Investor Presentation

Gruppo Bancario Cooperativo Iccrea ("GBCI")

September 2021

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Agenda

Agenda

Main strategic areas of the Group

Iccrea Banca and the other Subsidiaries(1) provide products and services to Affiliated BCCs (corporate lending, leasing, asset management, consumer credit, ICT, etc.)

Iccrea Banca – Group management, coordination and control

RETAIL
- Asset management – BCC Risparmio&Previdenza
- Consumer finance – BCC CreditoConsumo
- Bancassurance (JV with Cattolica) – BCC Assicurazioni; BCC Vita
- Debit and credit cards – BCC PAY

CORPORATE
- Corporate lending and subsidized loans – Iccrea Banca; Banca MedioCredito del Friuli Venezia Giulia
- Leasing solutions – Iccrea BancaImpresa; BCC Lease
- Factoring – BCC Factoring

INSTITUTIONAL
- Treasury and Finance Payments and settlements Custody – Iccrea Banca
- Bad loans management – BCC GestioneCrediti

OPERATIONS
- ICT services – BCC Sistemi Informatici
- Back office services – Sinergia
- Real estate management – BCC Beni Immobili
- Logistics and procurement services – BCC Solutions

COMMERCIAL BANKS
- Lending, deposits, etc. – BCC Credito Cooperativo – 130(2) Affiliated BCCs

Source: Financial Report 2020; Publicly available information

(1) Subsidiaries held, directly or indirectly, by the Parent Company in accordance with points 1 and 2 of Article 2359 of the Italian Civil Code, over which the Parent Company exercises management, coordination and control powers; (2) Data as of May-21

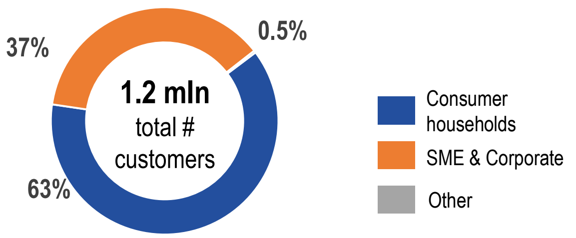
Group overview

GBCI is the largest Italian Cooperative Banking Group

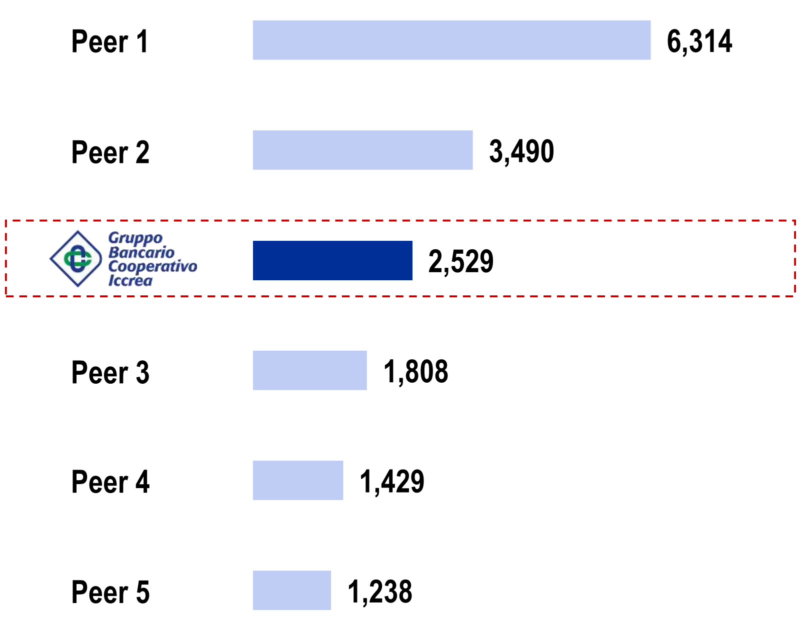
Key indicators

2,529 Branches (10.6% mkt share)	22,141 Staff	824.6 k Shareholders	11.5 €/b Total Own Funds	87.3 €/b Customer loans	113.2 €/b Direct funding from customers

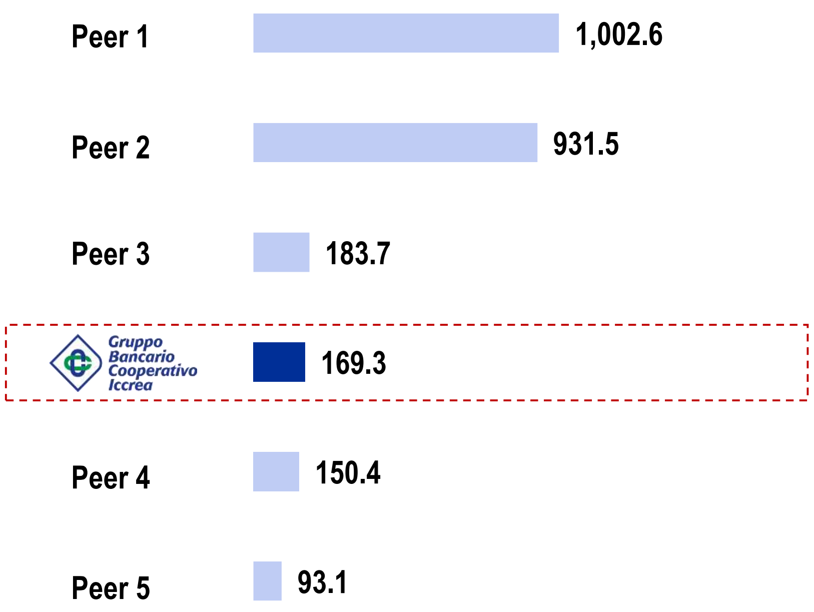
Number of GBCI borrowers
breakdown by segment (%)



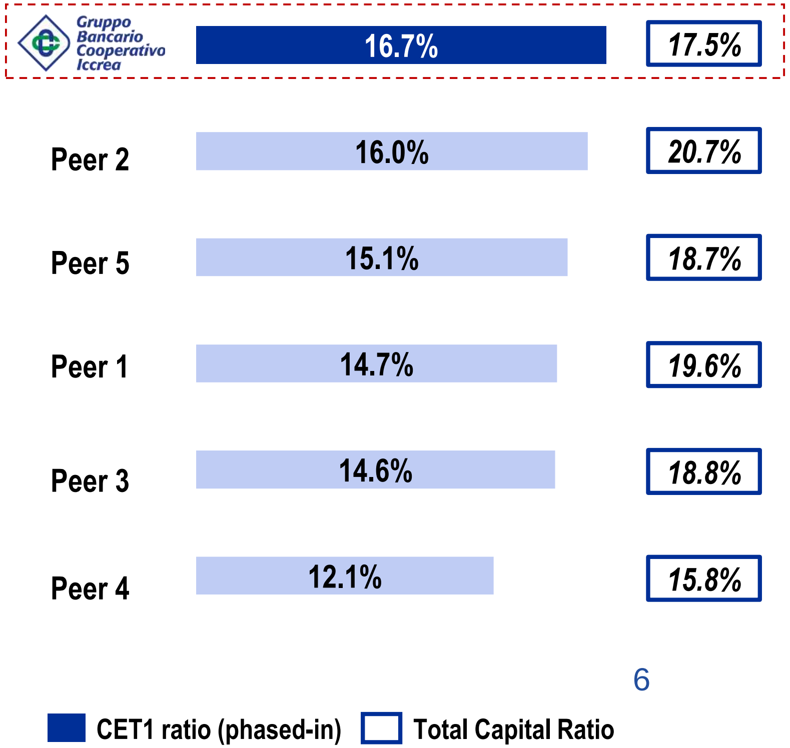
Third largest Italian Banking Group by branches (1) (#)



Fourth largest Italian Banking Group by total assets (1) (€/b)



High-quality capital above the average of national systemically Significant banks (1)



Source: Financial Report 2020; Info provider; Publicly available information
(1) Peers sample: Intesa Sanpaolo, UniCredit, Banco BPM, MPS, BPER

Sustainability: objectives of GBCI

The Sustainability Plan contains the Sustainable Development Goals that GBCI intends to pursue over the horizon of the Strategic Plan

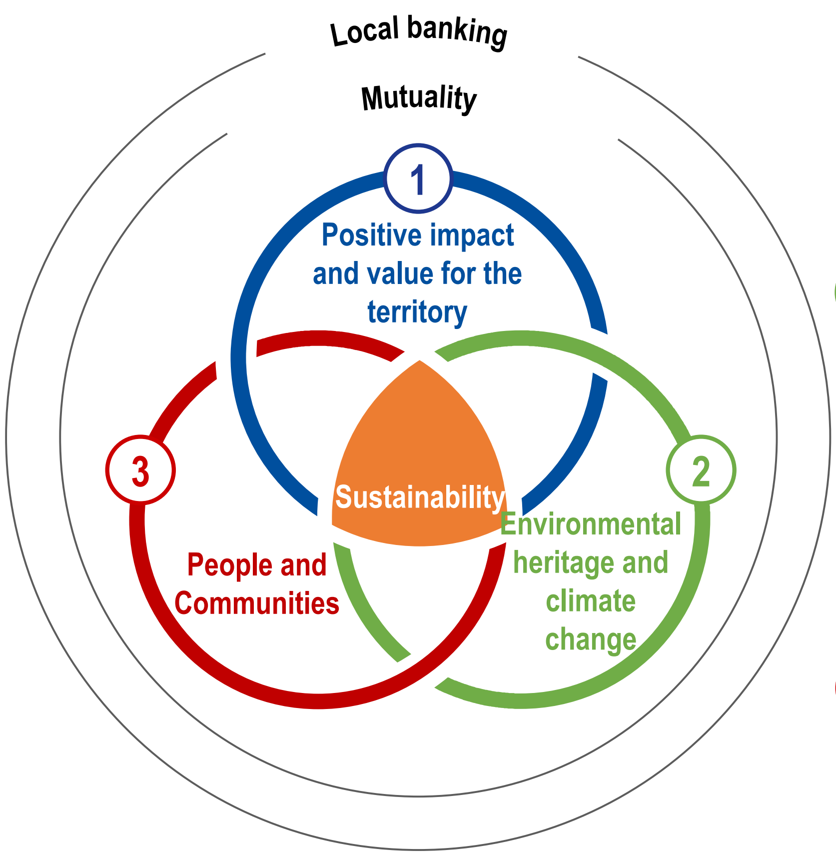
Vision

- GBCI is inspired by the values contained in the **Encyclical "Laudato si"** and considers the environmental dimension connected to the social one according to a principle of integral ecology
- GBCI works to ensure that several of the **17 Sustainable Development Goals** become an integral part of the business objectives

Values

- **Art. 2 of the Statute of the BCC and Cooperative Credit Charter of Values:**
  - The concept of sustainability is the natural evolution of mutualistic DNA of the BCC
  - GBCI considers sustainability an opportunity to reaffirm the principles, values and growth in terms of market and business for cooperative credit

Key strategic areas



1 **Support sustainable, fair and responsible economic development** of the territory with financial support for the **territorial entrepreneurship**

2 Support the **adoption of a circular economy development model**, promoting an **efficient and responsible approach to natural resources**

3 **Maximize the well-being of employees** of the Group, **with constructive welfare policies and inclusive diversity**

Source: Consolidated Non Financial Statement; Management data

GBCI Strategic Plan 2021-2023

Strategic drivers and targets

The developed Strategic Plan is focused on sustainability towards stakeholders and is articulated in clear strategic drivers with the ambition to develop a solid and sustainable Group

Strategic drivers

Strong capital buffers to mitigate risks and sustain Group development

Value creation through interventions related to **commercial plan** and **cost reduction**

Further **reduction of target NPE ratio**

GBCI Transformation Plan

Operational Efficiency

Group Simplification

Revenues Full Potential

Asset Quality Management

Group Sustainability

Target 2023

>90 €/b
Net loans to costumers

>121 €/b
Direct funding

>36 €/b
Qualified funding
(asset management + insurance)

>14 €/b
Assets under administration

67%
Cost / Income ratio

6.5%
Gross NPL ratio

3.3%
Net NPL ratio

Source: Financial Report 2020; Management data

Agenda

Key investment highlights

1. Extensive distribution network with focus on Northern and Central Italian regions
2. Improving asset quality with de-risking plan ahead of schedule
3. Leading capital position, well above minimum requirements
4. Loan portfolio focused on the wealthiest regions
5. Funding structure and liquidity profile

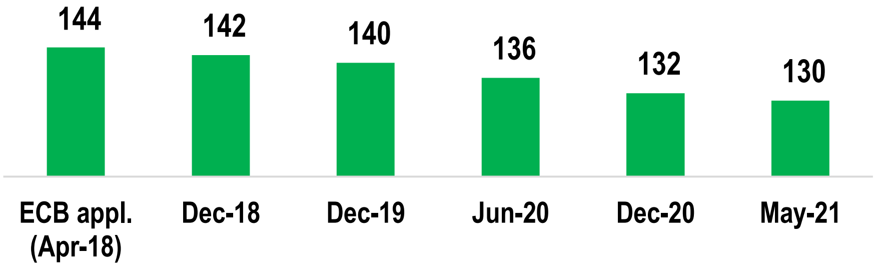
Extensive distribution network with focus on Northern and Central Italian regions

Dec-20

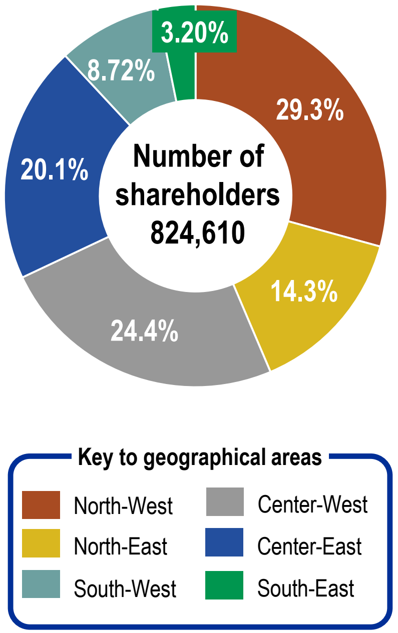
AFFILIATED BCCs

Geographical areas	% BCCs
North-West	19%
North-East	11%
Center-West	18%
Center-East	18%
South-West	19%
South-East	15%

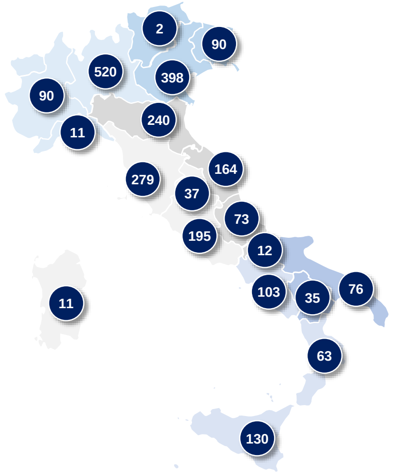
Number of BCCs(1) 130



SHAREHOLDERS

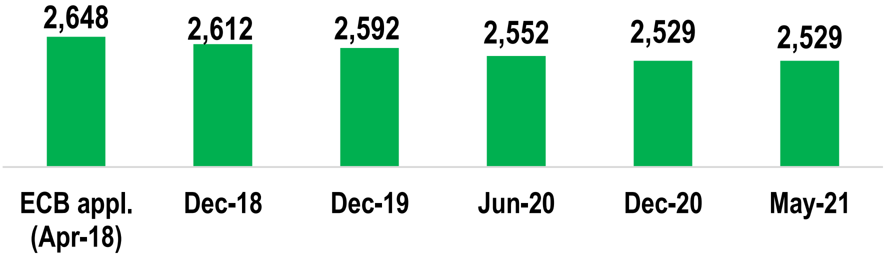


BRANCHES



Geographical areas	% Branches
North-West	25%
North-East	19%
Center-West	21%
Center-East	19%
South-West	12%
South-East	4%

Number of branches 2,529



Highlights

- GBCI consists of 130(1) Affiliated BCCs located throughout the national territory. GBCI has 2,529 branches in over 1,700 municipalities around Italy
- In line with the mission of cooperative banks, GBCI business is aimed, above all, at retail customers. GBCI's borrowers are equal to 1.2 million, 88% of which households and SMEs, while GBCI's depositors are equal to 3.5 million, about 95% represented by households and SMEs
- With reference to the shareholding structure, BCCs' shareholders are 824,610, with an increase of over 14,000 compared to 2019

