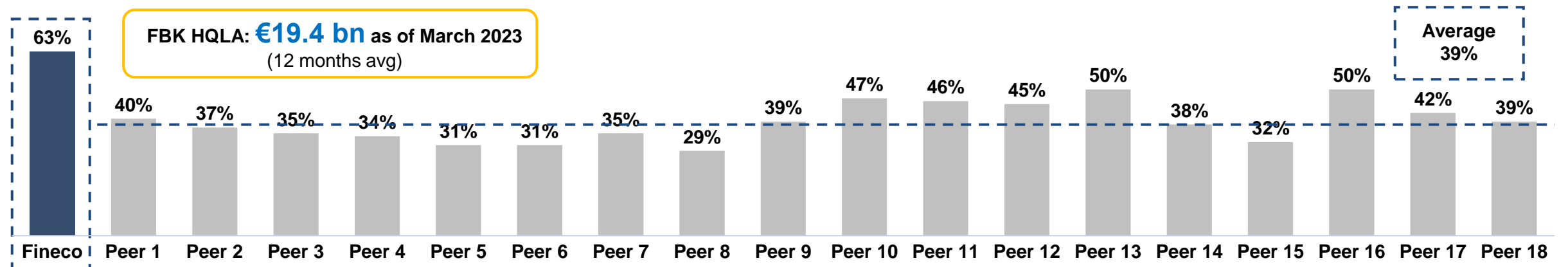
Fineco as of 31.03.2023; avg EBA as of Dec.22

LCR – 12months average



Fineco as of 31.03.2023; avg EBA as of Dec.22

HQLA/Deposits



Fineco as of 31.03.2023. HQLA/Deposits based on the Pillar III EU LIQ1 Template as of 31.12.2022: - HQLA total weighted value, 12-month average; - Deposits calculated as retail deposits and deposits from small business customers plus operational and non operational deposits, total unweighted value, 12-month average. Peers are: BBVA, B.BPM, BNP Paribas, BPER, CABK, Commerzbank, Credem, Credit Agricole, Danske, Deutsche Bank, HSBC, ISP, Lloyds, Mediobanca, Santander, SocGen, UBS, UCG,

Agenda

☐ Fineco Results

☒ **Next steps**

☐ Fineco international business

☐ Key messages

☐ Focus on product areas

2023 Guidance and outlook going forward

Our diversified business model key to successfully deal with the current volatile environment

■ **BANKING REVENUES:**

- **Net financial income (NFI: net interest income + Profit from Treasury management) expectations⁽¹⁾:**

FY23: NFI growth around 70% vs FY22, with a peak in 4Q23

Going forward we expect it to keep on benefiting from the new interest rates scenario

- **Banking fees:**

FY23: expected **stable** vs FY22

■ **INVESTING REVENUES expectations: acceleration in revenues and margins**

FY23:

- **Revenues increase high single digit y/y** (including market effect up to April 30th) with higher ManFees after-tax margins y/y with different assumptions and a better mix: FAM retail net sales improved at around 5 bn, and overall AUM net sales expected at around 4 bn (embedding outflows in insurance wrappers)
- **PFA**s: net increase in a range of **100-120 PFA**s expected

FY24:

- **AUM net sales** at around 5 bn (FAM retail net sales around 4.5bn)
- **ManFee margins after-tax** confirmed up to ~55bps in 2024 (pre-tax ~73bps)

- **BROKERAGE REVENUES:** countercyclical business, it is **expected to remain strong with a floor** - in relative terms with respect to the market context - **definitely higher than in the pre-Covid period**

■ **OPERATING COSTS expectations:**

For FY23: growth of around 6% y/y, not including additional costs for: FAM strategic discontinuity (~2 mln), for UK operational costs (~3 mln), for the expansion in Germany and eventually additional marketing expenses

- **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

- **SYSTEMIC CHARGES:** around -50 mln of DGS+SRF ⁽²⁾

- **CAPITAL RATIOS:** growing **CET1** and **Leverage Ratio** in FY23 (for details see slide 50 in Annex)

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

- **COST OF RISK:** in a range between 5-9 bps in FY23 thanks to the quality of our portfolio

- **NET SALES:** robust, high quality and with a focus on keeping the **mix mainly skewed towards AUM** thanks to the new initiatives we are undertaking

Innovation and Simplification Project

Further simplifying clients' user experience thanks to easy-to-use new tools and a more efficient marketing engine. The renewed platform will be the cornerstone of our International offer

BROKERAGE

- ✓ **New Trading Pages.** Coming soon: new order entry
 - ✓ New Trading Platform **FinecoX live**
- ✓ **US Certificates** thanks to the wider trading hours
- ✓ **Constant Leverage Certificates** (also on the APP)
 - COMING SOON**
 - ✓ **Brokerage-only Account**

- **SPEED UP ACTIVATION RATES**
- **IMPROVING SEGMENTATION AND CROSS-SELLING**

INVESTING

- ✓ **Updated Investing page**
- ✓ **Improved PFA web collaboration**
- COMING SOON** **New Advisory Platform**
to further simplify PFAs daily activity and improve clients' customer experience

- **UPSELLING INVESTMENT PRODUCTS**
- **BETTER CLIENT & PFA EXPERIENCE**
- **IMPROVED PFA PRODUCTIVITY**

BANKING

- ✓ **New faster onboarding**
- ✓ **Redesigned private homepage**
- ✓ **Third Party Deposit current account** platform enriched with a new partner
 - COMING SOON**
 - New banking account for under-18 years old**

- **MOBILE CHANNEL GAINING TRACTION IN TERMS OF ONBOARDING**

Improved MARKETING efficiency thanks to Big Data Analytics

- ✓ **Launch of new marketing campaign**
- ✓ **Improving customer segmentation**
- ✓ **Increasing advertising effectiveness**

- **DECLINING ACQUISITION COST**
- **STRONG UPTICK IN THE CONVERSION RATE**

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- ☒ **Fineco international business**
- ☐ Key messages
- ☐ Focus on product areas

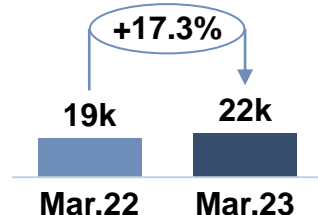
Fineco international business

Focusing our offer on a simplified digital model through a brand new, highly scalable and multilanguage platform for investments

UK: business growing with marketing expenses on hold

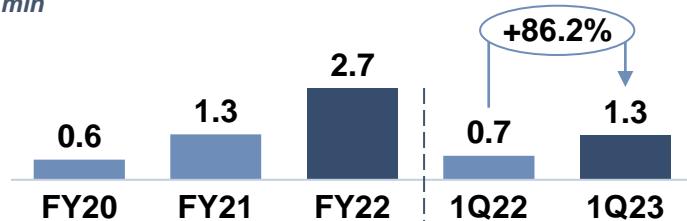
An increasing and better quality client base...

current accounts



...translating in improving revenues

€, mln



Next steps

- We are assessing to enter in Germany in 2023 leveraging on our new, highly scalable platform for investments with a dedicated on-boarding process
- Expected offer on investments (Step 1: brokerage and multicurrency; Step 2: investing with no Network of PFAs attached)
- Brokerage offer adapted to German customers' behaviors, leveraging on our CFD, Certificates and ETF offer
- Brand positioning: **"Premium service without premium price"** to acquire sticky and high-value clients through a wide range of fairly priced quality services

Going forward: rest of EU

- Start-up process of new countries even more straightforward thanks to the scalability of our brand new and internally-developed multilanguage platform
- This will make it easier to fine-tune our offer to each country as it will only imply a business/marketing effort to identify the right set of products and services
- In the next few years Fineco plans to be in different countries across Europe depending on opportunities

Agenda

- ☐ Fineco Results
- ☐ Next steps
- ☐ Fineco international business
- ☒ **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

Fineco corporate purpose: *support clients in the responsible management of their savings in order to create the conditions for a more prosperous and fairer society*



TRANSPARENCY

Fairness and respect for all our stakeholders

- ✓ FAM as a champion of ESG: **PERFORMANCE FEES FREE** trademark
- ✓ **FAIR PRICING**
- ✓ **LOW UPFRONT FEES** (only ~1% 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**

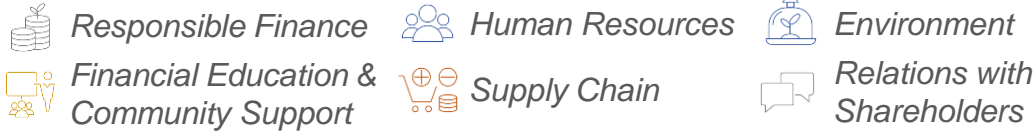
Long term sustainability at the heart of Fineco business model (2/3)

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

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:



✓ **Net-Zero emissions** to be achieved by 2050



✓ 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 ⁽¹⁾
People engagement	Average 2021-2023	People Survey
ESG rating for all new funds ⁽²⁾	EOY 2023	% of new funds with ESG evaluation

⁽¹⁾ Which captures the strength of the relationship with the customer defined as performance but also as the degree of preference towards the brand

⁽²⁾ Excluding UK, which represents a new market for Fineco

⁽³⁾ As of 31st December 2022

⁽⁴⁾ Regulation EU 2019/2088 - Sustainable Finance Disclosure Regulation

Initiatives & KPIs

✓ Broad offer of products with ESG features⁽³⁾ both on:

- **Investing** (i.e., **87%** of funds have **ESG rating** by Morningstar; **57%** of funds distributed and **44%** of FAM funds are classified under **Art. 8 of SFDR⁽⁴⁾**; **4%** of funds distributed and **1%** of FAM funds are classified under **Art. 9 of SFDR**)
- and **Banking & Credit** (“**Green mortgages**”, **zero-fee account** until age 30).

