



illimity

BANCA OLTRE LA FORMA

**A sustainable company
from its foundation**

ESG Investor Presentation

March 2023



illimity at a glance



2023-25 Sustainability Plan



Commitment to the environment



People and Social footprint



Governance



Sustainable finance

A new paradigm bank

Focused strategy

We were born to serve the most attractive segments of the Italian corporates market:

- Loans and services to SMEs with high potential
- Distressed corporate credit to create new opportunities

Unique business model



No legacy, no branches



Innovative IT architecture

Fully digital, fully modular, fully in-cloud



Constant investment in our human capital

Incubator of tech initiatives

b-ilty

 illimity

Lendtech

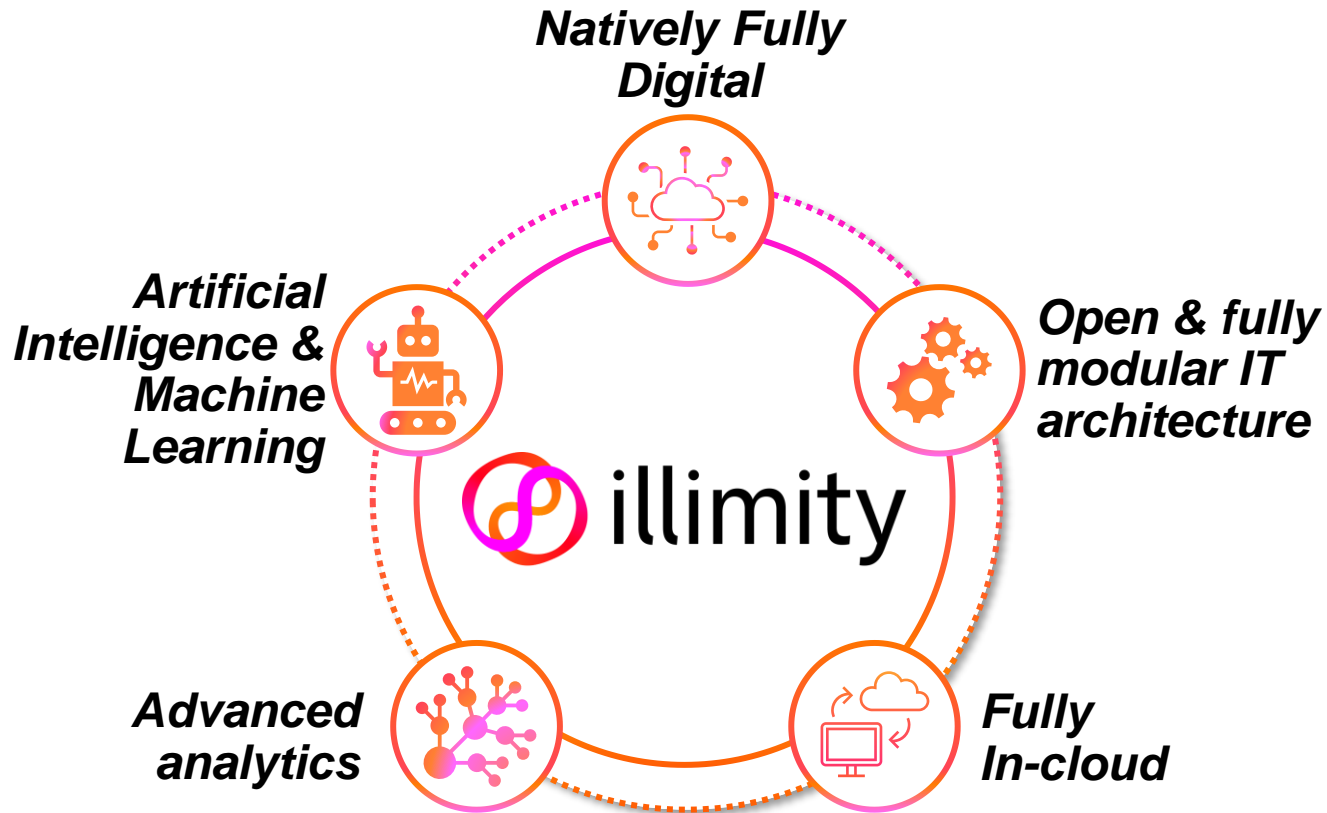
 **quimmo**

Proptech

HYPE

Fintech

Native fully digital with a new generation IT architecture that led to a strong competitive advantage in technology



Pioneers in our sector with the adoption of Artificial Intelligence (AI) Policy

Cyber Security process and AI algorithms in place to guarantee confidentiality and integrity to customers: In 2021 and 2022, no IT incidents occurred

Peak of investments over, making IT platform now highly scalable and enabling greater efficiency and best use of data models (AI)

illimity one of only 21 Italian companies included in

EURONEXT
Tech Leaders

We focus on two core businesses

SME business

Well-known partner for Italian SMEs with high growth potential, providing them with a complete range of solutions



**GROWTH
CREDIT**

- *Turnaround, Factoring and acquisition finance*



**INVESTMENT
BANKING**

- *Capital markets & Corporate solutions*

b-ilty



- *First fully-fledged digital bank for small corporates*

Distressed Credit business

Specialised player in Corporate Distressed Credit covering the entire value chain - from investment to financing, servicing and remarketing



**DISTRESSED
CREDIT**

- *Investment specialist desk & Senior financing*

AREC  neprix

- *3rd largest player in corporate UTP management industry in Italy*

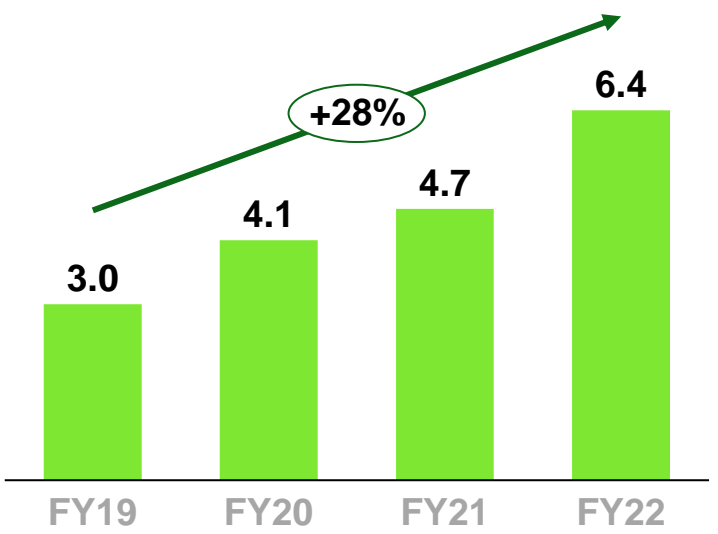
 quimmo

- *Leading brokerage proptech in Italy*

Remarkable combination of growth and profit trends with investments for the future