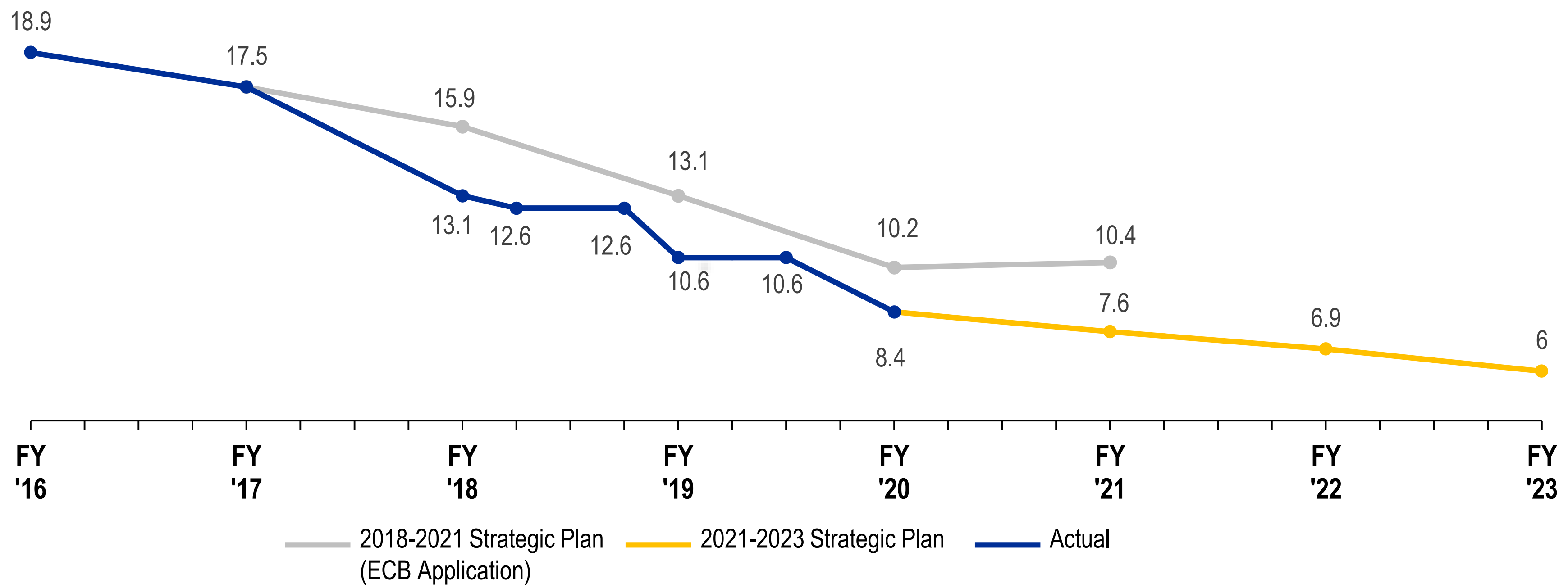
Source: Financial Report 2020; Publicly available information

(1) Data as of May-21

Improving asset quality with de-risking plan ahead of schedule (1/2)

Dec-20

Gross NPL stock evolution - €/b



2021-2023 target

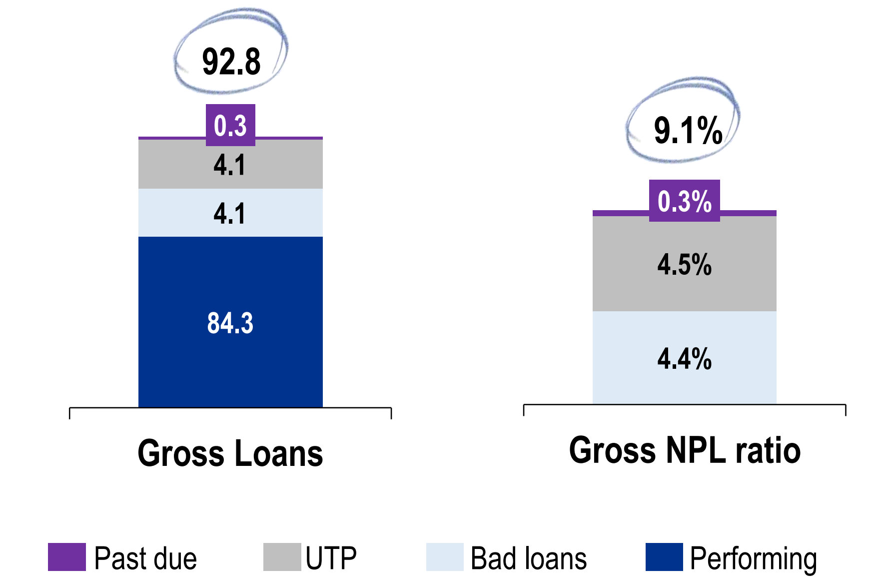
- During 2020, a fourth NPL securitization backed by State guarantees (GACS) was completed, involving a portfolio of bad loans of more than 2.3 €/b (credit claim); the gross NPL ratio at the end of 2020 was 9.1% (4.3% net), compared with the 18.9% registered at the end of 2017 before the start of the de-risking program coordinated by Iccrea Banca
- The NPE Plan 2021-2023 still seeks to achieve the most challenging targets set by the supervisory authorities over the course of the three-year period, implementing management initiatives whose positive effect will enable the Group to target a gross NPL ratio of 6.5% (3.3% net) in 2023

Source: Financial Report 2020; Management data

Improving asset quality with de-risking plan ahead of schedule (2/2)

Dec-20

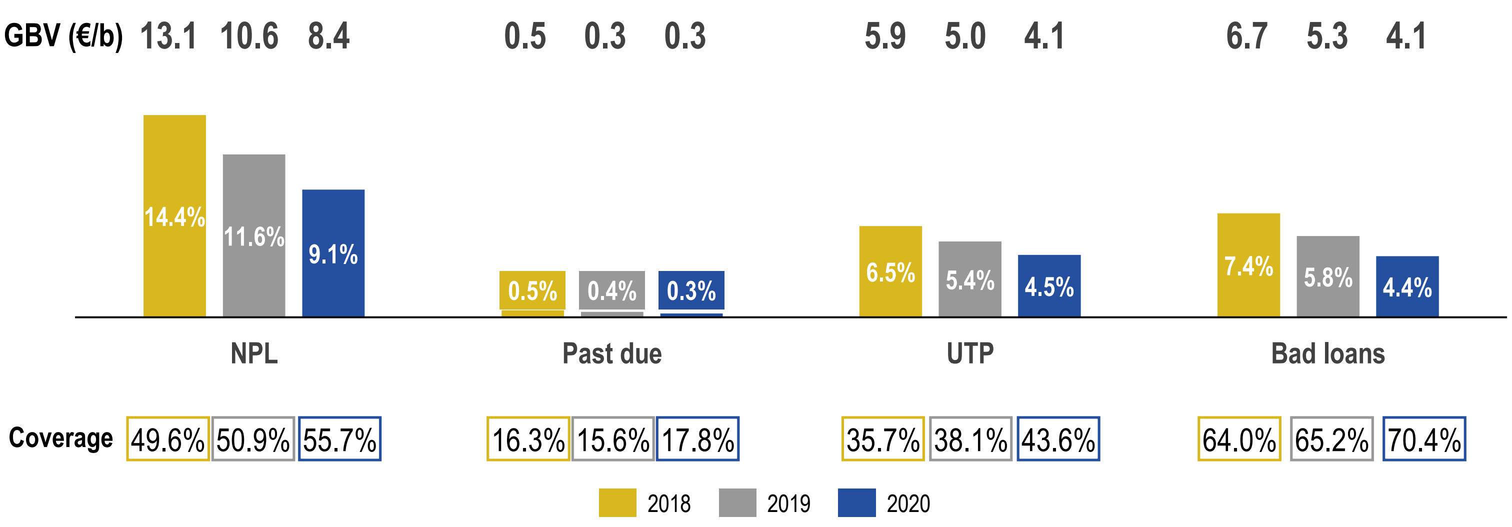
Asset quality - €/b



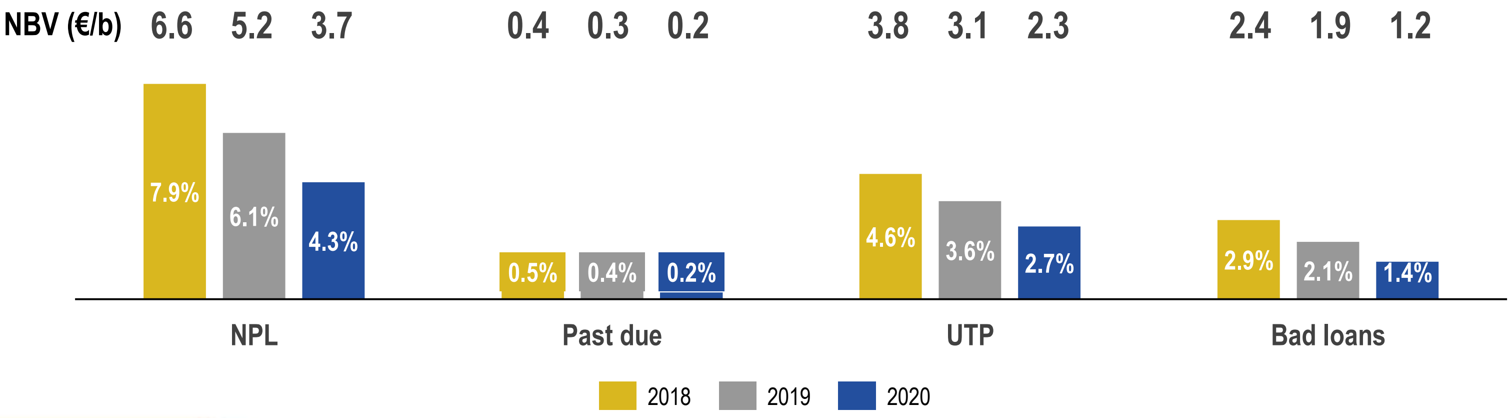
Highlights

- Gross NPL ratio at 9.1% (vs. 11.6% at the end of 2019)
- Net NPL ratio at 4.3% (vs. 6.1% at the end of 2019)
- Coverage of NPLs rose to 55.7%, improving from 50.9% at the end of 2019 and 49.6% at the end of 2018
- The reduction in the NPE Ratio vs. 2019 (-2.5%) is mainly due to the de-risking activity carried out by Iccrea Banca through the sale of non-performing positions for approximately 1.6 €/b (GBV) through GACS

Gross NPL ratio



Net NPL ratio



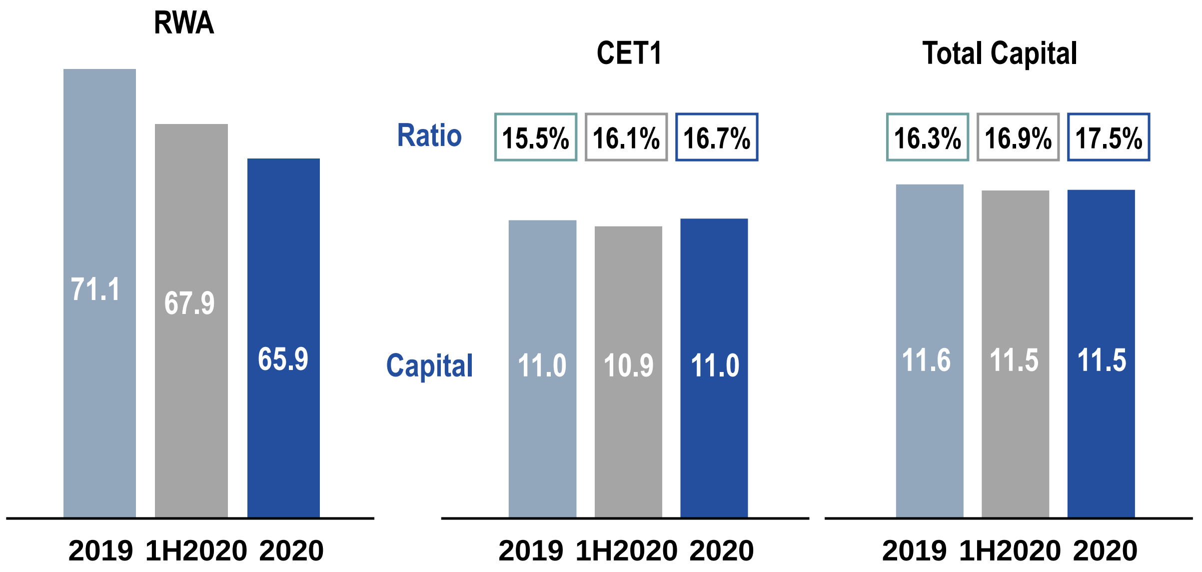
Source: Financial Report 2020

Leading capital position

Sound capital, well above 2020 requirements

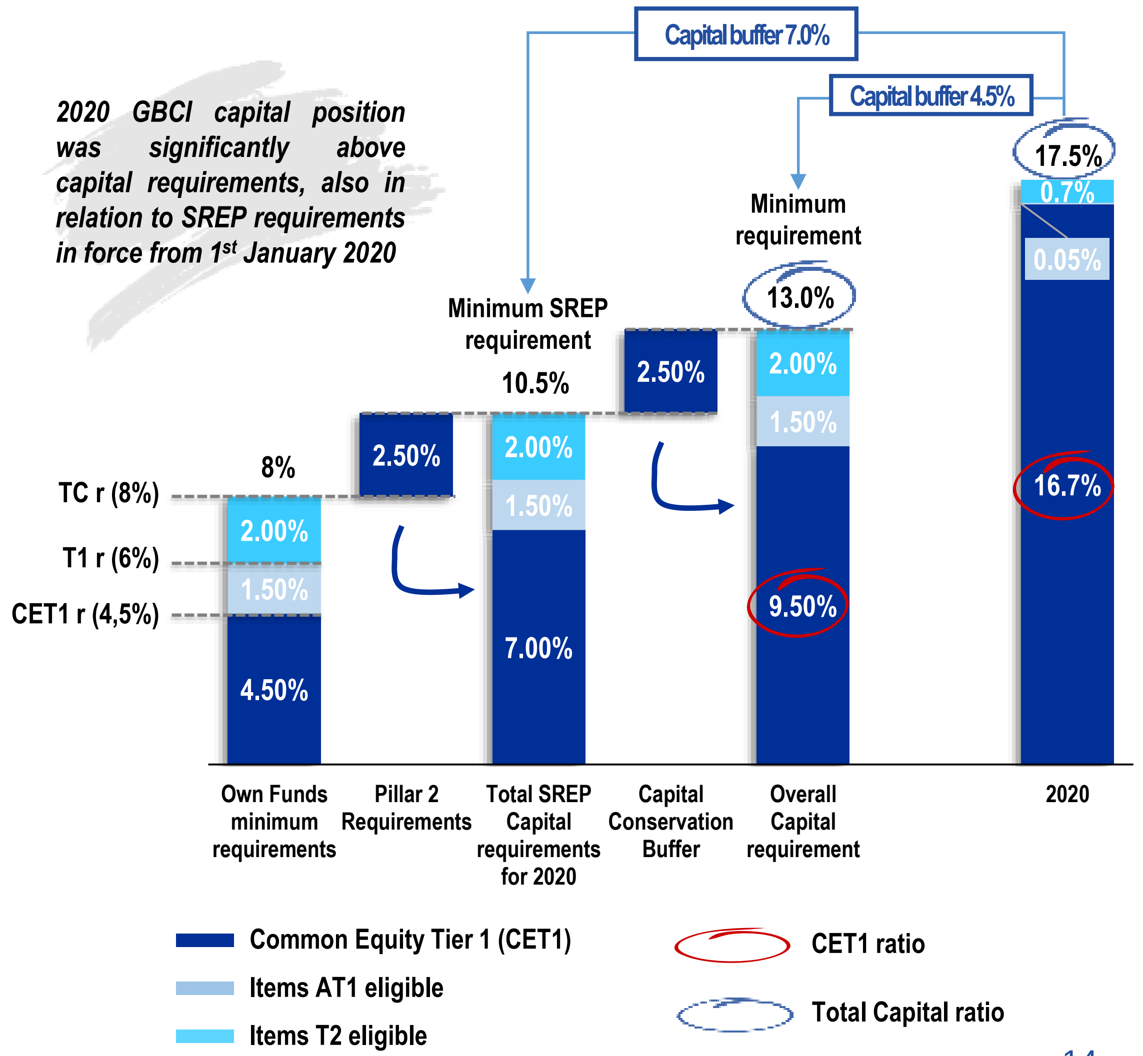
Dec-20

Capital position - €/b



Capital buffer (phased-in) - %

2020 GBCI capital position was significantly above capital requirements, also in relation to SREP requirements in force from 1st January 2020



