

AMCO: full service credit management company

We look to the future by changing the present

May 2024



The background image is a wide-angle landscape photograph. It shows a vast, flat, reflective surface, likely a salt flat or a dry lake bed, under a dramatic sky. The sky is filled with large, billowing clouds that are illuminated from below by a low sun, creating a palette of deep blues, oranges, and yellows. The light reflects off the wet surface of the ground, creating a mirror-like effect. In the center of the image, two small silhouettes of people riding bicycles are visible, their forms and the bikes reflected in the water. The overall mood is serene and expansive.

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**We are a full service credit
management company**

We are among the main players specialised in non-performing loan management, with a systemic role for the public interest

Business

We are a credit servicer (i.e. a financial intermediary pursuant to Art. 106 TUB) with €34.7 billion of assets under management, composed of NPLs for 68% and UTPs for 32%, totalling 236 thousand files including over 100 thousand corporates¹

Corporate Structure

We are owned by the Ministry of Economy and Finance and we are subject to supervision by the Bank of Italy, as well as by DG Competition

Systemic Role



Rating

We are rated Investment-Grade by Standard&Poors (BBB) and Fitch (BBB)
We are rated RSS2, CSS2, ABSS2 by Fitch in special servicing

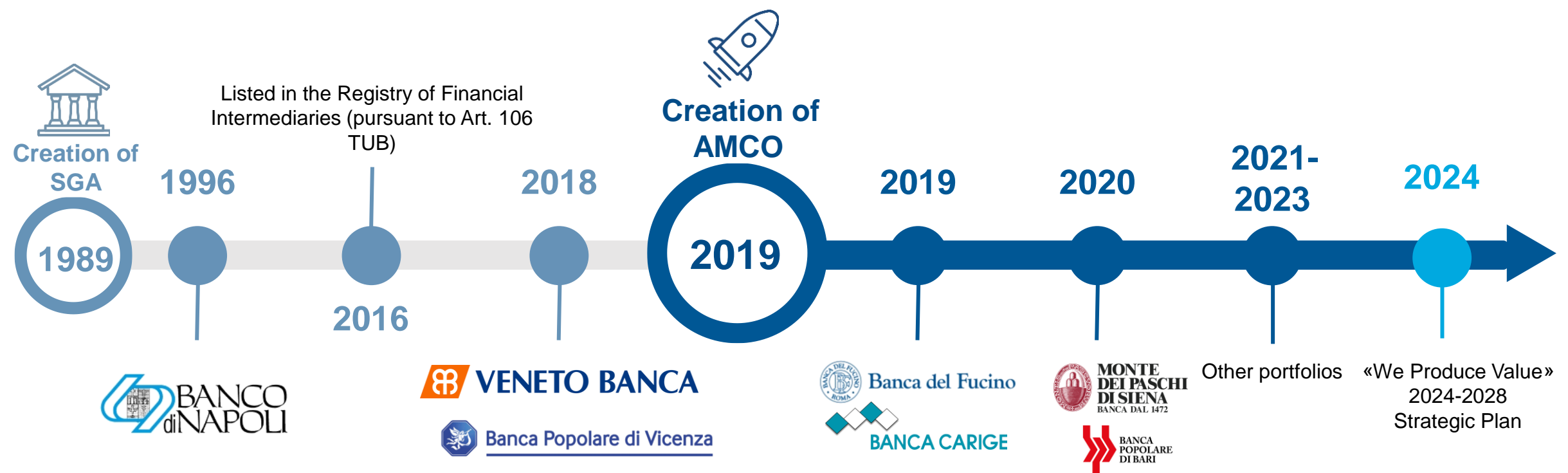
Financial Structure

We are listed on the debt capital market. We are solid, with a strong capital structure