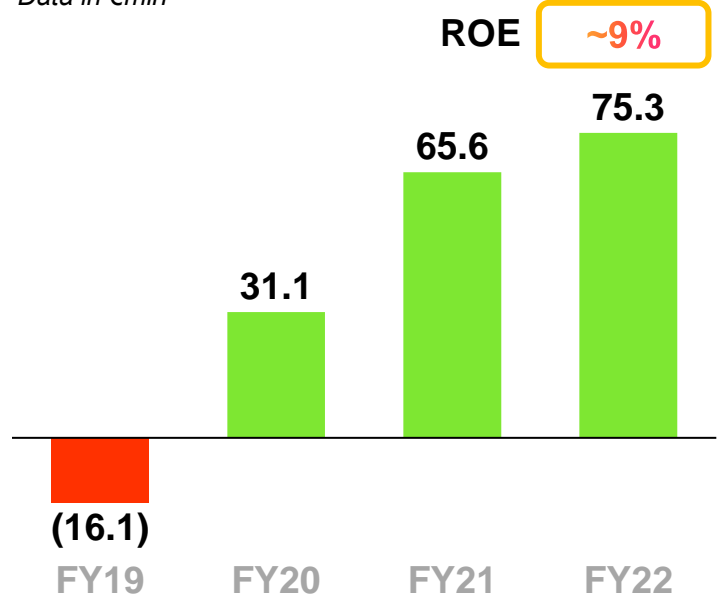
TOTAL ASSET GROWTH

Data in €bn



NET PROFIT PROGRESSION

Data in €mln



RELEVANT INVESTMENTS FOR THE FUTURE

- *New tech initiatives:*
 - b-ilty** illimity
 - quimmo**
 - HYPE**
- *Completion of our unique IT system*
- *Completion of our central and control functions*

Strong commitment to sustainability led to important ESG achievements

Environment



Carbon Neutrality
Scope 1&2



Expansion of reporting
Scope 3 financed emissions



ESG embedded in RAF
& in credit risk assessment



One of the lowest emission
intensity in the sector

Social



Great Place to Work® award
for 4 years



Gender equality certification
UNI PdR 125:2022



Negligible Gender Pay Gap
(~4,6%)



76% of the economic value
generated distributed to
stakeholders

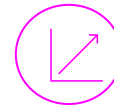
Governance



Adhesion to UN Global
Compact



Signing of the Principles for
Responsible Investment by
illimity SGR







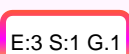




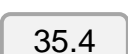










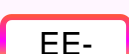



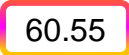




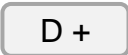










Upgrade of all ESG Ratings



ESG Goals in Incentives
Plans (LTI & MBO)

ESG rating improvements confirmed illimity's continual sustainability efforts

	2022	2021	
 MSCI Scale from CCC (laggard) to AAA (leader)	 		MSCI improved rating by three positions, moving from level "B" to the new "A" level, considering illimity a leader, compared to most of its global peers, on the corporate governance front.
 ISS ESG Scale from 10 (Worst) to 1 (Best)	 		Highest recognition in terms of ESG score for the governance and social sections (1/10). The environmental level of disclosure obtained a score equal to 3/10.
 SUSTAINALYTICS Scale from 40+ (Worst – Hight Risk) to 0 (Best – Negl Risk)	 		Sustainalytics increased illimity rating for a sound management of ESG risks, the policies and programmes introduced and the high degree of responsibility towards investors & other stakeholders.
 S&P Global Scale from 0 (Worst) to 100 (Best)	 		In 2022, illimity contributed for the first time to the CSA Questionnaire, obtaining a score equal to 49/100.
 CDP Scale form F (Worst) to A (Best)	 		illimity received the CDP Management band "B" for taking coordinated action on climate issues, placing itself above the average of the Financial services sector in Europe ("B-").
 Standard Ethics Scale form F (Worst) to EEE (Best)	 		According to SE, illimity has gradually aligned with the indications and objectives of the UN, the OECD and the EU, also thanks to a cross-functional and integrated sustainability management model.
 Integrated Governance Index (IGI) Scale form 0 (Worst) to 100 (Best)	 		In 2022, illimity obtained the "Leader ESG Identity" recognition mainly due to its code of conduct and sustainability procedures and the ESG integration in all areas of the business.
 Refinitiv Scale from D- (Worst) to A+ (Best)	 		illimity stood out for the maximum score on the Social dimension, thanks to the attention paid to the diversity, equity and inclusion dimensions and its new policies and initiatives in this field.
 D-Rating Scale from B+ (Worst) to A (Best)	 		illimity obtained a rating equal to BBB+, which is the second rating level of traditional banks in Europe. First digital bank in Italy. illimity is a great performer mainly on digital propositions, especially on app
 OPEN-ES Scale from 0 (Worst) to 100 (Best)	 		The platform evaluated the sustainable performance of companies. illimity obtained a score equal to 85/100.



 Score upgrade from 2021

 Score received for the first time



illimity at a glance



2023-25 Sustainability Plan



Commitment to the environment



People and Social footprint



Governance



Sustainable finance

2023-2025 Sustainability Plan: rational and main pillars



Starting from a solid baseline built on the important ESG achievements, illimity decided to further strengthened its commitment to sustainability by integrating **new**, more extensively detailed **qualitative** and **quantitative 2025 targets**, in order to:

Meet the growing needs of the market and ESG rating agencies

Position the Bank among the best practices of the Italian banking sector

Implement feedback received from investors during engagement activities

Environment

The **environmental targets** focus on the urgent issue of **transitioning to a net-zero economy**, in which illimity, plays and will play, a **key role in supporting and assisting the financed businesses in that process.**

Social

The **social targets** were reinforced through commitments regarding **diversity and inclusion**, including **gender equality certification** and **initiatives to raise awareness among employees.**

Governance

Since its inception, illimity has aligned with the best practices regarding the **integration of sustainability into the business strategies, processes, policies** and **governance** of the Group, with the goal of consolidating that positioning

2023-2025 Sustainability Plan: targets

New 2023-25 additional targets

2021-25 Strategic Plan

Environment

- Integration of **ESG factors in the credit assessment** and **Risk Appetite Framework (RAF)**
- **Maintain the Group's carbon neutrality** (Scope 1 and Scope 2 emissions) **measure** and **address** the so-called "**financed emissions**" (Scope 3)
- **Reactivation of renewable energy plans** through the **Energy Desk**

Social

- **Double** the number of **women in managerial roles** (Gender Equity)
- Maintain the **balance between men and women** in the **formalised "talent pool"** and a **gender pay gap** with a maximum deviation of 5%
- Maintain the **engagement index of Group employees above 70%**
- Develop **impact projects for the real estate sector**, through Fondazione illimity