Highlights

- As at December 31, 2020, the CET1 ratio was 16.7%, above the average for domestic systemically significant banks (15.5%), while the TCR was 17.5%
- The increase of capital ratio – which also reflects the effects of the IFRS 9 phase-in – was mainly due to a decrease in RWA, attributable to credit and counterparty risk (-5.2 €/b vs. 2019), essentially reflecting two macro-developments: (i) the application of CRR quick fix (supporting factor applicable to exposures to SMEs); and (ii) the benefits from the State guarantees related to COVID measures

Source: Financial Report 2020; Management data

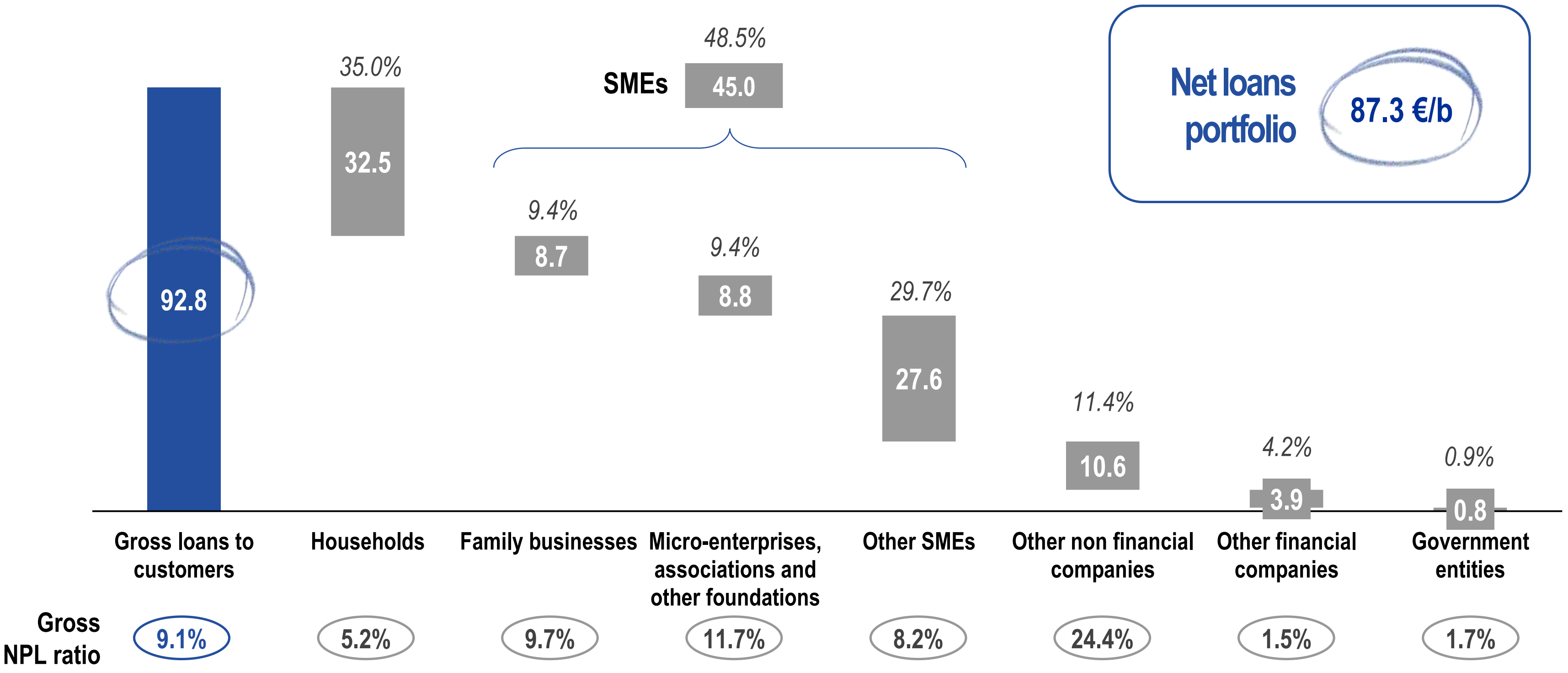
4

Loan portfolio focused on the wealthiest regions (1/2)

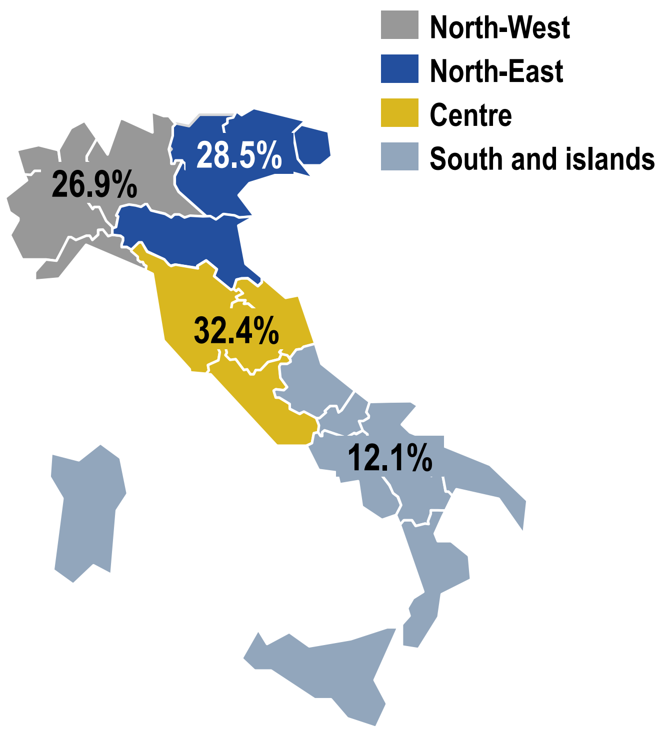
GBCI target service model leverages on territorial proximity and an extensive client base with long term relationships

Dec-20

Gross loans breakdown by type of counterparty - €/b



Geographical distribution – Gross loans



Highlights

- The business model of Affiliated BCCs, which represent the larger part of total assets and total loans to customers, is reflected by the breakdown of loans by counterparty type: about 84% of the Group's credit portfolio in terms of GBV is made up of loans to Households (32.5 €/b) and SMEs (45.0 €/b)

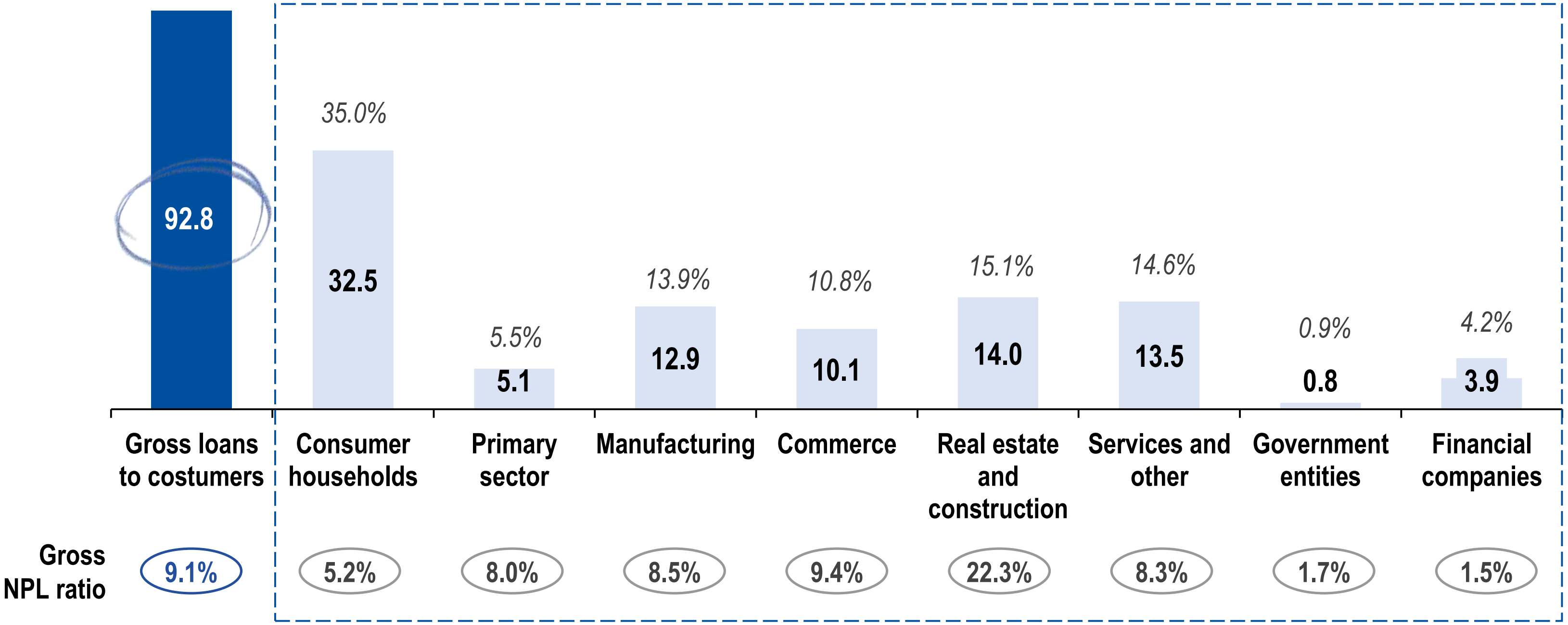
Source: Financial Report 2020

Loan portfolio focused on the wealthiest regions (2/2)

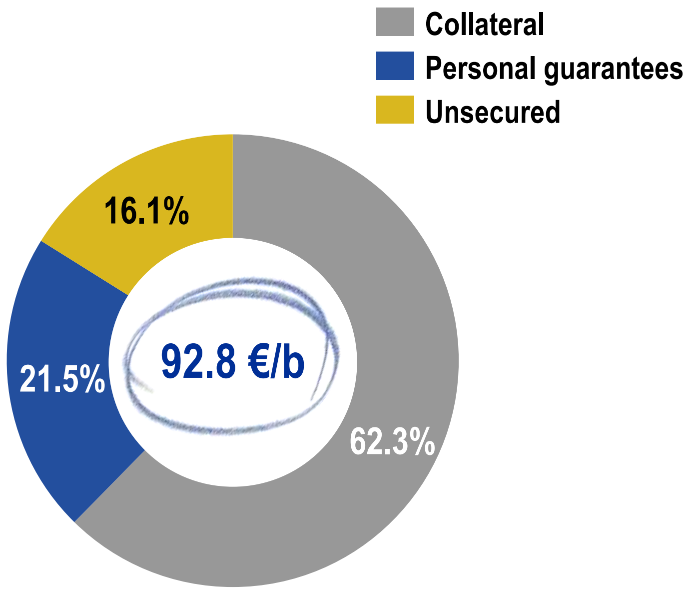
GBCI target service model leverages on territorial proximity and an extensive client base with long term relationships

Dec-20

Gross loans breakdown by economic segment of counterparty - €/b



Breakdown by type of guarantees – Gross loans



Highlights

- In terms of the economic activity conducted by our customers, consumer households take the lion's share (35.0%). The other relevant segments are real estate and construction (15.1%), services and others (14.6%), manufacturing (13.9%) and wholesale and retail trade (10.8%). The market share of lending to the primary sector (5.5%) is also above the national average
- The large proportion of loans backed by collateral (62.3%) is attributable to the unique business model of cooperative banking, which primarily lends to households and small and medium-sized enterprises. About 75% of impaired loans are secured by collateral

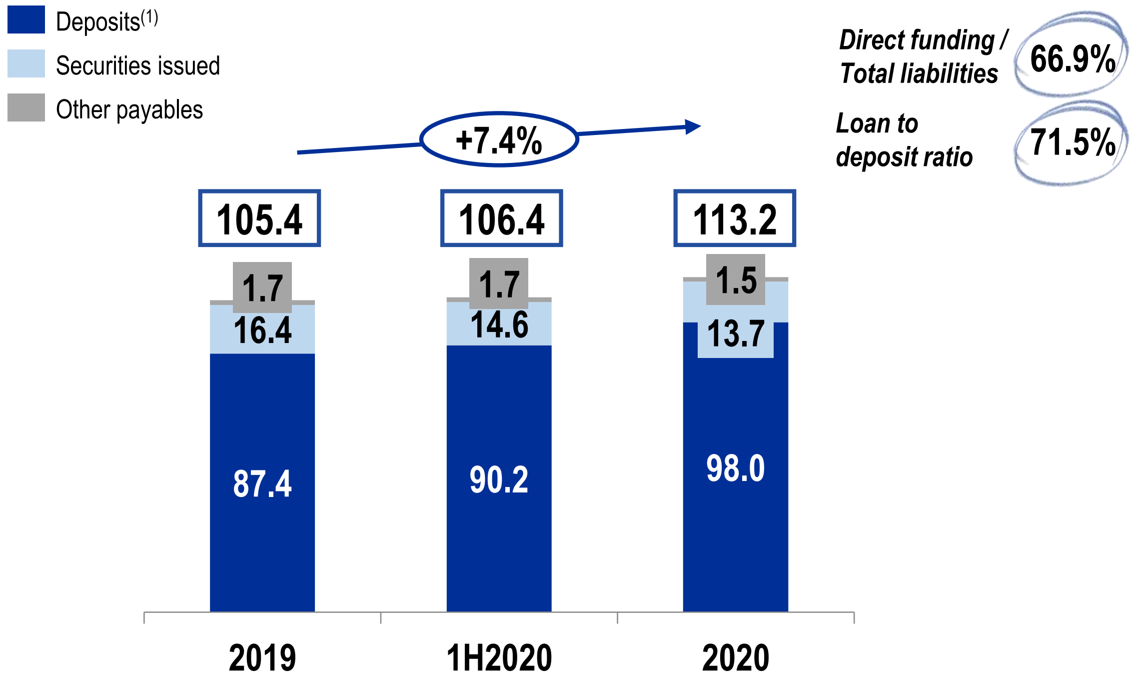
Source: Financial Report 2020

Funding structure and liquidity profile (1/2)

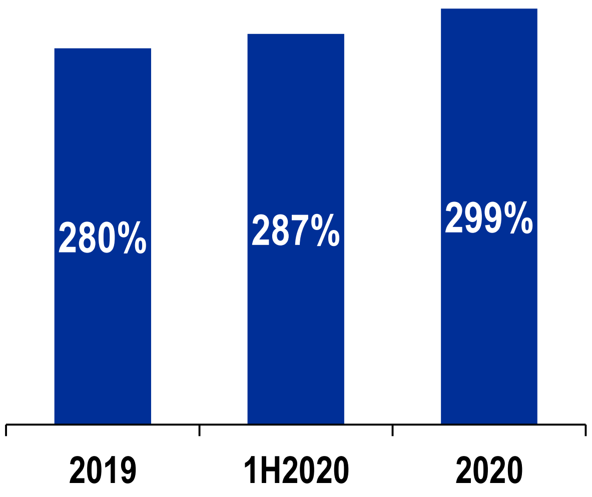
Total direct funding and liquidity position

Dec-20

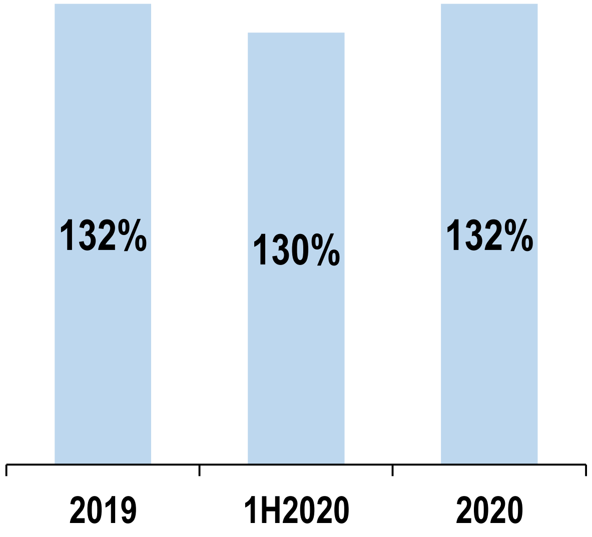
Direct funding from ordinary customers - €/b



Liquidity Coverage Ratio - %



Net Stable Funding Ratio - %



Highlights

- Strongly link with the local communities is the basis of the high component of direct funding (113.2 €/b, including certificates of deposit and excluding repos). This is largely represented by deposits from customers and to a less extent by bonds and certificates of deposit
- Liquidity reserves amount to about 37 €/b, mainly represented by Italian government bonds. Stable liquidity position with LCR and NSFR respectively at approximately 300% and 130%