✓ **FinecoBank** is signatory of **UN Principles for Responsible Banking** and participant of **UN Global Compact**

✓ **Fineco AM** is signatory of **UN Principles for Responsible Investing** and participant of **UN Global Compact**

✓ Contribution for the **PFA Network** to be borne by the Bank for obtaining **EFPA ESG certification**



✓ **Environmental Management System certified** in line with the EU Eco-Management and Audit Scheme (**EMAS**)

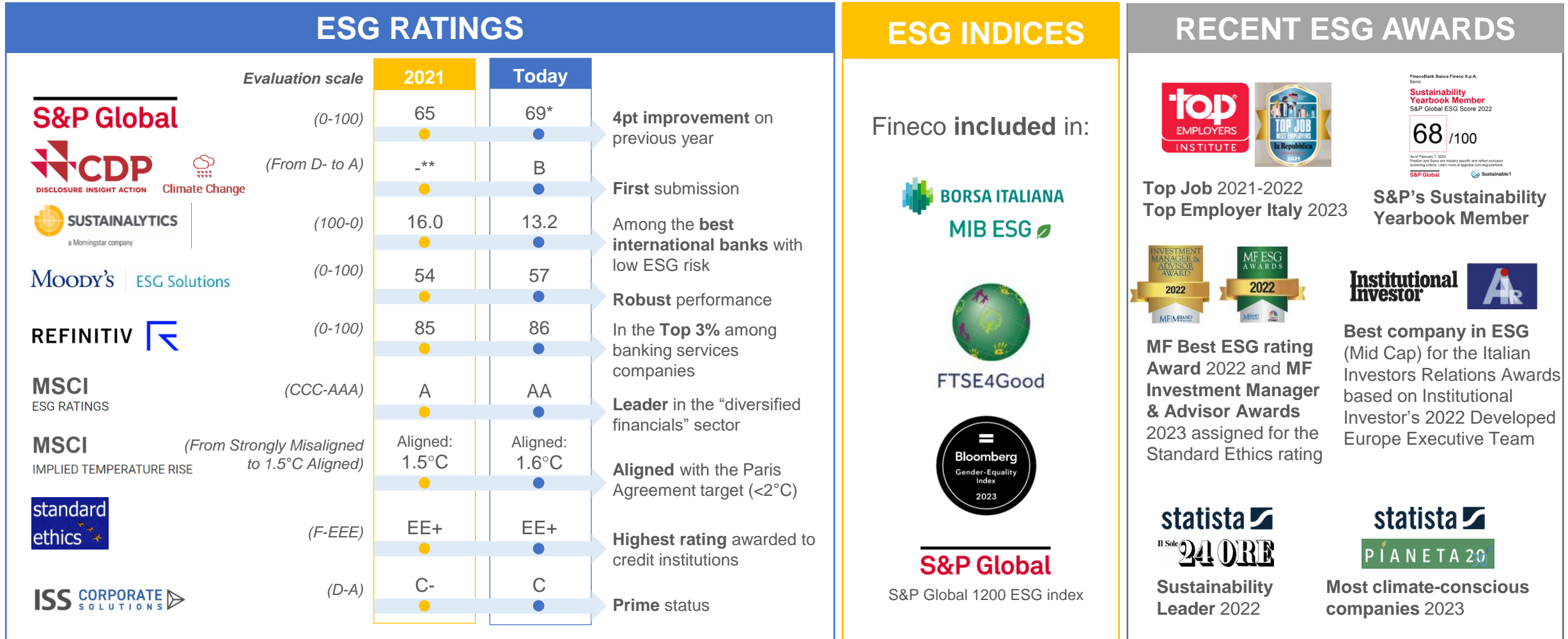


Signatory of:



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

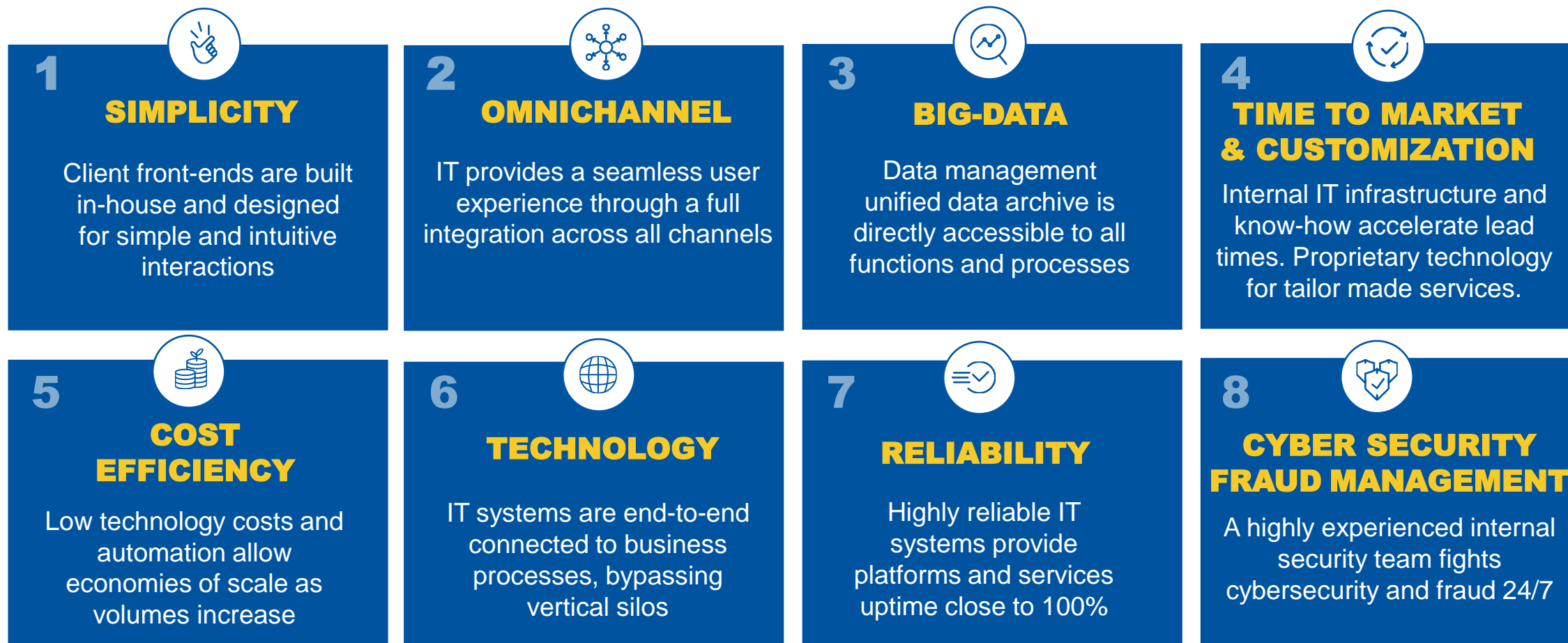


(*) In February 2023, the score was updated to 69/100 as a result of in-depth investigations due to some requests for clarification sent by Fineco on the scores awarded.

(**) In 2021, FinecoBank responded to the 'minimum' version of the CDP Climate Change questionnaire, dedicated to companies in their first year of submission. The questionnaire response was made public on the dedicated CDP portal, but did not provide a CDP scoring.

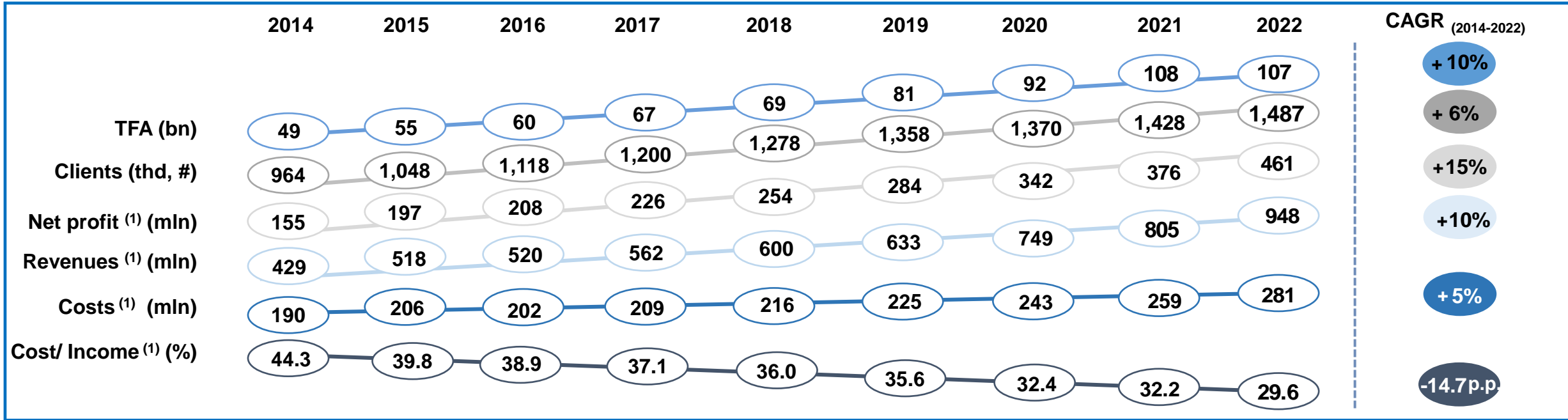
Fineco as a profitable FinTech Bank: ICT a key business driver

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



Healthy and sustainable growth with a long term horizon

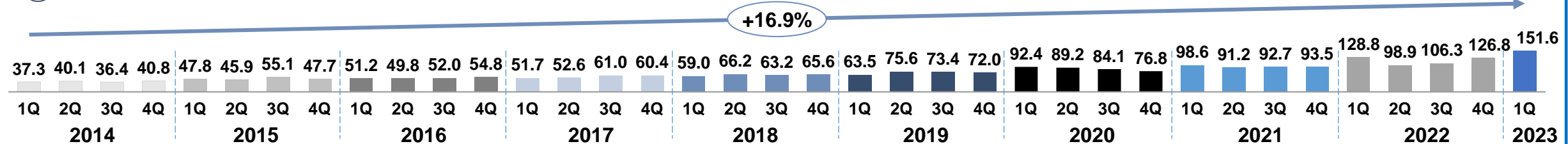
Highly scalable operating platform...