Governance

- Enhance illimity **ESG Ratings**
- Integrate **ESG Goals in incentive plans**

- Reach **100% of electricity used from renewable sources** at the Group's main locations
- Maintain **100% use of FSC paper** throughout the Group
- Develop an **environmental policy** at Group level
- Consider the **environmental and climate impacts** in **due diligence** and **management of Real Estate assets**
- Develop the **offering and framework for sustainable finance products**
- Develop **ESG support/advisory services for SMEs**
- Reach **15% on cumulative business origination volumes for sustainable finance**
- Launch of **SGR fund with ESG characteristics**
- Reporting aligned with **TCFD disclosure**

- Maintain the **UNI_PdR 125-2022 gender equality certification**
- Develop a company **policy to combat harassment**, inappropriate sexual conduct and bullying
- Maintain the **average number of hours of training at 42 hours** per employee, while guaranteeing **3 hours of ESG training**
- Develop initiatives to raise awareness on **sustainable mobility** (commuting) for employees
- Reach **more than 50%** of total expenditure on goods and services by 2025 **assessed with ESG criteria**

- Identifying the specific **ESG Ambassadors** in the key structures (10% of illimiters)
- Endorsement of the Bank to the **Principles for Responsible Banking**
- Obtain the **Anti-Bribery (ISO 37001)** and the **Compliance (ISO 37301) certifications**
- Develop an **ESG Investment Policy** (property financing) and reach 100% of Treasury and Investment Banking investments that consider ESG factors in the selection phase (ESG due diligence)





 **Illimity at a glance**

 **2023-25 Sustainability Plan**

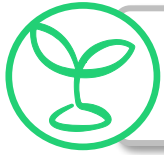
 **Commitment to the environment**

 **People and Social footprint**

 **Governance**

 **Sustainable finance**

One of the lowest environmental impacts within the sector



illimity's business model, with no physical branches and a 100% digital infrastructure, which is completely cloud-based, is **designed to minimize direct environmental impact** and intrinsically **contrast climate change**

Carbon Neutrality

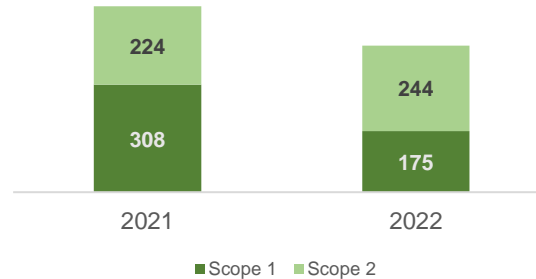


illimity is carbon neutral since 2020 thanks to carbon offsets (purchased voluntary carbon credits) compensating Scope 1 and Scope 2

Scope 1+2 reduction

Data in tCO2e

Due to the reduction of car fleet fuel consumption



Scope 3 disclosure

Enlargement of reporting Scope 3 emissions (vs 2021)

- Cat. 1 - Purchased Goods and Services **NEW**
- Cat. 5 - Waste generated in operations
- Cat. 6 - Business Travel
- Cat. 7 - Employee Commuting **NEW**
- Cat. 15 - Investments (financed emissions) **NEW**

Renewable Energy

44% (32% in 2021)

Thanks to a gradually increase of electricity purchased with a Guarantee of Origination certificate

Emission Intensity

0.5 (0.7 in 2021)

Scope 1 & 2 emissions (location-based approach) for FTE (full-time contract). the lowest in the sector (Sector avg. 1.9¹).

TCFD disclosure

2022 Reporting on climate-related issues are aligned with the recommendations of the Task Force on Climate Related Financial Disclosure (TCFD).

Environmental factors included in the credit risk assessment and RAF

ESG Factors in our Credit Policy

We assess and monitor the **ESG risks of the counterparties** that we finance.

This occurs through the obtaining of solicited and unsolicited ESG external ratings, which include **environmental and climate indicators**.

Key ESG elements of Credit Policy:

- List of excluded sectors
- Use of solicited ratings via questionnaire
- Use of ESG unsolicited rating of a third party

RAF & RAS



DISTRESSED CREDIT

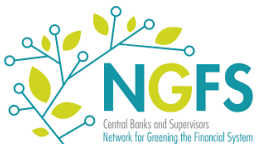
We conduct analysis on the **physical risk** of the collaterals (depending on the geographical location of the properties) and on repossessed real estate assets. The external provider Geosafe helps us to define vulnerability indicators.



GROWTH CREDIT

We analyse elements such as: ESG assessments, **GHG emissions**, and sectors with significant **climate altering emissions**.

Scenario Analysis



- By using data from *Oxford Economics*, we implemented 3 scenarios: '**Net Zero**'; '**No Further Action**' and '**Delayed Transition**', considering **50+** variables (GDP, consumer price index, carbon emissions, unemployment rate, etc).
- The **in-house satellite model** allows us to estimate the **impacts** on Bankit DR (Default Rates), resulting in shocks to be applied to the PD (Probability of Default) of illimity over a forecast horizon of up to 30 years.

EU Taxonomy Eligibility Reporting



Two Taxonomy objectives in scope: Climate Change Mitigation & Adaptation

The proportion of **17.1% exposures to Taxonomy-eligible economic activities** on total covered assets (reported on a voluntary basis in order to represent also the exposures to SMEs as illimity core business) can be considered **aligned with the average** registered into the sector¹

KPIs are not comparable with FY2021 due to scope limitation of the proxy application by methodology evolution²

Notes: (1) Sector average equal to 22%. Source: ABI, SCS –BusinEsSG DNF 2022, analysis on a sample of 19 banks.

(2) We underline the ineffectiveness of the comparability of the KPIs reported here with those 2021, both of the Mandatory and Voluntary Disclosures, as the valuation methodologies applied are different and evolved in relation both to what the EU Commission itself in its clarification notes had provided only for the first year of reporting (for the voluntary part), and to the choice of applying only the reference perimeters provided for by the current EBA regulations and technical instructions (also in view of the preparatory assessment of banking book alignment in subsequent years). Therefore, last year's perimeter limitations were not applied, in the logic of the voluntary review, resulting in the expansion of the denominator (Total Assets Covered) against a numerator that was almost stable year on year.