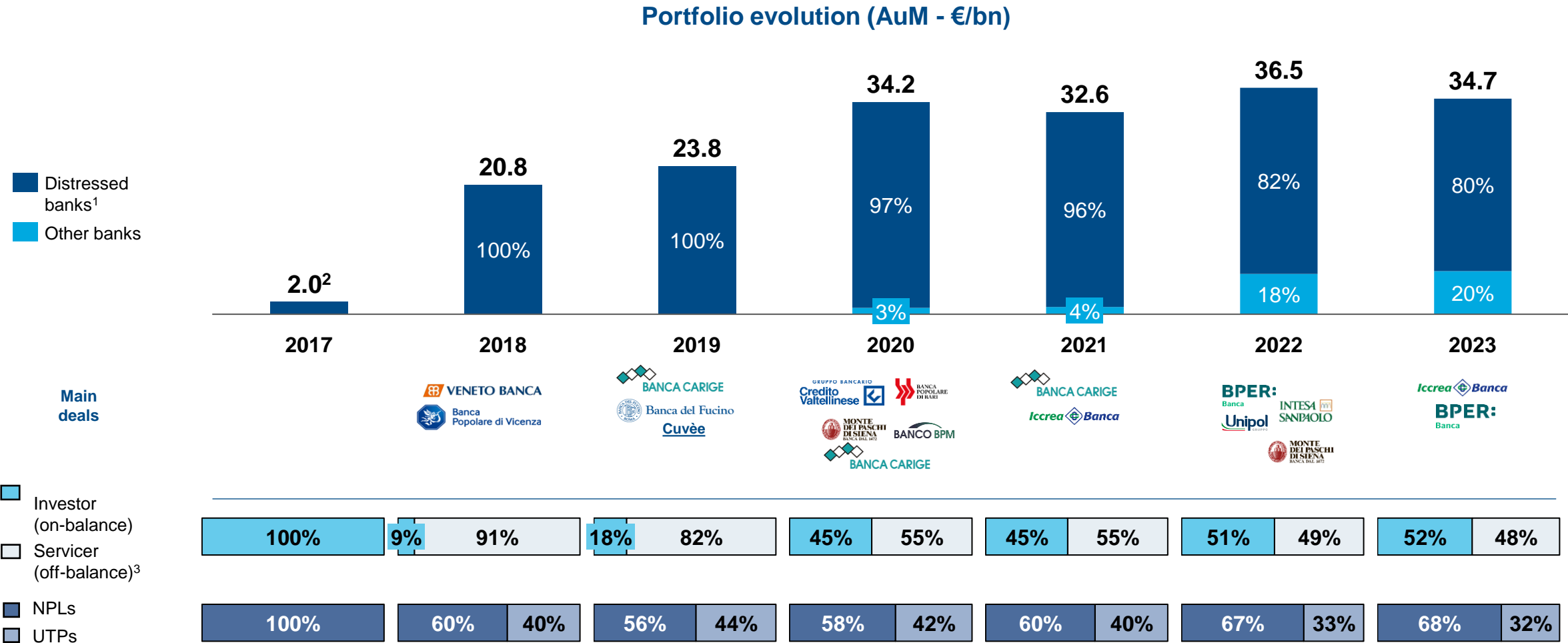
ESG

We integrate Sustainability in the entire value chain

AMCO was created in 2019 to contain the impacts of banking crises, in continuity with SGA's mandate

