REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2023
AZIMUT HOLDING SPA
Via Cusani, 4
20121 Milan

COMPANY BODIES

Board of Directors

Pietro Giuliani	Chairman
Gabriele Blei	Chief Executive Officer
Massimo Guiati	Chief Executive Officer
Paolo Martini	Chief Executive Officer
Giorgio Medda	Chief Executive Officer
Alessandro Zambotti	Chief Executive Officer
Daniela Pavan (*)	Director
Monica De Pau (*)	Director
Anna Maria Bortolotti	Director
Fiorenza Dalla Rizza	Director
Marcello Foa	Director
Silvia Priori	Director
Vittoria Scandroglio	Director
Costanza Bonelli	Director
Nicola Colavito	Director
Marco Galbiati	Director

Board of Statutory Auditors

Marco Lori	Chairman
Stefano Fiorini	Standing auditor
Maria Catalano	Standing auditor

Independent Auditors

EY SpA

Manager in charge of financial reporting

Alessandro Zambotti

(*) in office for one year (2023)

MAIN INDICATORS AT 31 DECEMBER 2023

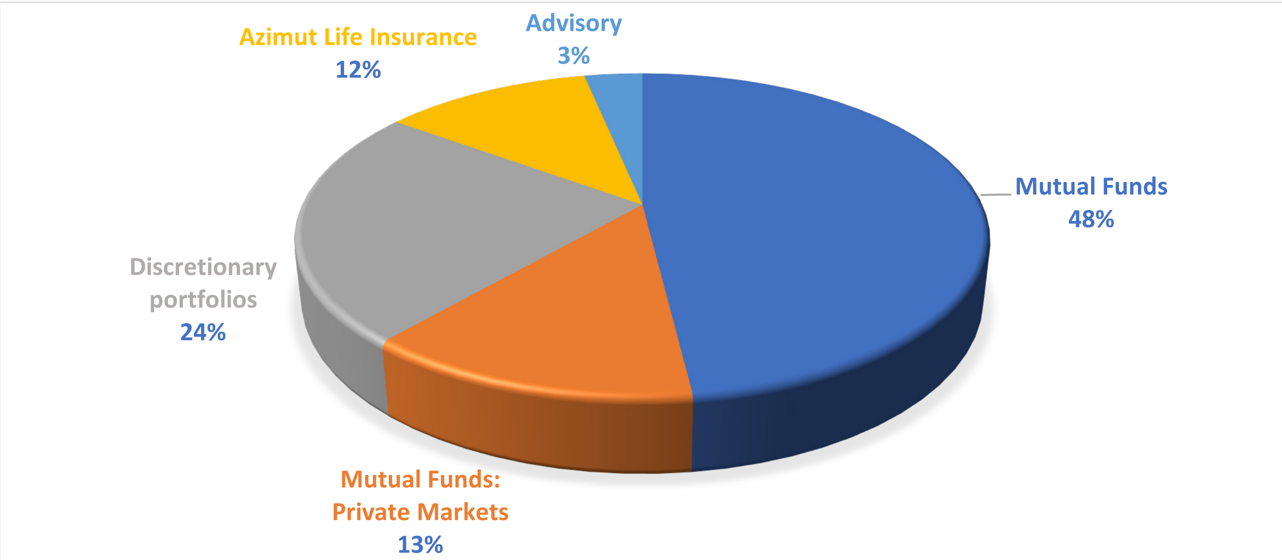
1990	Year of incorporation	2004	Year of flotation
90.8 billion	Total assets	18 countries	Geographical coverage
6.9 billion	Net inflows	1,913	Financial advisors
1,312	Revenue	435 million	Net profit for 2023
1,657	Employees	23.64	Share price

FINANCIAL INDICATORS

	2019	2020	2021	2022	2023
Financial indicators *(in millions of euros)*					
Total income:	1,050	1,054	1,449	1,290	**1,312**
of which fixed management fees	*753*	*774*	*966*	*1,098*	***1,138***
EBIT	464	457	707	551	**587**
Net profit for 2023	369	382	605	406	**435**
Operating indicators					
Financial advisors	1,788	1,791	1,840	1,851	**1,837**
Customers *(thousand)*	218	220	229	238	**241**
Assets in fund management *(billions of euro)*	46	47	54	55	**61**
Net inflows *(billions of euro)*	2.5	2.9	5.5	4.3	**-0.6**
Customers' net weighted average performance	8.5%	1.15%	6.5%	-9.07%	**5.43%**

Breakdown of assets under management at 31 December 2023

AUM, net	
Mutual funds	48%
Mutual funds: Private markets	13%
Discretionary portfolio management	24%
Azimut Life insurance	12%
Advisory	3%
Total	**100%**



MANAGEMENT REPORT

FINANCIAL MARKETS AND THE GLOBAL ECONOMY

Financial markets and the global economy

2023 ended with the perception that both the FED and the ECB are finally ready to reverse their monetary policy course in 2024, after a year of significant rate hikes that should have put an end to one of the largest and most accelerated cycles of restrictive monetary policy of the past 50 years.

The year was characterised, inter alia, by the significant variability of the market scenarios priced in by financial operators which, in the very first days of the year, experienced macroeconomic data that did not reflect consensus expectations, with a first substantial surprise on the downside in terms of European inflation and a US ISM below the psychological threshold of 50. This indicated contraction, and the likely beginning of the expected economic slowdown. These two surprises fuelled the expectation that the restrictive monetary policies of 2022 would soon drive the economy into recession and inflation would fall back to the major central banks' 2% target. This scenario was immediately discredited by the resilience of February's actual data on both sides of the ocean. Therefore, once again, the markets revised their expectations and, in March, expected a terminal monetary policy rate of almost 6% for the FED and 4% for the ECB. At the beginning of March, the collapse of Silicon Valley Bank, a medium-sized US bank, brought back the fear triggered by the 2008-09 Global Financial Crisis. The fear of losing deposits, which had caused the collapse of SVB, hit the Swiss-based weak Credit Suisse ("CS"), even though the Fed quickly acted to safeguard the deposits by guaranteeing full repayment to all. Furthermore, a law was passed that enabled banks to use as collateral the securities measured at par and not at market value. However, before the market realised the significance of these major safeguards in terms of containing contagion, the Swiss authorities arranged the immediate merger between CS and UBS, zeroing Additional Tier 1 (AT1) bonds, reversing the natural subordination order and dragging the credit market into severe stress. Therefore, after this episode, it took one year to the AT1 market to start restoring confidence.

Several weeks of continued surprises to upside on the resilience of the major developed countries' economies, widespread strength in the services sector in contrast to the weakness affecting the manufacturing sector, and several more upside surprises, net of base effects, on the inflation figures, along with the gradual fading of the negative news on US mid-sized banks, were necessary to convince market participants, once again, that neither recession nor then end to restrictive monetary policies were around the corner.

Therefore, the first half of the year ended with the new tightening of the central banks' restrictive stance, indicating unanimously that they did not consider the monetary policy cycle yet to be over and that rates would remain at terminal rates for a long time after the end. Indeed, although the Fed hold off on the rate hike in June (5.25%), it only indicated a change of pace of hikes every two meetings. On the other hand, the ECB ended the six-month period raising rates to 3.5%, leaving the door open to a hike up to 4% at its September meeting.

Therefore, at the end of the first half of the year, the perception was of a re-acceleration of the US business cycle, thanks to improved disposable incomes as a result of falling inflation and a still very robust labour market. The situation was completely different in Europe, where the manufacturing sector continued to show signs of a slowdown, suffering both from the prolonged war between Russia and Ukraine, the outbreak of the conflict in the Middle East, and disappointing growth in China. However, the European economic slowdown was mitigated by the recovery in tourism, especially in the Mediterranean countries. Indeed, on average, the first half of the year was characterised by the resilience of the service sector compared to manufacturing on the one hand, and the greater weakness of the Nordic countries compared to those in southern Europe on the other.

The summer months confirmed the trend of the past few months with a recovery of the US economic cycle and the progressive weakening of the European one. At the same time, both the Fed and the ECB raised rates again to 5.5% and 3.75%, respectively. Finally, the autumn saw the last hike by the ECB, which set the deposit rate at 4% and the refinancing rate at 4.5%, up to levels never seen in previous cycles.

In the third quarter, the US growth showed signs of acceleration with annualised growth close to 5%, in stark contrast to the European stagnation. The US economy as a whole will grow by 2.5% in 2023, far from the incipient recession caused by the same monetary policy cycle which was expected at the beginning of the year. Meanwhile, at the beginning of October, the outbreak of the war between Israel and Hamas renewed, if only briefly, the fears about oil prices. The markets quickly established that, apart from the terrible cost in terms of human lives, the scale of this conflict, if confined to the local level, was not likely to generate significant economic consequences.

Finally, 2023 failed to mark the turning point of Japan's expansionary monetary policy. In fact, the BoJ only marginally loosened its NIRP (negative interest rate policy) by moving out of control of the yield curve through fixed bond purchases up to 10-year maturity. The operators have repeatedly tried to anticipate the actions of the BoJ, underestimating its prudence. Indeed, the BoJ is firmly determined to avoid the risk of squandering the chance to get out of decades of deflation for good. In 2024, the BoJ might be able to implement a rate hike to symbolically indicate the end of the negative rate policy.

International financial markets

2023 was not easy for the financial markets. During this period, the scenario changed many times and maintained a structurally high volatility of bonds also in 2023.

These negative surprises about the European and US macroeconomic figures at the beginning of January fuelled the expectation that the restrictive monetary policies of 2022 would have soon driven the economy into recession and inflation would have fallen back to the major central banks' 2% target. This scenario led to a fall in yields and a rise in equity prices in the first month of the year, confirming the positive correlation between the two asset classes that would remain substantially in place throughout 2023. However, a new scenario characterised February, when the macroeconomic data discredited expectations of a slowdown, thus prompting a new wave of hikes in market interest rates, even pushing European yields to new highs, and expectations of rate hikes further into restrictive territory.

The sudden rise in market interest rates highlighted the fragility of some US regional banks and the speed with which, in today's world, the run of deposits can bring to their knees banks with weak risk management structures. The ghost of the 2008 financial crisis appeared in a matter of few hours, generating a physiological risk-off reaction and a new repricing of monetary policy expectations, through the collapse of short-term rates and the violent steepening of yield curves from historically high inversion levels. This was essentially the only episode of the year indicating of negative correlation between equities and bonds. However, it showed that

financial operators are, in terms of positive real yield levels, once again interested in the protection offered by bonds that had been lacking for years.
The market for Additional Tier 1 (AT1) bonds was heavily influenced for a long time by the effects of the Swiss central bank's decision to zero Credit Suisse's AT1s following the contagion effect of the US regional bank crisis on the fragile situation of the major Swiss bank.
The measures promptly adopted by the FED to contain the crisis and the contagion risk resulted in a rapid stabilisation and recovery of equities. However, it took several weeks of further positive surprises on the resilience of the economies of the major developed countries to convince the bond markets that the restrictive monetary policy still had some way to go.
Overall, the first half of the year was characterised by the positive performance of equity markets which, however, were hiding strongly divergent sector dynamics that benefited a handful of technology stocks, driven by AI that will be dominant topic of the year, to the detriment of other sectors. Europe was negatively affected by the waning expectations of China's recovery and the impact of the CS crisis, given the greater weight of the banking sector on the European index.
The second half of the year, starting in the summer with the steady resilience of the US economy, initially put the financial markets in a difficult situation: the bond markets experienced a new significant rise in yields, mainly on long-term maturities due to the return of the risk premium, while the equity markets were affected by the significant rise in real rates, with the main adjustment of the year, which would last until the end of October.
The exceptional events of 2023 also include the historic inversion of the US curve, which in the summer exceeded -100bps (a similar performance occurred during the oil crisis of the 1980s) and the subsequent violent re-steepening caused by the rise in long-term rates due to an increase in the term-premium. The rally leading to the end of 2023, which began after the FED meeting in November and confirmed the expectation that the upward cycle had come to an end, was also a historic move. In less than two months, it brought the entire bond market back into profit from its levels at the beginning of the year, confirming the high volatility of the asset class in a transitional context.
Following the common movement of rates and equities in the last two months, the equity markets ended 2023 near all-time highs, with the Nasdaq 100, in particular, posting sky-rocketing performance (+54% in local currency, the best year since 1999) driven by AI, which

has become the dominant theme. Sector differences were considerable throughout the year, with high-growth stocks favouring value stocks, with big caps also clearly outperforming small caps. In contrast, ESG issues were adversely affected by both rising rates and inflationary trends, which weighed heavily on planned investment projects at a much lower price level. The market participants were structurally short pending the recession caused by the rate hike, offering limited opportunities for correction, excluding the regional bank crisis and the correction between August and October. Later on, the final rally in the bond markets was matched by the substantial bullish movement that pushed equity markets to close at highs, including sectors that had been penalised in previous months.