Source: Financial Report 2020

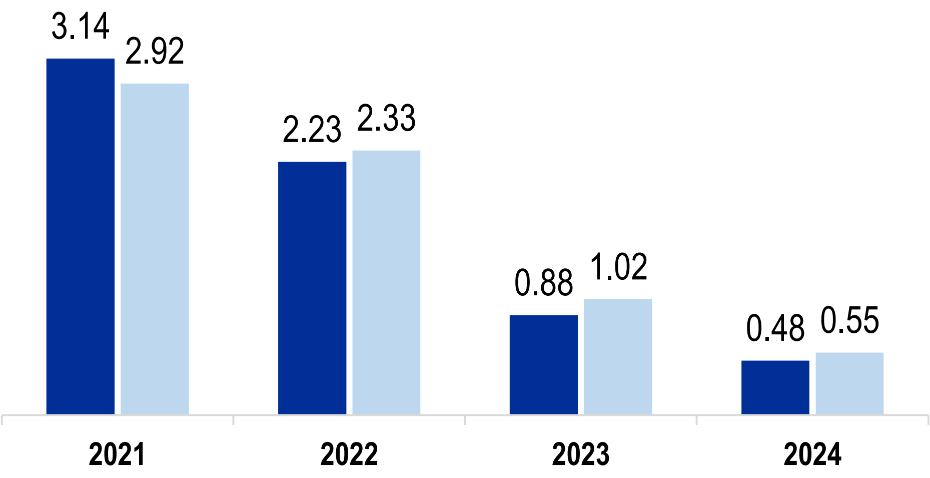
(1) Include "Current accounts and deposits" and "Time deposits"

Funding structure and liquidity profile (2/2)

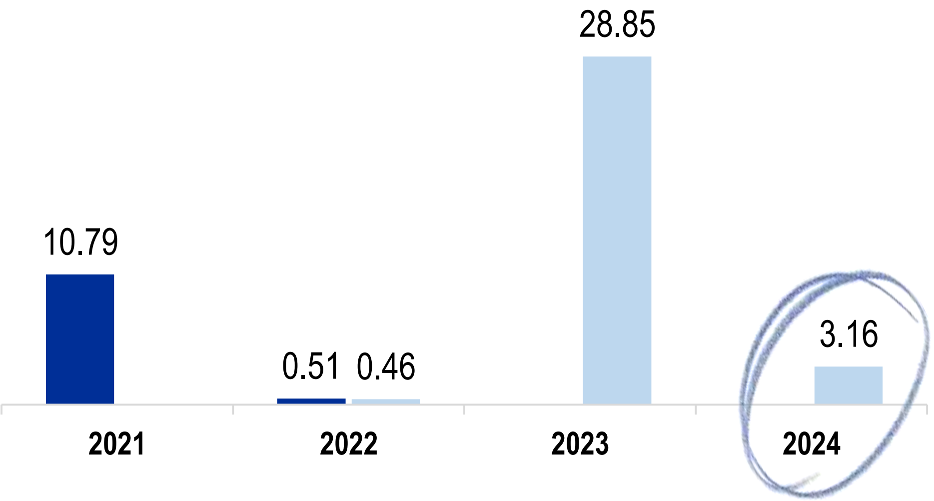
During 2020 TLTRO maturities have been extended

As of Dec-19
As of Dec-20

Maturing Bond Issuances - €/b



Maturing TLTRO Tranches - €/b



Highlights

- As regard T-LTRO activities, the Group participated in the 7th TLTRO auction in March 2021, for 3.16 €/b, expiring in March 2024

Source: Management data

Issuer ratings

Iccrea Banca is rated by the main rating agencies

Last issuer ratings

	Release date	Long Term	Outlook	Short Term
Fitch Ratings	February 24, 2021	BB-	Stable	B
S&P Global Ratings	November 26, 2020	BB	Negative	B
DBRS	December 2, 2020	BB (high)	Stable	R-3

Source: Rating Agencies' reports

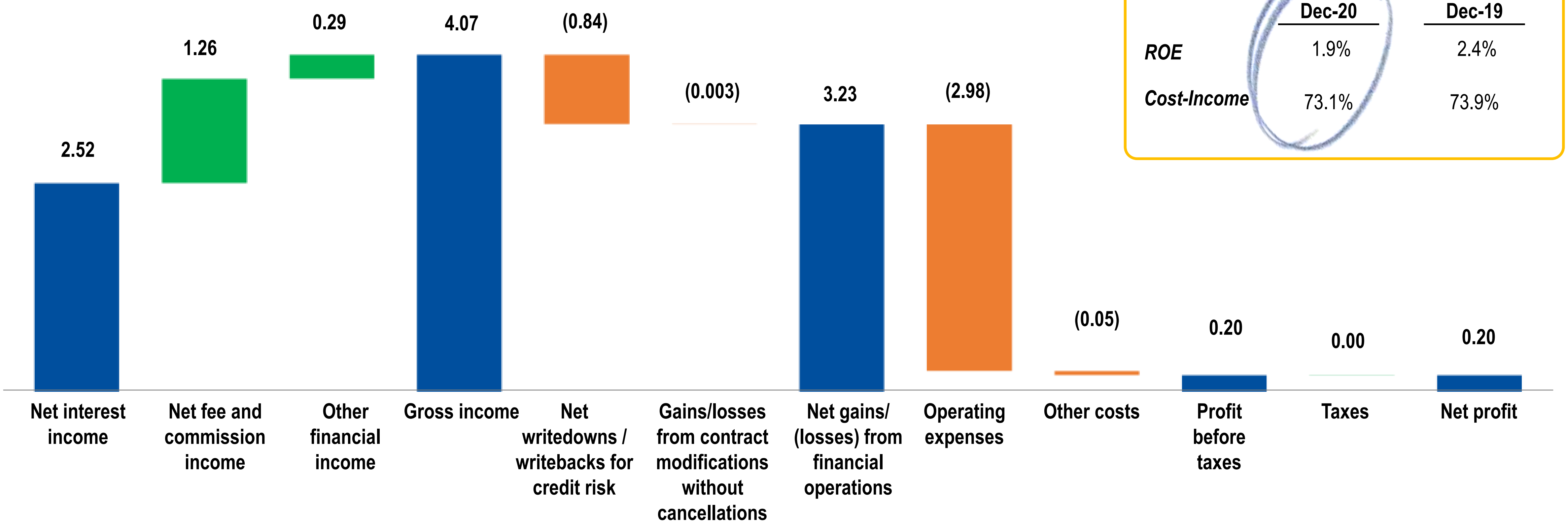
Agenda

Highlights of 2020 results

P&L overview

Dec-20

P&L – €/b



	Dec-20	Dec-19
ROE	1.9%	2.4%
Cost-Income	73.1%	73.9%

Highlights

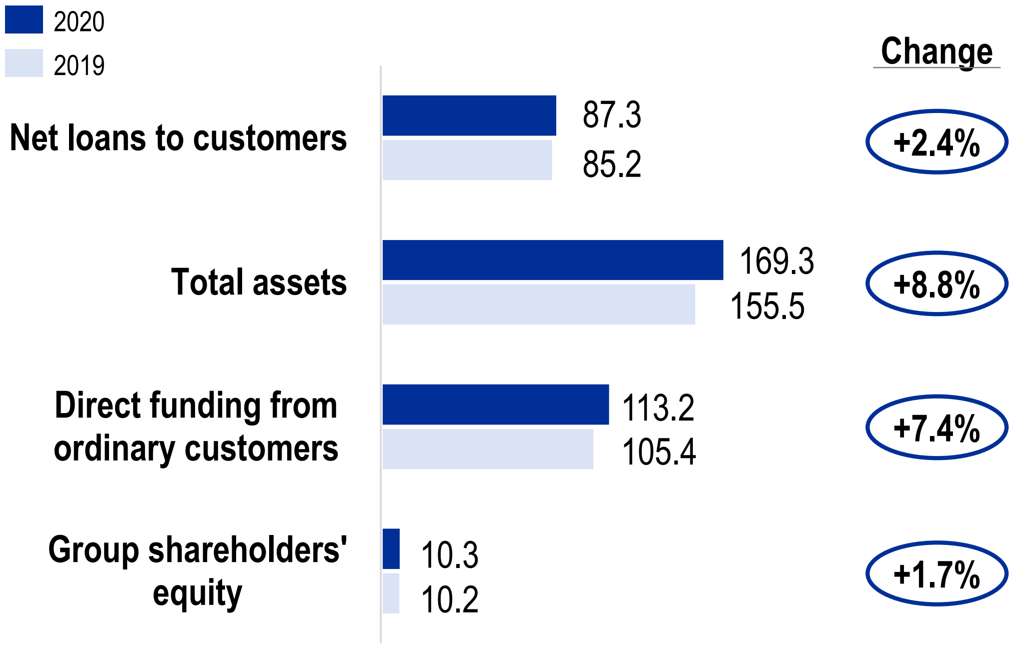
- Net writedowns for credit risk, equal to 837.5 €/m, +171.2 €/m compared with the previous year. This is mainly attributable to the increasingly prudent valuation policies adopted by the Group, for NPLs in particular, partly in response to the possible adverse effects of the COVID-19 emergency on the economy
- Net profit equal to 202.3 €/m and ROE equal to 1.9%

Source: Financial Report 2020

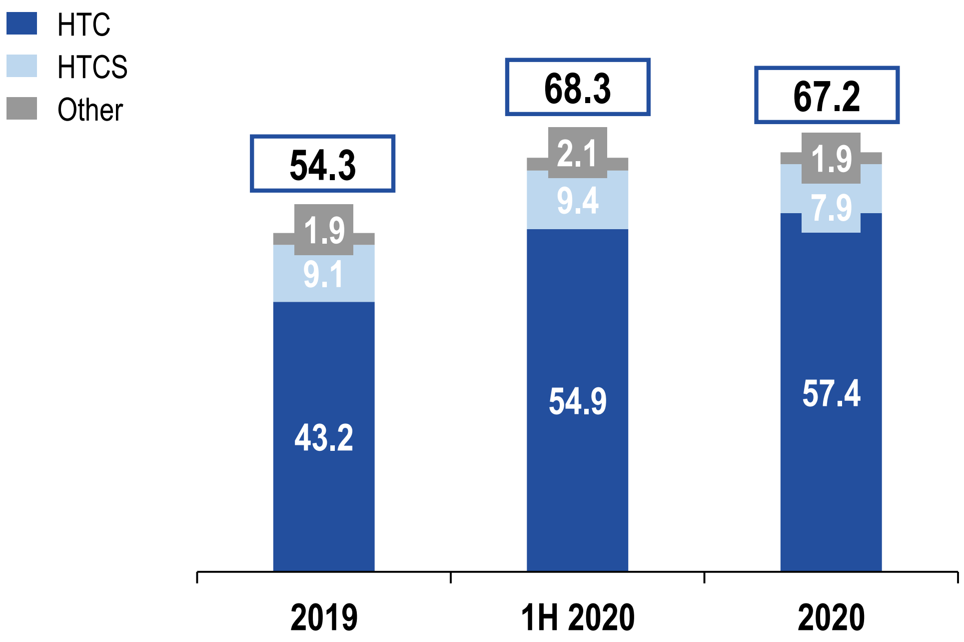
Balance Sheet and Financial portfolios

Group shareholders' equity equal to 10.3 €/b. Financial portfolio equal to 67.2 €/b

Balance Sheet - €/b



Financial portfolios - €/b (book value)



Highlights

- Total assets equal to 169.3 €/b, up 13.7 €/b (+8.8%) on December 31, 2019, due to the Group's new finance strategy adopted in response to the more expansionary monetary policy of the ECB (in particular TLTRO-III) during COVID-19
- Consolidated shareholders' equity totaled 10.3 €/b. Share capital includes the capital of the Iccrea Banca, amounting to 1.4 €/b, and the capital of the Affiliated BCCs, which, together with the Parent Company, constitute a single consolidating entity

Highlights

- The Group's financial investments amount to approximately € 67,2 billion, of which 85% is allocated to the portfolio valued at amortized cost (Hold to Collect - HTC business model) in line with the traditional business model that characterizes the BCCs, aimed at benefiting from the coupon yield and at not exposing own funds to volatility risks.

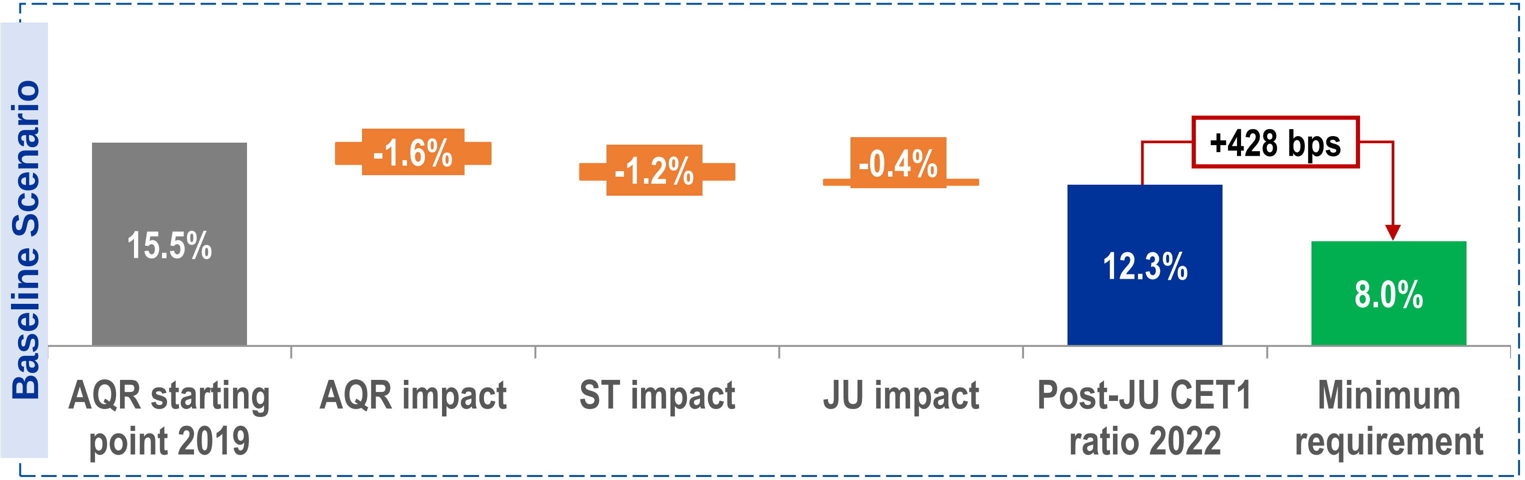
Source: Financial Report 2020; Management data

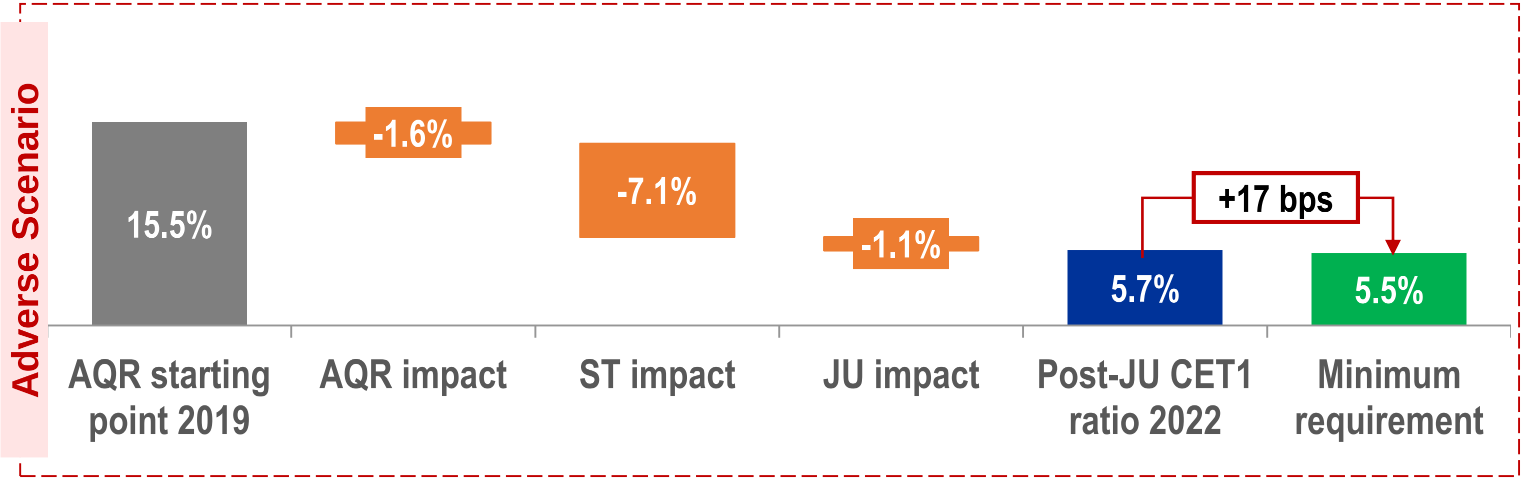
Agenda

Comprehensive Assessment

Overall capital impact results of ECB Comprehensive Assessment confirm the solidity of GBCI