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

Net Profit adjusted (net of systemic charges) ⁽¹⁾, mln

○ CAGR

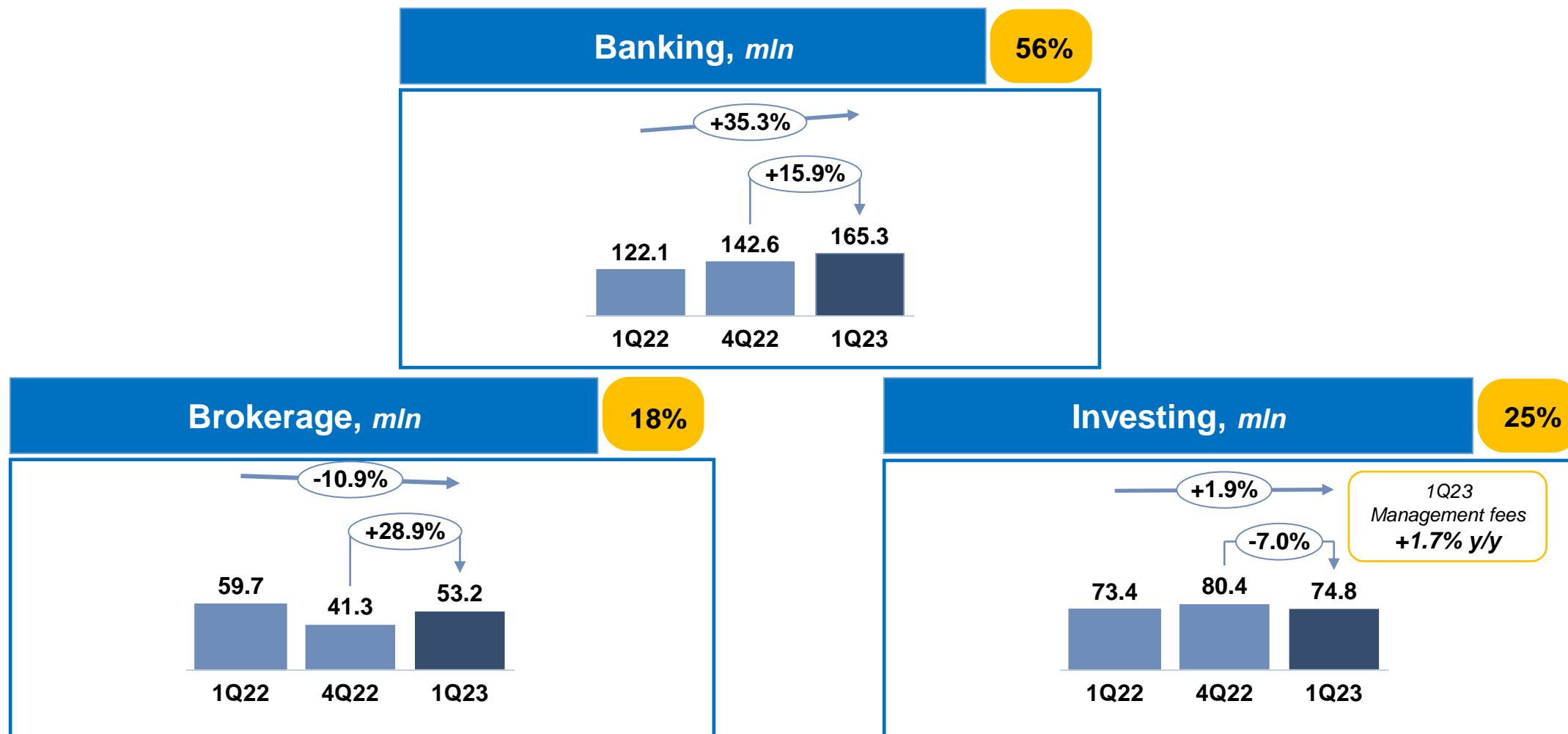


Agenda

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

Revenues by Product Area

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



● 1Q23 weight on total revenues for each product area

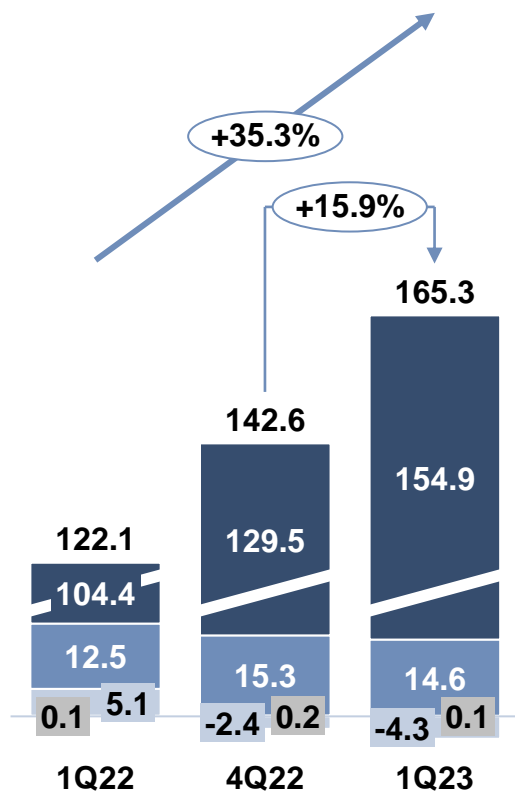
Managerial Data. Revenues attributable to single each product area, generated by products / services offered to customers according to the link between products and product area. Banking includes revenues generated by deposits, treasury and credit products. Investing includes revenues generated by asset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

Banking

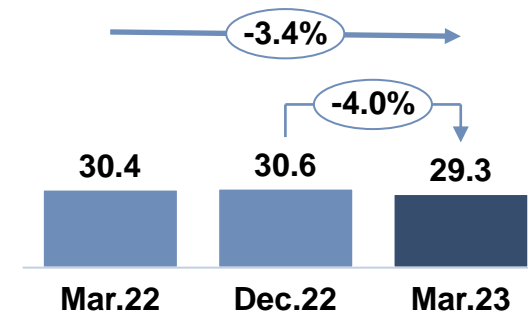
Sound performance and relentless clients' acquisition, thanks to high quality services and best-in-class customer satisfaction

Revenues, mln

Net Financial Income Fees and commissions Trading income Other

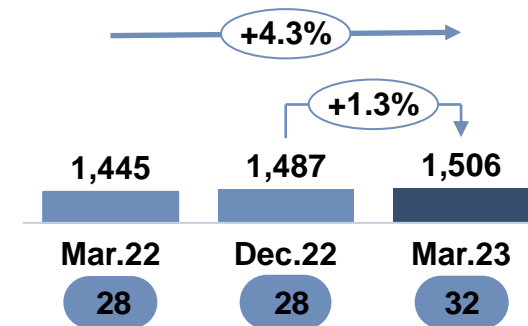


Deposits, eop bn



Clients and new clients

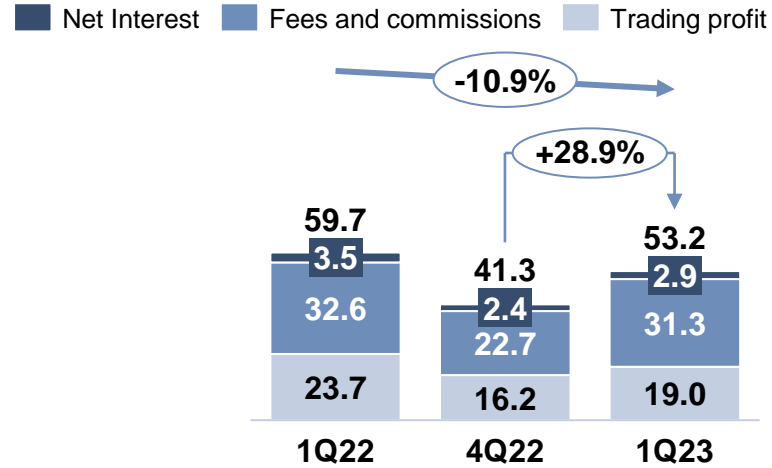
thd, # # of new clients in the quarter



Brokerage

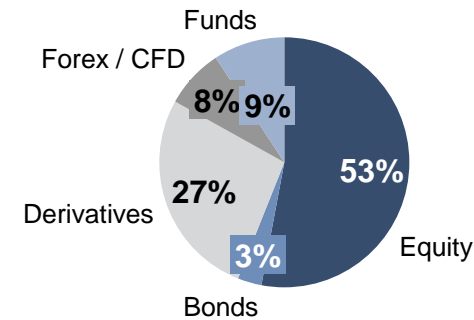
Structurally higher revenues floor compared to pre-pandemic levels

Revenues, *mln*

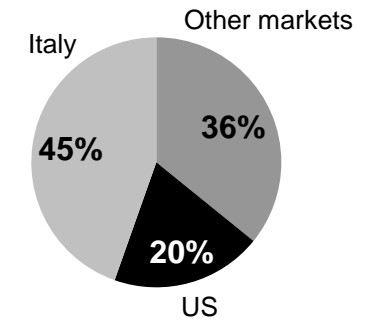


Well-diversified brokerage offer

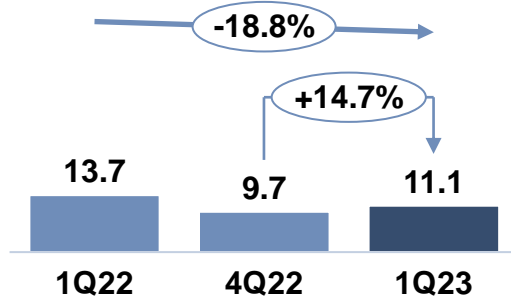
among products...