On the other hand, the volatility of the dollar was modest, with changes limited to just over 7 digits, fluctuating between 1.045-1.1275. The yen was the tailwind, which, despite operators' expectations that the Bank of Japan would abandon its expansive monetary policy, paid the price for maintaining its role of "funding currency" given the growing interest rate differential with other geographical areas, depreciating by 10% against the euro.

Finally, despite the further increase in prices expected at the beginning of the year, energy commodities, such as oil and natural gas, saw widespread disinflation. Accordingly, at the end of the first half of the year, oil prices were 30% lower than a year ago (-40% from the highest peak), while natural gas prices were 80% lower compared to June 2022, similar to June 2021 levels. The outbreak of the war between Israel and Hamas in October also triggered, for a very short time, fears about oil prices, which, however, ended the year below end-2022 levels.

Emerging markets

After an extremely disappointing 2022 for China's growth, according to the financial operators, 2023 was expected to be the year of recovery that could support Europe, and in particular Germany, growth. Instead, 2023 was an extremely difficult year for both China's economy and its stock markets. The series of issues affecting the Asian giant include a youth unemployment rate of over 21%, decreasing prices bordering on deflation, weak exports, a real estate sector in chronic crisis with large developers, such as Evergrande and Country Garden, on the brink of default, as well as ultra-indebted local governments. China's stock markets continued to perform negatively, probably gradually pricing in the weaknesses affecting the country and ending up wondering whether Beijing's reticence to stimulate the economy, beyond grand proclamations, is in fact a deliberate strategy to internally rebalance an economy which, in the past twenty years, saw specific sectors of society become richer and more leveraged to the detriment of the principle of equality, which now seems to look for its own space in Xi Jinping's Chinese society. In 2024, the international investors will assess the substance of the policies to support China's equity markets, which for the time being show historic lows due to continued outflows.

In stark contrast, India is rising both as an economic power and as a financial market which hit all-time highs in 2023, with a markedly positive performance for the year.

In 2023, the BRICS expanded, announcing the entry of six new countries (Argentina, Egypt, Iran, Ethiopia, Saudi Arabia and the United Arab Emirates): this factor is not to be underestimated in an increasingly fragmented international context, in which new blocs try to succeed in opposition to the West, represented by the United States and Europe.

Finally, the frontier markets show growing political instability which, with the coups in Niger and Gabon, brings to eight the total number of coups on the African continent in the last three years.

SIGNIFICANT EVENTS OF THE YEAR

1.1 The parent company – Azimut Holding S.p.A.

Capitalisation transactions carried out by Azimut Holding S.p.A.

In 2023, following the Board of Directors' resolutions of 10 March 2022, 28 July 2022 and 10 November 2022, the parent company made capital injections of 27.4 million euro to increase the quota capital of Azimut Enterprises S.r.l..

In 2023, following the Board of Directors' resolutions of 28 July 2022 and 10 November 2022, Azimut Holding S.p.A. made cash capital injections totalling 22 million euro to increase the share capital of the subsidiary AZ International Holdings SA and finance the Group's international development.

During the year, following the Board of Directors' resolution of 9 March 2023, Azimut Holding S.p.A. made a capital injection of 0.6 million euro to increase the share capital of Azimut Investments Limited.

During the year, following the Board of Directors' resolution of 9 March 2023, Azimut Holding S.p.A. made a capital injection of 3 million euro to increase the share capital of Nova Investments Limited.

For information about the investments in the above capitalisation transactions, reference should be made to paragraphs 1.2 and 1.3.

1.2 Transactions carried out in 2023 by Azimut Holding S.p.A. and its subsidiaries

Italy

The main investments carried out through the subsidiary Azimut Enterprises S.r.l. are as follows:

- on 2 January 2023, Azimut Enterprises S.r.l. acquired 49.19% of Virtual B S.p.A. (now Wealthype S.p.A.) for a consideration of 3.9 million euro and concurrently subscribed a 2.5 million euro capital increase;
- on 23 January 2023, Azimut Enterprises S.r.l. acquired 22.47% of Alps Blockchain S.p.A. by subscribing a capital increase amounting to a total of 4.2 million euro;
- on 27 June 2023, Azimut Enterprises S.r.l. made a second capital injection of 1.9 million euro in favour of Siamosoci S.r.l.;
- the acquisition of a bond issued by Azimut Financing I Sarl worth 16 million euro;
- minor equity investments worth 2 million euro.

On 24 March 2023, Azimut Enterprises S.r.l. sold approximately 42% of ValueBiotech S.r.l. for a total of 5.4 million euro to third parties. Therefore, it no longer controls this company which is now an associate and is recognised using the equity method.

Partnership to support UniCredit's asset management development

In 2022, Azimut Holding S.p.A. had signed a letter of intent with UniCredit S.p.A. ("UniCredit"), which defined essential elements for the distribution of asset management products in Italy.

Azimut set up an asset management company in Ireland, Nova Investment Limited, wholly owned by Azimut Holding S.p.A., in order to develop and manage investment products, particularly mutual funds, for non-exclusive distribution through UniCredit's network. In December 2023, after obtaining the necessary authorisations from the competent authorities, Azimut launched its first range of funds dedicated to distribution in Italy.

The agreement also entails the right for UniCredit to exercise after the fifth year, or earlier subject to specific customary conditions for this type of transactions, a call option to acquire a majority stake in the Irish management company, initially wholly owned by Azimut. For additional information, reference should be made to Sections 4 and 5 of the notes to the consolidated financial statements.

1.3 - AZ International Holdings SA and Azimut UK Holdings Limited and their direct and/or indirect subsidiaries

The main transactions carried out by the Azimut Group during the year through its subsidiaries AZ International Holdings Sa and Azimut UK Holdings Limited are described below, broken down by geographical region.

Americas

On 8 February 2023, the Group, through its US subsidiary Azimut US Holdings, completed the purchase of a 35% investment in Kennedy Capital Management LLC ("KCM") for a total of 14 million euro. Azimut has the option to increase its investment to a majority interest through call/put options. The parties also agreed to work together to develop the company in the long term by implementing a 10-year business plan.

In August 2023, AZ Quest Holdings SA acquired 35.5% of the Brazilian-based AZ Panorama LTDA. The relevant agreement provides for a set initial price of 1.5 million euro, increased by an additional portion to be calculated based on the actual AuM after 12 months from signing the contract, for a maximum of 10 million Brazilian reais (equal to 1.88 million euro at the acquisition date). Under the agreement, subject to certain conditions, Azimut may also exercise a call option for a further 30% of the company's capital within three years from the initial closing.

Asia & Pacific

During the year, the acquisition of the Australian companies Boutique Mortgage Solutions Pty Ltd, Bennet & Co. Pty Ltd, Rose Partners Pty Ltd, Rose Partners Holdings Pty Ltd, Rose Partners Management Accounting Pty Ltd, Kingsbridge Private Pty Ltd, Foster Raffan Iplan Pty Ltd, TWD Advisory Pty Ltd and Catalina Consultants Pty Ltd was completed for a total of 34.7 million euro.

2. OTHER SIGNIFICANT EVENTS OF THE YEAR

2.1 Azimut Holding S.p.A. General Shareholders' Meeting of 27 April 2023

The shareholders' meeting (both ordinary and extraordinary) of 27 April 2023 resolved the following:

Ordinary part

Approval of 2022 financial statements

The shareholders' meeting approved the 2022 financial statements, which included a Parent Company net profit of 384 million euro. The shareholders concurrently resolved to pay a dividend of 1.30 euro per ordinary share, pre-tax, which was paid as of 24 May 2023, 22 May 2023 ex-dividend payment date and 23 May 2023 as the record date. The shareholders also approved the payment of 5.5 million euro to Fondazione Azimut Onlus, equal to 1% of pre-tax consolidated profit, and the payment of 40.24 euro for each profit-participating financial instrument held by Top Key People at the time of approval of payment of the dividend.

Proposal for purchase and allocation of treasury shares and consequent resolutions

The shareholders approved the purchase of up to 14,000,000 Azimut Holding S.p.A. ordinary shares, or 9.77% of the current share capital, including in several tranches, (provided that in this maximum overall amount, a maximum of 7,000,000 Azimut Holding S.p.A. ordinary shares equal to 4.89% of the current share capital may be allocated to the funds necessary to implement any stock option plans), considering the shares already in portfolio upon purchase. The purchase price will be a minimum unit price equal to at least the carrying amount of Azimut Holding S.p.A. ordinary shares and a maximum unit price of 35 euro. The shareholders also approved the whitewash mechanism that exempts the shareholders from the obligation of a full public tender offer in case it exceeds the relevant threshold (over 25%) as a consequence of the purchase of treasury shares.

Resolution on remuneration policies. Remuneration Report and resolution pursuant to article 123-ter, paragraph 6 of Legislative decree no. 58/98

The shareholders approved the first and second section of the point of the company policy concerning the remuneration of members of the management boards, general managers and key managers, as well as the procedures used to adopt and implement said policy.

Furthermore, with respect to that already resolved by the shareholders in their meeting on 27 April 2023, the new directors Daniela Pavan and Monica de Pau took office, replacing the directors Michela Morando and Elisabetta Castellazzi, again representing the Group's financial advisors.

2.2 Tax position of Azimut Capital Management SGR S.p.A.

On 24 October 2022, the Lombardy Regional Tax Authority – Large Taxpayer Office (the "tax authorities") had notified a preliminary assessment report on an inspection conducted at the company on 5 October 2022. In response to the preliminary assessment report, the company promptly had prepared and sent a defence brief on 5 December 2022, in which it had challenged all tax authorities' findings. The brief was followed by an invitation to appear by the tax authorities pursuant to article 5, paragraph 1, of Legislative decree no. 218/1997, based on which the company commenced meetings in which the inconsistency of the findings was further emphasised in consideration of the TP documentation prepared in line with the agreements already entered into with the tax authorities, and the failure to take into consideration the preliminary prior agreement procedure on transfer pricing underway (APA). Following the meetings held between the parties concluded on 28 April 2023, the claims included in the preliminary assessment report dated 24 October 2022 were completely eliminated, acknowledging the correctness of the transfer pricing calculation methodology adopted by the company, with some adjustments for 2016, 2017, 2018, 2019, 2020 and 2021. This resulted in the payment of 2.9 million euro for 2016 (for IRES and IRAP purposes, including interest expense) in April 2023 and of approximately 14 million euro (again for IRES and IRAP

purposes, including interest expense) for the subsequent years, paid in July 2023, following the payment notices served by the Italian tax authorities.
The Italian tax authorities carried out a further audit for direct and indirect tax purposes for 2018, which did not identify any formal or substantive findings against the company.

2.3 Tax position of Azimut Financial Insurance S.p.A.

The audit activities carried out by the tax authorities in 2022 which covered the transfer pricing calculation methodologies, were finally completed with the notification of a preliminary assessment report dated 26 April 2023.
The audit substantially confirmed the correctness of the methodology used by the company to determine the transfer prices of transactions (the CUP method). However, some critical issues were identified in connection with the activities carried out by the company during the start-up period. This led to the payment of some amounts taxable for IRES and IRAP purposes for 2017, 2018, 2019, 2020 and 2021 amounting to approximately 9 million euro, including interest expense, in April 2023, following the payment notices served by the Italian tax authorities.

2.4 Bank of Italy inspection – Azimut Libera Impresa SGR S.p.A.

On 3 April 2023, as part of an ordinary inspection procedure (notice dated 29 March 2023), the Bank of Italy inspected Azimut Libera Impresa SGR S.p.A., an Azimut group company. The inspection was completed on 30 June 2023 and, on 20 September 2023, the Bank of Italy provided the SGR's Board of Directors with the inspection report, commencing a sanctioning procedure, the outcome of which is still pending. In November 2023, the SGR provided a comprehensive reply to the inspection report and submitted its counter-arguments.

2.5 The Group's cyber security

As part of its constant monitoring activities, the Azimut Group detected unauthorised access to its systems by unknown persons and not due to a malfunction of the systems or human error. As a result of this cyber attack, the Azimut Group received a ransom demand to which it did not respond as it considered it to be of criminal origin and, in any case, totally in contrast with the

Group's founding principles and values. Indeed, the Group has always been committed to fighting and combating the financing of all criminal activities.

On the one hand, the Azimut Group immediately informed the competent authorities and, on the other, it launched an internal security procedure that successfully limited the consequences of this criminal action. Furthermore, the Azimut Group, assisted by its legal and IT security experts, carried out an in-depth analysis to better understand the nature of the attack, its extent and consequences.