AQR, Stress Test (ST) & Join-Up (JU) impacts *(capital impact on CET1 ratio)*





Highlights

- Started in February 2020 and then suspended due to Covid-19, the Comprehensive Assessment re-started in August 2020, with the publication of the results at the end of June 2021
- Baseline Scenario and Adverse Scenario based on conservative approach: among others, in the first year of projection, considering a reduction of 9% (baseline) and 13% (adverse) of Italian GDP in 2019
- Group capital levels above the threshold set by BCE: CET1 ratio 12.3% in the Baseline Scenario (vs. 8%) and 5.7% in the Adverse Scenario (vs. 5.5%)

Source: ECB

Comprehensive Assessment

Asset Quality Review key findings: total impact equal to 1,683 €/m, 1.6% in terms of CET1 ratio

	PORTFOLIO IN SCOPE	TOTAL PORTFOLIO EXPOSURE - €/m	GROSS IMPACT OF AQR - €/m			
			Credit File Review & Collateral Valuation (CFR)	Projection of Findings	Collective Provision Analysis	Total impact
RETAIL	Residential Real Estate (RRE)	28,035	-	-	382	382
RETAIL	SME	25,510	-	-	898	898
CORPORATE	Large SME	13,584	93	142	168	403
	TOTAL	67,129	93	142	1,448	1,683

Net impact on CET1 ratio: -1.6%

Highlights

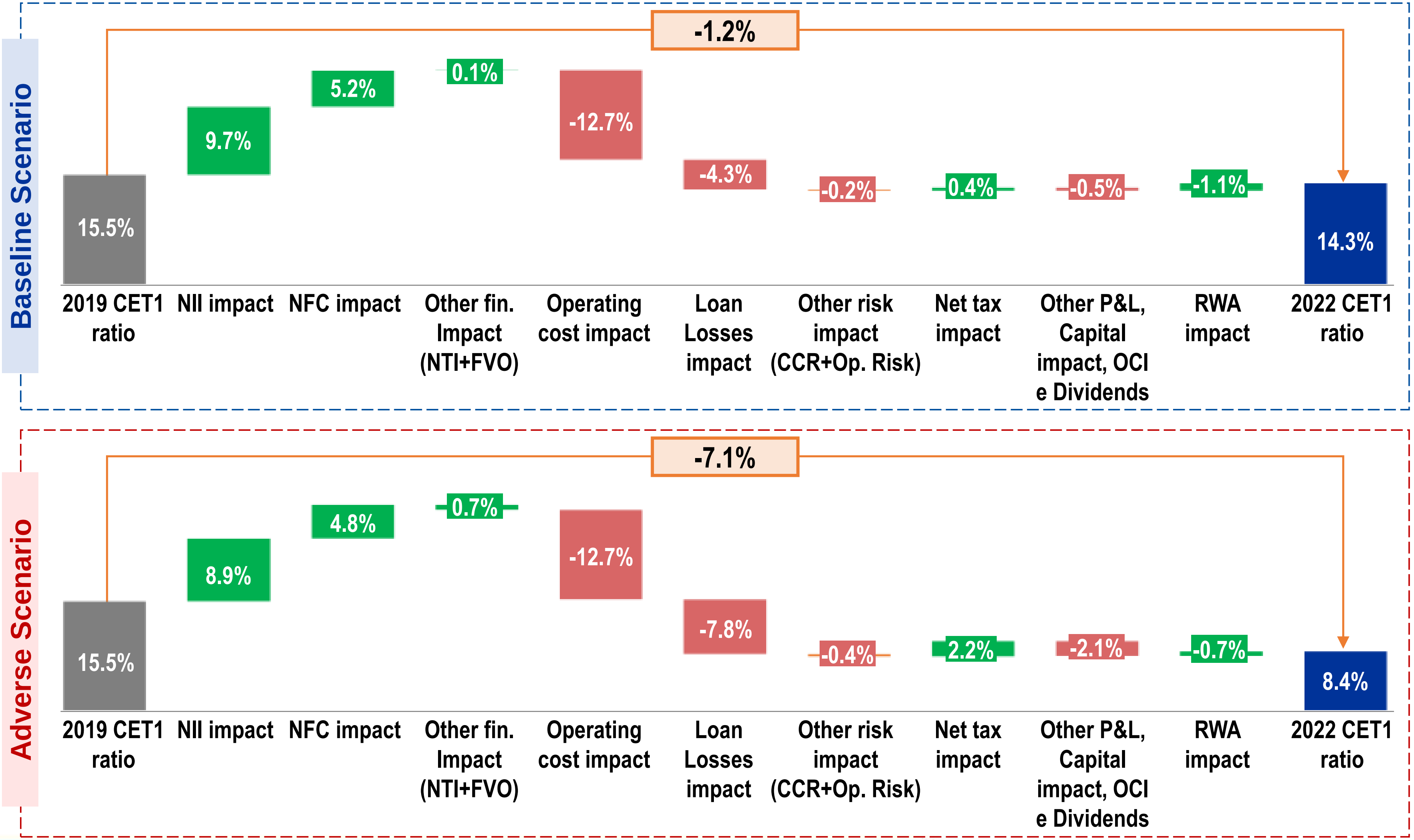
- CFR extra-provisioning on Large SME portfolio amounts to 93 €/m, already included in 2020 P&L
- Projection of Findings extra-provisioning on Large SME NPLs equal to 142 €/m
- Total Collective Provision Analysis extra-provisioning equal to 1,448 €/m

Source: ECB

Comprehensive Assessment

Stress test impacts on Group CET1 ratio

Stress Testing impacts *(capital ratio impact, CET1 ratio)*



Highlights

- The macro-financial scenario – ''Covid-19 like'' - includes the evolution of real GDP, inflation, unemployment rates, real estate prices, stock prices, exchange rates and interest rates covering three years from 2020 to 2022
- In the Baseline Scenario of the Stress Test pre-Join-Up the CET1 ratio decreases by 1.2% while the total impact in the adverse scenario amounts to 7.1% and is mainly driven by credit risk

Source: ECB

Comprehensive Assessment

Join-Up impacts on Group CET1 ratio

JOIN-UP EFFECTS

- The Join-Up effects provide for the application of AQR-adjustments to the staging distribution and provision levels of exposures at the Stress Test starting point, as well as adjustment to the Stress Test parameters incorporated based on the AQR findings

The Join-Up results in a negative impact of 0.4% on the CET1 ratio in the Baseline Scenario and in a negative impact of 1.1% in the Adverse Scenario

IMPACTS ON 2022 CET1 ratio

SCENARIO	
BASELINE	ADVERSE
-0.4%	-1.1%

AQR

Stress Test

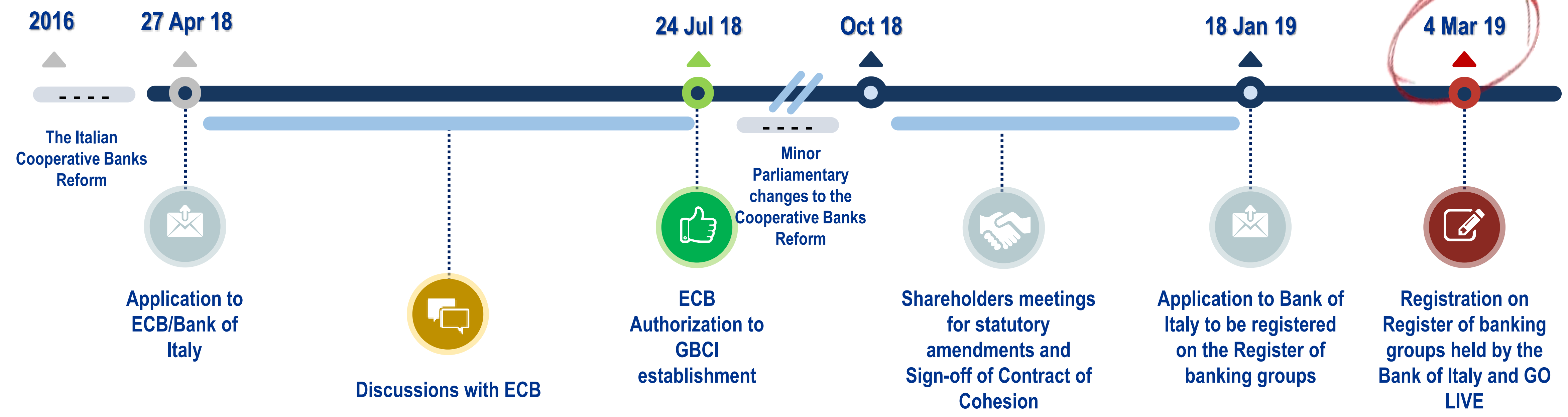
Join-Up effects

Source: ECB

Agenda

Key company milestones

Timeline of GBCI establishment



The pillars of the Italian Cooperative Banks Reform/of the Group

- Ad-hoc regulatory framework which rules the definition of organizational and operating model
- BCCs ("Cooperative Credit Banks") have to sign-off a Cohesion Contract to belong to a CBG ("Cooperative Banking Group"): each BCC accepts to be subject to the Parent Company's management and coordination
- Regulatory references are: Law n. 49 of 8 April 2016 and Law n. 108 of 21 September 2018
- The Cohesion Contract includes innovative and unique mechanisms introduced by the regulatory requirements, such as Early Warning System (for risk control, interventions and sanctions) and Cross-guarantee Scheme (for stability and capital protection)

Source: Financial Report 2020; Management data

Cohesion Contract (1/2)

- In January 2019, Iccrea Banca and the BCCs entered into a Cohesion Contract in accordance with the **Italian Cooperative Banks Reform**. Pursuant to the contract, <u>each BCC accepts to be subject to the Parent Company's supervision and coordination</u>

- The Cohesion Contract gives the <u>Parent Company powers to set (and then monitor) strategies, policies and principles of evaluation and measurement of Group risks.</u>

Source: Financial Report 2019; Financial Report 2020; Management data

Cohesion Contract (2/2)

Corporate Governance

- Traditional government model (BoD and GM)
- Power to oppose to the appointments of BoD members and statutory auditors of the Affiliated BCCs and power to dismiss them

Internal control system

- Control functions: centralized governance model and functional responsibility
- Definition of risk governance policies and organizational principles concerning risk-taking, risk management and control of risks

Cohesion Contract

- Internal evaluation risk-based process aimed at assessing and monitoring the overall stability of the Affiliated BCCs
- Functional to the activation of the CGS and to the definition of different operating model with the Parent Company

Early Warning System

- Guarantee determination model aimed at ensuring both stability and capital protection
- Constitution of dedicated funds through severe stress test exercise

Cross-guarantee Scheme

Other Management and coordination activities

- Strategic Planning (authorization for relevance decisions and planning process consistent with RAF)
- Commercial and distribution activities
- Credit policies and related risk profiles
- Financial management and related risk profiles
- Operational governance (guidelines for HR, ICT, organizational model, etc.)

Source: Financial Report 2019; Financial Report 2020; Management data

The Cross-guarantee Scheme

- The Cross Guarantee Scheme is an **intra-group financial support mechanism** within which the participating banks provide each other **financial support to ensure solvency and liquidity** (particularly for the purpose of their **compliance with prudential requirements and any requirements of the supervisory authority**) and to avoid, where necessary, submission to resolution procedures pursuant to Legislative Decree no. 180/2015 or to compulsory administrative liquidation procedures pursuant to art. 80 and following of the TUB

- Provides for the allocation among the banks of the total **“promptly available funds”, held by the Parent Company, and the “recallable funds”**

- Is **based on an estimate of the overall guarantee requirements** through a **vulnerability analysis in adverse conditions** (Stress test “EBA compliant”) of each GBCI member

Source: Financial Report 2019; Financial Report 2020; Management data

Agenda

Iccrea Granting Process

Phases

- ***The steps of the granting process are detailed below:***

Business contact	Pre- Analysis	Analysis	Resolution	Completion of the transaction	Granting
Business contact with customers to structure the transaction on the needs expressed	General preliminary assessment of the reliability of the customer and the feasibility of the operation also through the collection of documentation	Assessment of the creditworthness of the counterparty on the basis of an quali/quantitative analysis to determine the financial and equity soundness as well as the prospective ability to produce income, complemented by any other relevant element to determine the repayment capacity and the sustainability of the transaction	Assessment, by the Decision Making Body, of the proposal on the basis of the data provided by the proposer on the creditworthness of the counterparty, the structure and size of the credit lines and the date of their validity.	Activities related to the conclusion of contractual and warranty documentation	Activities related to the granting

Iccrea Granting Process

Parent Company Role: Overview

Overview on the Parent Company role in the loan originating process

Guidelines	▪ Definition of the credit management model ▪ Issuance of guidelines on the granting process for each customer segment and main credit products ▪ Definition and development for Group companies of the model of decision-making autonomy and power of the Deliberating Bodies
Credit Opinion	▪ Monitoring of the Group's performing portfolio through opinions named "Credit Opinion" on credit positions that exceed predefined limits
Clients' Evaluation Framework	▪ Definition of credit assessment frameworks for the Corporate, Retail and Banking clients
Creditworthiness Assessing	▪ Direct creditworthiness assessment of banks and financial institutions granted by the Parent Company and other Direct Perimeter Companies ▪ Methodological and operational support for the assessment of banks and financial institutions exposures granted by the Affiliated Banks, which keep the responsibility for assessing this creditworthiness
Rating attribution	▪ Supervision of the activities connected with the Group rating models, performance of rating predictability, override activity and assistance to the Group Companies with regard to the general principles and motivation for the rating assigned to the individual counterparties

Iccrea Granting Process

Products of the Cooperative Banking Group

- ***The credit guidelines regulate the main macroproduct families offered to the following customer segments : Corporate, Individuals and Public Administrations. Specialized products (leasing, factoring, consumer credit, institutional credit) are not included in the scope of consolidation***

Corporate	Individuals	Public Administrations
• Mortgage and "fondiario" loans; • Loans secured by collateral; • Unsecured loans; • Loans secured by guarantees given by Institutional Entities (MCC, EIF, SGFA, etc.); • Credit facilities in current accounts; • Financial and commercial guarantees; • Credit card overdraft facilities; • Structured Finance; • Guarantees.	• Mortgage and "fondiario" loans; • Loans backed by collateral or bank/insurance guarantees; • Unsecured loans; • Credit facilities on current accounts; • Credit card overdraft facilities; • Guarantees.	• Mortgage and "fondiario" loans with payment delegations; • Other financing assisted by a payment delegation; • Cash Advances; • Guarantees.

Focus next slides

However group companies are allowed to keep specific products if in accordance with the Credit Group Policies rules

Iccrea Granting Process

Focus on Individuals

Individuals

Definition	The segment “Individuals” includes all natural persons, individually considered, not engaged in business activity or in the liberal profession or holders of VAT, that is to say, service providers, employees, recipients of land income, pensioners, etc.
Driver used for the application of the Credit Group Policies	• Duration • Debtor classification (minimum acceptable rating class) • Loan Granting Methods • Maximum amount payable • Loan Purpose • Pre-amortisation / Amortisation periods • Eligible type of guarantees
General Guidelines	With specific reference to the eligibility rules on products offered by the Group to the Individuals, please note that: • for secured exposures, the Counterparty must have an AlvinStar* rating equal to 8 or 10 for the CSD*, or better (for banks that do not use an Alvinstar rating or a CSD, the counterparty shall belong to a rating class to which a PD of not more than 6,00 % corresponds); • for unsecured exposures the Counterparty must have an AlvinStar rating equal to 7 or 10 for the CSD or better (for banks that do not use an Alvinstar rating or a CSD, the counterparty shall belong to a rating class to which a PD of not more than 3,65 % corresponds); • the exceptions to the above rules, for the worst rating classes and for unrated counterparties for not available data, are allowed and are represented by systems of derogation from the deliberative powers • the total annual amount of the instalments cannot normally exceed 1/3 of the counterparty’s annual income. In any case, the income of the counterparty, net of the outstanding financial commitments and the amount of the instalment assumed, must be at least equal to the absolute poverty threshold (as required by ISTAT)

** AlvinRating and CSD are rating system used by Affiliated Banks*

Group Policy on the Management and Recovery of Anomalous Loans and NPEs

Process phases

Legend

Low quality credit management perimeter and NPE

Performing loans	***Non performing loans***
Performing loans without anomalies	**Past due and/or deteriorated overruns**
Performing loans with low deterioration risk	**Unlikely to pay**
Performing loans with high risk of deterioration (so-called "Low quality credit") Exposures with more than 30 days payment delays Exposures included in the "watchlist" according to the Group's monitoring model for which the outcome of the analysis is "negative".	**Non-performing loans**

The different phases of the management and recovery process are detailed below

Prelitigation			***Litigation***
Low quality Credit and Recovery <90 days	Management and recovery >90 days	Long-term concession measures	

Pre-litigation defined as all the recovery and restructuring activities carried out until the revocation/resolution of the credit.