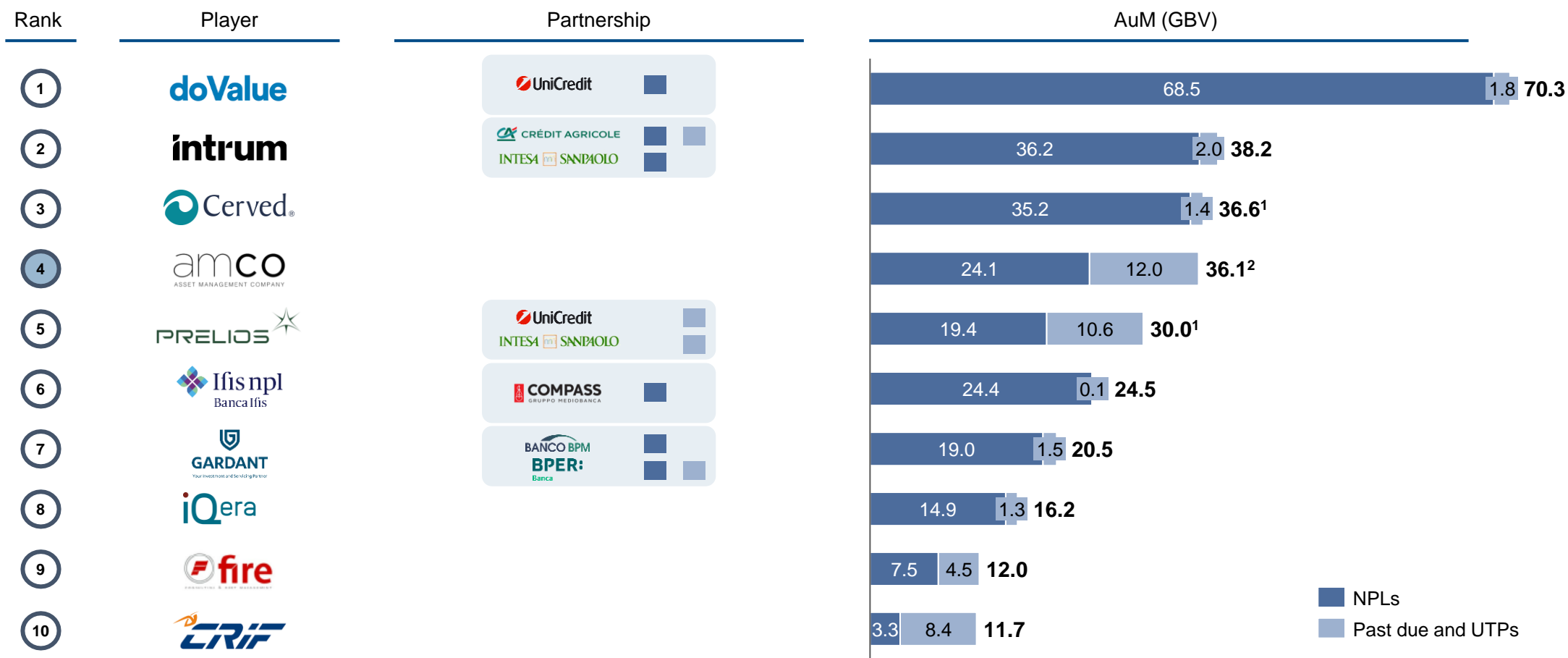


The evolution of our business reflects the onboarding of NPE portfolios of distressed banks and, since 2020, also of other banks