The cyber attack had no impact on data or information that might allow access to the personal position of customers and/or financial advisors or the execution of unauthorised transactions, nor did it compromise and/or limit business continuity.

2.6 Impacts of the geopolitical crisis on the Group

Following Russia's military invasion of Ukraine, in compliance with the recommendations set out in the European Securities and Markets Autority ("ESMA") and Consob's call for attention, the Group took the necessary safeguards and implemented the necessary actions to comply with the European Union's provisions on economic restrictions and sanctions imposed on the Russian Federation. The conflict in Ukraine does not entail significant effects (direct and indirect - current and foreseeable) on the Group's business activities, financial position and financial performance.

It conducted analyses to: (i) identify any managed portfolios significantly exposed to the Russian and Ukrainian markets, (ii) determine the impact of negative fluctuations of the financial markets caused by the crisis, (iii) assess any operational impact on the Group following the sanctions adopted against Russia and (iv) assess the financial impact on the Group's forward-looking results. Based on the elements and information available, which are regularly monitored, no significant consequences are expected on the Group's business and overall profitability.

Specifically, with respect to the UCITS funds set up by Azimut Capital Management SGR S.p.A., Azimut Investments SA and Azimut Investments Ltd, including the sub-funds of pension funds, the direct exposure[1] to Russian or Ruble-denominated securities totalled 27 million euro. This is a residual amount both in relation to the total assets managed with respect to this type of product (exposure: 0.10%) and in relation to the assets comprising the 20 funds which include these exposures (exposure: 0.46%).

With respect to the insurance product portfolios established by Azimut Life Dac, the relevant exposures totalled 2.2 million euro. This is a residual amount both in relation to the total assets managed with respect to this type of product (exposure: 0.03%) and in relation to the assets comprising the 5 lines which include these exposures (exposure: 0.19%).

With respect to asset management portfolios, these exposures amount to approximately 7.7 million euro. This is a residual amount both in relation to the total assets managed (exposure: 0.14%) and in relation to the 87 mandates which include these exposures (1.11%).

The companies constantly monitors any developments in order to assess the potential impacts. Based on the necessary evaluations of the information available at the date of approval of this report, no critical issues were identified such to jeopardise the operational continuity of the investment products and services offered by the Group's SGRs. However, it is not possible to determine with a sufficient degree of reliability any effects that could affect the economy and the reference sector.

With respect to the impairment test, on 13 May 2022, the ESMA, in its "ESMA32-63-1277, Implications of Russia's invasion of Ukraine on half-yearly financial reports" circular, and the most recent public statement "European common enforcement priorities for 2022 annual financial reports" dated 28 October 2022, drew the attention of the members of the administrative and control bodies and of the managers in charge of financial reporting to the need to comply with the principles underpinning financial reporting, considering the impacts related to the Russian invasion of Ukraine, including the checks under IAS 36.

The year was also influenced by significant and continuous inflationary trends, which mainly hit western countries almost equally.

Reference should be made to the "Impairment Test" section in the note to "Intangible assets" for the considerations underlying the preparation of the consolidated financial statements.

[1] Direct exposures mean exposures directly held by the funds in shares, bonds, funds or ETFs with a geographical focus on Russia. Conversely, any indirect exposures to Russia that may arise from investing in funds or ETFs that do not have an exclusive geographical focus on Russia are not considered.

AZIMUT GROUP’S FINANCIAL PERFORMANCE FOR 2023

The Group ended 2023 with a consolidated net profit of 434,567 thousand euro (406,461 thousand euro in 2022) and consolidated EBIT of 625,061 thousand euro (559,703 thousand euro in 2022).

Total assets under management at 31 December 2023 reached 60.5 billion euro, while total assets, including assets under custody, amounted to 90.8 billion euro, up 15% on 2022.

The Group continued its mission to develop, research, acquire and manage international partnerships thanks to its global presence and its continuous product innovation through the subsidiaries AZ International Holdings SA, incorporated under Luxembourg law, and Azimut UK Holdings SA, based in the UK, both wholly owned by Azimut Holding S.p.A. and acting as incubators. The Group is comprised of several companies which distribute, manage and promote financial and insurance products in many countries, including Luxembourg, Ireland, China (Hong Kong and Shanghai), Principality of Monaco, Switzerland, Portugal, Singapore, Brazil, Mexico, Taiwan, Chile, Australia, Turkey, the United States, the United Arab Emirates and Egypt.

During the year, the Group completed the acquisition of 35% of Kennedy Capital Management LLC, a leading US Small and Mid Cap Equity Manager. The Group obtained a significant institutional mandate in Mexico via the subsidiary KAAN Capital, covering one of the three largest sovereign funds in the world. Furthermore, inflows grew strongly in the Principality of Monaco and Turkey. Finally, it continued its platform expansion in Australia.

The Private Markets segment continued to grow strongly thanks also to private market transactions in Italy, including the launch of the second Private Debt Multistrategy fund and the investment with a club deal in Alps Blockchain, a company specialising in the construction of mining farms powered by clean energy. Since the beginning of the year, the assets in the Private Markets segment have increased by more than 1.5 billion euro to 8.1 billion euro. The AuM now account for 13% of the assets managed.

With respect to the recruitment of financial advisors, in 2023, the Group’s network in Italy showed 114 new engagements, compared to 128 outgoing advisors, bringing the total number of advisors in Italy to 1,837 (31 December 2022: 1,851). The Group’s financial advisors (Italy and abroad) total 1,913.

Assets under management

Figures in millions of euro	**31.12.2023**	**31.12.2022**	**Change compared to 31.12.2022**	
			Absolute	**%**
Mutual funds	43,634	44,660	-1,026	-2.3%
of which: private markets	*8,063*	*6,465*	*1,598*	24.7%
Discretionary portfolio management and other	18,072	14,507	3,565	24.6%
Azimut Life insurance	7,080	6,734	346	5.1%
Advisory	1,971	1,505	466	31.0%
Decreases for tail down and double counting	-10,207	-12,265	2,058	n/a
AUM, net	**60,550**	**55,141**	**5,409**	**9.8%**
Assets under custody	**30,200**	**23,823**	**6,377**	**26.8%**
Total assets	**90,750**	**78,964**	**11,786**	**14.9%**

NET INFLOWS

Figures in millions of euro	***2023***	***2022***	***Absolute change***
Funds	-628	3,414	-4,042
of which: private markets	*1,475*	*1,937*	*-462*
Discretionary portfolio management and other	2,709	836	1,873
Azimut Life insurance	230	450	-220
Advisory	399	-17	416
Decreases for tail down and double counting	444	-344	788
Total net inflows - Assets under management	**3,154**	**4,339**	**-1,185**
Assets under custody	**3,712**	**4,158**	**-446**
Total net inflows	**6,866**	**8,497**	**-1,631**

RECLASSIFIED CONSOLIDATED INCOME STATEMENT

In order to provide a representation of the results according to management criteria, the income statement has been reclassified to better reflect the content of the items in accordance with these criteria.

The main reclassifications involved the following:

- cost recoveries on portfolio management reported under "Fee and commission income" have been reclassified as "Other income" in the reclassified income statement;
- the results of insurance services and financial income from insurance operations were reallocated to "Insurance income";
- commission expenses paid to the sales network, reported under "Fee and commission expense" are now classified as "Acquisition costs"; similarly, the Enasarco/Firr contributions related to these commission expenses and the other trade payables associated with the sales network, recognised under "Administrative costs", have been reclassified as "Acquisition costs"; the amount allocated to the supplementary indemnity reserve for agents (ISC) reported under "Accruals to the provisions and charges" has been reclassified as "Acquisition costs";
- administrative cost recoveries, reported under "Other operating income and costs", were recognised as a reduction of "Overheads/administrative costs";
- interest expense on loans and bonds was reported under "Interest expense" in the reclassified income statement.

Euro/000	2023	2022
Acquisition fees	12,162	11,329
Recurring fees	1,138,307	1,097,924
Variable management fees	18,208	45,774
Other income	32,358	38,239
Insurance income	110,981	96,313
Total income	**1,312,016**	**1,289,579**
Acquisition costs	(388,954)	(420,972)
Overheads/administrative costs	(310,196)	(278,014)
Amortisation/depreciation and accruals	(25,470)	(39,234)
Total costs	**(724,620)**	**(738,220)**
EBIT	**587,396**	**551,359**
Net financial income	60,865	7,731
Net non-recurring income (costs)	(14,565)	10,958
Interest expense	(8,633)	(10,345)
Pre-tax profit	**625,065**	**559,703**
Income tax	(160,954)	(138,745)
Deferred tax assets/liabilities	(6,096)	6,043
Net profit	**458,013**	**427,001**
Profit attributable to minority interests	23,446	20,540
Group net profit	**434,567**	**406,461**

The prior year corresponding figures were reclassified in order to comply with IFRS 17. Reference should be made to the notes to the financial statements, section "Accounting standards, amendments and interpretations endorsed by the European Union and in force from 1 January 2023" for a description and a presentation of the effects of the adoption of this standard.

Consolidated EBIT and consolidated Group net profit for 2023 came to 587 million euro (551 million euro in 2022) and 435 million euro (406 million euro in 2022), respectively. In 2023, assets managed generated recurring fees of 1.138 million euro, up on the previous year. The increase is due to the rise in total assets (organic and inorganic) and the application of a new pricing scheme as of April 2022, despite the deconsolidation of the investment in Sanctuary which the Group no longer controls since 1 July 2022. Insurance income came to 111 million euro, up on the same period of the previous year, mainly as a result of the increase in performance fees and the rise in assets.

Acquisition costs are essentially in line with revenues. The improvement on the previous year is due to the deconsolidation of Sanctuary in the second half of 2022 and the decrease in variable remuneration associated with the Italian network, compared to higher severance payments to Italian financial advisors linked to the stabilisation of the yield curve and the rise in variable remuneration in some foreign countries reflecting the increase in assets.

The increase in overheads/administrative costs on 2022 is almost equally driven by organic growth and the change in the domestic and Australian scope. Costs remained substantially stable in Italy, while they increased abroad as the Group continued to invest in the expansion of its international business.

Amortisation/depreciation and accruals decreased thanks to the positive effect of the release of a provision for disputes, which had a favourable outcome, and of a provision for a guaranteed pension fund as the related risk did not take place.

Net financial income also includes the positive effects of the fair value measurement of the investments in the Group's UCI units and closed-end funds and of the measurement of liabilities relating to the future exercise of the options to purchase the remaining portion of the capital of certain acquirees not wholly owned. This item also includes the portion of profits and losses of associates.

Income tax includes the tax charge of the transaction completed in April 2023 with the Italian tax authorities (19 million euro).

KEY BALANCE SHEET FIGURES

The Group's key balance sheet figures are shown in the table below.

Euro/000	**31.12.2023**	**31.12.2022**
Cash and cash equivalents	464,571	298,142
Financial assets at fair value through profit or loss	7,544,967	7,319,828
Financial assets at fair value through other comprehensive income	15,897	15,872
Financial assets at amortised cost and equity investments	540,359	433,739
Property, plant and equipment and intangible assets	938,623	926,801
Other assets	453,905	520,195
Total assets	**9,958,322**	**9,514,577**
Financial liabilities at amortised cost	553,901	555,935
Insurance liabilities	1,505,259	1,311,911
Financial liabilities measured at fair value	5,679,679	5,523,654
Other liabilities and provisions	610,180	650,851
Shareholders' equity	1,609,303	1,472,226
Total liabilities and shareholders' equity	**9,958,322**	**9,514,577**

The prior year corresponding figures were reclassified in order to comply with IFRS 17. Reference should be made to the notes to the financial statements, section "Accounting standards, amendments and interpretations endorsed by the European Union and in force from 1 January 2023" for a description and a presentation of the effects of the adoption of this standard.

Cash and cash equivalents refer to on-demand bank accounts, up from 298 million euro at 31 December 2022 to 465 million euro at 31 December 2023, and to cash.

Financial assets at fair value through profit or loss increased slightly on 31 December 2022. They mainly refer to the insurance operations carried out by Azimut Life Dac, specifically liquidity and investments, measured at fair value, relating to unit-linked policies where the investment risk is borne by policyholders. Furthermore, financial assets at fair value through profit or loss include the Group's portions of UCI units and closed-end funds which reflect the investment of the excess liquidity of operations and minority interests over which the Group does not exercise control, significant influence or joint control.

Financial assets at fair value through other comprehensive income are essentially unchanged from 31 December 2022 and refer to investments in minority interests over which the Group does not exercise control, significant influence or joint control, and to the investments in government bonds with a hold-to-collect and sell business model.