Litigation phase is defined as all the recovery and management activities relating to the defaulted credit.

Segregation of roles

In order to avoid conflicts of interest, separate units dedicated to the management and recovery of NPEs should be implemented. Where the size of the BCC do not allow separate management for NPEs, the organisational structure must nevertheless ensure that any potential conflicts of interest are adequately mitigated, and that decisions in the management and recovery process are not taken by the same structure that approved the initial loan (these principles must - if possible - extend to the anomalous claim).

Group Policy on the Management and Recovery of Anomalous Loans and NPEs

Role of the Parent Company: Overview

Overview of the Parent Company's activities in the process of managing and recovering anomalous loans and NPEs

Issuance of the Guidelines	Issuance of NPE management guidelines
Subsidiaries	Direct control of the non-performing portfolio of the Subsidiaries, also through the issue of Credit Opinion
Monitoring of Affiliated Banks (BCC)	Control of the non-performing portfolio of the Affiliated Banks on the basis of the rules defined in Policy for Pre-Litigation and Litigation mainly through: • Issuance of Credit Opinion in specific cases identified in Group Policy. However, it is necessary to request a credit opinion to the Parent Company by the Affiliated Banks when the transaction exceeds 5% of the Affiliated Bank's own funds or Euro 20 million considering the cumulative risk also with other exposures at Group level; • Support, through appropriate information systems, in sharing information between Group companies about shared customers. • Activities on banks in a critical situation in the NPE sector, through the issuance of Recovery Strategies Opinion, the definition of binding/non-binding guidelines that identify management actions, centralization of the recovery process (in whole or in part) • For phase of “Litigation”, totally centralized outsourcing management by the Parent Company of positions for banks that have chosen the “Full outsourcing model”
Outsourcer	Definition of criteria for the selection of external special servicer and external lawyers, control of compliance with Service Level Agreements and performance indicators (KPIs) of outsourcers involved in the process of managing anomalous credit

Agenda

Overview of the Covered Bond Programme

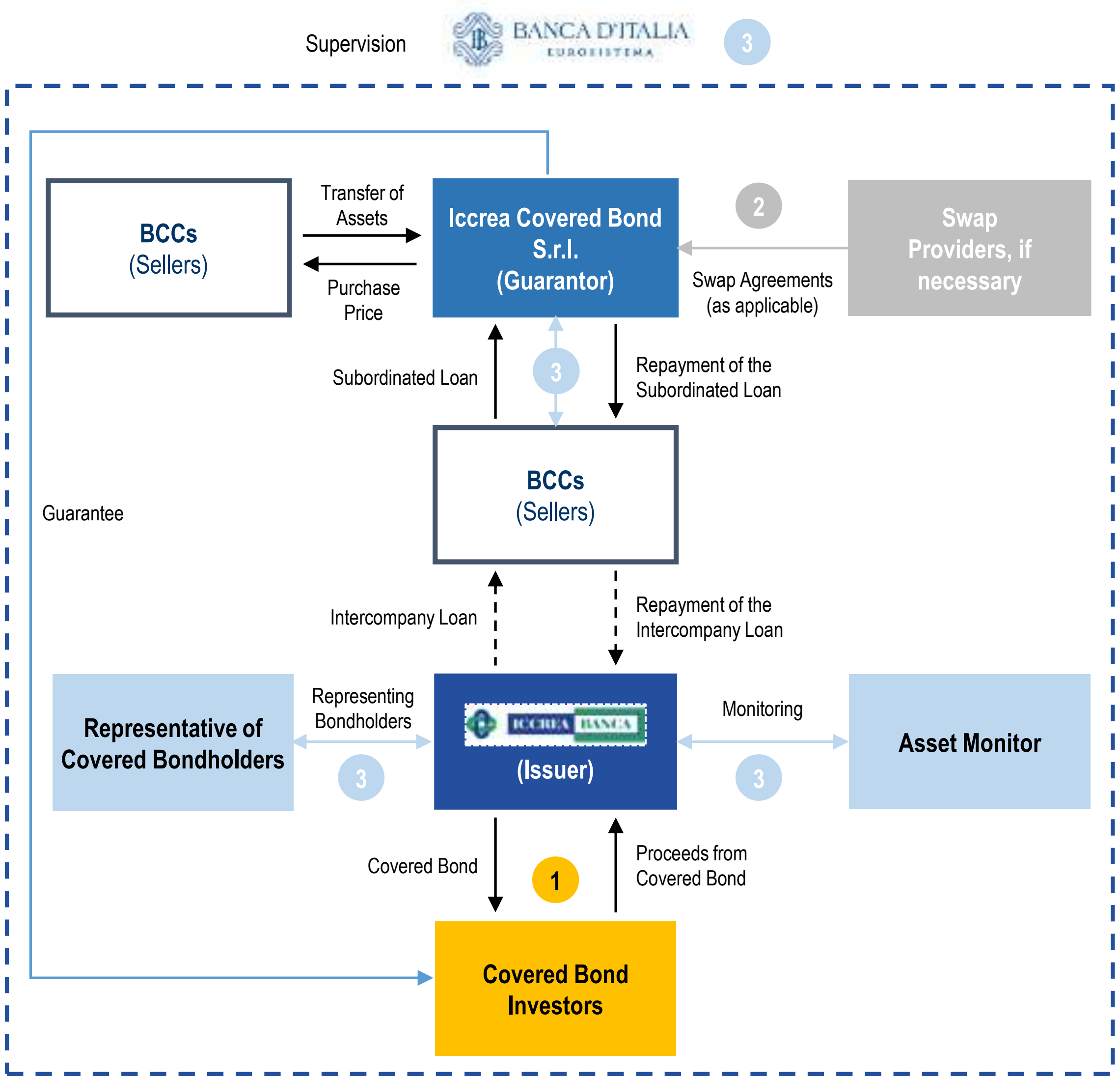
Key features of the programme include a cover pool composed of prime Italian residential mortgage loans, a soft bullet structure and 7.5% committed over-collateralisation

Programme Characteristics

Issuer:	Iccrea Banca S.p.A.
Originators/Sellers/Servicers:	BCCs, cooperative banks belonging to the Gruppo Bancario Cooperativo Iccrea
Master Servicer:	Iccrea Banca S.p.A.
Programme Size:	EUR 10 bn
Currency of Cover Pool:	Euro
Cover Pool:	Prime Italian residential mortgage loans (100% excl. substitute assets)
Maturity Extension Format:	Soft Bullet
Committed Over-collateralisation:	7.5%
Governing Law:	The covered bonds and transaction documents will be governed by Italian law. The Deed of Charge will be governed by English law
Issuer Ratings:	[N.A.[1] / BB- / BB / BB(H)] (Moody's / Fitch / S&P / DBRS)
Covered Bond Target Rating:	[Aa3] (Moody's)
Listing Venue:	Luxembourg Stock Exchange
Asset Monitor:	Deloitte & Touche S.p.A.
Representative of the Covered Bondholders:	Banca Finanziaria Internazionale S.p.A.
Investor Reporting:	Available quarterly on the issuer's website
Regulatory Treatment:	UCITS 52(4), CRR Art. 129, LCR Level 1, ECB repo and CBPP3 eligibility

Source: Base Prospectus; Notes: (1) Not public

Covered Bond Programme Structure



1. Structure Key Features

- Iccrea's covered bond programme is structured pursuant to the Italian covered bond framework with an SPV guarantor constituted according to Law No. 130/1999, the Italian Securitisation Law
- The cover pool is composed by prime Italian residential mortgage loans that have been originated by different BCCs, cooperative banks, belonging to the Iccrea cooperative banking group. As such this is a multi-seller programme
- Iccrea Banca is the issuer of the covered bonds
- The covered bondholders benefit from a dual recourse to both Iccrea on an unsecured basis and to the cover pool of assets
- The programme benefits from a reserve that covers 6 months of senior expenses and interest payments on the covered bonds

2. Hedging – Swap Counterparty

- Pursuant to the programme documentation, Iccrea may enter into interest rate and/or cross-currency swap agreements with external counterparties. At establishment, the programme will not feature any swap agreements. Any interest mismatch will be mitigated via over-collateralisation

3. Monitoring / Representation of Bondholders / Oversight

- The Asset Monitor monitors the regularity of the transaction and the integrity of the cover pool. Among other duties, it has to check the arithmetical accuracy of the test calculations on a semiannual basis as well as report at least once a year to the Statutory Board and the internal audit department of Iccrea
- Iccrea will monitor and coordinate all activities performed by the BCCs within the programme. Iccrea will manage the cover pool on an on-going basis and monitor the performance of the programme
- The Representative of the Covered Bondholders acts for the benefit of covered bond investors and can determine whether the issuer failed to comply with, perform or observe any of its obligations, as well as serve an acceleration notice in certain circumstances
- The Bank of Italy oversees the covered bond programme, the issuer and the application of the relevant legislative framework

Source: Base Prospectus

Issuer Events of Default and Guarantor Events of Default

Issuer Events of Default

Causes

a) **Non-payment** by the Issuer of any amount **of interest and/or principal** due and payable on the relevant Interest Payment Date and/or Final Maturity Date and such breach is not remedied within the next 15 Business Days, in case of amounts of interest, or 20 Business Days (other than in case of non-payment at the Maturity Date), in case of amounts of principal

b) **Breach of other obligation** by the Issuer under the transaction documents which is not remedied within 30 days

c) An **Insolvency event** with respect to the Issuer

d) A **resolution** pursuant to **Article 74** of the Consolidated Banking Act in respect of the Issuer

e) The issuer **ceases to carry on its primary business** (because of the loss of its banking license or otherwise)

f) **Breach of the Statutory Tests** which is not remedied by the end of the relevant test grace period (one month)

Consequences

- All series of Covered Bonds will accelerate against the Issuer
- Interest and principal falling due will be payable by the Guarantor
- The Guarantor may sell selected assets from the cover pool
- The Statutory Tests and the Amortisation Test will apply
- No further series or tranches of covered bonds may be issued

Guarantor Events of Default

Causes

a) Following an Issuer Default Notice, **non-payment of any interest and/or principal** due and payable under the guarantee on the relevant Interest Payment Date and/or at the Extended Maturity Date and such breach is not remedied within the next following 15 Business Days, in case of amounts of interests, or 20 Business Days, in case of amounts of principal

b) **Breach of other obligations** by the Guarantor under the transaction documents which is not remedied within 30 days

c) An **Insolvency event** occurs with respect to the Guarantor

d) **Breach of the Amortisation Test** which is not remedied by the end of the test grace period (one month)

e) **Invalidity of the covered bond guarantee**, which is not in full force and effect or it is claimed by the Guarantor not to be in full force and effect

Consequences

- All covered bonds become immediately due and payable and will rank pari passu among themselves
- The Representative of Covered Bondholders shall have a claim against the Guarantor
- The Guarantor, if not already sold, shall procure the sale of certain eligible assets and integration assets comprised in the cover pool
- The Representative of Covered Bondholders may take any steps/proceedings against the Issuer or the Guarantor

Source: Base Prospectus

Soft Bullet Principal Repayment Mechanism

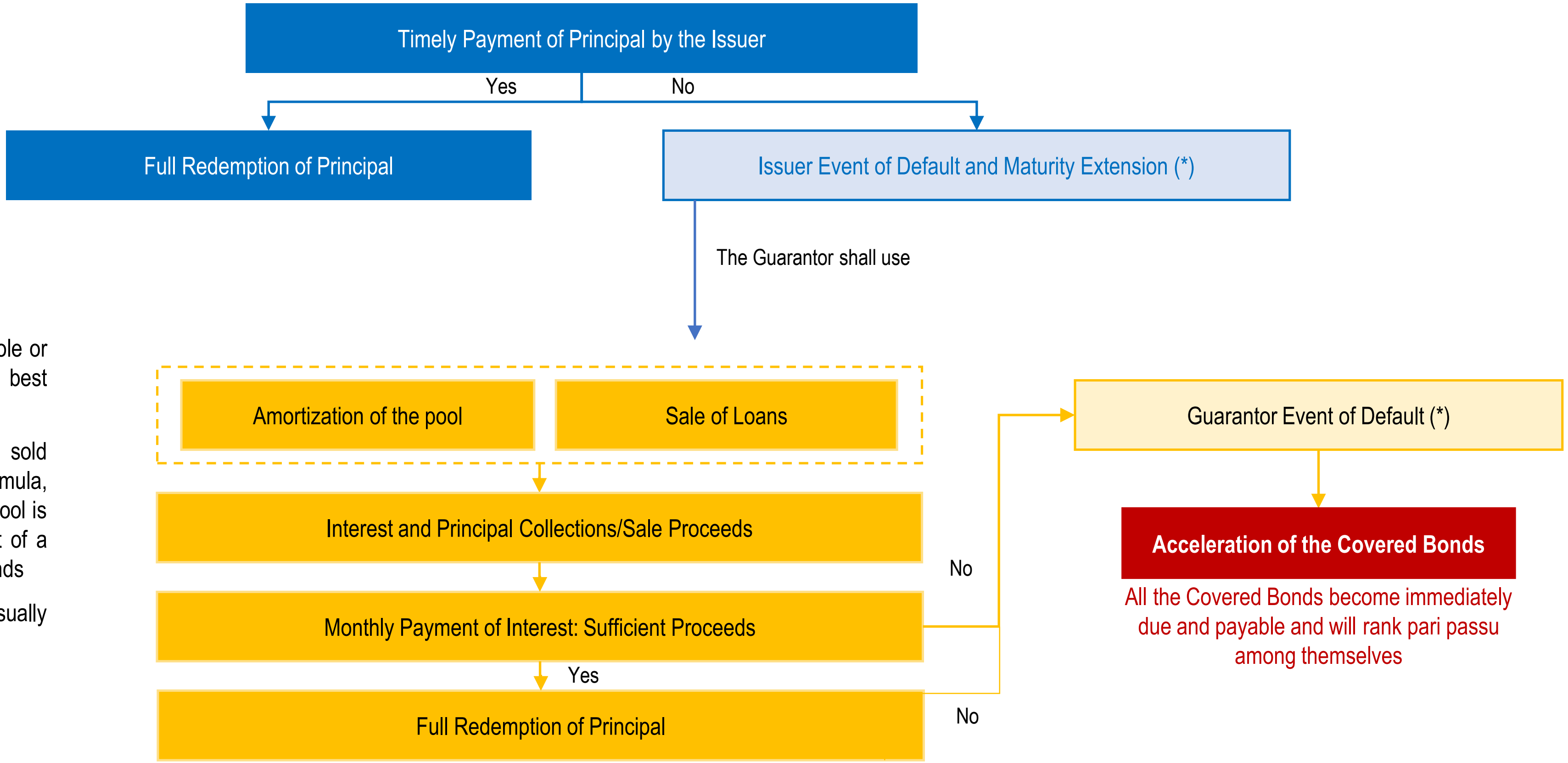
Original Tenor

Final Maturity Date

Extension Period

- The Guarantor shall sell in whole or in part the cover pool at the best price reasonably available
- Selected assets shall be sold according to a certain formula, which ensures that the cover pool is not entirely sold to the benefit of a particular series of covered bonds
- Frequency of payments usually switches to monthly

Extended Final Maturity Date



Source: Base Prospectus

Note: (*) non payment is not the only Issuer /Guarantor Event of default – please refer to the previous slide for full description of events of default

Statutory and Contractual Tests (1/3)

Statutory Tests

Nominal Value Test

- The Nominal Value Test ensures that on each Test Calculation Date, the aggregate outstanding principal balance of the cover pool shall be higher than or equal to the outstanding principal amount of all series of covered bonds (more detail in the following slide)

Net Present Value Test

- The Net Present Value Test ensures that on each Test Calculation Date the net present value of the cover pool, net of any transaction costs to be borne by the Guarantor shall be higher than or equal to the net present value of all series of covered bonds
- The Net Present Value of the cover pool is calculated as follows:

$$A + B - C$$

- **"A"**: the net present value of all eligible assets and integration assets comprised in the cover pool and all principal amounts collected in respect of the Cover Pool and credited to the Collection Account as at the end of the immediately preceding Collection Period;
- **"B"**: the net present value of each asset swap agreement and liability swap agreement, if any; and
- **"C"**: the net present value of the payments to be made by the Guarantor pursuant to items from (i) to (iv) of the Pre-Issuer Event of Default Interest Priority of Payments