2022



Mandatory disclosure

EU taxonomy-eligible exposures (only exposures to undertakings subject to NFRD)

3.4%

eligible assets on
Total Covered
Assets⁽³⁾

Voluntary disclosure

EU taxonomy-eligible exposures (exposures to undertakings subject to NFRD and undertakings that are not obliged to publish NFRD)

17.1%

eligible assets on
Total Covered
Assets⁽³⁾

*For more details on the methodology see section 12 of
2022 Sustainability Report*

(3) Total Covered Assets represents on-balance sheet exposures that cover the accounting categories of financial assets (including loans and advances, debt securities, equity holdings and repossessed collaterals) as defined by COMMISSION DELEGATED REGULATION (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852. Exposures to central governments, central banks and supranational issuers are excluded from the calculation of the numerator and denominator of key performance indicators.

First time disclosure of financed emissions: Scope 3 - Category 15 (Investments)

Carbon footprint:
187 tCO₂ per Euro million
of investment/financing

52% of financed emissions
related to **exposures in**
Manufacturing sector,
in line with Italian SMEs
distribution

Financed emissions were
calculated according to **PCAF**
standard methodology

Sector	Measured Exposures [%]	Financed Emissions [%]	Carbon Footprint [tCO ₂ /Mln Euro]
C - Manufacturing	27%	52%	359
H - Transportation and storage	19%	9%	94
F - Construction	8%	9%	209
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	8%	6%	148
K - Financial and insurance activities	12%	4%	65
D - Electricity, gas, steam and air conditioning supply	3%	4%	223
M - Professional, scientific and technical activities	7%	3%	91
I - Accommodation and food service activities	2%	3%	229
L - Real estate activities	7%	3%	75
A - Agriculture, forestry and fishing	2%	3%	242
N - Administrative and support service activities	2%	2%	168
B - Mining and quarrying	0,3%	1%	619
E - Water supply; sewerage, waste management and remediation activities	0,1%	1%	797
Q - Human health and social work activities	0,7%	0,5%	127
J - Information and communication	2%	0,5%	47
R - Arts, entertainment and recreation	0,2%	0,2%	202
S - Other service activities	0,3%	0,1%	38
O - Public administration and defence; compulsory social security	0,01%	0,01%	151
P - Education	0,09%	0,01%	17
	100%	100%	187

Notes: Carbon footprint is Financed Emissions standardised by the total investment portfolio value, where Financed Emissions are the total greenhouse gas (GHG) emissions of a debtor/issuer weighted by the investment as a share of the company's total value. Measured exposures cover around 90% of customer loans and 25% of financial assets (HTC / HTCS / FVPTL) and equity/JV

Disclaimer: it is important to underline the inability to get a wide benchmarking into the banking industry, in fact just few financial institutions disclosed their financed emissions and there is a common difficult to get complete information from or about companies in portfolio, then the majority of institutions may not have high-quality data available or may not collect enough usable emissions information for reporting



illimity at a glance



2023-25 Sustainability Plan



Commitment to the environment



People and Social footprint



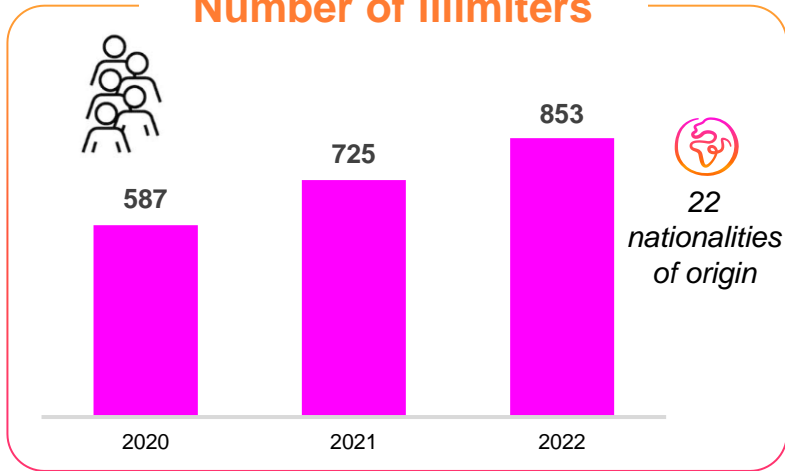
Governance



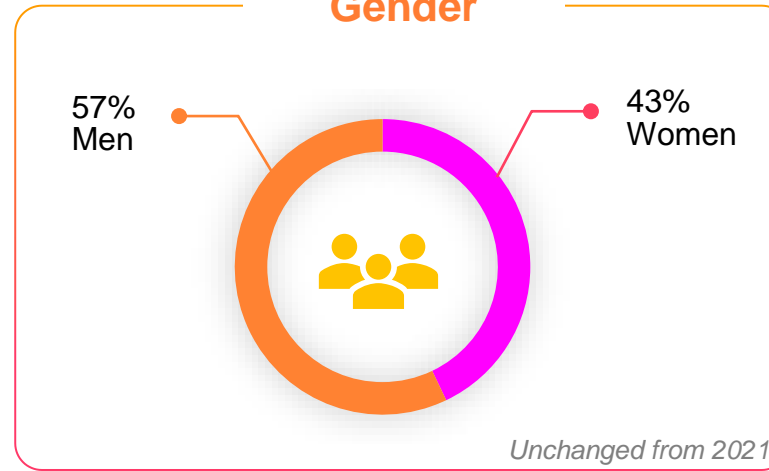
Sustainable finance

The illimiters: talent and diversity fosters innovation

Number of illimiters



Gender

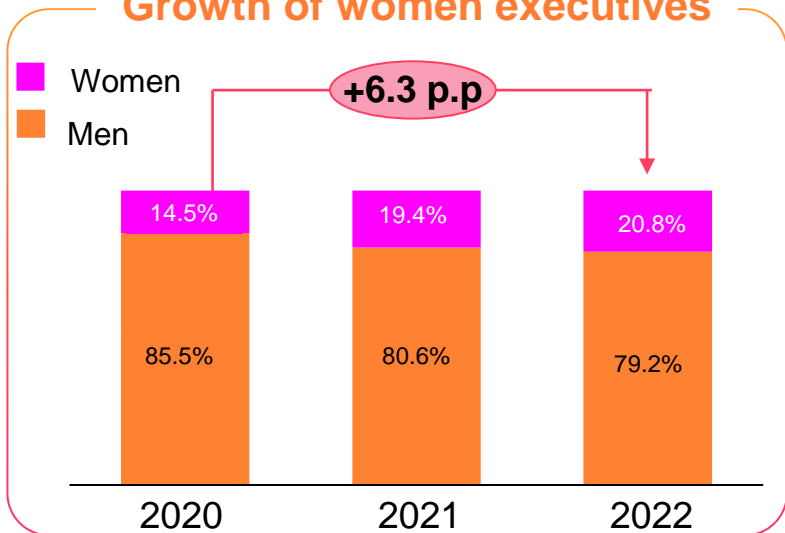


illimity Engagement

Best Workplaces in Europe for the second year

Great Place to Work for the fourth year

Growth of women executives



Gender Equality Certification

First bank to obtain the Gender Equality Certification, part of the National Recovery and Resilience Plan