Financial assets at amortised cost mainly comprise receivables for asset management services of 154 million euro and receivables from customers for advisory services of 88 million euro, while **equity investments** increased from 263 million at 31 December 2022 to 281 million euro at 31 December 2023. The main change in equity investments is due to the acquisition of the US-based Kennedy Capital. This transaction is described in the paragraph "Significant events of the year".

Property, plant and equipment and intangible assets increased on the previous year end. In particular, **intangible assets** rose as a result of the new acquisitions, while software decreased following the discontinuation of the IT platform developed to support the sales network. This item also includes the right-of-use assets recognised in accordance with IFRS 16, amounting to 37 million euro at 31 December 2023 (down from 31 December 2022).

Other assets mainly include tax assets (106 million euro), advances for virtual stamp duties (80 million euro) and amounts related to the payment of capital gain tax advances (4 million euro). They also include amounts due from financial advisors for loans and advanced commissions (approximately 21 million euro) and incentive costs relating to total inflow targets which are directly attributable to the contracts which meet the capitalisation requirements under the category of costs incurred to fulfil a contract introduced by IFRS 15. They are included under prepayments and amounted to 146 million euro at 31 December 2023.

Financial liabilities at amortised cost mainly include the lease liabilities arising from the application of IFRS 16 (40 million euro at 31 December 2023) and **Outstanding securities** which refer to the "Azimut 2019-2024 1.625%" bond issued by the Parent Company.

Insurance liabilities include the insurance contracts of the Group's Irish company.

CONSOLIDATED NET FINANCIAL POSITION

With respect to the methods used to assess the net financial position, reference was made to the ESMA (European Securities and Markets Authority) Guidelines dated 4 March 2021, paragraph 175 and following paragraphs.

	Euro/000	31.12.2023	31.12.2022
A	Cash	464,571	298,142
B	Cash equivalents	196,470	205,089
C	Other current financial assets	228,375	288,031
D	**Liquidity (A + B + C)**	**889,416**	**791,262**
E	Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)		
F	Current portion of non-current financial debt	- 496,982	- 423
G	Current financial indebtedness (E + F)	- 496,982	- 423
H	**Net current financial indebtedness (G - D)**	**392,434**	**790,839**
I	Non-current financial debt (excluding current portion and debt instruments)	- 222	- 288
J	Debt instruments	-	- 497,493
K	Non-current trade and other payables	- 40,242	- 41,464
L	**Non-current financial indebtedness (I + J + K)**	**- 40,464**	**- 539,245**
M	**Total financial position (H + L)**	**351,970**	**251,594**

At 31 December 2023, the net financial position amounted to 352 million euro, up on the 2022 year-end balance (252 million euro).

The balance, net of the liquidity generated by the operating activities of the year, was impacted by the cash payment of 239 million euro of dividends to Azimut Holding S.p.A. shareholders, the payment of profit-participating financial instruments held by top key people to Fondazione Azimut Onlus and the payment, 126 million euro paid as tax advances, tax dispute, the virtual stamp duty and taxes on the mathematical reserve (the latter pertaining to the Irish-based Azimut Life Dac), in addition to investments and acquisitions worth approximately 182 million euro.

Only financial liabilities were included, whereas trade payables have been excluded. Assets in the form of fees and commissions for managed funds and discretionary portfolios are also included and are considered as cash equivalents given that they are collected by the Group during the first few working days after the reporting date, in addition to investments in money market funds.

TREASURY SHARES

At 31 December 2023, Azimut Holding S.p.A. subsidiaries did not hold any treasury shares or shares of the Parent Company, either directly or via trust companies or third parties.

On 11 October 2023, 68,774 treasury shares were transferred to the US subsidiary Azimut Alternative Capital Partners for a total of 1.4 million euro which, on the same date, were used to purchase an additional 2.5% of the share capital of the US associate High Post Capital LCC. The purchase price of 5 million euro was paid partly in shares and partly in cash.
At 31 December 2023, Azimut Holding S.p.A.'s treasury share portfolio stood at 4,800,213 shares, or 3.351% of share capital.

After the reporting date, in February 2024, 131,884 treasury shares were transferred to AZ International Holdings Sa for a total of 3.3 million euro. They were used on the same date to pay the first tranche of the price adjustment related to the initial acquisition of the investment in Turkey.

RECONCILIATION OF AZIMUT HOLDING S.P.A.'S SHAREHOLDERS' EQUITY AND NET PROFIT TO CONSOLIDATED SHAREHOLDERS' EQUITY AND NET PROFIT

	Shareholders' equity at 31.12.23	of which Profit for the year
Holding opening balance	1,030,812	364,086
Adjustments due to changes in calendar year	2,106	
Total Holding shareholders' equity	**1,032,918**	**364,086**
Adjustments:		
Results of consolidated companies	653,308	653,308
Subsidiary consolidation effects	636,019	(5,183)
Azimut Holding S.p.A. dividend cancellation	(387,601)	(387,601)
Italian subsidiaries' dividend cancellation	(136,382)	(136,382)
Foreign subsidiaries' dividend cancellation	(44,903)	(44,903)
Equity accounted investments	(14,617)	(11,132)
Liabilities measured at fair value	(200,777)	588
Adjustments due to IAS/IFRS changes	40,293	(1,759)
Tax adjustments	(4,247)	3,545
Total Group shareholders' equity	**1,574,011**	**434,567**
Minority interest	58,739	23,446
Total SHAREHOLDERS' EQUITY	**1,632,750**	**458,013**

INFORMATION ABOUT MAIN AZIMUT GROUP COMPANIES

The following information is given about the business activities and the financial performance of the companies directly controlled by the parent company in accordance with the Group's accounting policies.

Azimut Investments Sa manages the umbrella funds AZ Fund 1 and AZ Multi Asset, a closed-end non-reserved umbrella European long-term investment fund named AZ ELTIF and some reserved alternative investment funds for professional customers, including the umbrella fund Reserved Alternative Investment Funds (RAIF) called AZ RAIF I and AZ RAIF II. In 2023, the subsidiary achieved a profit of 226 million euro compared to a profit of approximately 249 million euro in 2022.

Azimut Life Dac is Azimut Group's Irish-based company authorised to provide life insurance services in Ireland as per the Central Bank of Ireland's measure of 13 January 2004. Azimut Life Dac, which also operates through the Milan branch, provides customers with personalised assistance designed specifically for them. In fact, it offers solutions differentiated based on customer type through different Unit-Linked policies, including based on the customer's investment strategies. In 2023, the subsidiary achieved a profit of 54 million euro compared to a profit of approximately 39 million euro in 2022.

Azimut Capital Management SGR S.p.A. is an independent asset management company that manages 9 Italian funds harmonised with Directive 2009/65/EC, an Italian hedge fund, two pension funds and four non-reserved private debt alternative closed-end investment funds. The company also provides individual portfolio management services on behalf of third parties, including on a discretionary basis, and fee-based advisory services. The profit of the subsidiary for 2023 amounts to 104 million euro compared to a profit of 151 million euro in 2022.

Azimut Financial Insurance S.p.A. carries out insurance mediation, except for reinsurance mediation, and bank products' placement and distribution activities. In 2023, the subsidiary achieved a profit of 41 million euro compared to a profit of 81 million euro in 2022.

Azimut Libera Impresa SGR S.p.A. specialisesin the management of alternative funds for businesses and SMEs, and an Italian alternative real estate investment fund dedicated to social infrastructure with an investment approach that focuses on the creation of measurable social impacts. In 2023, the subsidiary achieved a profit of 4.8 million euro compared to a profit of 3.7 million euro in 2022.

Azimut Enterprises S.r.l. is a service company which carries out corporate finance activities on behalf of SMEs and invests in unlisted companies which contribute to diversifying the Group's business. The most significant investments relate to the following companies: (i) Programma 101 Sicaf S.p.A., a venture capital company specialised in early stage investments in the digital sector, (ii) Siamosoci S.r.l. which acts as a start-up incubator and manages the Mamacrowd crowdfunding platform, (iii) Cofircont Compagnia Fiduciaria S.r.l., a trust company, (iv) Gellify, which specialises in the B2B innovation platform, (iv) Azimut Capital Tech S.r.l. which specialises in data analysis services, (v) Azimut Direct S.p.A., wholly owned, the Group's fintech specialising in minibonds, direct lending, private and public equity and which supports the growth and development of Italian SMEs, (vi) Electa Venture S.r.l., wholly owned, which manages equity investments and (vii) Azimut Capital Alternative Limited, based in Ireland and wholly owned, set up to acquire a 20% investment in RoundShield via a Luxembourg investment fund.
During the year, the subsidiary made additional investments as described in the section "Capitalisation transactions carried out by Azimut Holding S.p.A." of this Management Report, to which reference should be made.
In 2023, the subsidiary achieved a profit of 9 million euro compared to a profit of 4 million euro in 2022.

AZ International Holdings SA is a Luxembourg-based holding company through which the Group continued its research, development, acquisition and management of foreign partnerships. Through this company, the Group is present in Luxembourg, China (Hong Kong and Shanghai), Principality of Monaco, Switzerland, Singapore, Brazil, Mexico, Taiwan, Chile, Turkey and Egypt.

In 2023, the subsidiary incurred a loss of 0.2 million euro compared to a loss of 14 million euro in 2022.

Azimut UK Holdings Limited is an investment holding company based in England. The company assists AZ International Holdings Sa in the research, development, acquisition and management of foreign partnerships and holds the investments in Australia, United States and United Arab Emirates.

In 2023, the subsidiary achieved a profit of 15 million euro compared to a profit of 37 million euro in 2022.

Azimut Investments Limited is an asset management company based in Ireland. In 2023, it achieved a profit of 25 million euro compared to a loss of 1.6 million euro in 2022.

Specifically, through the subsidiaries AZ International Holdings SA and Azimut UK Holdings Limited, the Azimut Group is pursuing an international growth strategy which mainly translates into partnerships with local operators, the acquisition of majority investments in asset management and/or advisory and distribution companies.

The list of AZ International Holdings SA and Azimut UK Holdings Limited investments is given below, broken down by geographical area:

Europe, Middle East and Africa

Europe

Katarsis Capital Advisors SA, a Swiss company wholly-owned by AZ International Holdings, which carries out actuarial and financial advisory activities.

Eskatos Capital Management SARL, a Luxembourg company wholly owned through Katarsis Capital Advisors SA, which carries out fund management activities.

Azimut Switzerland Sa (formerly AZ Swiss & Partners SA),, a Swiss company wholly-owned by AZ International Holdings, which carries out advisory and assistance activities with respect to investments and vis-à-vis authorised intermediaries and institutional investors and asset management.

Azimut Fintech Holding S.r.l. wholly owned by AZ International Holdings which manages equity investments.

CGM - Azimut Monaco, wholly owned by AZ International Holdings, which carries out asset management, financial advisory and order receipt and transmission activities.

Turkey

Azimut Portfoy Yonetimi AS, wholly owned by AZ International Holdings, which carries out asset management activities.

United Arab Emirates

Azimut (DIFC) Limited , wholly owned, directly controlled by Azimut UK Holdings Limited. The company allows to operate locally through a "class 3" license granted by the Dubai Financial Services Authority ("DFSA"). Consequently, it offers a wide range of financial services, including collective investment plans, discretionary portfolios and financial advisory.

Azimut (ME) Limited, based in the United Arab Emirates, a direct wholly-owned subsidiary of AZ International Holdings Sa;

Egypt

Azimut Egypt Asset Management, based in Cairo, wholly owned by AZ International Holdings Sa. It carries out fund management activities.

Asia-Pacific

South East Asia

AN Zhong (AZ) IM Limited, wholly owned by AZ International Holdings, which carries out equity investment management activities.

AN Zhong (AZ) IM HK Limited, wholly owned through AN Zhong (AZ) IM Limited, is a financial advisory company based in Hong Kong.

AZ Investment Management, wholly owned through AN Zhong (AZ) IM Limited, is a financial advisory company operating in the Chinese market. In 2019, the company was granted approval from the Asset Management Association of China (AMAC) to register as a private fund manager (PFM) in China.

AZ Sinopro Financial Planning Ltd, 51% owned by AZ International Holdings, is a holding company.

AZ Sinopro Insurance Planning Ltd , 51% owned through AZ Sinopro Investment Planning (51% owned, in turn, through AZ Sinopro Financial Planning), is a securities investment consulting enterprise which distributes asset management products in Taiwan.

AZ Investment Management Singapore Ltd, wholly owned, is an independent company based in Singapore which provides advisory services.

Australia

AZ Next Generation Advisory Limited, 54.05% owned by Azimut UK Holdings Limited, is a financial advisory company that acts as the holding company for the Group's investments made in 88 financial advisory and asset allocation companies. For a comprehensive list of these companies, reference should be made to Section 9 - Equity investments of the notes to the consolidated financial statements.