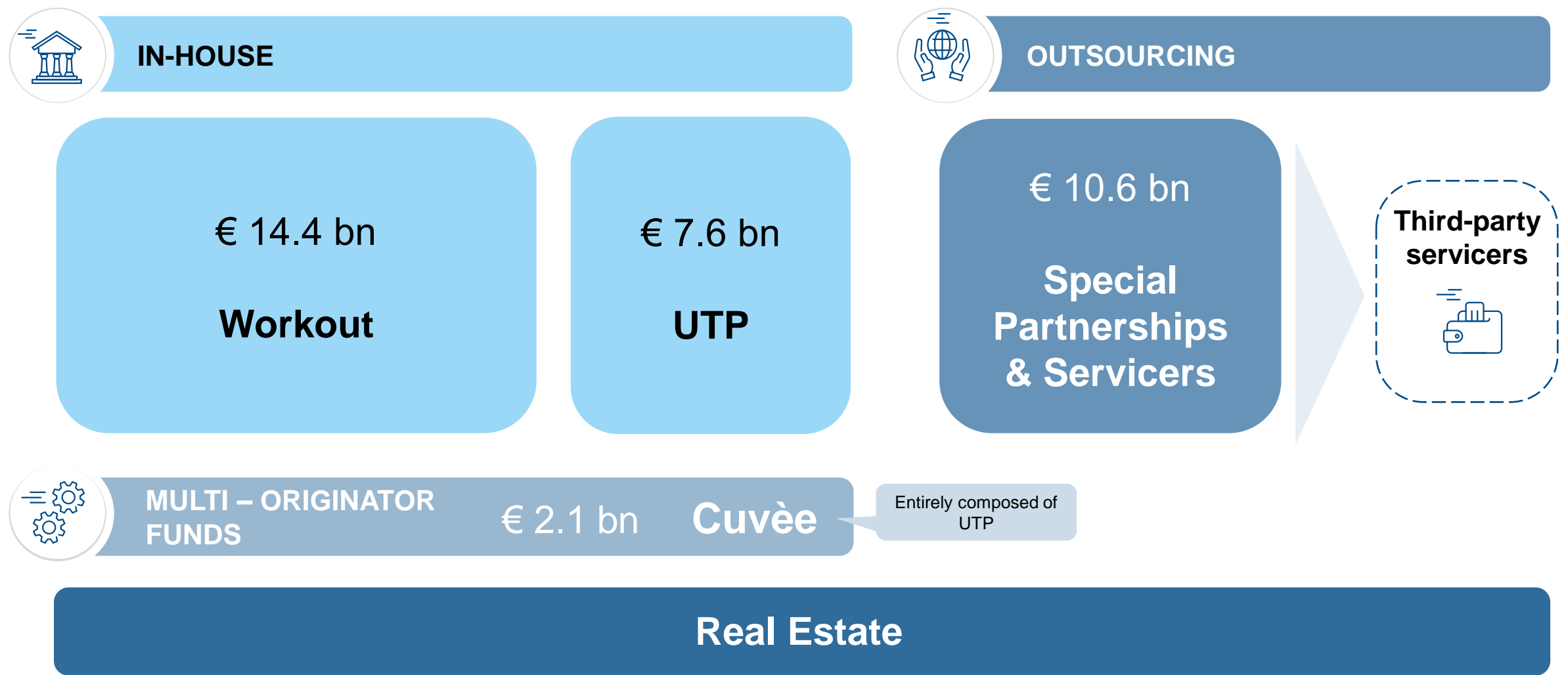


We are the fourth servicer in Italy by AuM, with a strong specialisation in UTP management, within a sector undergoing a consolidation phase

AuM of main Italian servicers (€/bn – 1H23 figures)



The current operating model is based on in-house management for c. 70% of the portfolio, diversified between UTPs and NPLs



A man in a dark shirt is working on a large, complex industrial machine. The machine has several large, curved, metallic components that look like blades or vanes, arranged in a circular pattern. The lighting is dramatic, with strong highlights on the metallic surfaces and deep shadows elsewhere. The man is looking intently at the machine, and his hands are visible as he works on one of the components.

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Strategy and business model

We manage loans by creating value for the public interest and facilitating the financial recovery of households and corporates

Corporates

We restructure debt of deserving companies favouring their relaunch also through new financing



Households

We promote the “return to performing” of deserving debtors to favour their access to credit



OUR VISION

To facilitate the financial recovery of households and corporates, focusing on our systemic role in managing the impaired loans for the public interest



Public interest

We have a systemic role in managing public impaired loans



Partners

We favour credit value-enhancement strategies, also in cooperation with other partners



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We act to support households and corporates with a proactive credit management approach, turning impaired loans into new beginnings

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Our strategy focuses on value creation, supporting households and corporates

2024-2028 Strategic Plan: three Pillars



TO PRODUCE VALUE
from the existing portfolio
with higher operational
efficiency



**SUPPORT TO
HOUSEHOLDS AND
CORPORATES**
also through innovative
projects



SYSTEMIC ROLE
in managing impaired loans
for the public interest

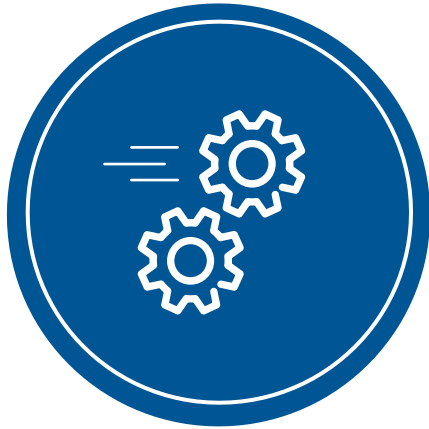


Our strategy focuses on value creation, focusing on AMCO's systemic role in managing impaired loans for the public interest



We produce value optimising recovery performance through efficient processes, a data-driven approach and a proactive credit management