Negligible Gender Pay Gap

4.6%

among the best in the sector

- Analysis of internal and external remuneration benchmarks
- Defining financial packages on employment
- Annual salary review process focus on gender issues (*Unchanged from 2021*)

Prosperity

Main financial data on a consolidated basis

Total assets

6,355
mln euro

Operating income

324.6
mln euro

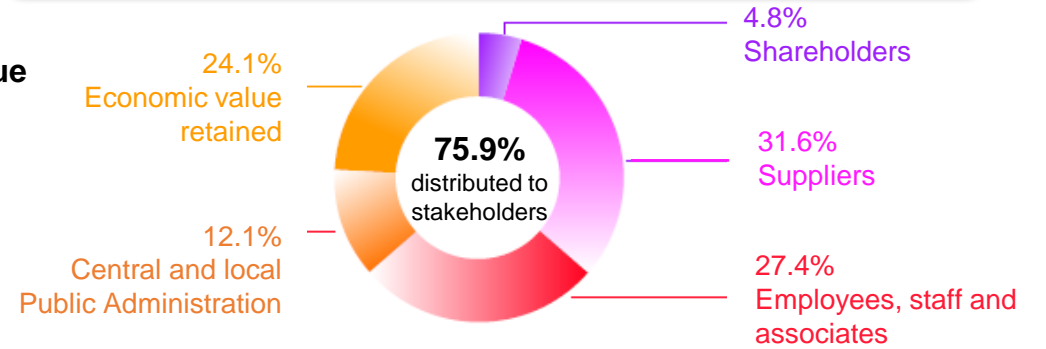
Net profit

75.3
mln euro

Economic value generated and distributed

Economic value generated

314
mln euro

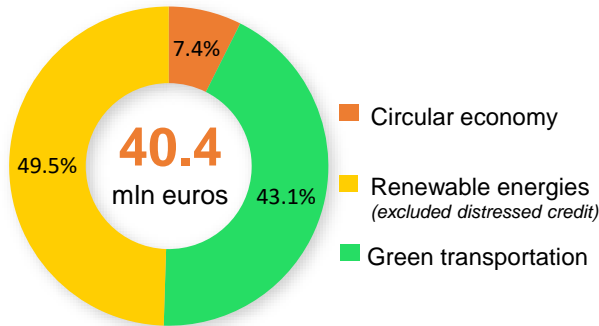


Business model natively addressing recovery and resilience of SMEs



ENVIRONMENT

Loans with environmental benefits



SOCIAL

Loans with social benefits

351
mln euros

Total loans provided with the specific aim of restructuring companies in economic/financial difficulty

Collaborative Agreement Index

AREC  neprix

77.9%

Distressed credit, out-of-court agreements as percentage of total

Responsibility to distressed credit customers

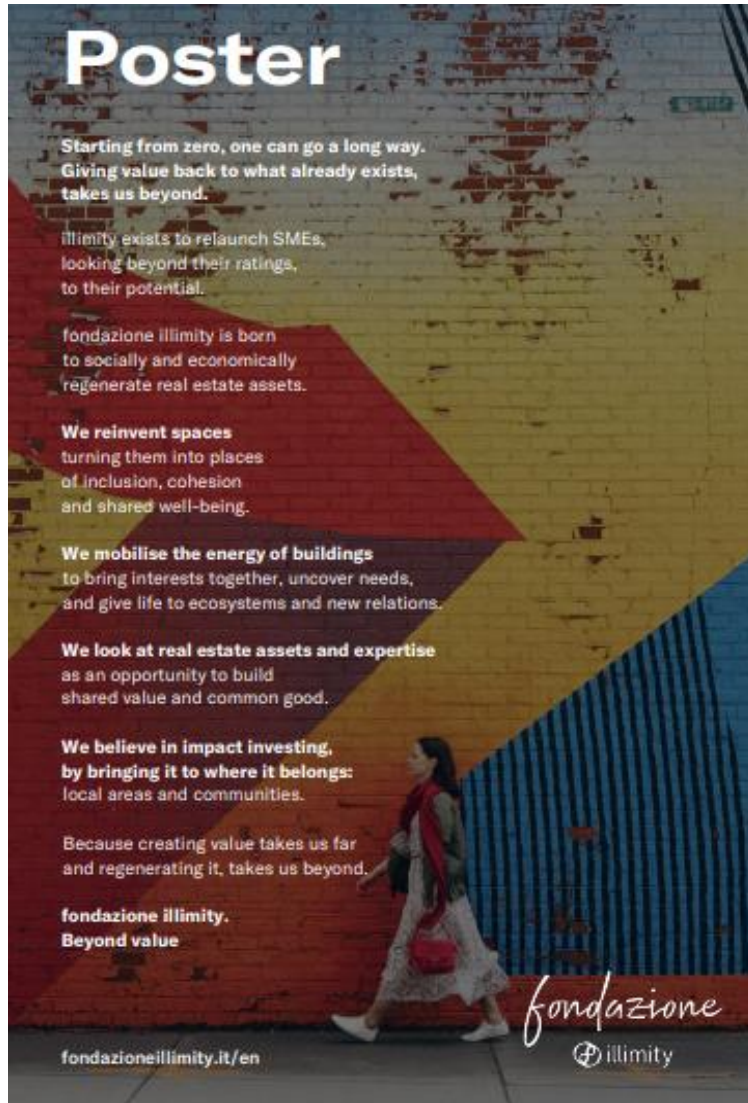
KPI *Social* – Distressed Credit Division & AREC neprix

In the absence of standard KPIs (GRI) directly related to **social impact** in the distressed credit world, illimity is a pioneer: it has developed **autonomous indicators** that measure the process of value creation.

	2022	2021
Collaborative Agreement Index Ratio between the number of positions closed through out-of-court proceedings and the total of positions successfully closed by illimity Group	77.9%	85.5%
Time to Solve Average time recorded to solve out-of-court proceedings	5 months	13 months



These indicators highlight **illimity's focus on finalizing out-of-court agreements**, which **accelerates resolution times** and contributes to the **recovery of the entrepreneur**



fondazione illimity promotes innovative projects for the **social regeneration** of real estate assets and **impact investing**.

Social

We build value for local communities through projects focusing on the social regeneration of real estate assets.

Research & Development

We work with universities and centres with expertise in: research projects and feasibility studies for real estate regeneration; social housing creation; and the development of local cultures and areas.

Collectivity

We create networks and synergies between profit and non-profit organisations, and both public and private entities, with the aim of sharing best practices and projects, thus creating the conditions for true financial sustainability.

Albergo Etico Cesenatico

Project to insert **people with disabilities** into **the working world** and offers them **training** and **independence**.