AZ Sestante Ltd, directly controlled by Azimut UK Holdings Limited which owns 100% thereof, it acts as a trustee and manager of mutual funds in Australia. The company was set up to launch and offer funds locally.

Americas

United States

Azimut US Holdings Inc. (formerly AZ US Holding INC), wholly owned by Azimut UK Holdings Limited controls:

- **AZ Apice Capital Management LLC** in which it owns an 83.13% investment. This company carries out financial planning and portfolio management activities for non-resident US citizens.
- **Azimut Alternative Capital Partners LLC**, based in the United States and 96.5% owned by Azimut US Holdings Inc. Its business purpose is to hold investments in alternative management companies operating in the private debt, private equity, infrastructure and real estate sectors.
- **Azimut Genesis Holdings LLC**, based in the United States and 51% owned by Azimut US Holdings Inc which, in turn, owns **Azimut Genesis Advisors LLC** (Genesis Investment Advisors LLC) and **AZG Capital LLC** (Genesis Fund Management LLC) which provide financial advisory services on the US market.
- **AACP PL SPV LLC**, a US-based company 91.25% held by Azimut US Holdings Inc. This vehicle invests in the US market.
- **AACP Investments LLC**, a US-based company wholly owned by Azimut US Holdings Inc. This vehicle invests in the US market.

Latin America

AZ Brasile Holding Ltda, wholly owned by AZ International Holdings Sa, is a holding company which, in turn, holds investments in AZ Quest Holdings SA and Futurainvest Holding SA.

AZ Quest Investimentos Ltda, 71% owned through AZ Quest Holdings SA, is a Brazilian independent company which carries out asset management activities. It carries out portfolio management and distribution activities.

AZ Quest MZK Investimentos Macro e Credito Ltda, 70.77% owned through AZ Quest Holdings SA, is a Brazilian independent company which carries out asset management activities. It carries out portfolio management and distribution activities.

Azimut Brasil Wealth Management Holding SA, 96.85% owned by AZ Brasile Holding Ltds, is a holding company which, in turn, holds investments in:

- **M&O Consultoria Ltda**, 96.85% owned through Azimut Brasil Wealth Management Holding SA, is a company operating in the asset and wealth management sectors.
- **Azimut Brasil Wealth Management Ltda**, 93.58% owned through Azimut Brasil Wealth Management Holding SA, is a company operating in the distribution sector.
- **Futurainvest Investimentos e Participacoes Ltda**, 96.85% owned through Azimut Brasil Wealth Management Holding SA, is a Brazilian wealth management company specialised in the development of tailor-made investment strategies for Brazilian private investors.

AZ Quest Holdings SA, 70.99% owned through AZ Brasile Holding Ltda, is a holding company which, in turn, holds an investment in AZ Quest Agro Ltda, Az Quest iNFRA Ltda and AZ Panorama Capital Ltda acquired in 2023.

Futurainvest Holding SA, wholly owned through AZ Brasile Holding Ltda, is a holding company which, in turn, holds an investment in Azimut Brasil DTVM Ltda.

Azimut Brasil DTVM Ltda, wholly owned through Futurainvest Holding SA, is a financial institution, regulated by Banco Central, which is authorised to distribute financial products.

Gudance Gestora de Recursos Ltda, 49.39% owned by AZ Brasile Holding Ltda, provides financial consultancies.

AZ Mèxico Holdings S.A., wholly owned by AZ International Holdings, is a Mexican holding company which, in turn, holds an investment in Mas Fondos SA.

Azimut Mexico Sa (formerly Mas Fondos SA), wholly owned through AZ Mèxico Holdings S.A., carries out distribution activities in the asset management sector.

KAAN Capital Asesores Indipendientens SAPI de CV, 51% owned through AZ Mèxico Holdings S.A., carries out distribution activities in the asset management sector.

Azimut Investments SA AGF (formerly AZ Andes SA), wholly owned by AZ International Holdings SA, is a Chilean advisory company.

KEY RISKS AND UNCERTAINTIES

KEY RISKS

For the purposes of risk monitoring, the Group has identified the key risks as follows: The current market situation, characterised, in particular, by inflation and interest rate hikes and the geopolitical crisis caused by Russia's military invasion of Ukraine amplified, in general, the risk factors described below, requiring at the same time the prompt adoption of measures to ensure ongoing risk monitoring by the Group companies, without however generating any specific critical issues, as described earlier.

Strategic risk

Strategic risk is defined as a current or potential risk of a reduction in earnings or capital as a result of changes in operations or of incorrect, inadequate decision-making and failure to respond to the competitive scenario.

This risk depends firstly on the profitability profile generated by the sale of services and products by financial advisors, by the management of funds and by incorrect or imprudent evaluation of market trends in terms of customers and products to be placed. Sales activity is monitored through reports on the sales performance by geographic area and by financial products sold. Financial advisors and their respective Managing Directors (financial advisors responsible for coordinating specific areas of the country) also meet regularly to keep track of the market situation and take the relevant steps to preserve the competitiveness of each geographic area. Finally, market research and analyses by the research and marketing department are used to compare results to those of Azimut's competitors and monitor the performance of funds.

The periodic reporting of the results achieved, specifically about the financial position and results of operations, plays a fundamental role in monitoring the impact of the strategic decisions made by governance bodies, identifying any necessary corrective measures.

Sales network risks

The Group's companies mainly recruit financial advisors with years of experience in the field, gained while working for rival companies or in bank retail services. The process of recruiting individual financial advisors is strict and involves both local branches and the marketing departments of the Group. Moreover, in addition to past experience, qualifications and references gained on the market are also considered. In the case of the subsidiary Azimut Capital Management, its horizontal structure requires that financial advisors are able to perform their jobs autonomously: by focusing on this aspect during recruitment, the company tends to avoid choosing inexperienced candidates.

The marketing department works closely with the Internal Audit department to share the information required to monitor the conduct of individual financial advisors.

Internal control over financial advisors is based on the identification and analysis of possible irregularities in remote monitoring and inspections at financial advisors' offices. These controls are carried out also to check compliance with presentation criteria, correct keeping of archives and fulfilments vis-à-vis the body in charge of the Financial Advisors' register.

Should any irregularity be detected, or in case of non-compliance with the code of conduct, the financial advisors directly involved or their managers are asked to prepare a specific report to give explanations or to take adequate measures.

Operational risk

Operational risk is related to potential losses due to inadequate or defective aspects of procedure, human resources, internal processes, or external events.

In order to identify and assess operational risks, the individual group companies use a qualitative risk self-assessment framework, which considers the frequency and severity of the risk events identified and assesses the mitigation actions implemented.

This procedure allows the companies to establish appropriate control and monitoring techniques, i.e. measures to limit the negative effects of any adverse conditions to which the individual Group companies are exposed.

Given the presence of this type of risk, the Group companies have established the following measures to monitor and limit the effects:

- mapping of main company procedures, by means of an analysis of existing procedures and interviews with the managers of the various departments;
- identifying the significant risks within the mapped procedures;
- evaluation of control measures (primary or secondary level) in respect of risk areas, highlighting any unmonitored situations;
- defining and implementing a reporting system via the Risk and Control Committee, in order to report the final results on the unmonitored risks and any action taken.

Outsourcing risk

The administrative and IT activities of the Italian operating companies of the Group are outsourced.

The Information Technology function and the administrative and accounting functions of the managed funds are outsourced to ObjectWay S.p.A., Reply S.p.A., Fastweb S.p.A., Stim Tech Group S.r.l., Centro Servizi Asset Management S.r.l., Bnp Paribas S.A. Succursale Italia and Previnet S.p.A., under the responsibility of the individual companies.

When the contracts with the Group's outsourcers were signed, establishing the method used in the performance of the outsourced services, purposely created service level agreements (SLA) were also drawn up to guarantee the adequacy of the services provided and allow the company to take action against the supplier in the event of any economic losses arising from problems in the supply of these services. When the contracts with the Group's outsourcers were signed, establishing the method used in the performance of the outsourced services, purposely created service level agreements (SLA) were also drawn up to guarantee the adequacy of the services

provided and allow Group companies to take action against the supplier in the event of any economic losses arising from problems in the supply of these services.
Another measure to ensure that services are performed correctly was the creation of an Operating Committee, whose members come from both the Group's operating companies affected by the agreement and the supplier company, to establish the procedures, define the timescales, and monitor the correct execution of all services provided. The committee meets at least once a month and the participants are provided with a copy of the minutes of the meeting afterwards.

Reputational risk

Reputational risk originates from risk factors such as compliance, strategy, outsourcing and other specific variables such as the public scenario, significance of the trademark and company image, exposure to external communication processes. In order to limit this type of risk, a series of procedures has been put in place aimed at minimising both its cause and effect, the most important aspects being:

- complaints received by Group companies are monitored constantly, so as to analyse any problems caused by management activities, consultancies, placement and distribution activities and/or operating errors and the effects that these may have on the company's reputation;
- a mapping of corporate risks of all Group companies is periodically updated, in order to identify which departments, procedures and activities are most subject to reputational risks;
- the monitoring of the Risk and Control Committee, where the presence of managers allows for top-down management of the actions to be taken to limit reputational risks or respond to any events caused by them;
- the Marketing and Investor Relations departments, centralised at Group level, have sole responsibility for dealing with public relations/external communications and the company's image;
- an Internal Code of Conduct governs the treatment of any action that gives rise to conflicts of interest, cases of insider trading or market abuse and any penalties as a result of failure to comply with such regulations.

In accordance with the regulations for the treatment of privileged information pursuant to Article 115 bis of Legislative Decree No. 58/98 (TUF - Consolidated Law on Finance), Azimut Holding S.p.A. established a register for itself and on the behalf of its subsidiaries, by creating a database with the technical/operating features required to guarantee that logical and physical security requirements are met, records cannot be changed and that information is easily accessible.

Compliance risk

Compliance risk is related to legal and administrative sanctions, significant financial losses or damage to reputation as a result of non-compliance with laws and regulations or internal procedures (e.g. by-laws, codes of conduct, corporate governance codes).

Given that all levels of the company are exposed to this risk, limiting its effects mainly involves ensuring that personnel take adequate responsibility in the performance of their work by complying with the internal code of conduct, code of ethics and procedure manual.

The Compliance function, centralised within Azimut Capital Management SGR S.p.A., ensures that internal procedures are in line with the objective to prevent any breaches of current law or internal regulations. In more detail, the Compliance function:

- proposes any organisational and procedural changes to ensure adequate protection against any identified risks of non-compliance;
- submits a report to all relevant bodies, including the Supervisory Body (pursuant to Legislative Decree No. 231/2001), the Board of Statutory Auditors, the Internal Control and Risk Management Committee;
- controls the efficiency of organisational changes (structures, processes, procedures);
- constantly monitors any changes to regulations governing the investment service sector, and circulates the relevant information to all parties concerned.

Financial risks

As regards financial risks, proprietary trading by Group companies is exposed to market risks. Moreover, the financial instruments in question are easily liquidated and are monitored closely, most being flexible and money market mutual fund units managed by the Group companies.

As for credit risk, there are no specific problems given the nature of the Group’s activity.

Liquidity risk

Liquidity risk arises when the company is unable to gain access, under reasonable economic conditions, to the financial resources required to ensure its efficiency.

The main factors that determine liquidity levels are the resources provided from or used by administrative and investment activities, as well as loan expiry and renewal or liquidity of investments and market conditions.

The Group has no liquidity issues. In order to mitigate this risk, it adopted a policy for the optimisation of financial resources management. Specifically, the Group maintains an adequate level of liquidity available thanks to constant cash flow generation and by monitoring forecast needs based on financial planning.

Climate risks

The Group is aware of the potential direct and indirect impacts of its operations in terms of sustainability. In this respect, climate change risks are becoming increasingly important. They comprise:

• physical risk: the financial impact resulting from the physical damage that companies may suffer as a consequence of climate change, e.g. more frequent extreme weather events and gradual change in climate, as well as environmental degradation (air, water and soil pollution, water stress, loss of biodiversity and deforestation);

• transition risk: the financial loss that may be incurred, directly or indirectly, as a result of the transition to a low-carbon and more environmentally sustainable economy, arising, for example, from the need to comply with new legislation, to meet customers' and consumers' new needs for increasingly green products/services and to innovate processes/services.

With respect to the first type of risk, the Group has little exposure to direct physical risks given the nature of its business. However, it may be indirectly affected by physical risks in relation to the managed portfolios. Indeed, an extreme climatic event could potentially generate a loss of value of the assets comprising the managed portfolios, thereby reducing the AuM, and potential reputational impacts caused by unsatisfactory performance. However, this would have little impact given the geographical diversification in terms of the Group's structure and managed portfolios.