We Produce Value



Efficient recovery processes, with a data-driven approach

Specialisation in in-house and outsourcing with servicers selected on expertise

Industrialisation of processes, thanks to technology and GenAI

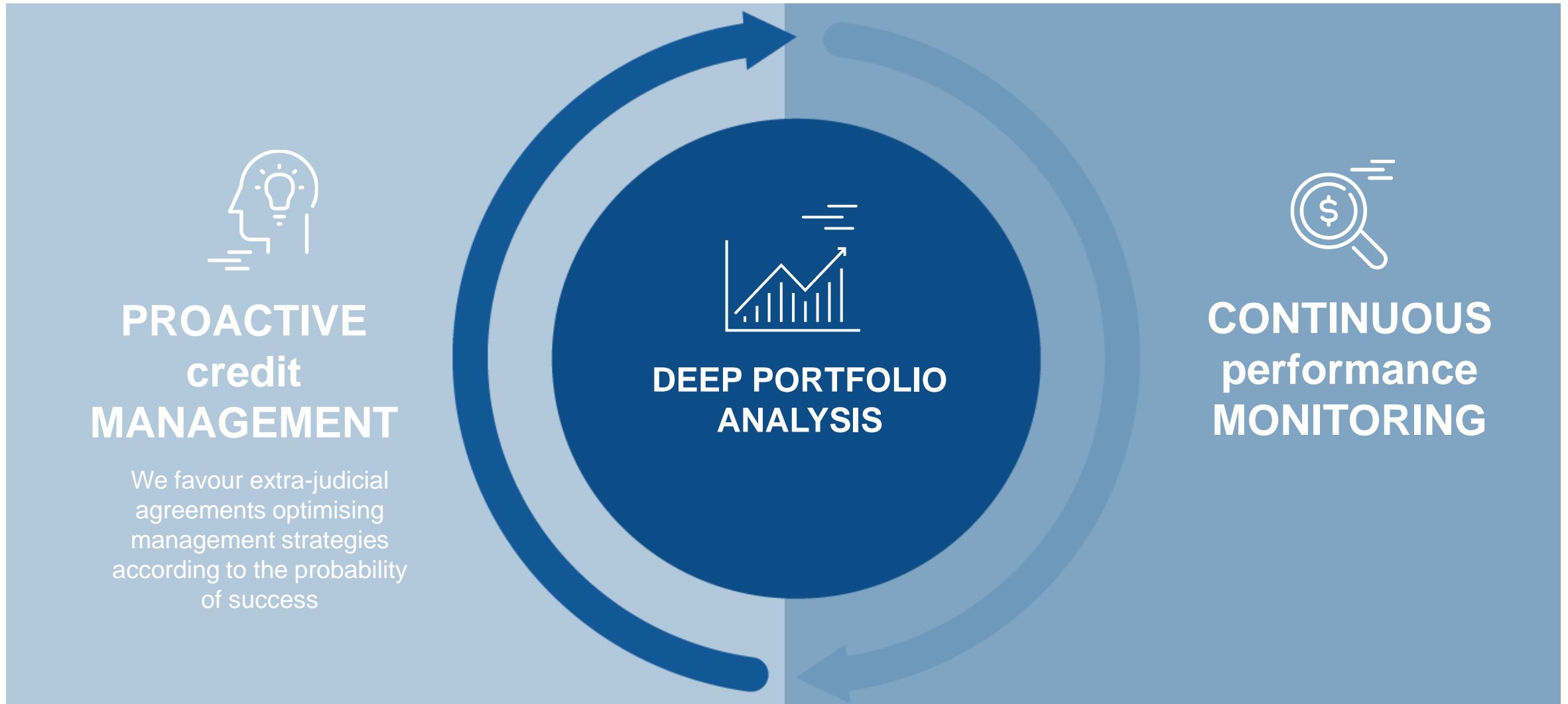
Performance monitoring to improve our efficiency

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We aim to optimise the recovery performance of the existing portfolio, through increased and renewed efficiency of the operating structure

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Our data-driven approach aims to improve recovery performance thanks to a deep portfolio analysis

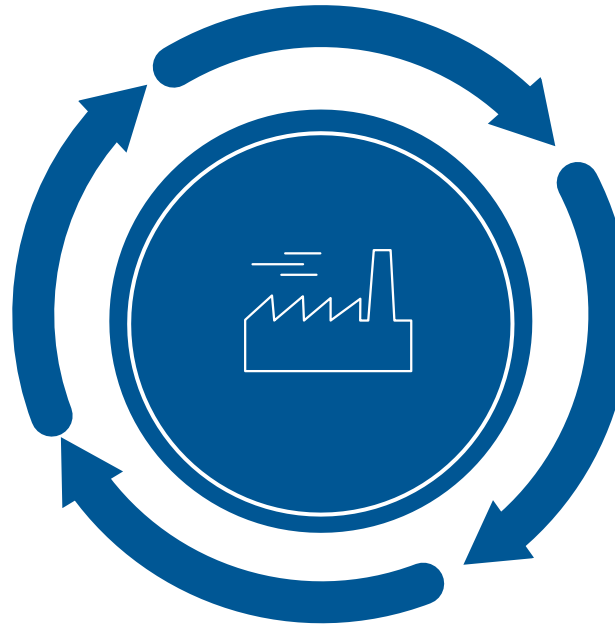


We are specialised in the industrial relaunch of deserving companies. Our aim is to ensure business continuity