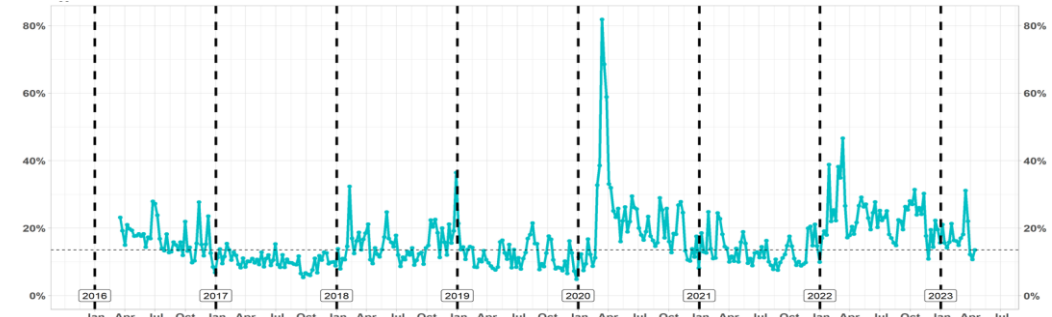
...and geographies



Executed orders, *mln*



Volatility ⁽¹⁾



Investing

Increasing revenues y/y thanks to volume effect and to the higher contribution by FAM, which is taking more control of the Investing value chain, supporting our margins. Very limited upfront fees, representing only ~1% of Investing fees

Revenues, mln

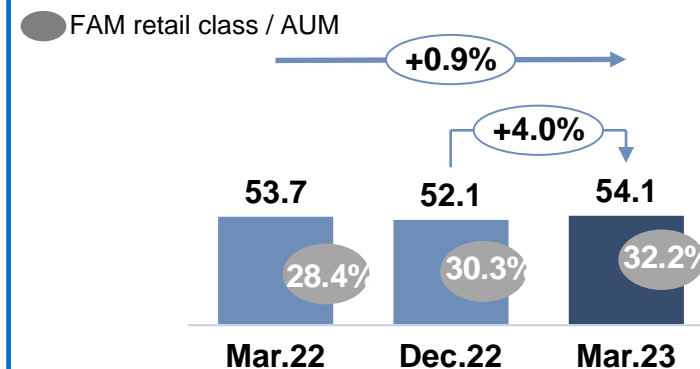
Management fees:
1Q23: +1.7% y/y, +2.4% q/q

Investing fees q/q decline linked to usual seasonality in the first part of the year:

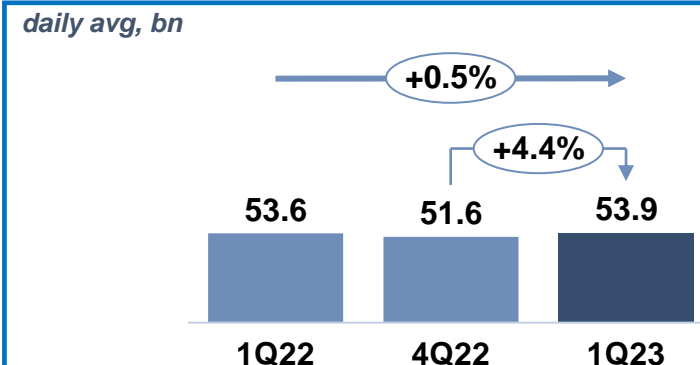
- on PFA costs (FIRR and Enasarco)
- and **FAM** (operating efficiencies done during the year and booked in other commissions in the 4Q)

mln	4Q21	1Q22	4Q22	1Q23
Investing	82.1	73.4	80.4	74.8
o/w				
Placement fees	1.9	1.7	1.0	0.9
Management fees	91.9	93.2	92.6	94.8
to PFA's: incentives	-7.7	-8.7	-9.2	-8.1
to PFA's: LTI	-1.0	-1.0	-0.8	-0.8
Other PFA costs	-7.0	-11.8	-7.2	-11.9
Other commissions	4.2	0.0	4.6	0.0
Other income	-0.3	-0.1	-0.6	-0.2

Asset under Management, eop bn



Average Asset under Management



Annex

P&L pro-forma

P&L pro-forma ⁽¹⁾						
<i>mln</i>	1Q22	2Q22	3Q22	4Q22	FY22	1Q23
Net financial income	107.5	68.9	84.2	131.6	392.2	157.4
<i>o/w Net Interest Income</i>	59.3	67.6	84.3	131.6	342.8	157.4
<i>o/w Profit from treasury management</i>	48.1	1.3	0.0	0.0	49.4	0.0
Dividends	0.0	-0.1	0.0	-0.1	-0.3	0.0
Net commissions	118.6	113.9	114.1	119.0	465.6	120.9
Trading profit	29.0	25.9	21.2	13.8	89.9	15.1
Other expenses/income	0.4	0.1	0.1	-0.4	0.2	0.2
Total revenues	255.4	208.6	219.7	263.9	947.6	293.7
Staff expenses	-28.3	-29.2	-29.0	-30.8	-117.3	-29.8
Other admin.exp. net of recoveries	-34.0	-31.3	-32.2	-39.1	-136.7	-37.0
D&A	-6.6	-6.6	-6.6	-7.0	-26.9	-6.6
Operating expenses	-69.0	-67.1	-67.8	-77.0	-280.8	-73.4
Gross operating profit	186.4	141.6	151.8	187.0	666.8	220.3
Provisions	-10.2	-2.3	-41.6	-3.6	-57.8	-9.3
<i>o/w Systemic charges</i>	-7.7	0.0	-39.0	-1.0	-47.7	-6.6
LLP	-0.8	-0.4	-0.3	-1.6	-3.1	-0.7
Profit from investments	-0.6	-0.2	-0.3	-0.5	-1.6	-0.7
Profit before taxes	174.8	138.7	109.6	181.2	604.4	209.6
Income taxes	-51.4	-39.8	-29.6	-55.1	-175.9	-62.4
Net profit for the period	123.5	98.9	80.0	126.1	428.5	147.3
Net profit adjusted ⁽²⁾	123.6	98.9	80.2	126.1	428.8	147.3
Non recurring items (mln, gross)	1Q22	2Q22	3Q22	4Q22	FY22	1Q23
<i>Extraord systemic charges (Trading Profit) ⁽³⁾</i>	-0.3	0.0	-0.2	0.0	-0.5	0.0
Total	-0.3	0.0	-0.2	0.0	-0.5	0.0

⁽¹⁾ P&L pro-forma includes «Profits from treasury management» within «Net financial income» and excludes it from «Trading Profit»

⁽²⁾ Net of non recurring items

⁽³⁾ Voluntary Scheme valuation

Note: FY22 systemic charges includes €125 thousand related to the contribution to the operating expenses of the Voluntary Scheme

P&L net of non recurring items

P&L pro-forma ⁽¹⁾ net of non recurring items						
<i>mln</i>	1Q22 Adj. ⁽¹⁾	2Q22 Adj. ⁽¹⁾	3Q22 Adj. ⁽¹⁾	4Q22 Adj. ⁽¹⁾	FY22 Adj. ⁽¹⁾	1Q23 Adj. ⁽¹⁾
Net financial income	107.5	68.9	84.2	131.6	392.2	157.4
<i>o/w Net interest income</i>	59.3	67.6	84.3	131.6	342.8	157.4
<i>o/w Profit from treasury</i>	48.1	1.3	0.0	0.0	49.4	0.0
Dividends	0.0	-0.1	0.0	-0.1	-0.3	0.0
Net commissions	118.6	113.9	114.1	119.0	465.6	120.9
Trading profit	29.2	25.9	21.4	13.8	90.4	15.1
Other expenses/income	0.4	0.1	0.1	-0.4	0.2	0.2
Total revenues	255.7	208.6	219.8	263.9	948.1	293.7
Staff expenses	-28.3	-29.2	-29.0	-30.8	-117.3	-29.8
Other admin.expenses	-34.0	-31.3	-32.2	-39.1	-136.7	-37.0
D&A	-6.6	-6.6	-6.6	-7.0	-26.9	-6.6
Operating expenses	-69.0	-67.1	-67.8	-77.0	-280.8	-73.4
Gross operating profit	186.7	141.6	152.0	187.0	667.2	220.3
Provisions	-10.2	-2.3	-41.6	-3.6	-57.8	-9.3
<i>o/w Systemic charges</i>	-7.7	0.0	-39.0	-1.0	-47.7	-6.6
LLP	-0.8	-0.4	-0.3	-1.6	-3.1	-0.7
Profit from investments	-0.6	-0.2	-0.3	-0.5	-1.6	-0.7
Profit before taxes	175.1	138.7	109.8	181.2	604.8	209.6
Income taxes	-51.5	-39.8	-29.6	-55.1	-176.0	-62.4
Net profit adjusted ⁽¹⁾	123.6	98.9	80.2	126.1	428.8	147.3

1Q23 P&L FinecoBank and Fineco Asset Management

<i>mln</i>	Fineco Asset Management	FinecoBank Individual	FinecoBank Consolidated
Net financial income	0.0	157.4	157.4
Dividends	0.0	0.0	0.0
Net commissions	35.9	84.9	120.9
Trading profit	0.0	15.1	15.1
Other expenses/income	-0.2	0.5	0.2
Total revenues	35.8	257.9	293.7
Staff expenses	-2.7	-27.1	-29.8
Other admin.exp. net of recoveries	-2.6	-34.4	-37.0
D&A	-0.2	-6.4	-6.6
Operating expenses	-5.5	-67.9	-73.4
Gross operating profit	30.3	190.0	220.3
Provisions	0.0	-9.3	-9.3
LLP	0.0	-0.6	-0.7
Profit on Investments	0.0	-0.7	-0.7
Profit before taxes	30.3	179.3	209.6
Income taxes	-3.8	-58.6	-62.4
Net profit for the period	26.5	120.8	147.3