With respect to the second type of risk, the Group may be potentially exposed to transition risks, especially in relation to regulatory compliance and the demands of customers who are increasingly attentive to the ESG characteristics of the products, although not to a significant extent. In order to mitigate these risks, the Group regularly monitors regulatory developments in order to be able to respond promptly to new legislative requirements and rapidly adapt its product offering to customers' demands. Furthermore, it constantly monitors the development of AuM and net inflows in order to promptly detect any outflows related to this driver.
Any negative impact caused by any of the two types of climate risk described above would entail a decrease in AuM and net inflows: both parameters are key performance indicators for the Group and are constantly monitored both locally and at Group level by management.
At 31 December 2023, given the specific characteristics of the Group's operations and the nature of the above climate risks, there was no significant impact (within the meaning of IAS 1) on these consolidated financial statements.

ESG (Environmental, Social and Governance) policy

The Group operates in compliance with the principles of environmental, social and governance (ESG) sustainability. In order to highlight this approach, the Group's ESG Policy, the "Sustainability Policy of the Azimut Group", updated and approved by the Board of Directors of Azimut Holding S.p.A. on 29 April 2021, is designed to identify, assess and manage ESG factors, which may involve both risks and opportunities, in the pursuit of corporate goals. For additional information about the Group's Sustainability Policies, reference should be made to the Consolidated non-financial statement included in the relevant section of this Management Report.

Cyber risks

Mitigating cyber risks is an increasingly important topic with respect to financial security and data protection. In increasingly interconnected and digital financial markets, protecting data, systems and digital infrastructure from potential threats and vulnerabilities has become essential. Given the rapid evolution of digital technologies over the past three years, the Group adopted several IT solutions to mitigate operational, reputational and financial risks. As part of the overall strategy, the Group decided to increase the level of security awareness by organising annual awareness-raising and education courses for employees. The effectiveness of security awareness programmes is regularly monitored through security metrics, simulated phishing tests, and other evaluation tools that increase the awareness of areas of training that require more attention. With respect to business continuity, the results of the business impact analysis are also documented annually in order to identify the critical processes, the necessary resources and the maximum tolerable downtime in the event of a disruption of operations. Based on the information received from the organisation, the disaster recovery test is updated and conducted accordingly. This is a key element in updating IT security policies and selecting the information technology to be integrated into business processes. With respect to the approach, specific services/technologies were added to the traditional IT tools, such as antivirus and firewall systems. The most important ones are as follows:

- Data Classification: this system was adopted to meet regulatory and compliance requirements on data protection by providing detailed reports on data access, user activity and other security metrics.

- Access Control (MFA): the multi-factor authentication service was implemented both for access to e-mails and the company Intranet/Extranet portal and to Azimut IT resources/services. E-mails and the Intranet/Extranet are handled via Google MFA and SSO, the rest by integrating the Cisco Duo product to access the VPN resources used to deliver the company's remote work services.

- E-mail Protection: this service uses sophisticated detection and analysis techniques to identify and block suspicious or malicious e-mails before they reach the end user's mailbox.

- "Detection and Response" (EDR): an IT security system for incident detection and response integrated with the Security Information and Event Management System (SIEM) was introduced.

- Advanced Cyber Security and Intelligence Assessment: this services was recently implemented and provides regular updates on cyber risk assessment.

Organisational, management and control model pursuant to Legislative Decree No. 231/2001

Under the Organisational, management and control model (the "231 Model") of Azimut Holding S.p.A., adopted pursuant to Legislative Decree No. 231 of 8 June 2001, as subsequently amended, the Supervisory Body must periodically inform the Board of Directors, every six months, about the activities it carried out.

The 231 Model was updated in the second half of 2023 with the introduction of new types of crimes covered by the administrative liability of legal persons pursuant to Legislative Decree No. 231/2001, and in relation to the Company's current organisational structure.

On 27 July 2023, the Board of Directors of Azimut Holding S.p.A. approved the updating of the 231 Model concerning its General Section, Code of Ethics and the List of predicate crimes.

Since the approval of the most recent update of the 231 Model, the following regulatory changes were made, expanding the list of predicate crimes:

- **Bid rigging** (article 353 of the Italian Criminal Code): this crime was introduced by Law No. 137/2023 (which became effective on 10 October 2023);
- **Interference with the tender process** (article 353 *bis* of the Italian Criminal Code): this crime was introduced by Law No. 137/2023 (which became effective on 10 October 2023);
- **Fraudulent transfer of values** (article 512 bis of the Italian Criminal Code): this crime was introduced by Law No. 137/2023 (which became effective on 10 October 2023), under article 25 coties.

Based on the above, in 2024, the Supervisory Body will further update the 231 Model, incorporating the above predicate crimes. Furthermore, it will consider any changes in the organisational structure and assess the introduction of new, specific Special Sections covering the relevant crime and the likelihood that this crime may actually be committed, based on the type of activity performed by the Company.

However, according to the Supervisory Body, because of the nature of the above crimes and given the Company's operations and the control system in place, no significant risk profiles or particular needs to amend the 231 Model were identified.

KEY UNCERTAINTIES

The uncertainties to which the Group is exposed derive from the specific nature of its core business, particularly as far as the strict correlation is concerned between income and certain types of fee items, the performance of which is determined by the results generated by the management of listed products and the performance in terms of capital inflow. The generation of these revenues and the relative amount are by nature volatile and heavily influenced by the returns offered by the funds and the risk appetite of the customers during the period considered. These factors are, in turn, affected by the performance of reference markets and, more generally, of the national and international economies. There is therefore a risk that Group's revenues and operating results may be negatively affected by prolonged financial market crises.

For additional information about the risks and uncertainty to which the Group is exposed, reference should be made to that set out in the "Consolidated financial statements of Azimut Holding S.p.A. at 31 December 2023 – Part D – Other information, Section 3 – Information on risk management and hedging policies" and the "Report on corporate governance and ownership structure" pursuant to article 123-bis of the Consolidated Law on Finance available on the Company's website (www.azimut-group.com), Azimut Governance section.

RELATED-PARTY DISCLOSURES

Pursuant to Consob Regulation on Related parties (Resolution No. 17221 of 12 March 2010, as amended by Resolution No. 21624 of 10 December 2020 which became effective on 1 July 2021), the Board of Directors of Azimut Holding S.p.A. approved the procedures that ensure transparency and substantial and procedural fairness of related party transactions ("Related Party Transaction Procedure" available on Azimut's website at www.azimut-group.com).

With reference to paragraph 8 of article 5 of the Consob Regulation on periodic disclosure of related-party transactions, the parent company did not engage in any "significant" transactions during 2023.

No other atypical or unusual transactions were performed.

Disclosures on other related-party transactions and minor transactions with related parties carried out during the year as part of ordinary business activities are provided in the relevant paragraph of the notes to the consolidated financial statements.

ORGANISATIONAL STRUCTURE AND CORPORATE GOVERNANCE

Azimut Holding S.p.A. complies with corporate governance regulations in force in Italy. Moreover, the corporate governance structure also reflects the recommendations contained in the Code of Conduct for Listed Companies published by Borsa Italiana. For more information reference should be made to the attached Report on corporate governance and ownership structure prepared pursuant to article 123-bis of the Consolidated Law on Finance (TUF).

Azimut Holding S.p.A. has established a risk management and internal control system over financial reporting, using as a reference the "COSO Report", under which the Internal Control in the broadest sense is "a process effected by an entity's Board of Directors, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives"; specifically, the objective of reliable financial reporting.

The key characteristics of the risk management and internal control system over financial reporting are described in the Report on corporate governance and ownership structure.

HUMAN RESOURCES

At 31 December 2023, the Group's personnel amounted to 1,657, broken down as follows:

Position	31.12.2023	31.12.2022
Managers	204	166
Middle managers	294	316
Office staff	1,160	994
Total	**1,657**	**1,476**

The increase is mainly due to the employees of the foreign companies.

The Azimut Group constantly updates its training plan; in 2023, some Group companies introduced new topics into their training courses.

In Italy, the Group implemented an IT LMS (learning management system) platform (Azimut Academy) to manage training and development plans. The possibility of extending the use of the platform to the provision of e-learning training worldwide is currently being considered.

As part of its sustainability policy, the Azimut Group is committed to ensuring working conditions that respect the dignity of the individual, human rights and equal opportunities.

PRIVACY

Given the sensitive nature of Azimut business, the Group has adopted a *Personal Data Protection Policy* that sets out the guidelines for managing customer information and processing personal data. It is reviewed and updated annually. Customers are provided with all information about the processing of their data before signing a contract and, where permitted by law, they must give their consent to data processing. Azimut has also adopted Information Security Directives and a Policy on Market Abuse, Internal and Insider Dealing.

Azimut avails itself of an international company for the certification of privacy-related issues and in the event of relevant new risk management initiatives should weaknesses related to the General Data Protection Regulation (GDPR) - Regulation (EU) 2016/679, which came into force in Italy on 25 May 2018, be identified.

The Controller, with the support and constant supervision of the Data Protection Officer Team, monitors and checks compliance with regulations and procedures.

Some of the Group's foreign units adopted privacy policies and/or procedures in line with the relevant regulations in force in each country.

Furthermore, specific data processing training courses are provided to both employees and financial advisors and awareness-raising activities on the importance of data protection and the risks arising from fraudulent activities are also organised.

Azimut Holding S.p.A., Azimut Capital Management SGR S.p.A., Azimut Financial Insurance S.p.A., Azimut Libera Impresa SGR S.p.A. and Azimut Enterprises S.r.l. introduced a new software application that allows more efficient, decentralised and fully digital management of the records of processing activities, which companies are required to maintain and update pursuant to article 30 of the GDPR.

RESEARCH AND DEVELOPMENT

The research and development activities undertaken by the Azimut Group focus exclusively on the "research" of investment instruments and services and on the sale of these products. The

Group is constantly committed to designing and implementing investment tools that meet the increasingly sophisticated needs of current and potential customers.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

No significant events occurred after 31 December 2023, the reporting date of the consolidated financial statements, until 7 March 2024, the date on which the Board of Directors approved the financial statements and authorised their publication.

BUSINESS OUTLOOK

Given the positive results of the main subsidiaries and the positive trend of inflows in the first few months of the year, the consolidated performance is expected to be positive this year.
The Group's operating and financial performance will also be affected by the performance of the financial markets, whose volatility has grown considerably following the current market situation, particularly with respect to inflation and the rise in interest rates, and the geopolitical crisis triggered by Russia's military invasion of Ukraine and the conflict in the Middle East.
Although the economic outlook remains uncertain, an overall valuation of the past and current financial position and results of operations of the Group's business model, lead us to believe that the Group will continue to generate profits for the foreseeable future.

2023
consolidated non-financial statement

Contents

Methodology

The Consolidated non-financial statement (the "Statement" or "CNFS") of the Azimut Group ("Azimut" or the "Group") has been prepared pursuant to Articles 3 and 4 of Legislative decree no. 254 of 30 December 2016, as subsequently amended and integrated by the Group. The purpose of this document is to disclose information on environmental, social, personnel-related, human rights and anti-corruption issues that is useful to provide stakeholders with an accurate, comprehensive and transparent account of the Group's activities during the reporting period (1 January 2023 - 31 December 2023).

Starting from the 2021 reporting period, Azimut is subject to the disclosure obligations required by Regulation (EU) 2020/852 of 18 June 2020 (so-called "Taxonomy Regulation") and related Delegated Regulations (EU) 2021/2178 and (EU) 2021/2139. This information can be found in the section "The European Taxonomy". The limited examination carried out by the auditors on the CNFS does not extend to this disclosure.

Starting from the 2019 CNFS, the reporting scope has been extended and currently comprises the companies operating in all countries where the Group is present, in order to provide a clear and transparent representation of the economic, social and environmental performance of the entire Group. The reporting scope comprises Azimut Holding Spa and its subsidiaries, consolidated on a line-by-line basis at 31 December 2023, as detailed in the consolidated financial statements as of the same date, except for Katarsis Capital Advisors Sa (Switzerland), Azimut Private Capital Management II Sarl (Luxembourg) and AZ US Holdings Inc. (USA), as companies whose small size in terms of workforce and turnover does not affect the understanding of the Group's socio-environmental impacts. In addition, also Eskatos Capital Management Sarl (Luxembourg) is excluded from the above-mentioned scope, as it is a company in liquidation. It should also be noted that the scope of the data and information in this document does not include the company AZ Service Co Pty Ltd (Australia), since it is an inactive company within the Australia scope. Finally, Azimut Genesis Holdings LLC (US), GH Investimenti Srl and Azimut Fintech Holding Spa are not included in the reporting due to being holding companies. Furthermore, Azimut Capital Tech Srl is not included since it is a company with no employees. These restrictions do not affect the presentation of the Group's results and operations as required by Legislative decree no. 254/2016.