(RE) GENERATION CAMP

Laboratory for creativity held in a space regenerated by the illimity foundation. Its objective is to promote the **integration and socialisation of the younger generations**





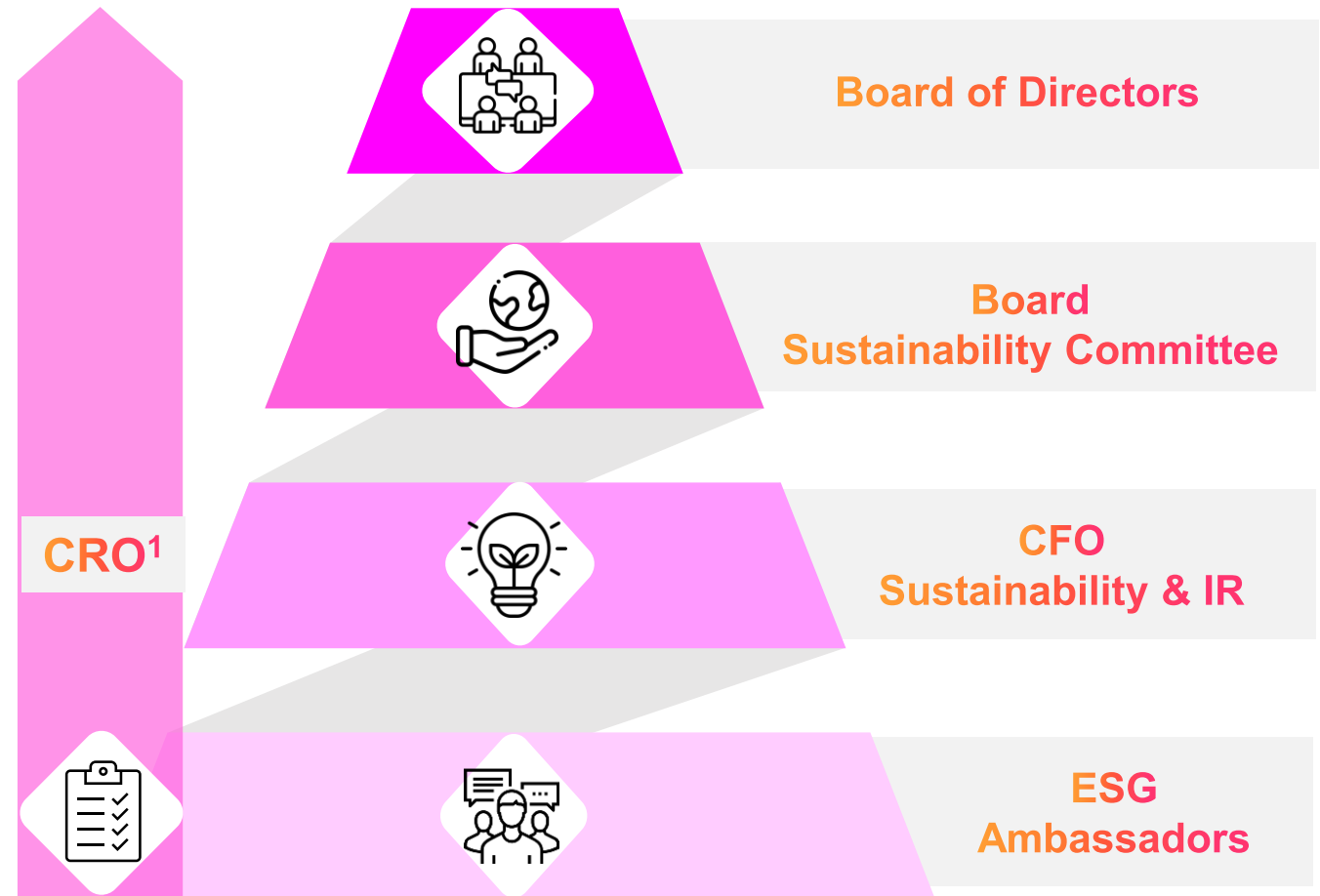
-  illimity at a glance
-  2023-25 Sustainability Plan
-  Commitment to the environment
-  People and Social footprint
-  **Governance**
-  Sustainable finance

Sustainability embedded in our governance system

2022 Key governance takeaways

- Adoption of the “**one-tier system**”
- **85%** board independence
- **46%** female board members [6 women out of 13 members]
- **Independent Chairperson**
- **61 years old** average age on the board
- **2 years** board average **tenure**
- **94%** average participation to board meetings in 2022
- **Diversity** in terms of gender, age, skills & background
- Explicit inclusion of “**sustainable success**” in the bylaws

Governance Structure



Recognised corporate governance leader



illimity is positioned in the **highest scoring range of ESG ratings** relative to its global peers, demonstrating that company's **corporate governance practices** are well **aligned with shareholder interests**.

Best Practice Alignment

Alignment with the **indications** and **objectives** of the **UN**, the **OECD** and the **EU**; adherence to **UN Global Compact**

Ability to **quickly generate** and **absorb new ESG policies**



Integration of **ESG principles** into all our **corporate policies**¹ and in our Code of Conduct: **«illimity Way»**.

Most recent publications include:

DEI Policy

Sustainable Supply Chain Policy

AI Policy

Engagement Policy

Reporting & ESG responsibility

Non-financial disclosure in line with **industry best practice**

ESG responsibility integrated across the **whole organization** and within **each business line**



ESG integrated in executives' variable remuneration

MBO

- Integration of **ESG / climate-environmental risks** into the Risk Appetite Framework 2023 of the illimity Group, with definition of a set of KPIs and related Risk Appetite and Tolerance levels
- Maintenance of the **Gender Equality Certification** "UNI_PdR 125-2022"
- Maintenance of **Equity Pay Gap** in the range of +/- 3%.
- **Adhesion to PRB** (Principles for Responsible Banking)
- Issuance of the **Responsible Investment Policy** for the proprietary portfolio.

CEO 2023 Goal Card
=
15% ESG weight

LTIP

Diversity, Equity & Inclusion (10%)







- Employees' satisfaction over 70%.
- YoY increase of women in managerial roles and gender balance in the company "talent pool".

Top ESG Rating & Sustainable Finance¹ (10%)

- Maintain or increase the investment grade in Standard Ethics and CDP ratings.
- Yearly progression on Strategic Plan environmental targets.