Debt restructuring

with sustainable repayment plans, including with equity instruments if necessary



Strategic support

with business plan review and industrial partner research



Provision of new financing

to support corporate restructuring plans



Identification of non-core assets

aimed at disposal to support financial recovery

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We support corporates' industrial relaunch with sustainable solutions, thanks to our debt restructuring skills

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GSSE Sustainability Strategy

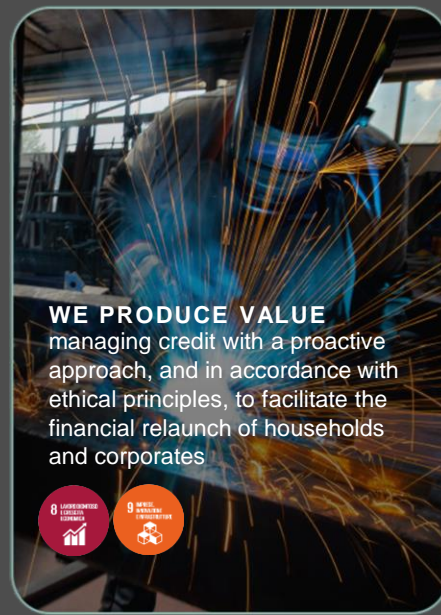


FROM ESG TO GSSE: the four pillars of our Sustainability Strategy

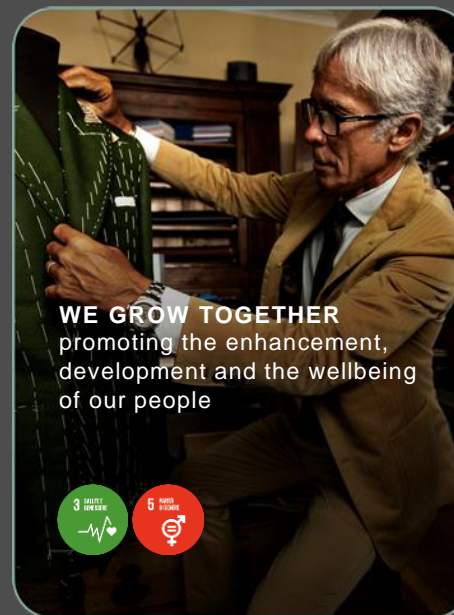
SUSTAINABLE **G**OVERNANCE



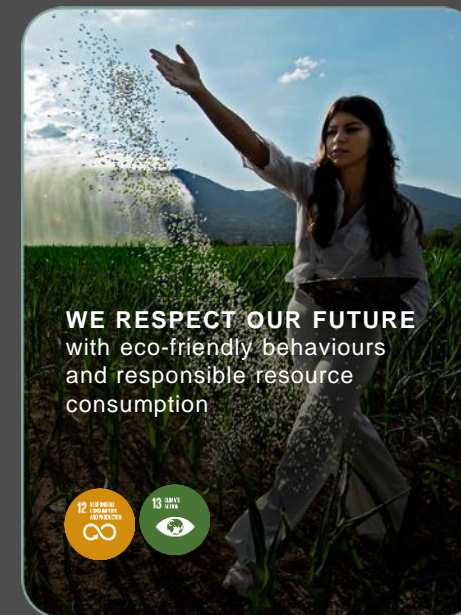
SUSTAINABLE CREDIT MANAGEMENT



SUSTAINABLE DEVELOPMENT OF HUMAN CAPITAL



ENVIRONMENTAL PROTECTION



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Our Sustainability Strategy is based on the four GSSE pillars, representing the areas in which we produce value for all our stakeholders

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In 2022 and 2023 AMCO achieved important objectives outlined in the 4 GSSE pillars