The reporting scope is consistent with the above, unless subject to further restrictions for some data and information, explicitly indicated in the document which, however, do not affect the understanding of the Group's performance with respect to the topics covered by Legislative Decree no. 254/2016.

Compared to the previous reporting year, it should also be noted that the companies Siamosoci Srl and AZ Venture Tech have been included in the reporting scope. Compared to the previous reporting period, the Group has also acquired some companies in Australia and Brazil (key acquisitions of small and medium-sized companies that allow the Group to expand within the two countries). In addition, during 2023, the following Italian companies were incorporated: Italian Excellence Srl and Digital Advisor Srl, and Wealthype Spa (formerly Virtual B Spa) was purchased.

Finally, the following companies left the scope during 2023: Reimagine Finance Pty Ltd (put into liquidation following an internal reorganisation), Time Advice pty Ltd (put into liquidation following an internal reorganisation), PT Services WA Pty Ltd (put into liquidation following an internal reorganisation), Empowered Financial Partners Pty Ltd (put into liquidation following an internal reorganisation) and AZ Global Wealth Management Australia Pty Ltd (sold) in Australia).

This Statement describes the non-financial information that was considered material for the Group, its business model and how it creates and maintains the value generated by its services in the medium and long term. All Corporate functions participated in the process to identify stakeholders, in the definition of material topics and in the drafting of the Statement. The results were consolidated by the relevant internal Work Group and subsequently validated by the Sustainability Committee.

Finally, the information about Fondazione Azimut Onlus, an entity not included in the Group's consolidation scope, is a quality aspect necessary to understand its focus on the social context in which it operates.

The data and the information provided cover 2023 (from 1 January to 31 December 2023). In order to provide a comparison and a description of the changes compared to the previous year, 2022 data and information are also provided and where available and comparable, 2021 data were also included. Furthermore, in order to correctly represent performance and ensure the reliability of the data, the use of estimates has been limited as much as possible. If present, estimates are based on the best available methodologies and appropriately reported. It should also be noted that as a result of improvements in the reporting process, historical data for the years 2022 and 2021 have been restated in some limited cases, the precise details of which are reported in the annexes section.

The Statement has been prepared in accordance with the GRI Sustainability Reporting Standards issued by the GRI – Global Reporting Initiative in 2021. Its content was defined in accordance with the quality (Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability context, Timeliness, Verifiability) of the information about the Group's non-financial activities in accordance with the GRI 1: Foundation 2021. The GRI content index has been integrated, as a voluntary exercise, with the indicators required by the SASB (Sustainability Accounting Standards Board)[2], where deemed applicable, in order to increase the Group's transparency towards the stakeholders. The document has been prepared with the "in accordance" option of the GRI Standards. It was approved by Azimut Holding Spa's Board of Directors on 07 March 2024

[2]Indicators in addition to the GRI Standards that are therefore not subject to limited review.

1. Highlights

€ 14 billion Of AuM products that promote environmental and social characteristics

- **38** UCITS Funds
- **5** Real Estate Alternative Investment Funds
- **3** Sub-funds of Pension Funds
- **3** Insurance products
- **2** Lines of equity management

More than **€ 1 billion** Of investments in ESG asset class that constitute the pipeline of the Fondo Infrastrutture per la Crescita

250 Initiatives analyzed by the Fondo Infrastrutture per la Crescita

1,657 employees

45% Women as % of total employees

96% Employees have an open-ended contract.

1,913 financial advisors

94,546 Hours of training provided to financial advisors

LED Implementation of an LED lighting system in all Italian offices and in many Group companies

2. Azimut Group

Azimut is an independent group and a global organisation in Asset Management, Wealth Management, Investment Banking and Fintech, serving individuals and businesses, with assets under management and custody exceeding 90 billion euro at the end of December 2023.
The Parent Company, Azimut Holding Spa ("Azimut Holding" or the "Holding Company"), has been listed on the Milan stock exchange since 7 July 2004 (AZM.IM) and is included in the FTSE MIB index.
The Group is comprised of several companies which distribute, manage and promote financial and insurance products in Italy, Luxembourg, Ireland, China (Hong Kong and Shanghai), Principality of Monaco, Switzerland, Singapore, Brazil, Mexico, Taiwan, Chile, the United States, Australia, Turkey, the United Arab Emirates, Egypt and Portugal.

	Azimut Holding (Listed: AZM.IM) Italy			
	Life insurance	**Asset Management**	**Distribution**	**Private Markets**
EMEA	Ireland	Italy Ireland Switzerland UAE Luxembourg Monaco Turkey Egypt	Italy Turkey UAE Monaco Switzerland Egypt Portugal	Italy Luxembourg Turkey
Asia Pacific		Singapore China (Hong Kong and Shanghai) Australia	Taiwan Australia Singapore China (Hong Kong and Shanghai)	
Americas		Brazil Mexico	Brazil Mexico Chile USA	USA Brazil

In Italy, Azimut Capital Management SGR Spa (Azimut Capital Management) promotes and manages Italian mutual funds, Italian alternative investment funds and open-ended pension funds, and provides investment portfolio individual management services on behalf of third parties.

Azimut Capital Management also distributes the Group's and third-party's products using its network of authorised off-premises financial advisors, while Azimut Financial Insurance Spa places insurance and banking products. Both companies, in combination with their distribution activities, provide consultancy services. Whereas Azimut Libera Impresa SGR Spa (Azimut Libera Impresa) is specialised in managing alternative investment funds also dedicated to entrepreneurs and SMEs.

The main foreign companies are Azimut Investments Sa (founded in Luxembourg in 1999) and the Irish-based Azimut Life DAC. The former manages the harmonised umbrella funds AZ Fund 1, AZ Multi Asset and AZ Fund 3, two closed-end non-reserved umbrella European long-term investment funds, the first an umbrella fund named Azimut ELTIF, the second named Azimut Private Debt Capital Solutions II – ELTIF and some reserved alternative investment products aimed mainly at professional customers, including the umbrella fund Reserved Alternative Investment Funds (RAIF) called AZ RAIF I and AZ RAIF II, while the latter mainly provides life financial-insurance products. It should also be noted that the company Azimut Invesment Limited, which in 2023 managed the Irish-based open-ended umbrella fund named "Azimut Thematic Fund".

The Group's operating performance at 31 December 2023 continues to be more than satisfactory, despite a market environment characterised by macroeconomic volatility and uncertainty and, above all, considering that the asset management industry in Italy recorded significant outflows of over 50 billion euro[3] during the year.

Due to its globally diversified business model, Azimut recorded inflows for 2023 amounting to 6.9 billion euro, in line with the 6-8 billion euro target for the year, despite the market volatility. Approximately 46% of net inflows in 2023 (3.2 billion euro) were invested in the product range.

At 31 December 2023, total assets under management reached 60.6 billion euro (vs. 55.1 billion euro in 2022), recording a 10% increase compared to 2022, whereas total assets under administration stood at 30.2 billion euro (2022: 23.8 billion euro), recording a 27% increase on an annual basis compared to 2022. As a result of strong net inflows, together with a weighted average net performance delivered to customers in 2023 of 5.43%, total assets grew significantly, reaching a record level of 90.8 billion euro at 31 December 2023 (2022: 79.0 billion euro), reflecting a healthy 15% growth on an annual basis.

In 2023, the Private Markets segment recorded strong growth, with 1.5 billion euro of inflows, marking a 25% increase on an annual basis and reaching AuM of 8.1 billion euro at the end of December 2023. This result is driven by solid demand for the dozens of products introduced to the Italian, Brazilian and US markets. Institutional and private customers showed confidence in the innovative investment solutions and financial assistance provided by Azimut, despite a volatile market environment, in order to improve their portfolios' risk-return profile.

A pioneer in the democratisation of private markets in Italy, Azimut currently has more than 49,000 customers which invested in this asset class and boasts a diversified platform with more than 70 products including private equity, private debt, venture capital, real assets and infrastructure. At present, private markets represent 13.3% of assets under management, significantly up compared to 2019, when this segment was just 1% of assets. This result pushes the Group towards the goal of reaching at least 15% by the end of 2024, reflecting the continued momentum and commitment in this industry.

In addition, in October the Azimut Group, via its US subsidiary Azimut Alternative Capital Partners, LLC, entered into an agreement to acquire an additional 2.5% interest in HighPost Capital LLC, reaching a total ownership of approximately 15%. HighPost, a company specialised in managing private equity and venture capital funds, was founded in 2019 by David Moross and Mark Bezos with the aim of creating long-term value by combining the broad professionalism of David Moross in the private equity sector, with the Bezos family's relationships and experience in the consumer sector and in understanding consumer behaviour in general. The agreement marks an important step in the development of the joint venture, which also involves the founders David Moross and Mark Bezos becoming shareholders in the Azimut Group investing a significant amount in Azimut Holding shares. The transaction will not only provide HighPost with additional financial resources for business growth, but will also promote the benefits of cross holding for both companies.

On the asset management side, in February Azimut signed a historic deal in the US asset management sector with the purchase of a 35% stake in Kennedy Capital Management Inc., an independent asset manager specialising in US Small and Mid Cap stocks and with nearly $ 4 billion in AuM. As a result of this partnership, Azimut has a presence in the United States in its three main business areas: Private Markets through Azimut Alternative Capital Partners, whose five holdings now manage around $ 21 billion in AUM; Wealth Management through Azimut Genesis and AZ Apice, whose total assets are more than $ 29 billion, and traditional asset management via the partnership with Kennedy Capital (as mentioned above).

[3] Source: Assogestioni - Mappa mensile del Risparmio Gestito 2023 (Monthly map of Asset Management).

The Group's recognised equity management capabilities, with a track record of more than 30 years and unique geographical diversification among Italian-based industry players, are also behind the partnership agreement aimed at enhancing UniCredit's asset management expertise, according to the announcement made in December 2022.

For the year 2022, Azimut Holding SpA had signed a letter of intent with UniCredit SpA ("UniCredit"), which defined essential elements for the distribution of asset management products in Italy. In 2023, Azimut successfully completed the operating set-up phase of Nova Investment Management Limited, based in Ireland and wholly owned by Azimut Holding, in line with the plan originally announced. Since 28 December 2023, 12 UCITS funds have been authorised - with further funds expected to be launched soon - for non-exclusive distribution through UniCredit's extensive network, which currently serves more than 7 million customers in Italy. This agreement lays the basis for further significant growth of Azimut, both in terms of net inflows and increased contribution to net profit over time.

2.1 Azimut Group's business model

The Group was set up and developed based on some distinctive features which contributed significantly to its success. Specifically, it distinguishes itself for its innovative approach and the shared values that inspire it: independence, partnership, simplicity, stability, speed and growth. Azimut is independent from banking, insurance and industrial groups, with a float equal to approximately 75% of capital. The Holding company is a public company on the Italian stock exchange.

The business model is innovative and matches all the interests of managers, financial partners, employees and management engaged in the company as shareholders. A shareholders' agreement (at 31/12/2023 approximately 21.6% of the capital) brings together more than 2,000 shareholders, including employees, financial partners, managers and executives. The remaining capital is divided between individual shareholders and institutional investors, especially foreign ones (mutual funds, pension funds and insurance companies) who believe in Azimut shares. Another strong point lies in the integration of management and distribution activities. The Group's core activities (management and distribution) operate in strict synergy to respond in a coordinated manner to customers' needs. Product design, management and consultancy are part of the same process whose definitive goal is customer satisfaction.

The attention paid to ESG issues has always been a distinctive feature of the Group, in terms of both the involvement of all collaborators in the company's shareholder base since its inception, and its commitment to the community. Azimut was the first management company to launch an "ethic" fund in 1995 (Azimut Solidarietà), and for over ten years now it has been financing the non-profit-making organisation (Onlus) Fondazione Azimut committed to fighting poverty with 1% of its yearly profits. The integration of ESG criteria into business management and investment processes is the natural evolution of an attitude that has been present in the Group since its inception.