Interest Coverage Test

- The Interest Coverage Test ensures that on each Test Calculation Date, the amount of interest and other revenues generated by the assets included in the cover pool, net of costs borne by the Guarantor, shall be higher than the amount of interest due on all series of covered bonds:

$$A + B + C + D \geq E + F + G$$

- **"A"**: aggregate interest amount standing to the credit of the Collection Account and Transitory Collection Accounts
- **"B"**: payments that the Guarantor is expected to receive under any swap agreement in the following 12 months
- **"C"**: interest component of all the instalments relating to the eligible assets and integration assets comprised in the cover pool in the following 12 months
- **"D"**: any amount in respect of interest expected to be received from the eligible investments
- **"E"**: aggregate amount of all interest payments due under all outstanding series of covered bonds in the following 12 months
- **"F"**: any senior liabilities expected to be borne by the Guarantor in the following 12 months
- **"G"**: any payments expected to be borne or due by the Guarantor under any swap agreement

Source: Base Prospectus

Statutory and Contractual Tests (2/3)

Nominal Value Test

- The Nominal Value Test ensures that on each Test Calculation Date, the aggregate outstanding principal balance of the cover pool must be higher than or equal to the outstanding principal amount of all series of covered bonds
- The outstanding principal balance of the cover pool is calculated by applying the following formula:

A * (AP) + B + C

- **"A"**: the Adjusted Outstanding Principal Balance of each mortgage loan in the cover pool, defined as the lower of:
  - ❖ the actual Outstanding Principal Balance of the relevant mortgage loan; and
  - ❖ the Latest Valuation relating to that mortgage loan multiplied by M
    - o for all <u>residential</u> mortgage loans that are not defaulted loans, <u>M = 0.80</u>
    - o for all <u>commercial</u> mortgage loans that are not defaulted loans, <u>M = 0.60</u>
    - o for all mortgage loans that are defaulted loans or delinquent loans in relation to which there are one or more delinquent receivables having at least one Instalment due and unpaid for more than 90 days, <u>M = 0</u>

  Minus the aggregate sum of relevant reductions to the aggregate Adjusted Outstanding Principal Balance of the mortgage loans in the cover pool (i.e. Affected Loans, Issuer or Servicer breaches any material warranties) occurred during the previous Collection Period
- **"AP"** (Asset Percentage): the lower of (i) 93 per cent and (ii) such other percentage figure as may be determined by the Issuer in accordance with the methodologies published by the Rating Agencies and (iii) such other percentage figure as might be set out in the Italian legislative provision that shall be enacted in order to implement the Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 on the issue of covered bonds and covered bond public supervision regulation
- **"B"**: the aggregate principal amount standing to the credit of the Collection Account, the Investment Account and the Transitory Collection Accounts and the principal amount of any eligible assets and integration assets qualifying as eligible investments
- **"C"**: the aggregate Outstanding Principal Balance of any eligible assets other than mortgage loans

Source: Base Prospectus

Statutory and Contractual Tests (3/3)

Contractual Test: Amortisation Test

- The Amortisation Test is calculated only after an Issuer Event of Default (but prior to service on the Guarantor of a Guarantor Default Notice) to ensure that the cover pool contains sufficient collateral to enable the Guarantor to meet its obligations under the Covered Bond Guarantee
- The test is considered to be met if the Amortisation Test Aggregate Loan Amount is an amount at least equal to the outstanding principal amount of the issued covered bonds
- If the test is deemed to be breached and not remedied by the next Test Calculation Date, a Guarantor Default Notice will be served causing all outstanding covered bonds to accelerate and the enforcement of the Covered Bond Guarantee
- The Amortisation Test Aggregate Loan Amount is calculated as follows:

A + B + C

- **"A“**: the aggregate Amortisation Test Outstanding Principal Balance of each mortgage loan, which shall be the lower of:
  - ❖ the actual Outstanding Principal Balance of the relevant mortgage loan; and
  - ❖ the Latest Valuation relating to that mortgage loan multiplied by M
    - for all <u>residential</u> mortgage loans that are not defaulted loans, <u>M = 0.80</u>
    - for all <u>commercial</u> mortgage loans that are not defaulted loans, <u>M = 0.60</u>
    - for all mortgage loans that are defaulted loans or delinquent loans in relation to which there are one or more delinquent receivables having at least one Instalment due and unpaid for more than 90 days, <u>M = 0</u>
- **"B“**: the aggregate principal amount standing to the credit of the Collection Account and the principal amount of any integration assets or eligible assets qualifying as eligible investment
- **"C“**: the aggregate Outstanding Principal Balance of any eligible assets other than mortgage loans

Source: Base Prospectus

Cover Pool Characteristics (1/3)

Selected Common Eligibility Criteria*

i. residential mortgage loans whose ratio between the (i) outstanding principal amount and (ii) the value of the mortgaged property, is equal to or lower than 80 per cent (a “**Residential Mortgage Loan**”);
ii. commercial mortgage loans in respect of which the ratio between the (i) outstanding principal amount and (ii) the value of the mortgaged property, is equal to or lower than 60 per cent (a “**Commercial Mortgage Loan**”);
iii. receivables arising from Mortgage Loans denominated in Euro;
iv. receivables arising from Mortgage Loans classified by the relevant Seller as “**in bonis**” pursuant to the relevant supervisory regulations enacted by the Bank of Italy;
v. receivables arising from Mortgage Loans deriving from Mortgage Loan Agreements with reference to which at least an Instalment has been paid;
vi. receivables arising from Mortgage Loans secured by a mortgage in favour of the relevant Seller which is (i) a legal first ranking mortgage, or (ii) an economic first ranking mortgage, which means: (a) mortgages ranking subordinated to the legal first ranking mortgages, provided that all obligations secured by mortgage/mortgages with a prevailing ranking, had been fully satisfied as at the Valuation Date; (b) mortgages ranking subordinated to the legal first ranking provided that all mortgages with prevailing ranking are registered in favour of the same Seller as a security for claims that satisfy all the other Criteria related to the relevant Seller;
vii. receivables arising from Mortgage Loans not deriving from subsidised loans or which do not benefit of contributions or other benefits in relation to principal or interest in compliance with the law or conventions (“Mutui agevolati” and “Mutui convenzionati”);
viii. (receivables arising from Mortgage Loans granted to natural person, which, as at the date of the disbursement of the Mortgage Loan, were employees of the relevant Seller (a “**Staff Mortgage Loan**”);
ix. receivables arising from Mortgage Loans fully disbursed for which there is no obligation to disburse any further amount;
x. receivables arising from Mortgage Loans in relation to which the principal debtors are natural person resident in Italy or domiciled in Italy;
xi. receivables arising from Mortgage Loans that are secured by a mortgage created over real estate assets located in the Republic of Italy, and in any case resident in the European Economic Area;
xii. receivables arising from Mortgage Loans which are governed by Italian law;
xiii. receivables arising from Mortgage Loans in relation to which the relevant borrower benefits from (i) rescheduling or suspension of payments agreements (including moratoriums) in accordance with applicable legislation or agreements entered into by the Italian Banking Association or other trade associations to which the relevant Seller is a party, or voluntary suspension programmes started by the relevant Seller, exclusively in order to deal with states of emergency and/or calamitous events (both natural and man-made) or major economic crisis of national importance; (ii) voluntary suspension agreements entered into by the relevant Seller in order to deal with states of emergency and/or particular concern, including those of local relevance (the “**Renegotiated Mortgage Loans**”).

Specific Limits:

- Commercial Mortgage Loans: up to 20% of the Cover Pool
- Staff Mortgage Loans: up to 20% of the Cover Pool
- Renegotiated Mortgage Loans: up to 20% of the Cover Pool

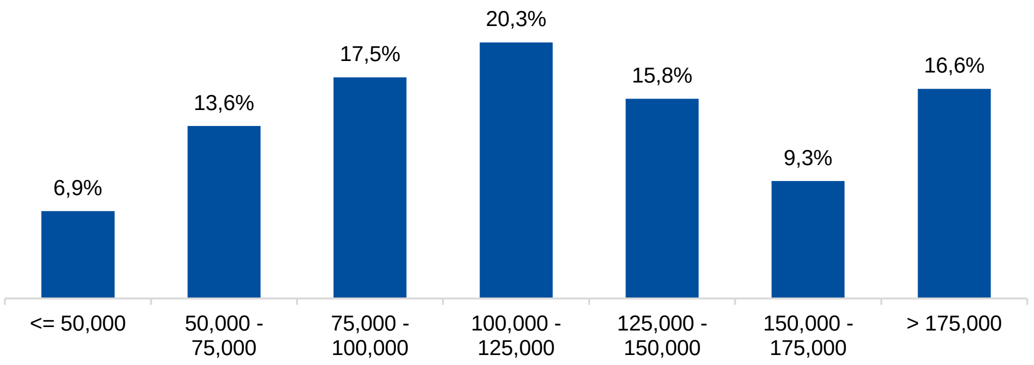
Cover Pool Key Characteristics (EUR)

Aggregate current Principal Outstanding Balance	674,369,928.27
Aggregate original Principal Outstanding Balance	893,452,700.86
Average current Principal Outstanding Balance	97,410.07
Average original Principal Outstanding Balance	129,055.71
Total number of Loans	6923
Weighted average seasoning (months)	65
Weighted average remaining term (months)	207
Weighted average current LTV (%)	54.93%
Weighted average interest rate (%) - fixed mortgage	2.00%
Weighted average interest rate (%) - floating mortgage	1.91%
Current Principal of Performing Loans: 0 months in Arrears (%)	99.83%
Current Principal of Performing Loans: 1 month in Arrears (%)	0.17%
% of Floating Rate Assets	43.53%
% of Fixed Rate Assets	56.46%
Loans under Payment Holidays (%)	0.96%

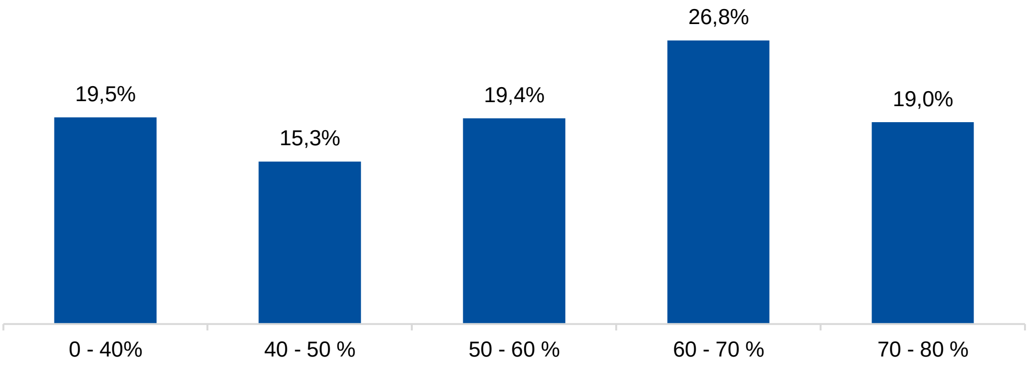
Source: Base Prospectus and latest cover pool data as of 23rd June 2021; Note: (*) please refer to the Base Prospectus for the full set of eligibility criteria

Cover Pool Characteristics (2/3)

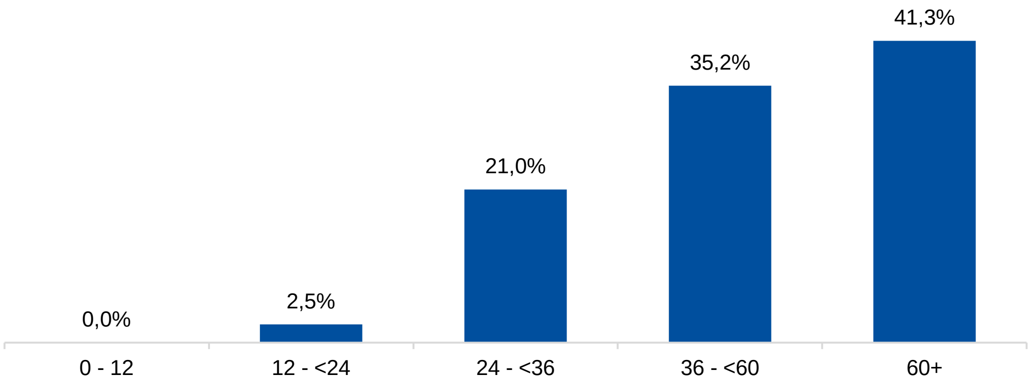
Outstanding Loan Amount



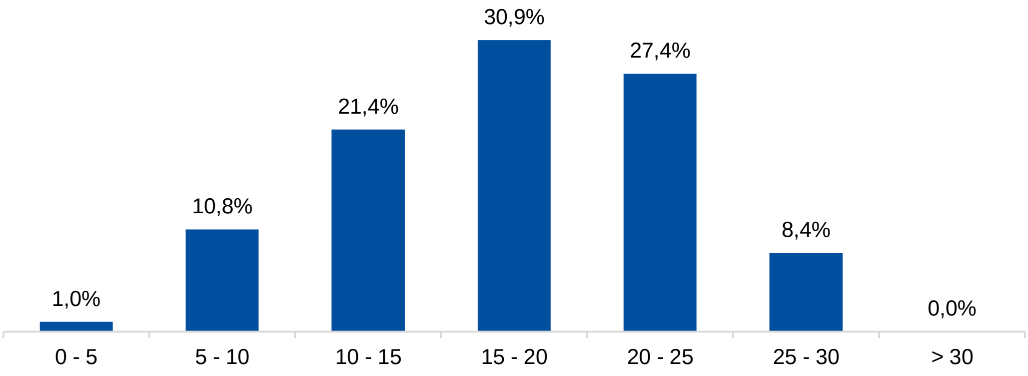
Current Loan to Value



Seasoning (Months)



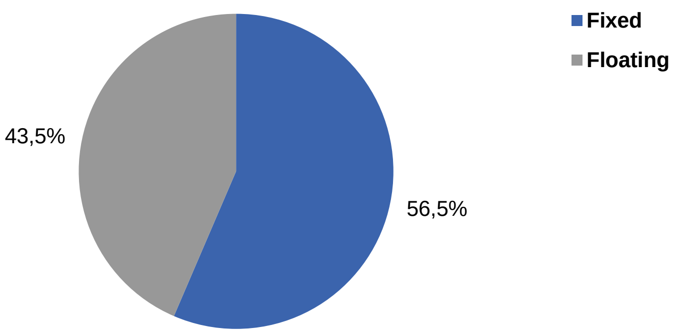
Years to Maturity



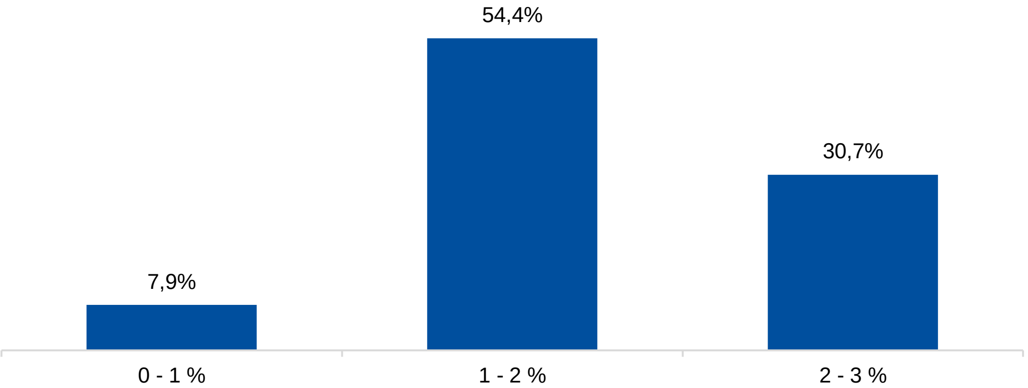
Source: Latest cover pool data as of 23rd June 2021

Cover Pool Characteristics (3/3)