SUSTAINABLE GOVERNANCE



- 2022 - ESG Committee and CSO appointment
- 2022 - 10% of 2023-2025 **LTI plan** based on ESG objectives
- 2022 and 2023 - 100% of employees trained in **Anti-corruption, Privacy and AML**

SUSTAINABLE CREDIT MANAGEMENT



- 2022 - ESG criteria integrated in the **Investment Procedure**

SUSTAINABLE DEVELOPMENT OF HUMAN CAPITAL



- 2022 and 2023 - **ESG training to employees** (*multi-year target*)
- 2022 and 2023 – **100% of part-time requests accepted**
- 2022 – **Smartworking contract and welfare expansion**

ENVIRONMENTAL PROTECTION




- 2022 – **GHG emissions** calculated (greenhouse gases)
- 2022 - **100% of paper supply** FSC-certified; drinkable water dispensers
- 2022 and 2023 – Environmental **awareness campaign** to employees

2022 - 2023

2023

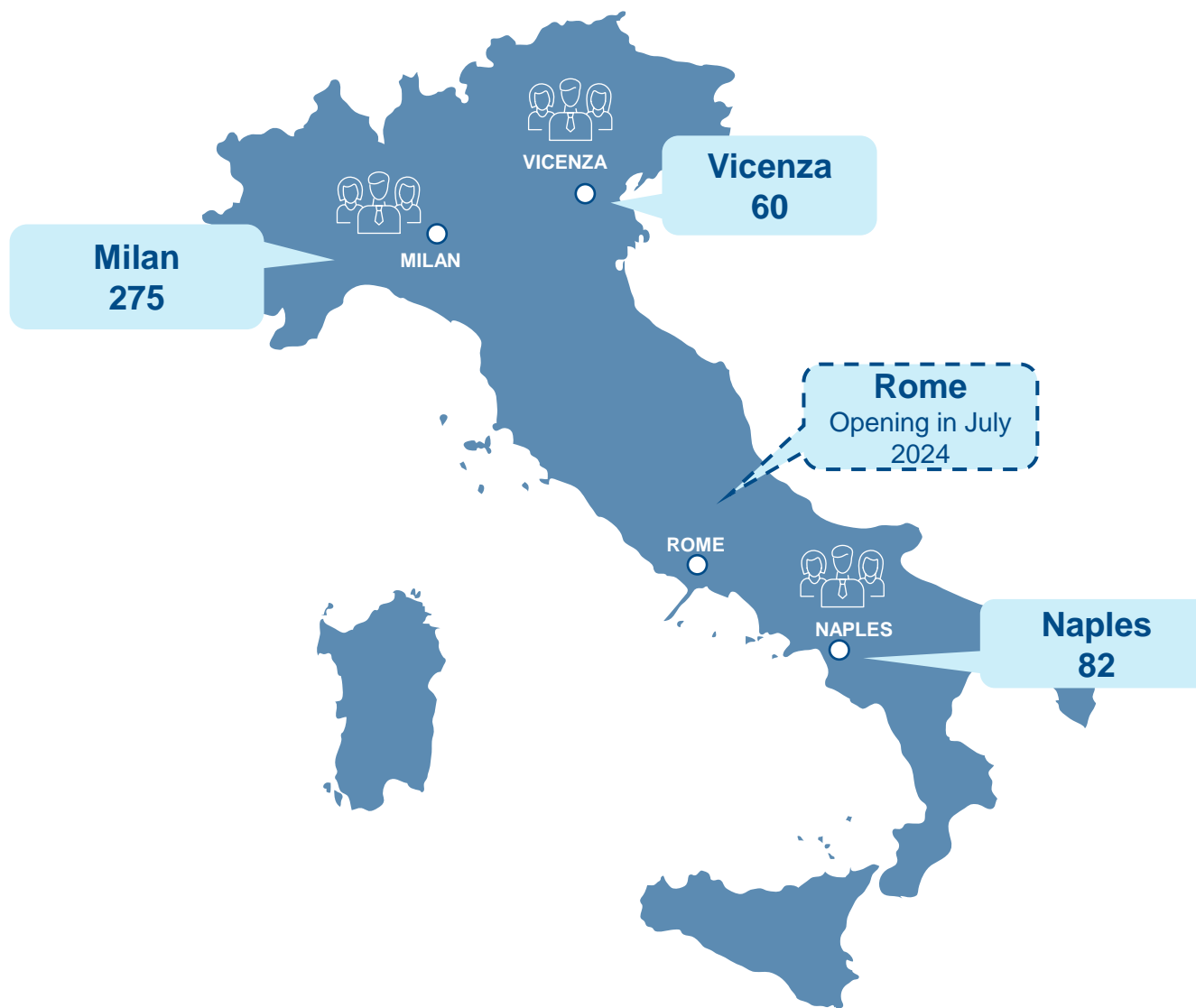
- **BoD enlargement to 5 members**¹
- Appointment of **2 Board Committees**¹
- **Anti-corruption certification**¹
- **Relevant suppliers assessed with ESG criteria**
- 100% of **special servicers'** employees trained on Privacy and AML
- **95% UTP collections, 41% NPLs, 64% SMEs+individuals** from extra-judicial activities
- **2 financial training events**
- **70% of repossessed properties analysed on energy efficiency**
- **Portfolio mapping based on geo-sectoral and transition risk**
- **ESG risk integrated in the Risk Framework**
- **Specific training to employees** on climate and environmental risks
- **Survey on D&I issues**
- **Succession plans** for selected top managers
- **Selection processes with head hunters: 27% women candidates**
- **GHG emissions** from operating activities **reduced** by more than **50%** (vs 2021)
- Milan **headquarters Leed GOLD** and **Fitwel** certified
- **100% company cars** contracted by AMCO with **low environmental impact**
- **100% of electricity from renewable sources**