Details on Net Interest Income

<i>mln</i>	1Q22	Volumes & Margins	2Q22	Volumes & Margins	3Q22	Volumes & Margins	4Q22	Volumes & Margins	FY22	Volumes & Margins	1Q23	Volumes & Margins
Financial Investments	36.1	24,330	42.1	24,766	57.0	24,684	89.4	24,330	224.7	24,527	105.6	23,608
<i>Net Margin</i>		0.60%		0.68%		0.92%		1.46%		0.92%		1.81%
<i>Gross margin</i>	36.2	0.60%	42.5	0.69%	58.8	0.94%	92.0	1.50%	229.5	0.94%	109.3	1.88%
Treasury activities ⁽¹⁾	4.4	2,786	5.1	3,551	3.5	3,448	5.2	3,141	18.1	3,231	3.0	3,231
<i>Net Margin</i>		0.63%		0.57%		0.40%		0.66%		0.56%		0.38%
Leverage - Long	3.4	172	3.0	149	2.8	133	2.7	117	11.8	143	3.4	134
<i>Net Margin</i>		7.98%		7.94%		8.25%		9.08%		8.25%		10.43%
Tax Credit	2.2	541	3.1	696	4.1	846	4.5	983	13.7	766	5.7	1,200
<i>Net Margin</i>		1.62%		1.76%		1.90%		1.80%		1.79%		1.93%
Lending	13.6	5,189	14.7	5,343	17.2	5,499	30.4	5,568	76.0	5,400	40.5	5,549
<i>Net Margin</i>		1.07%		1.11%		1.24%		2.17%		1.41%		2.96%
<i>o/w Current accounts</i>	4.4	2,132	4.8	2,196	5.4	2,301	13.1	2,359	27.7	2,247	18.1	2,345
<i>Net Margin</i>		0.83%		0.87%		0.94%		2.21%		1.23%		3.12%
<i>o/w Cards</i>	1.0	35	1.0	34	1.0	35	1.0	35	4.0	34	1.0	34
<i>Net Margin</i>		11.44%		11.50%		11.52%		11.53%		11.50%		11.53%
<i>o/w Personal loans</i>	4.5	506	4.7	523	4.8	539	5.1	550	19.1	530	5.3	558
<i>Net Margin</i>		3.64%		3.58%		3.57%		3.67%		3.62%		3.88%
<i>o/w Mortgages</i>	3.7	2,517	4.3	2,590	6.0	2,625	11.2	2,624	25.2	2,589	16.1	2,612
<i>Net Margin</i>		0.60%		0.67%		0.90%		1.69%		0.97%		2.51%
Other	-0.3		-0.3		-0.3		-0.6		-1.6		-0.9	
Total	59.3		67.6		84.3		131.6		342.8		157.4	
Gross Margin		0.73%		0.79%		0.99%		1.57%		1.03%		1.95%
Cost of Deposits		0.00%		-0.01%		-0.02%		-0.03%		-0.01%		-0.04%

⁽¹⁾ Treasury activities: Unsecured lending, collateral switch, tiering, TLTRO, other repos

Volumes and margins: average of the period

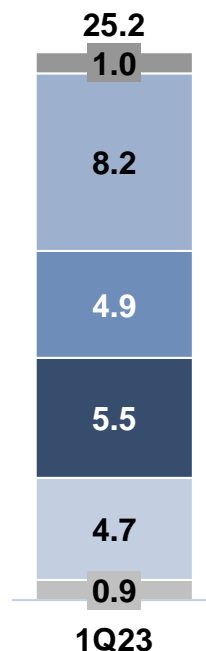
Net margin calculated on real interest income and expenses

Net financial income: focus on financial investments

Transactional liquidity invested in a diversified portfolio

Bond Portfolio (nominal value)

€ bn, eop UC bonds Italy Spain Other Govies⁽¹⁾ SSA⁽²⁾ Covered & Corporate



Bond portfolio Nominal value: 25.2 bn:

- o/w 56% at fixed rate, avg yield: 99 bps
- o/w 41% at floating rate (swapped), avg spread: 50 bps on 3m Eur
- o/w 4% UCG bonds, avg spread 157 bps on 3m Eur

Residual maturity total portfolio: 5.5 years

- o/w UC Bonds: 0.7 years
- o/w bonds (excl. UC bonds): 5.7 years

Overall portfolio duration: 2.8 years⁽³⁾

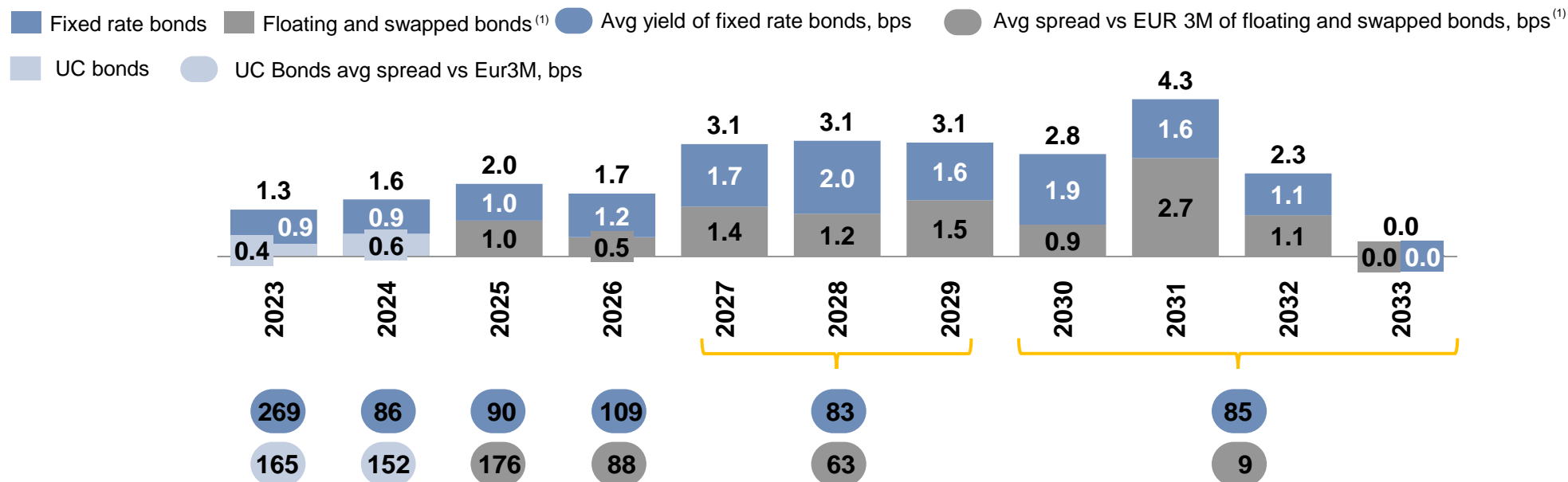
⁽¹⁾ 1Q23 "Other" includes: 1.5bn France, 1.0bn Ireland, 0.7bn Belgium, 0.7bn Austria, 0.6bn USA, 0.3bn Portugal, 0.2bn Germany, 0.2bn Chile, 0.2bn China, 0.1bn Saudi Arabia, 0.1bn other

⁽²⁾ Sovereign Supranational Agencies and Local Authority

⁽³⁾ Calculated considering hedging bonds

Focus on Bond portfolio

Bond portfolio run-offs, eop bn



UniCredit bonds run-offs

ISIN	Currency	Amount (€ m)	Maturity	Indexation	Spread
IT0005217606	Euro	350.0	11-Oct-23	Euribor 3m	1.65%
IT0005241317	Euro	622.5	2-Feb-24	Euribor 3m	1.52%
Total	Euro	972.5		Euribor 3m	1.57%

New interest rates environment

- Below a comparison **of the forward rate curve** behind the guidance to the market during the 4Q22 and 1Q23 conference calls

	2023		2024	
	as of 03/02/23	as of 08/05/23	as of 03/02/23	as of 08/05/23
Euribor 1M AVG	3.05%	3.20%	2.92%	3.07%
Euribor 3M AVG	3.19%	3.35%	2.86%	3.06%
EURIRS 5Y AVG	2.66%	2.93%	2.48%	2.74%
EURIRS 10Y AVG	2.64%	2.92%	2.58%	2.86%
EU (Supranational) 10Y EOP ⁽¹⁾	2.63%	3.00%	2.60%	2.97%

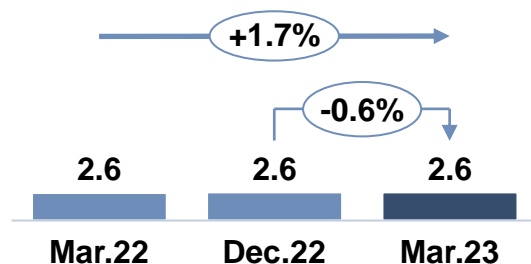
Net Financial Income: focus on Lending

Ancillary business to fulfill clients' needs. High quality portfolio and cautious approach

2023 Guidance

Mortgages

Eop, bn

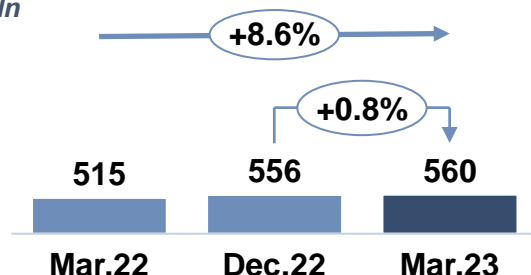


- Average customer rate: **150 bps. 1Q23 Yield⁽¹⁾ at 247 bps**
- Average Loan to Value on actual portfolio **~49%**, average maturity **18 yrs**
- **Low expected credit loss** (~10 bps). Only **15** clients accounted in NPL after 75months from the launch

- yearly new production: ~ 150-200 mln
- Expected yield⁽³⁾: ~ 270-330 bps

Personal Loans

Eop, mln

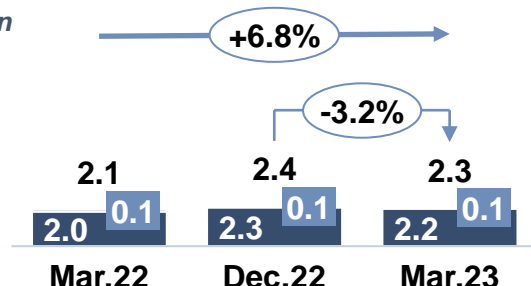


- Average ticket € 9,900 and average maturity 4.7 years
- **1Q23 Yield at 382 bps**
- **Efficient and real time process**, instant approval platform for eligible clients' requests thanks to a deep knowledge of clients.
- **Low expected credit loss** (~21 bps)

- yearly new production: ~ 150-200 mln
- ~ (10-20 mln net)
- Expected yield⁽³⁾: ~ 380-430 bps