LTI plan
=
20% ESG weight



-  **illimity at a glance**
-  **2023-25 Sustainability Plan**
-  **Commitment to the environment**
-  **People and Social footprint**
-  **Governance**
-  **Sustainable finance**

Sustainable Finance



1 **ESG factors are** integrated into the credit policies and economic sectors excluded



2 Integration of sustainability factors in illimity SGR's **ESG Investment Policy**



3 The program **Basket Bond "Sustainable Energy"** to promote ESG transition



4 **b-green & b-innovative:** support to the ecological and digital transition



5 Commitment in the **energy and RE sector** through the regeneration of assets & revamping of photovoltaic power plants

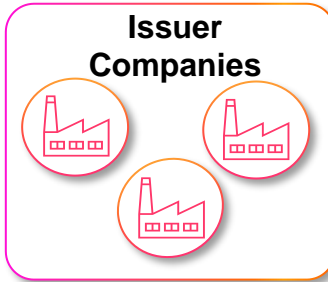


First Sustainable Energy Basket Bond launched in Italy



Basket Bond mechanism

A multi-year program to meet the medium / long-term financing needs of companies by supporting **sustainability-linked investments**.



Arranger, Lead manager & Co-investor



Facilitator, Co-investor & ESG scoring provider



Co-ordinator & Co-lead manager

Admitted companies can access financial resources at advantageous conditions thanks to the **issue of Minibonds with a duration of up to 8 years**, which will be subscribed by institutional investors.

Who is it for?

Small & medium corporates, including suppliers or sub-suppliers of ENI, and companies **engaged in energy transition and sustainability paths**.

2022 Issues

Four issues in favour of multi-service companies in energy and environment sectors and in **power plants for generating energy from renewable sources**.



Benefits for the SMEs



Facilitated access in the capital market



Development of a **sustainable business model**



Increased **investment capacity** to reach **SDGs goals**



Improved **market competitiveness**



Increased **visibility**



Optimisation of funding sources



Efficiency of the bond issuance process

First bank joining the Open-es ecosystem



b-ilty

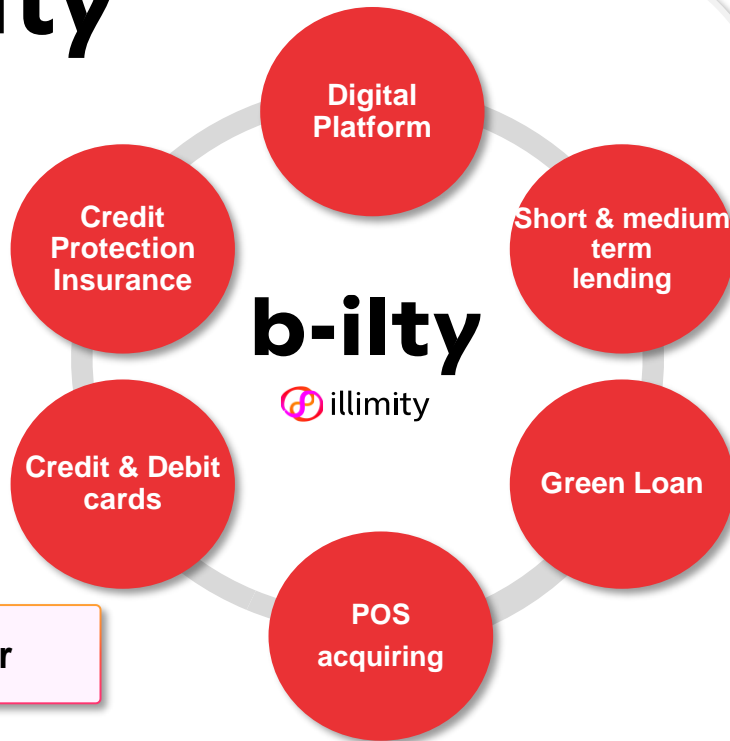
b-ilty offer

Banking services and products which reward companies committed to a sustainability path

Partnership with Open-es offer



Digital platform launched by ENI in partnership with Boston Consulting Group and Google Cloud
open to all companies engaged in improving their sustainability performance



b-green



Designed for companies that intend to invest in structural efficiency in order to speed up and implement **the ecological transition of their business**



b-innovative



Designed assist companies in their digital development, thereby **increasing competitiveness in their market segment**





Fabio Pelati
Head of IR & Sustainability

sustainability@illimity.com
www.illimity.com/en/sustainability



Disclaimer (1/2)