A silhouette of a person running across a body of water at sunset. The sun is low on the horizon, creating a bright reflection on the water. The person is in the middle ground, moving towards the right. The background shows a range of mountains under a dark sky.

**We are 417 professionals
specialised in diversified areas**

Figures as of 31.12.2023

We are 417 professionals in 4 offices: Milan, Naples, Vicenza and... Rome

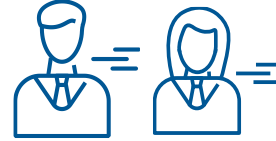


Our people are our human capital



We are young...

- Average age: 43



...well-balanced...

- 60% male gender
40% female gender



...and experienced professionals

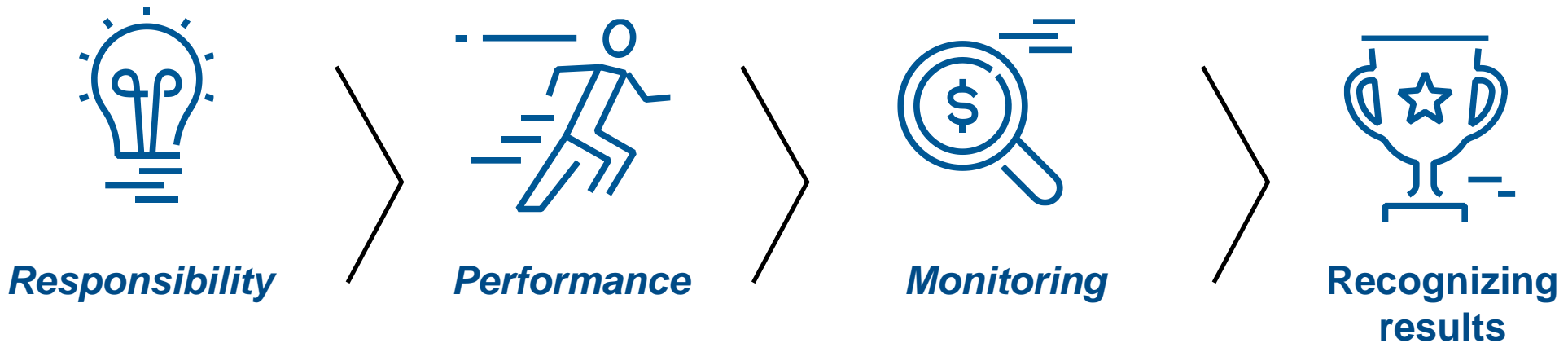
- Different backgrounds and experiences
- Track-record stretching back over 20 years



We are a well-balanced group, encompassing professionals motivated to achieve high performance levels



Growth paths are based on responsibility, performance and results



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All employees have access to an incentive system linked to qualitative and quantitative, individual and team/Function/Division objectives

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Read about our financial results...

...at: amco.it/en/