Lombard Loans

■ Other lombard ■ Credit lombard
Eop, bn



o/w Credit Lombard⁽²⁾:

- **Attractive new pricing:** 10-100bps (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⁽²⁾:

- Expected growth: ~ 100-150 mln per year
- Expected yield⁽³⁾: ~ 360-410 bps

⁽¹⁾ Yield on mortgages net of amortized and hedging costs

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

⁽³⁾ Expected yield are referred to the stock. Assumptions for Mortgages and Lombard Loans are based on forward rate curve as of May 8th, 2023

Details on Net Commissions

Net commissions by product area							
<i>mln</i>	4Q21	1Q22	2Q22	3Q22	4Q22	FY22	1Q23
Banking	13.5	12.5	13.8	14.5	15.3	56.2	14.6
Brokerage	30.6	32.6	24.2	20.9	22.7	100.5	31.3
o/w							
Equity	26.2	28.1	18.3	16.1	16.5	79.0	22.8
Bond	1.2	0.6	3.0	0.9	2.7	7.2	3.9
Derivatives	2.8	3.5	2.8	2.9	2.9	12.0	3.2
Other commissions	0.4	0.4	0.1	1.0	0.7	2.3	1.4
Investing	82.3	73.5	75.8	78.7	80.9	309.0	75.0
o/w							
Placement fees	1.9	1.7	1.3	1.2	1.0	5.2	0.9
Management fees	91.9	93.2	91.8	94.6	92.6	372.1	94.8
to PFA's: incentives	-7.7	-8.7	-8.0	-9.3	-9.2	-35.1	-8.1
to PFA's: LTI	-1.0	-1.0	-0.8	-0.1	-0.8	-2.7	-0.8
Other PFA costs	-7.0	-11.8	-8.5	-7.7	-7.2	-35.2	-11.9
Other commissions	4.2	0.0	0.0	0.0	4.6	4.6	0.0
Other (Corporate Center)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	126.4	118.6	113.9	114.1	119.0	465.6	120.9

Revenues breakdown by Product Area

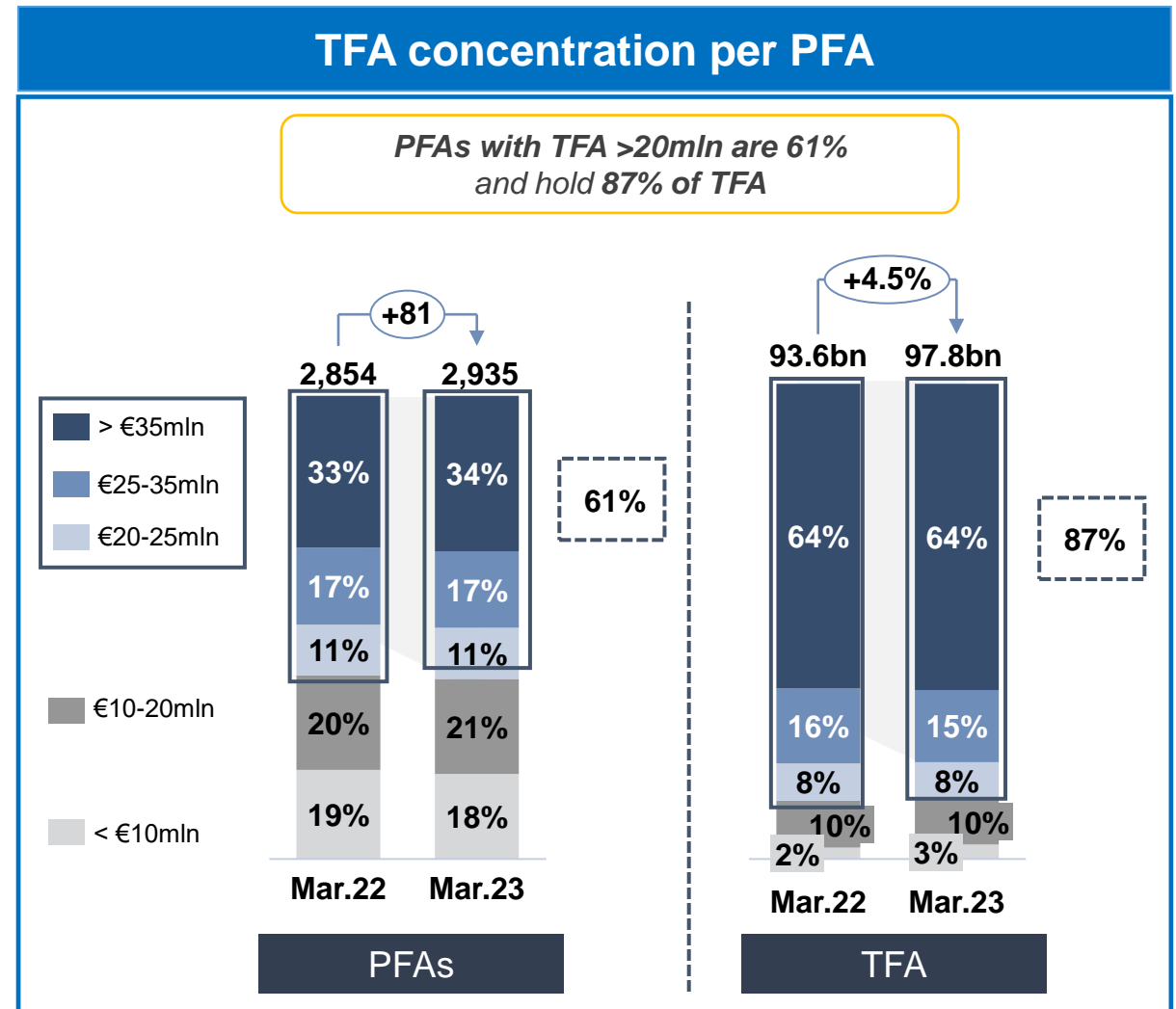
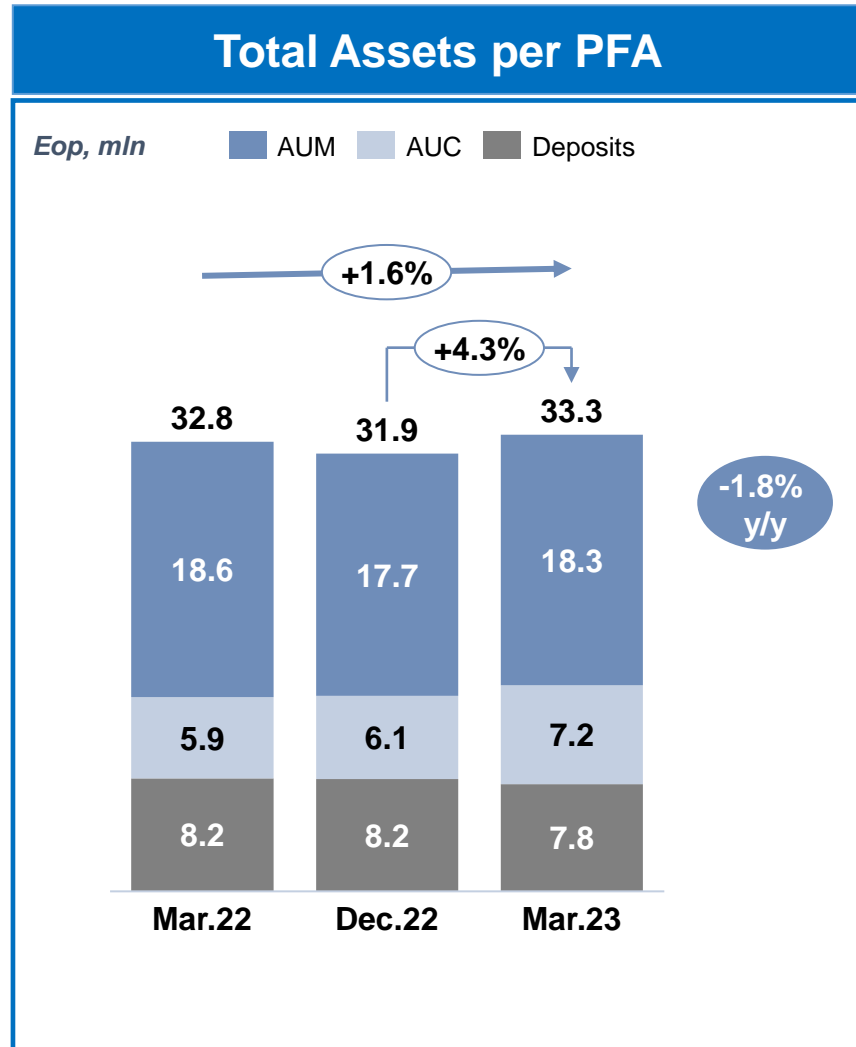
Revenues by product area						
<i>mln</i>	1Q22	2Q22	3Q22	4Q22	FY22	1Q23
Net financial income	104.4	66.3	81.8	129.5	382.0	154.9
<i>o/w Net interest income</i>	56.3	65.0	81.8	129.5	332.6	154.9
<i>o/w Profit from Treasury Management</i>	48.1	1.3	0.0	0.0	49.4	0.0
Net commissions	12.5	13.8	14.5	15.3	56.2	14.6
Trading profit	5.1	6.6	2.9	-2.4	12.2	-4.3
Other	0.1	0.0	0.1	0.2	0.4	0.1
Total Banking	122.1	86.7	99.3	142.6	450.7	165.3
Net interest income	3.5	3.1	2.8	2.4	11.7	2.9
Net commissions	32.6	24.2	20.9	22.7	100.5	31.3
Trading profit	23.7	20.0	18.3	16.2	78.2	19.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
Total Brokerage	59.7	47.3	42.0	41.3	190.4	53.2
Net interest income	0.0	0.0	0.0	0.0	0.0	0.0
Net commissions	73.5	75.8	78.7	80.9	309.0	75.0
Trading profit	0.0	0.0	0.0	0.0	0.0	0.0
Other	-0.1	-0.1	-0.1	-0.6	-0.9	-0.2
Total Investing	73.4	75.7	78.6	80.4	308.1	74.8