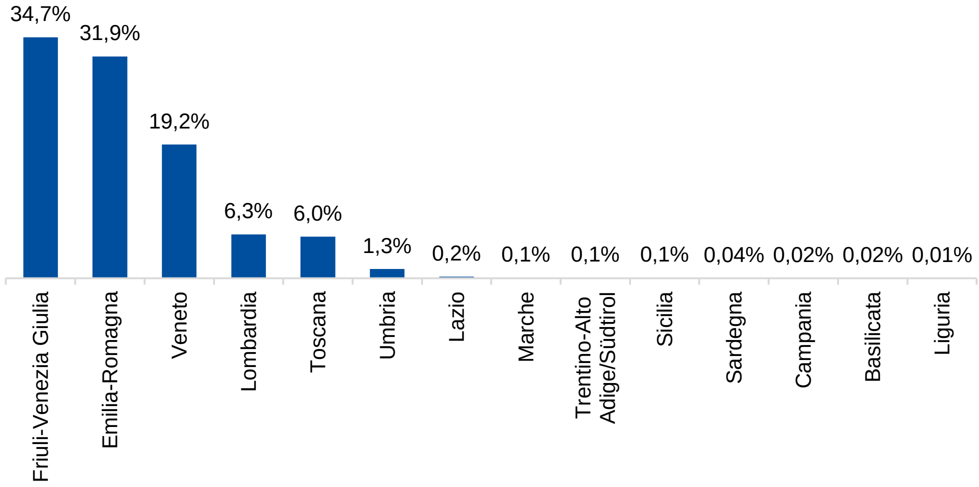
Interest Rate Type



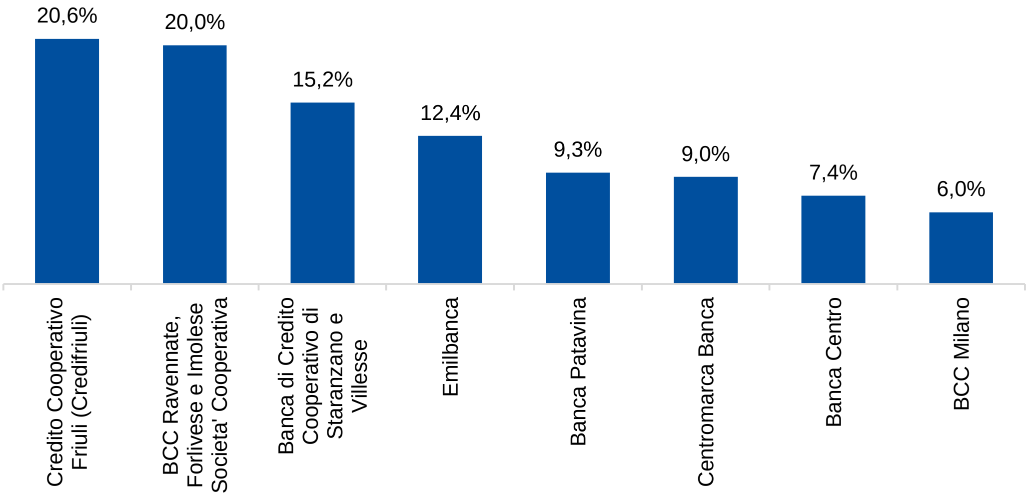
Interest Rate Range



Geographical Distribution



Originator



Source: Latest cover pool data as of 23rd June 2021

Agenda

Italian Covered Bond Legal Framework

Legal Framework	Italian Securitisation law (Law no. 130/1999), supplemented by (Law no. 80/2005) in May 2005, by means of two specific articles (article 7-bis and article 7-ter); further regulation issued by the Italian Ministry of Economy and Finance with Decree No. 310 of 14 December 2006, “MEF Regulation”
Issuance Structure	SPV structure: a pool of eligible assets is transferred to a special purpose vehicle (SPV); the issuing bank issues the covered bonds which are supported by a first demand, unconditional and irrevocable guarantee issued by the SPV for the exclusive benefit of the covered bondholders. The guarantee is backed by the entire cover pool held by the SPV
Regulator and Regulatory Supervision	Issuers are supervised and regulated by the Bank of Italy. Furthermore, Italian regulation prescribes that the monitoring of the regularity of the transaction and of the integrity of the cover pool must also be performed by an external asset monitor (AM) appointed by the issuer
Issuer Type	Banks with the following prerequisites: • Own funds not lower than EUR 250 million • A total capital ratio not lower than 9% • A Tier 1 ratio not lower than 7% A bank which doesn’t satisfy these capital requirements may be allowed to issue covered bonds if approved by the Bank of Italy; in relation to the transfer of assets to the SPV, certain limits apply according of the different regulatory capital levels of the issuer
Collateral Type	• Residential or commercial mortgage loans; • Receivables owed by or guaranteed by, public entities; and • Securities backed by residential or commercial mortgage loans or receivable owed by, or guaranteed by, public entities
LTV Limit	• Residential mortgage loans: 80% LTV • Commercial mortgage loans: 60% LTV
Tests	Statutory tests comprise of: a) Nominal Value Test: the nominal value of the Cover Pool assets must at all times be at least equal to the nominal value of the OBG outstanding b) Net Present Value Test: the net present value of the Cover Pool must be at least equal to the net present value of the OBG issued c) Interest Coverage Test: the Cover Pool assets need to accrue sufficient interest to cover interest payment on the OBG outstanding
Substitute Assets Maximum %	Up to 15%
Minimum OC Requirement	None by law, but contractually assessed through the nominal value test or an asset coverage test
Insolvency of the Issuer	In case of insolvency of the issuing bank, the SPV will be responsible to make payments to covered bondholders (as well as other counterparties). All cover assets are ring-fenced within the SPV, as such in the event of insufficient cover pool asset proceeds to cover their claim, investors rank pari passu with senior debtholders vis a vis the issuer

Source: ECBC Factbook 2020

Comparing Legal Frameworks

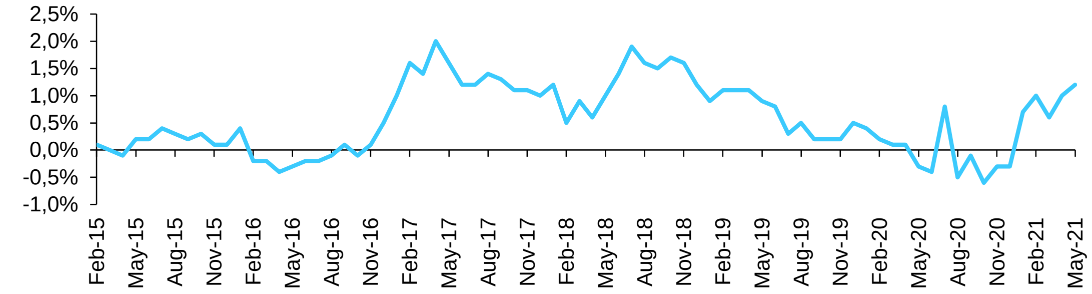
	Italy	Germany	Greece	Portugal		Spain	
Name of Instrument	Obbligazioni Bancarie Garantite (OBG)	Hypothekenpfandbriefe, Öffentliche Pfandbriefe, Schiffspfandbriefe, Flugzeugpfandbriefe	Greek Covered Bonds	Obrigações Hipotecárias	Obrigações sector público	Cédulas Hipotecarias (CH)	Cédulas Territoriales (CT)
Special Banking Provision	No	No	No	No		No	
Supervision	Banca d'Italia	Bundesanstalt für Finanz-dienstleistungsaufsicht and independent trustee	Bank of Greece	Bank of Portugal		Banco de España and the Ministry of Economy	
Collateral Type	• Residential mortgages loans • Public sector entity loans • ABS notes	• Residential mortgage loans • Commercial mortgage loans • Public sector loans • Shipping loans • Aircraft loans	• Residential mortgage loans • Commercial mortgage loans • Shipping loans • Loans granted to / guaranteed by government bodies • Government issued securities • Other highly rated securities	• Residential mortgage loans on property located in the EU • ABS notes	• Public sector loans • ABS notes	• Residential mortgage loans • Commercial mortgage loans	• State loans • Autonomous community loans • Local authority loans • Public sector loans
Segregation of Collateral	SPV	Ring fenced on Issuer's balance sheet	Ring fenced on Issuer's balance sheet	Ring fenced on Issuer's balance sheet		Ring fenced on Issuer's balance sheet	
Repayment	Soft Bullet / Conditional Pass-Through	Hard Bullet	Soft Bullet / Conditional Pass-Through	Soft Bullet / Conditional Pass-Through		Hard Bullet	
LTV Limits	• 80% residential • 60% commercial	• 60% LTV threshold for all loans	• 80% residential • 60% commercial • 60% ships	• 80% residential • 60% commercial	n/a	• 80% residential • 95% residential (if the loan / mortgage is secured by a guarantee granted by a credit entity different from the creditor or by a credit insurance policy) • 60% commercial	
Substitute Collateral	Up to 15%	Up to 10%	Up to the amount by which the aggregate nominal value of the cover assets exceeds the nominal value of the outstanding Covered Bonds	Up to 15%		Up to 5%	
Protection Against Mismatching	Coverage by nominal value and NPV tests	Coverage by nominal value and NPV	Coverage by nominal value and by NPV test with parallel shift of the yield curve by 200 bps. Specific coverage of interest rate cash flows through interest cover test	• Coverage by nominal value, outstanding bonds cannot exceed 95% of the overall value of mortgages assigned to such bonds • The average maturity of outstanding mortgage bonds can never exceed the average life of the mortgage credits and substitution assets assigned to the issues		Coverage by nominal value	
Mandatory Over-collateralisation	None by law	2% Net Present Value	5%	5%	n/a	25%	43%
Voluntary Over-collateralisation is Protected	Yes	Yes	Yes	Yes		Yes	
Fulfils UCITS 52(4)	Yes	Yes	Yes	Yes		Yes	
ECB CBPP3 Eligibility	Yes	Yes, depending on assets	Yes (subject to additional criteria)	Yes		Yes	

Source: ECBC Factbook 2020

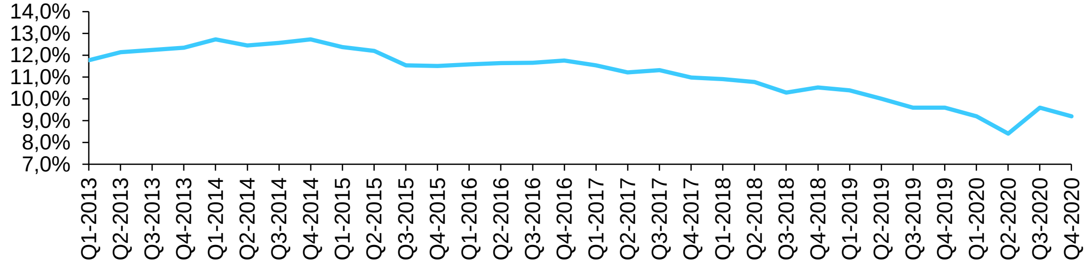
Agenda

Italian Economy – Key Metrics and Forecasts

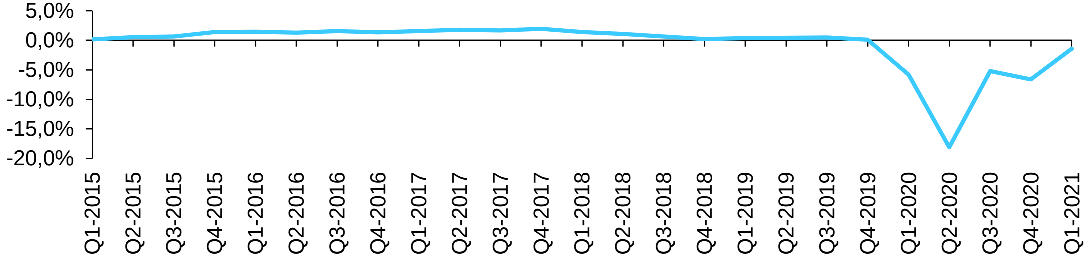
Annual % HICP(1) Change (base = 2015)



Quarterly Unemployment Rates



Gross Quarterly GDP Growth Rates



Key Statistics

Expected GDP Growth Rate for 2021: +4.7%

Expected GDP Growth Rate[5] for 2022: +4.4%

Population: 60.24 million

Population Growth Rate: -0.30%

Net Family Income: €31,641

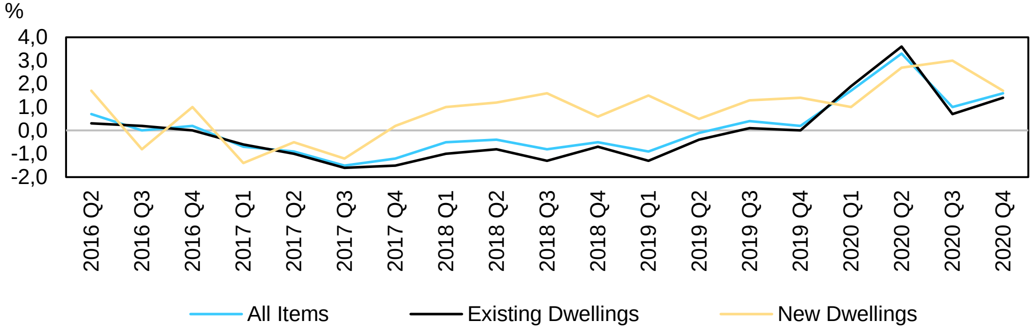
Annual % Change in HICP: +1.2%

- The Italian National Institute of Statistics ("Istat") expects Italian GDP to increase by 4.7% in 2021 followed by a slight deceleration in 2022 (+4.4%)
- Employment trend is expected by Istat to follow the GDP recovery in both years (+4.5% and +4.1% in 2021 and 2022, respectively) while the rate of unemployment will increase at 9.8% in the current year, reflecting the ricomposition between unemployed and inactive people, with a slight deceleration in 2022 (9.6%)

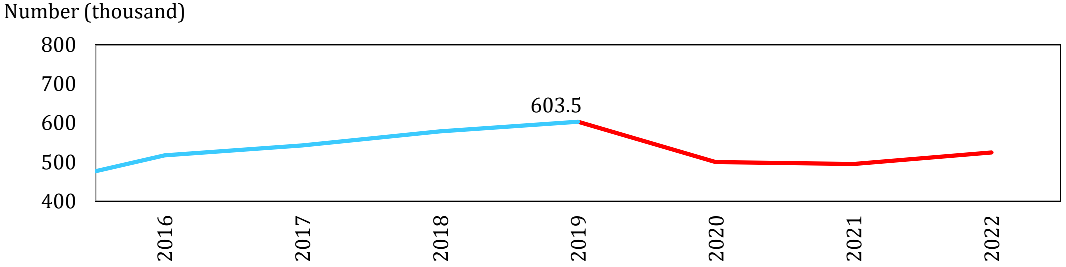
Sources: Italian National Institute of Statistics, Eurostat

Italian Housing Market

House Price Index

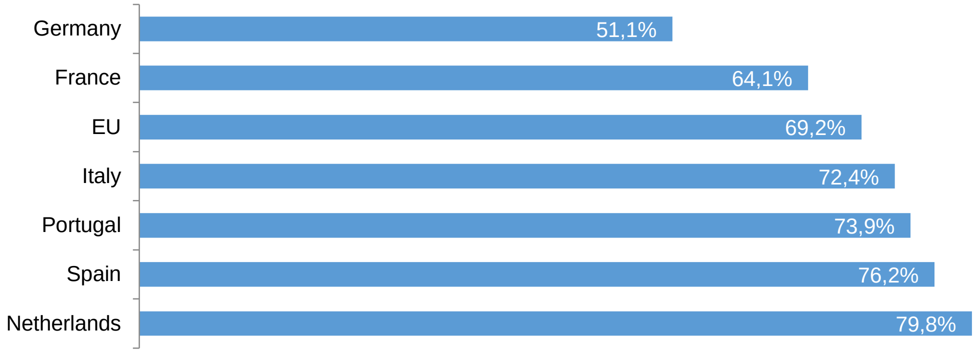


Residential Transaction



- Following a +4.3% increase in 2019, due to the Covid-19 pandemic housing sales fell by -21% during the first half of 2020. The property market recovered in Q320 with real estate transactions up +3.1% vs. Q319, thus bringing the overall decline over the first three quarters of 2020 to -13.9%. November forecasts from Nomisma expect a reduction in real estate transactions of -17.1% in 2020 and a further decrease of -1.1% in 2021. A recovery in real estate sales is expected to take place in 2022 (+6.0%)

Ownership Rate



- The National mortgage loan market is relatively small compared to that of other European countries: Italy is only the fifth mortgage loan market, although being the third economy in the Euro area. The high residential ownership rate (over 70%) limits both sales volumes and mortgage loan market growth

- In Q320 it has been recorded a strong growth in the origination of residential mortgages with new lending at €17.6bn in Q320 (vs. €14.8bn in Q319). Overall, the new lending in the first nine months of 2020 was €55.4bn compared to €45.8bn in the same period of the previous year

Source: Italian National Institute of Statistics, Nomisma, Eurostat, Bank of Italy

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