- This document (the “Document”) has been prepared by and is the sole responsibility of illimity Bank S.p.A. (the “Company”) solely for information purposes. In accessing the Document you agree to be bound by the following terms and conditions. A limited number of copies have been made or may be made and these are strictly reserved for the person to whom they are or will be addressed: for this reason the information contained in the Document is confidential and must not be used, in whole or in part, or disclosed to third parties or copied, distributed, transmitted or reproduced.*
- The Document is not directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident of, or located in, any locality, state, country or other jurisdiction where such distribution or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction. The Document is not for publication, release or distribution in the United States, Australia, Canada or Japan or in any jurisdiction where it is unlawful to do so. The release or distribution of the Document or access to this document in other jurisdictions may be restricted by law and persons into whose possession this document comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions (when applicable) may constitute a violation of the laws of any such other jurisdiction.*
- The information and data contained in the Document are not intended and do not constitute in any way investment advice or a solicitation to purchase securities, nor is it an offer or invitation or promotional message for the purchase, sale or underwriting by any person in any jurisdiction or country where such activity is contrary to law or regulation, except where there are exemptions that apply under related law.*
- The terms, data and information contained in the Document are subject to revision and update; the Company and its consultants assume no responsibility to communicate, in advance or subsequently, should such revisions and updates become necessary or opportune nor for any damages that may result from improper use of the information (including communications of revisions and updates) included in the Document. Within the limits of law, the Company, its corporate executives, managers, employees, and consultants make no statement, give no guarantee or assume any responsibility, express or implied, regarding the accuracy, the adequacy, completeness and up to date nature of the information contained in the Document nor regarding any eventual errors, omissions, inaccuracies or oversights contained herein. The Document does not attempt to describe all terms and conditions that will pertain to the proposed transaction nor does it set forth the specific phrasing to be used in the documentation.*
- The securities referred to herein (the “Securities”) have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”), or the securities laws of any state of the United States or any other jurisdiction and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.*
- This Document does not constitute or form part of, and should not be construed as an offer or the solicitation of an offer to subscribe for or purchase the Securities, and nothing contained therein shall form the basis of or be relied on in connection with any contract, commitment or investment decision in relation thereto whatsoever, nor does it constitute a prospectus relating to the Securities or a recommendation by the Company or any of the Company’s advisers and/or agents regarding the Securities.*
- It is recommended that any eventual investment decision regarding an investment be based on the formal documents prepared by the Company as part of the transaction which may contain information different from those included in the Document and on audit from the investors own independent, professional financial and tax advisers.*
- No representation, warranty or undertaking, express or implied, is made or given by the Company or any of its affiliates, parent or subsidiary undertakings, directors, officers, advisers, agents or employees or any other person as to, and no reliance should be placed on, the fairness, adequacy, accuracy, truthfulness, reasonableness, completeness or correctness of the Document or the opinions contained therein. The Document has not been independently verified and will not be updated. No responsibility or liability whatsoever (whether arising in tort, contract or otherwise) is accepted by the Company or any of its affiliates, parent or subsidiary undertakings, directors, officers advisers, agents or employees, or any other person for any loss howsoever arising, directly or indirectly, from any use of the Document or opinions contained therein or otherwise arising in connection therewith. The Document, including but not limited to forward-looking statements, applies only as of the date of this document and is not intended to give any assurances as to future results. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to the Document, including any financial data or forward-looking statements, and will not publicly release any revisions it may make to the Document that may result from any change in the Company’s expectations, any change in events, conditions or circumstances on which these forward-looking statements are based, or other events or circumstances arising after the date of this document. Market data used in the Document not attributed to a specific source are estimates of the Company and have not been independently verified.*
- Any expected return is not guaranteed and is based on data shown in Euro. The Document contains “forward-looking” and targets information which are based upon certain assumptions about future and/or ongoing events or conditions and may also be based on Company’s expectations on ongoing and/or potential new initiatives and is exclusively intended to illustrate hypothetical target results under those assumptions (not all of which are specified herein). Such forward looking statements include all matters that are not historical facts. Forward-looking statements give the Company’s intentions, beliefs or current expectations concerning, amongst other things, the Company’s financial condition, liquidity, prospects, growth, potential deals, strategies and the industry in which it operates. By their nature, forward looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur, in whole or in part, in the future. These statements may include, without limitation, any statements preceded by, followed by or including words such as “target,” “outcome,” “believe,” “expect,” “aim,” “intend,” “may,” “anticipate,” “estimate,” “insight,” “plan,” “project,” “will,” “can have,” “likely,” “should,” “would,” “could” and other words and terms of similar meaning or the negative thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company’s control that could cause the Company’s actual results, performance or achievements to be materially different from the expected results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements take into account the Company’s current expectations on the possible achievement of already disclosed or new targets or estimates, which are in no way guaranteed and may be reviewed in light of up to date market and business conditions. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the environment in which it operates and will operate in the future.*
- Actual events or conditions are unlikely to be consistent with, and may differ materially from, those assumed. In addition, not all relevant events or conditions may have been considered in developing such assumptions. Accordingly, actual results will vary, and the variations may be material. Prospective investors should understand such assumptions and evaluate whether they are appropriate for their purposes. Any data on past performance, modeling, scenario analysis or back-testing contained herein is no indication as to future performance. No representation is made as to the reasonableness of the assumptions made within or the accuracy or completeness of any modeling, scenario analysis or back-testing; for investors resident in EC countries that are not part of the Eurozone these returns can increase or decrease due to exchange rate movements.*

Disclaimer (2/2)

- *The tax consequences of an investment depend on the individual circumstances of each investor and may be subject to change in the future; therefore, the present document may not be considered to have been prepared in order to offer an opinion, legal advice or tax opinion regarding the possible tax consequences of the transaction. Every prospective investor is advised to evaluate any potential investment in the transaction on the basis of independent accounting, fiscal and legal advice and should also obtain from their own financial advisors analyses of the adequacy of the transaction, the risks, the protection and the cash flows associated with the transaction, insofar as such analyses are appropriate for ascertaining the risks and merits of the transaction.*
- *Prospective investors must rely on their own evaluation that a potential investment in the transaction described herein does not contravene the laws and regulations of the country of residence of the investor and must also be responsible for obtaining any necessary prior authorization required to make the investment.*
- *Certain industry and market data contained in this Document has come from third party sources. Third party industry publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. While the Company believes that each of these publications, studies and surveys has been prepared by a reputable source, neither the Company nor its respective affiliates has independently verified the data contained therein. In addition, certain of the industry and market data contained in this document comes from the Company's own internal research and estimates based on the knowledge and experience of the Company's management in the market in which the Company operates. While the Company believes that such research and estimates are reasonable and reliable, they, and their underlying methodology and assumptions, have not been verified by any independent source for accuracy or completeness and are subject to change without notice. Accordingly, no reliance should be placed on any of the industry or market data contained in the information. By receiving this document and attending the presentation, you are certifying that (a) if you are in the European Economic Area, you are a "Qualified Investor"; (b) if you are in the United Kingdom, you are a "Relevant Person"; (c) you are not located in a jurisdiction where it is unlawful to do so and (d) you acknowledge and agree to the limitations and conditions set forth herein.*
- *Acceptance of delivery of the Document by the recipient constitutes acceptance of the terms and conditions set out in this Disclaimer.*
- *Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the ordinary shares and other instruments of illimity Bank S.p.A. (the "Securities") have been subject to a product approval process, which has determined that such Securities are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment").*
- *Notwithstanding the Target Market Assessment, Distributors should note that: the price of the Securities may decline and investors could lose all or part of their investment; the Securities offer no guaranteed income and no capital protection and an investment in the Securities is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Manufacturers will only procure investors who meet the criteria of professional clients and eligible counterparties.*
- *For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Securities.*
- *Each distributor is responsible for undertaking its own target market assessment in respect of the Securities and determining appropriate distribution channels.*
- *By accepting or accessing this Document, you shall be deemed to have represented and warranted that (i) you have read and agreed to comply with the foregoing limitations and restrictions, (ii) you are able to receive this presentation without contravention of any applicable legal or regulatory restrictions, (iii) if you are in a member state of the European Economic Area (other than the United Kingdom), you are a Qualified Investor; (iv) if you are in the United Kingdom, you are a Relevant Person; (v) if you are in Italy, you are an Italian Qualified Investor; and (vi) you acknowledge that you understand that there are legal and regulatory sanctions attached to the misuse, disclosure or improper circulation of this document.*
- *This document includes industry and market data pertaining to Company's business and markets. Such information is based on the Company's analysis of multiple sources such as industry publications and surveys, industry reports prepared by consultants, internal surveys and customer feedback. The market, economic and industry data have primarily been derived and extrapolated from reports provided by third parties. In addition, certain statistics, data and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to Company's business and markets in this document are not based on published data obtained from independent third parties or extrapolations therefrom, but rather are based upon analysis, which are in turn based upon multiple third party sources.*
- *All figures and numbers included in this document are rounded.*
- ***Pursuant to Article 154-bis, paragraph 2, of the Legislative Decree no. 58/1998 (Unified Financial Act), the Financial Reporting Officer, Mr. Sergio Fagioli, declares that the accounting information contained in this Document corresponds to the document results, books and accounting records.***