Breakdown Total Financial Assets

<i>mIn</i>	Mar.22	Jun.22	Sep.22	Dec.22	Mar.23
AUM	53,651	50,789	50,708	52,073	54,132
o/w Funds and Sicav	35,985	33,182	32,806	33,827	35,962
o/w Insurance	15,354	15,421	15,643	15,595	15,052
o/w GPM	326	308	303	318	331
o/w AuC + deposits under advisory	1,986	1,878	1,956	2,332	2,787
<i>o/win Advice</i>	617	600	627	748	898
<i>o/win Plus</i>	1,369	1,277	1,329	1,584	1,889
AUC	22,804	21,497	21,547	23,915	28,505
Equity	16,853	15,109	14,946	15,448	17,235
Bond	5,777	6,167	6,340	7,989	10,643
Third-party deposit current accounts	114	143	166	361	505
Other	60	78	95	117	122
Direct Deposits	30,362	30,518	30,658	30,570	29,340
o/w Sight	30,362	30,518	30,658	30,570	29,340
o/w Term	0	0	0	0	0
Total	106,817	102,804	102,914	106,558	111,977
<i>o/w Guided Products & Services</i>	41,018	38,842	38,811	40,221	42,249
<i>o/w TFA FAM retail</i>	15,249	14,627	14,765	15,772	17,416
<i>o/w TFA Private Banking</i>	47,133	43,304	43,153	45,252	48,932

The item "Other" within AUC has been reclassified, and now excludes assets within Third-party deposit current accounts

Increasing quality and productivity of the Network



Balance Sheet

<i>mln</i>	Mar.22	Jun.22	Sep.22	Dec.22	Mar.23
Due from Banks ⁽¹⁾	2,132	1,943	2,139	1,896	1,860
Customer Loans	6,088	6,311	6,318	6,446	6,312
Financial Assets	25,389	25,315	25,091	24,651	24,366
Tangible and Intangible Assets	276	274	270	273	268
Derivatives	466	949	1,390	1,425	1,300
Tax credit acquired	601	827	902	1,093	1,314
Other Assets	446	460	440	485	461
Total Assets	35,399	36,078	36,551	36,269	35,881
Customer Deposits	30,736	30,828	30,945	31,696	30,878
Due to Banks	1,808	2,333	2,791	1,677	1,606
Debt securities	498	499	500	498	799
Derivatives	-1	3	-4	-3	-8
Funds and other Liabilities	503	706	525	491	548
Equity	1,855	1,709	1,793	1,910	2,058
Total Liabilities and Equity	35,399	36,078	36,551	36,269	35,881

⁽¹⁾ Due from banks includes cash deposited at Bank of Italy (1.2 bn as of Mar.23, 1.2 bn as of Dec.22, 1.4 bn as of Sept.22, 1.3 bn as of Jun.22, 1.5bn as of Mar.22) and bank current accounts (0.2 bn as of Mar.23, 0.3 bn as of Dec.22, 0.3 bn as of Sept.22, 0.3 bn as of Jun.22, 0.3bn as of Mar.2022)

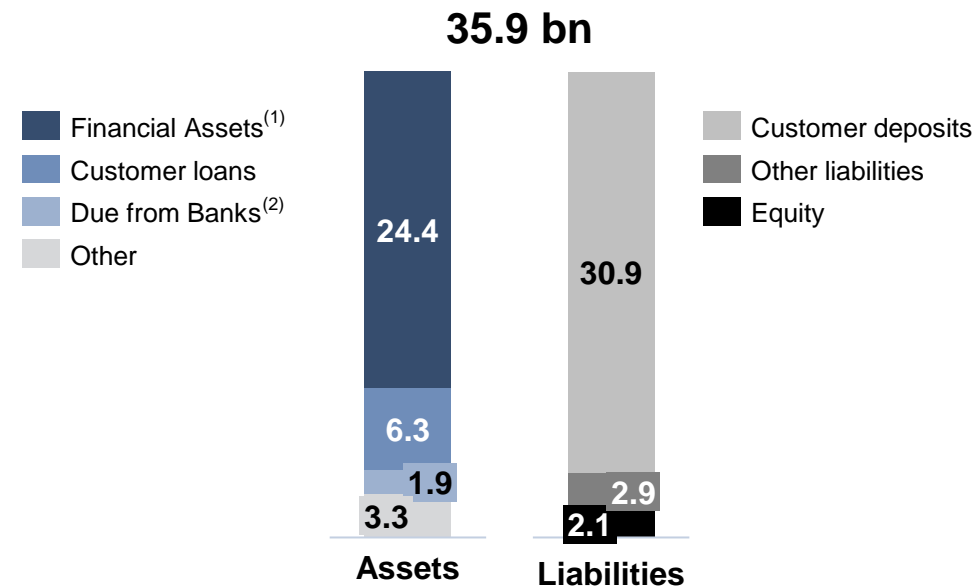
Safe Balance Sheet: simple, highly liquid

Diversified investment portfolio

- **Investment strategy based on a diversified blend of EU government 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 at ~ 5/6 years. Overall portfolio duration: 2.9 years**
- **Sticky deposits:** mostly 'transactional liquidity' gathered for the quality of our services and without aggressive commercial offers. **Cost of funding at zero**

High-quality lending growth

- Lending offered exclusively to our **well-known base of clients**
- **Low-risk:** CoR at 4bps, cautious approach on mortgages (LTV ~49%, avg maturity 18 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	21.8%	LCR ⁽³⁾	803%
TCR	32.4%	NSFR	377%
LEVERAGE RATIO		4.21%	

(1) Financial assets as reported in the Balance Sheet include the variation in the fair value of hedged bonds for the portion attributable to the risk hedged with the derivative instrument

(2) Due from banks includes 1.2bn cash deposited at Bank of Italy and 0.2bn bank current accounts as of Mar.2023

(3) LCR 12 month avg

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 **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 in line with our guidance

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
-2000	4.65%	4.68%	4.70%	4.73%	4.76%	4.79%	4.81%	4.84%	4.87%	5.01%	5.14%	5.28%	5.42%	5.56%	5.69%	5.83%
-1500	4.58%	4.61%	4.64%	4.66%	4.69%	4.72%	4.75%	4.77%	4.80%	4.94%	5.07%	5.21%	5.34%	5.48%	5.61%	5.74%
-1000	4.52%	4.54%	4.57%	4.60%	4.62%	4.65%	4.68%	4.71%	4.73%	4.87%	5.00%	5.13%	5.27%	5.40%	5.53%	5.66%
-500	4.45%	4.48%	4.51%	4.53%	4.56%	4.59%	4.61%	4.64%	4.67%	4.80%	4.93%	5.06%	5.19%	5.32%	5.46%	5.59%
0	4.39%	4.42%	4.44%	4.47%	4.50%	4.52%	4.55%	4.58%	4.60%	4.73%	4.86%	4.99%	5.12%	5.25%	5.38%	5.51%
500	4.33%	4.36%	4.38%	4.41%	4.44%	4.46%	4.49%	4.51%	4.54%	4.67%	4.80%	4.93%	5.05%	5.18%	5.31%	5.44%
1,000	4.27%	4.30%	4.33%	4.35%	4.38%	4.40%	4.43%	4.45%	4.48%	4.61%	4.73%	4.86%	4.99%	5.11%	5.24%	5.36%
1,500	4.22%	4.24%	4.27%	4.29%	4.32%	4.34%	4.37%	4.39%	4.42%	4.55%	4.67%	4.80%	4.92%	5.05%	5.17%	5.29%
2,000	4.16%	4.19%	4.21%	4.24%	4.26%	4.29%	4.31%	4.34%	4.36%	4.49%	4.61%	4.73%	4.86%	4.98%	5.10%	5.23%
2,500	4.11%	4.13%	4.16%	4.18%	4.21%	4.23%	4.26%	4.28%	4.31%	4.43%	4.55%	4.67%	4.80%	4.92%	5.04%	5.16%
3,000	4.06%	4.08%	4.11%	4.13%	4.15%	4.18%	4.20%	4.23%	4.25%	4.37%	4.49%	4.61%	4.74%	4.86%	4.97%	5.09%
4,000	3.96%	3.98%	4.00%	4.03%	4.05%	4.08%	4.10%	4.12%	4.15%	4.27%	4.38%	4.50%	4.62%	4.74%	4.85%	4.97%
5,000	3.86%	3.88%	3.91%	3.93%	3.95%	3.98%	4.00%	4.02%	4.05%	4.16%	4.28%	4.39%	4.51%	4.62%	4.74%	4.85%
6,000	3.77%	3.79%	3.82%	3.84%	3.86%	3.88%	3.91%	3.93%	3.95%	4.06%	4.18%	4.29%	4.40%	4.51%	4.63%	4.74%
7,000	3.68%	3.71%	3.73%	3.75%	3.77%	3.79%	3.82%	3.84%	3.86%	3.97%	4.08%	4.19%	4.30%	4.41%	4.52%	4.63%
8,000	3.60%	3.62%	3.64%	3.67%	3.69%	3.71%	3.73%	3.75%	3.77%	3.88%	3.99%	4.10%	4.20%	4.31%	4.42%	4.53%
9,000	3.52%	3.54%	3.56%	3.58%	3.61%	3.63%	3.65%	3.67%	3.69%	3.80%	3.90%	4.01%	4.11%	4.22%	4.32%	4.43%
10,000	3.44%	3.47%	3.49%	3.51%	3.53%	3.55%	3.57%	3.59%	3.61%	3.71%	3.82%	3.92%	4.02%	4.13%	4.23%	4.33%

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 above regulatory requirements and in line with our guidance**

LR > 4.0%

3.5% < LR < 4.0%

3.0% < LR < 3.5%

A new market structure enlarging our growth opportunities

A structurally higher profitability and capital light business model, leading to higher DPS and to invest in our growth

The current environment has significantly changed

Acceleration of structural trends reshaping our society

- ✓ Increasing demand for advice
- ✓ Increasing digitalization
- ✓ Consolidation in traditional banking system

New interest rates environment⁽¹⁾



2023 AVG Euribor 3M at 335 bps
2023 AVG EURIRS 10Y at 292 bps

Fineco as a fully-fledged Platform benefitting from the new market structure

Net Financial Income:

Expected strong increase vs recent past...

