



KPMG S.p.A.
Revisione e organizzazione contabile
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(The accompanying translated separate financial statements of Banca Generali S.p.A. constitute a non-official version which is not compliant with the provisions of Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

*To the shareholders of
Banca Generali S.p.A.*

Report on the audit of the separate financial statements

Opinion

We have audited the separate financial statements of Banca Generali S.p.A. (the "bank"), which comprise the balance sheet as at 31 December 2023, the profit and loss account, the statement of other comprehensive income, the statement of changes in net equity and the cash flow statement for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the separate financial statements give a true and fair view of the financial position of Banca Generali S.p.A. as at 31 December 2023 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05 and article 43 of Legislative decree no. 136/15.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the separate financial statements*" section of our report. We are independent of the bank in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the separate financial statements of the current year. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Classification and measurement of financial assets and liabilities at fair value

Notes to the separate financial statements "Part A – Accounting policies": paragraphs A.2.1 "Financial assets measured at fair value through profit or loss (FVTPL)", A.2.2 "Financial assets at fair value through other comprehensive income (FVOCI)", A.2.4 "Hedging transactions", A.2.12 "Financial liabilities held for trading" and A.4 "Information on fair value"

Notes to the separate financial statements "Part B - Information on the consolidated balance sheet - Assets": sections 2 "Financial assets measured at fair value through profit or loss", 3 "Financial assets measured at fair value through other comprehensive income" and 5 "Hedging derivatives"

Notes to the separate financial statements "Part B - Information on the consolidated balance sheet - Liabilities": sections 2 "Financial liabilities held for trading" and 4 "Hedging derivatives"

Notes to the separate financial statements "Part C - Information on the consolidated profit and loss account": sections 4 "Net income (loss) from trading activities", 5 "Net income (loss) from hedging" and 7 "Net gains (losses) of other financial assets and liabilities measured at fair value through profit or loss"

Notes to the separate financial statements "Part E - Information on risks and risk hedging policies": sections 1 "Credit risk - subsection E "Transfers" - paragraph C "Transferred financial assets fully derecognised", 2 "Market risks" and 3 "Derivatives and hedging policies"

Key audit matter	Audit procedures addressing the key audit matter
<p>The separate financial statements at 31 December 2023 include financial assets and financial liabilities at fair value totalling €1,672.3 million and €132.8 million, respectively.</p> <p>These financial assets and liabilities comprise assets and liabilities measured at fair value of €695.6 million and €132.8 million, respectively, for which there is no quoted price on an active market and which the bank's directors have classified at levels 2 and 3 of the fair value hierarchy.</p> <p>Classifying and, especially, measuring fair value levels 2 and 3 financial instruments require a high level of judgement given the complexity of the models and parameters used.</p> <p>For the above reasons, we believe that the classification and measurement of financial assets and liabilities at fair value are a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none">— gaining an understanding of the bank's processes and IT environment in relation to the trading, classification and measurement of financial instruments;— assessing the design and implementation of controls and performing procedures to assess the operating effectiveness of material controls, especially in relation to the classification and measurement of financial instruments with fair value levels 2 and 3. We carried out these procedures with the assistance of experts of the KPMG network;— checking, on a sample basis, that the financial instruments had been correctly classified on the basis of their fair value level;— for a sample of financial instruments with fair value levels 2 and 3, assessing the reasonableness of the main parameters used by the directors for their measurement. We carried out this procedure with the assistance of experts of the KPMG network;— analysing the changes in the composition of the financial instrument portfolios compared to the



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- previous year end and discussing the results with the relevant internal departments;
 - assessing the appropriateness of the disclosures about financial instruments and related fair value levels.
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Measurement of provisions for liabilities and contingencies

Notes to the separate financial statements "Part A - Accounting policies": section 10 "Provisions for liabilities and contingencies"

Notes to the separate financial statements "Part B - Information on the consolidated balance sheet - Liabilities": section 10 "Provisions for liabilities and contingencies"

Notes to the separate financial statements "Part C - Information on the consolidated profit and loss account": section 11 "Net provisions for liabilities and contingencies"

Key audit matter	Audit procedures addressing the key audit matter
<p>The separate financial statements at 31 December 2023 include provisions for liabilities and contingencies of €262.5 million. These include €199.9 million relating to financial advisors' termination indemnities and incentive schemes.</p> <p>Measuring provisions for the financial advisors' termination indemnities and incentive schemes is a complex activity, with a high degree of uncertainty, and also entails directors' actuarial-based estimates about the probability of payments, the expected payment timing and other historical and statistical parameters relating to the financial advisors.</p> <p>For the above reasons, we believe that measuring provisions for liabilities and contingencies is a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none">— understanding the process for the measurement of the provisions for liabilities and contingencies, assessing the design and implementation of controls and performing procedures to assess the operating effectiveness of material controls;— analysing the discrepancies between last year's and current year's estimates of the provisions for liabilities and contingencies and discussing the results with the relevant internal departments;— analysing the reasonableness of the assumptions, actuarial assumptions and methods used by the directors to estimate the liability for personal financial advisors' termination indemnities and incentive schemes. We carried out these procedures with the assistance of experts of the KPMG network;— assessing the appropriateness of the disclosures about the other provisions for liabilities and contingencies.

Other matters - Management and coordination

As required by the law, the bank's directors disclosed the key figures from the latest financial statements of the company that manages and coordinates it in the notes to its own separate financial statements. Our opinion on the separate financial statements of Banca Generali S.p.A. does not extend to such data.



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Responsibilities of the bank's directors and board of statutory auditors ("Collegio Sindacale") for the separate financial statements

The directors are responsible for the preparation of separate financial statements that give a true and fair view in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05 and article 43 of Legislative decree no. 136/15 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the bank's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the separate financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the bank or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the bank's financial reporting process.

Auditors' responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the bank's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the bank to cease to continue as a going concern;



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- evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 22 April 2021, the bank's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2021 to 31 December 2029.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the bank in conducting the statutory audit.

We confirm that the opinion on the separate financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The bank's directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the separate financial statements at 31 December 2023 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the separate financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the separate financial statements at 31 December 2023 have been prepared in XHTML format in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

Opinion pursuant to article 14.2.e) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The bank's directors are responsible for the preparation of the reports on operations and on corporate governance and ownership structure at 31 December 2023 and for the consistency of such reports with the related financial statements and their compliance with the applicable law.



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We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to express an opinion on the consistency of the report on operations and the specific information presented in the report on corporate governance and ownership structure indicated by article 123-bis.4 of Legislative decree no. 58/98 with the bank's separate financial statements at 31 December 2023 and their compliance with the applicable law and to state whether we have identified material misstatements.

In our opinion, the report on operations and the specific information presented in the report on corporate governance and ownership structure referred to above are consistent with the bank's separate financial statements at 31 December 2023 and have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Trieste, 27 March 2024

KPMG S.p.A.

(signed on the original)

Pietro Dalle Vedove
Director of Audit