...thanks to the strong gearing to the interest rates of our **quality and capital light NII: driven by our clients' valuable transactional liquidity** and not by lending as for other banks

Investing:

Strong results in a challenging environment thanks to resilient inflows and FAM

Inflows driven by structural trends, top-quality product offer and fair pricing. Growing contribution by FAM, which is taking a higher control of the value chain

Brokerage:

Higher floor thanks to our quality target market and business model

Target market focused on wealthy and financially aware clients and our one-stop-solution business model

Delivering on our discontinuities

Set of initiatives to improve our 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

2 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 thanks to our wide gamma of FAM Target (~40 decumulation vehicles)
- **New FAM offer:** launch of **investment solutions based on passive funds** with diversified solutions based on different risk profiles. **FAM has also launched its ETF offer**
- **New FAM solutions** based on capital preservation: **Smart Global Defence**
- **Pension funds** for risk-averse clients
- **Distribution of third-parties savings accounts live**

3 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
- **New marketing campaigning tool based on our Big Data analytics in deployment phase**. **New Investing homepage released** with dedicated contents to stimulate clients activity

4 IMPROVE THE QUALITY OF OUR CLIENT BASE:

- **Exploiting our pricing power:** more selective in our client acquisition

Fineco Asset Management in a nutshell

FUNDS OF FUNDS

FAM SERIES (sub-advised funds)

INSTITUTIONAL CLASSES

FAM EVOLUTION

- ✓ **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 phase
- ✓ **FAM Passive Underlyings**

CORE SERIES

- ✓ **Release of Premium Share Classes**

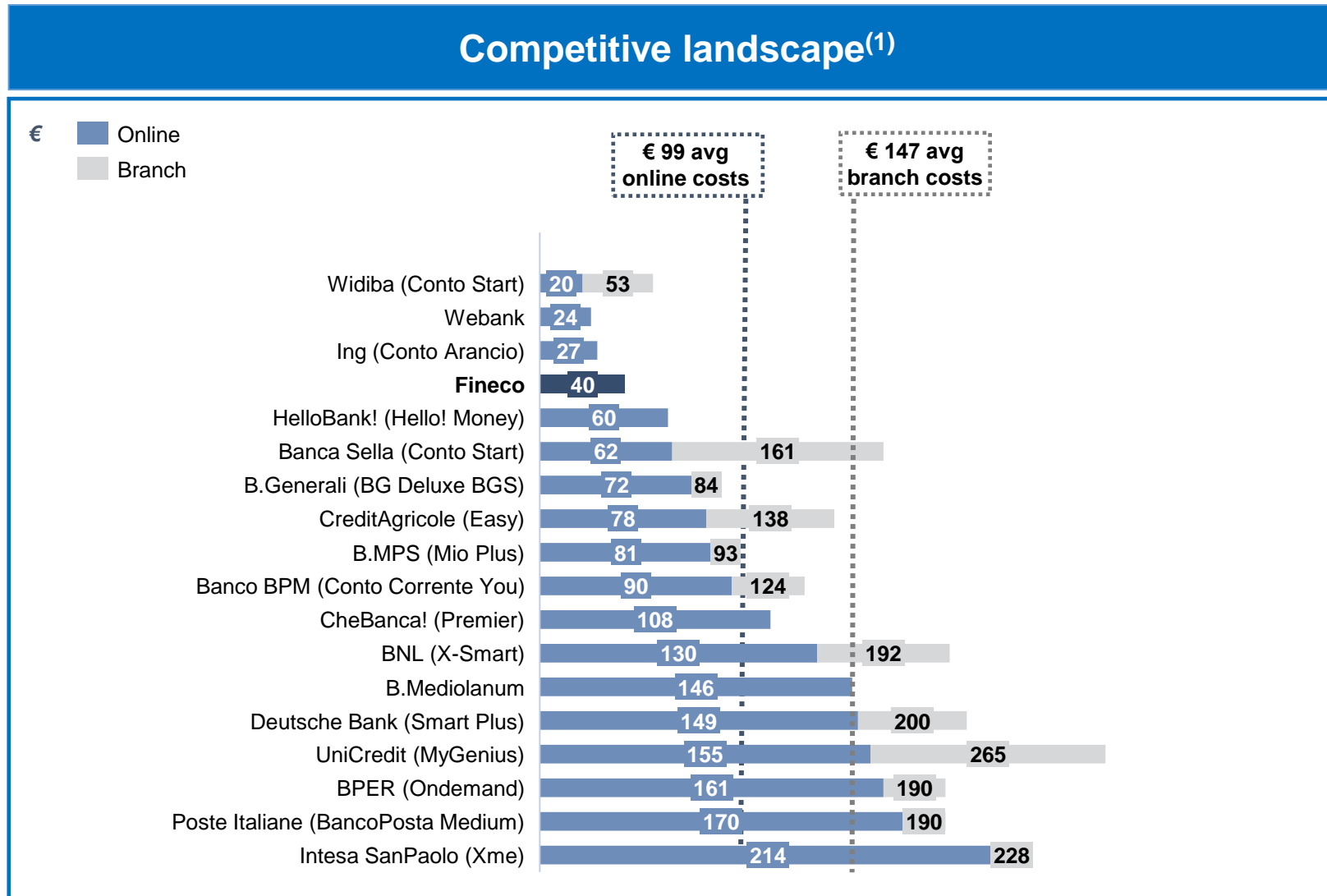
- ✓ New capital preservation solutions: **new Global Defence Multistrategy, FAM Smart Global Defence and FAM Smart Defence Equity**
- ✓ **FAM Target China Coupon and ESG Target Global Coupon:** investment solutions to build up exposure towards equity
- ✓ **FAM Passive Single Strategies and new ETF offer**

- ✓ FAM 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**
- ✓ **FAM Passive Underlyings**

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

Preserving our best price/quality ratio



Commitment to Net Zero emissions by 2050

Aware of the importance of environmental and climate matters, in 2022 the BoD approved the Net-Zero emissions plan to 2050 regarding both operational and financed emissions

RESPONSIBLE FINANCE - Scope 3 emissions from internal investment portfolio

Exposure in countries, institutions and banks: > 70% of 2021 Total Consolidated Assets



% exposure in debt securities of **sovereign and bank issuers with a Net-Zero target** by 2050⁽¹⁾

2021

2030

2050

64.5%

95%⁽²⁾

100%

ENVIRONMENT - Scope 1, 2 and Scope 3 emissions from operations



Scope 1 – CO₂e from energy consumption of Milan registered office and of the Fineco Centers with utilities in the Bank's name; CO₂e from fuel for company car fleet



Scope 2 (market-based) - CO₂e from energy consumption of Milan registered office and of the Fineco Centers with utilities in the Bank's name



Scope 3 - CO₂e from paper consumption of all sites; CO₂e from energy consumption of Reggio-Emilia Headquarters, of Fineco AM's Dublin office, of the Data Processing Centers and of the Fineco Centers with utilities in the Personal Financial Advisors' name

410
tCO₂e

- 35%

- 90%
and neutralisation of
residual emissions

1,336
tCO₂e

- 20%

- 90%
and neutralisation of
residual emissions

(1) For the sovereign issuers, the source for mapping Net-Zero targets is: <https://www.climatewatchdata.org/>. In "Policy Document" and "In law" targets are accepted, while "In Political Pledge" targets are not accepted. For bank issuers, Net-Zero targets on financed emissions are accepted.

(2) Target subject to formalisation of Net-Zero commitment in a national policy document by Italy.

Senior Preferred instrument

- **€500 mln Senior Preferred issued on October 14th, 2021** in order to be immediately compliant with the Fully Loaded MREL Requirement on Leverage Ratio Exposure (LRE), 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 4x the offer**
 - The instrument has been **rated BBB by S&P**
- **€300 mln Senior Preferred issued on February 16th, 2023** in order to have an additional buffer above the Fully Loaded MREL Requirement on LRE.
 - Annual **coupon at 4.625%** (5 years Mid Swap Rate plus 150 bps vs initial guidance of 175bps) for the first 5 years, floating rate between the fifth and sixth year
 - Public placement with a **strong demand, 4x the offer**
 - The instrument has been **rated BBB by S&P**

AT1 instruments

- **€200 mln perpetual AT1 issued on January 23rd, 2018:**
 - Coupon fixed at **4.82%** for the initial **5.5 years. First call date: June 3rd, 2023**
 - **Private placement**, fully subscribed by UniCredit SpA
 - **Semi-annual coupon.** Coupon (net of taxes) will impact directly Equity reserves
- **€300 mln perpetual AT1 issued on July 11th, 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. First call date: December 3rd, 2024**
 - **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**

Main Financial Ratios

	Mar.22	Jun.22	Sep.22	Dec.22	Mar.23
PFA TFA / PFA (mln) ⁽¹⁾	32.8	31.2	31.1	31.9	33.3
FAM retail / Fineco AUM ⁽²⁾	28%	29%	29%	30%	32%
Cost / income Ratio ⁽³⁾	27.0%	29.3%	29.8%	29.6%	25.0%
CET 1 Ratio	19.3%	19.1%	20.4%	20.8%	21.8%
Adjusted RoE ⁽⁴⁾	27.8%	26.1%	23.1%	23.8%	29.7%
Leverage Ratio ⁽⁵⁾	3.80%	3.82%	3.88%	4.03%	4.21%

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

⁽²⁾ Calculated as FAM retail stock eop divided by FinecoBank AUM stock eop

⁽³⁾ C/I ratio net of non recurring items (see page 36 for details) calculated as Operating Costs divided by Revenues net of non recurring items

⁽⁴⁾ RoE recasted: annualized Net Profit, net of non recurring items (see page 36 for details) divided by the average book shareholders' equity for the period (excluding revaluation reserves). Previously it also excluded dividends for which distribution is expected.

⁽⁵⁾ Leverage Ratio excluding exposures towards Central Banks from the total LR exposures (according to art. 429a - CRR) was equal to 3.99% in March 2022