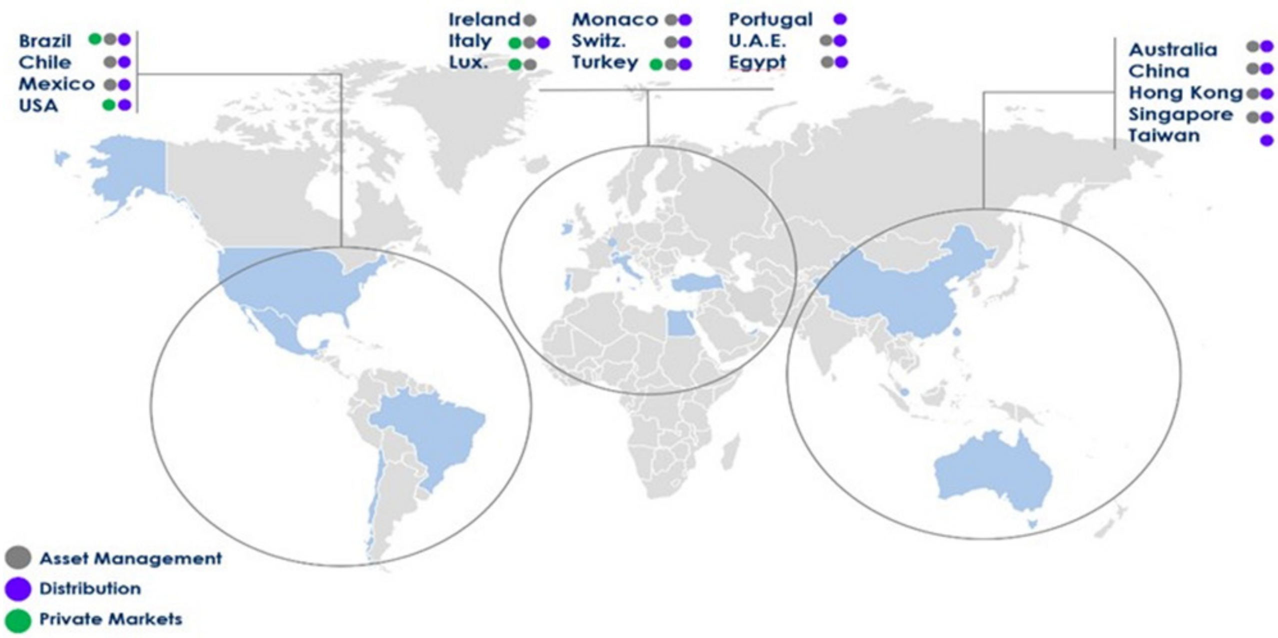
The Group has been structured to meet ESG issues as a fundamental challenge which offers a wealth of opportunities. The Group approaches this aspect from different perspectives: the product policy, which places a strong emphasis on complying with the sustainability principles of the decisions underlying the construction of investment portfolios, many initiatives in favour of the community launched by Fondazione Azimut (considering that Azimut Holding supports the aforesaid Fondazione) and, finally, the Group's commitment to ensuring sustainability in corporate management, for example, in terms of personnel management.

The Group's international presence and product range

With a view to diversification and development, an expansion and internationalisation strategy began in 2010 in geographical areas which could be of interest in many respects. Azimut identified different geographical areas in order to identify local partners with the same characteristics as the Group (independence, professionalism, expertise) and built a network of companies to place the products of the Parent Company and/or its subsidiaries, while providing the Group with management skills in specific markets. This resulted in a team based in 18 countries and 4 continents. Thanks to this large range of action, the Group operates 24 hours a day, thereby gaining an important strategic advantage and an excellent level of know-how.

Azimut Group's international presence

Foreign business accounts for 47% of total assets



The distribution of the portfolio under management among the products offered on the market shows that they are well received and increasingly raise customers' interest for new offers.

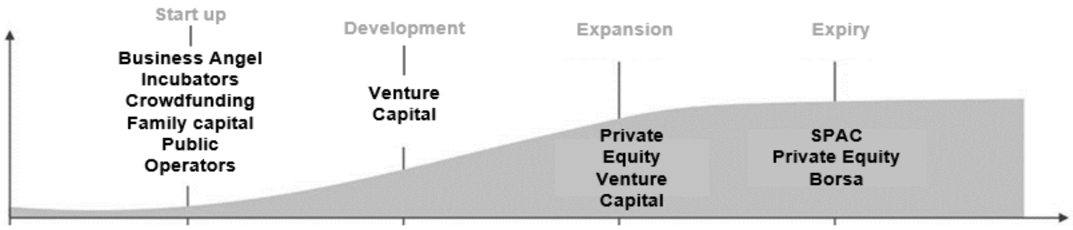
Azimut's product range

The Azimut Group offers a complete range of products and services from mutual funds harmonised with the UCITS Directive, to alternative investment funds, to open pension funds and individual portfolio management on behalf of third parties and financial-insurance products. As mentioned above, in recent years, the Group's product offering has increasingly focused on the private markets segment where Azimut achieved inflows of 1.5 billion euro during the year and reached assets under management of 8.1 billion euro at the end of December 2023 (over 13% compared to the managed assets).

Private Markets products of the Azimut Group are selected and designed to invest in all phases of a company's life cycle, from start-up to potential listing, investing in companies in the form of both equity and debt to offer not only alternative financing instruments but also support in implementing business development strategies.

Therefore, the Azimut Group's offering covers all types of asset classes in the private markets, so that, depending on the product's objective, it can support companies throughout their life cycle, based on their size, sector, etc.

Below is a graphic representation of the types of products offered for each life-cycle stage of the companies:



Instead, shown below is a graphical representation of Azimut's main European Private Markets products sub-divided by Asset class and target customers:

	PRIVATE EQUITY	PRIVATE EQUITY + VENTURE CAPITAL	VENTURE CAPITAL	PRIVATE DEBT	REAL ASSETS & INFRASTRUTTURE
RESERVED FUNDS	IPO CLUB	AZ RAIF II - PRIVATE EQUITY BROADLIGHT	AZIMUT DIGITECH FUND	AZ RAIF II - Kennedy Lewis US Credit Opportunities	INFRASTRUTTURE PER LA CRESCITA - ESG
	GLOBALINVEST	AZIMUT GLOBAL PRIVATE MARKETS NEXT GEN	AZ RAIF II - VENTURE CAPITAL P103	AZ RAIF I - ABSOLUTE PERFORMING ASSETS	AZ RAIF II - REAL ESTATE ITALIA
	AZ RAIF I - YHOX		AZIMUT DIRECT INVESTMENT ALPS BLOCKCHAIN SCSP	AZ RAIF I - ABSOLUTE NON PERFORMING ASSETS	AZ RAIF II - REAL ASSETS ROUNDSHIELD
	AZ RAIF II - PRIVATE EQUITY BORLETTI INVESTMENT CLUB		AZIMUT DIRECT INVESTMENT PLATINUM FIT SCSP	AZ RAIF I - PRIVATE DEBT FLEXIBLE CREDIT II	AUTOMOBILE HERITAGE ENHANCEMENT
	AZ RAIF II - BCP ASIA II		AZIMUT DIRECT INVESTMENT YOUNG PLATFORM SCSP	AZIMUT DIVERSIFIED CORPORATE CREDIT ESG-8 SCSp RAIF	
	AZ RAIF II - PRIVATE EQUITY HIGHPOST		AZIMUT DIRECT INVESTMENT NEWCLEO SCSP	AZIMUT GLOBAL PRIVATE DEBT EVERGREEN RAIF SCSP	
	AZ RAIF II - PRIVATE EQUITY PENINSULA		AZIMUT DIRECT INVESTMENT PLANET FARMS SCSP		
	AZIMUT DIRECT INVESTMENT SPOTTER SCSP		AZIMUT DIRECT INVESTMENT VEDRAI SCSP I, II		
	IPO CLUB 2		AZ RAIF II - VENTURE CAPITAL DIGITECH EUROPE		
			AZIMUT DIRECT INVESTMENT LIFTT SCSP		
			AZIMUT DIRECT INVESTMENT NEW ENERGY SOLUTIONS SCSP		

	PRIVATE EQUITY	PRIVATE EQUITY + VENTURE CAPITAL	VENTURE CAPITAL	PRIVATE DEBT	REAL ASSETS
FUNDS NOT RESERVED	AZIMUT ELTIF - PRIVATE EQUITY HIGHPOST	AZIMUT ELTIF - PRIVATE EQUITY BROADLIGHT	AZIMUT ELTIF - VENTURE CAPITAL ALICROWD I, II, III	AZIMUT ELTIF - DIGITAL LENDING I, II, III	AZIMUT ELTIF - INFRASTRUCTURE & REAL ASSETS - ESG
	AZIMUT ELTIF - PRIVATE EQUITY OPHELIA		AZIMUT ELTIF - VENTURE CAPITAL P103	AZIMUT ELTIF - CAPITAL SOLUTIONS	
	AZIMUT ELTIF - PRIVATE EQUITY VALSABBINA		AZIMUT ELTIF - VENTURE CAPITAL HIPSTR	AZIMUT PRIVATE DEBT	
	AZIMUT ELTIF - PRIVATE EQUITY PENINSULA TACTICAL OPPORTUNITY		ITALIA 500	AZIMUT PRIVATE DEBT MULTISTRATEGY 1, 2, 3	
	AZIMUT PRIVATE ESCALATOR 1, 2		AZIMUT ELTIF - VENTURE CAPITAL DIGITECH EUROPE	AZIMUT PRIVATE DEBT CAPITAL SOLUTIONS II - ELTIF	
	AZIMUT DEMOS 1				

a. Charter of Values

Azimut has developed a Charter of Values to disseminate a behavioural model geared towards sustainability which guides the way each person interacts in the various work situations and encourages a standardised approach to interacting with the Group's various stakeholders.
The values of **Fairness, Transparency, Independence, Freedom, Loyalty, Trust, Innovation and Sustainability** are set out in the Charter of Values in order to guide Azimut's approach to business, facilitating the generation of positive outcomes in terms of sustainable development for the main categories of stakeholders: the People who make up Azimut, its Customers, Shareholders, Local Communities and Suppliers.

Fairness

Adequately respond to the expectations and needs of the various types of customers, employees and shareholders by forging a relationship of trust and quality that guarantees mutual satisfaction.
Provide working conditions that respect the dignity of the **People** and that are effective in harnessing the value of human resources and combating all forms of discrimination and cronyism.
Adequately respond to the expectations and needs of the various types of **Customers**, forging a relationship of trust and quality that guarantees mutual satisfaction.
Operate in a manner consistent with the expectations of each **Shareholder** and share strategic business decisions.
Establish relations with the principal types of stakeholders within the country to promote and launch initiatives aimed at **Local Communities** in a non-discriminatory manner. Impartially identify **Suppliers** and business partners capable of responding adequately to the needs of the Group.

Transparency

Promote a clear and transparent style of communication with all stakeholders to maximise satisfaction, especially among customers.
Encourage a collaborative approach to work that fosters continuous learning of **People** and facilitates the transfer of knowledge, offering clear and shared opportunities for growth and career development.
Establish effective channels of communication to guarantee that **Customers** are provided with clear, timely and complete information on the costs and risks of the products and services offered.
Share the Group's financial results and cultural achievements with **Shareholders**.
Share and publicise the initiatives promoted by the Group to stimulate the development of the **Local Communities**.
Adopt clear and transparent **Supplier** selection systems.

Independence

Serve our customers with the sole purpose of satisfying their savings and investment needs, offering solutions for every situation.
Define clear roles and responsibilities for the **People** of the Group and avoid inappropriate sales pressures.
Develop a range of products and services tailored to meet the actual needs of **Customers**.
Foster ongoing relationships with **Shareholders** without being influenced by them and acknowledging their opinions as an incentive for continuous improvement.
Select and establish business relations with **Suppliers** who share the same values as the Group.

Freedom

Foster an environment that is unencumbered by external influences and where everyone is free to communicate and perform their activities while respecting the cultural traditions of the communities in which the Group operates.
Encourage dialogue and freedom of opinion between **People** at work by adopting decision-making processes that enhance the Group's capacity to generate new ideas and proposals.
Do business without having to withstand the pressure and establish long-lasting relationships with **Customers** on equal terms.
To be dynamic and enterprising with the autonomy to act that is not affected by any inappropriate influence from **Shareholders** but that pursues value creation for the Group and its stakeholders as its ultimate goal.
Always consider cultural traditions when identifying and implementing initiatives intended to develop **Local Communities**.

Loyalty

Ensure that the relationships established are fair and respectful of the interests of all parties involved to create an environment of mutual trust that strengthens the Group's reputation and the long-term sustainability of the business.
Foster respect and loyalty in corporate relations both between the **People** of the Group and external stakeholders.
Protect the confidentiality of **Customer** information.
Act for the benefit of the Group and its **Shareholders** by engaging in behaviours that are consistent with corporate values and professional ethics.
Fully implement all the commitments expressed by the Group towards the **Community**.
Promote a collaborative approach with **Suppliers** to focus efforts on mutual satisfaction and value creation.

Trust

Encourage the establishment and preservation of trustworthy relations, both between the people of the Group and in the relations it has with external stakeholders.
Care for and respect for **People**'s work regardless of the differences in values and feelings of the individual.
Involve **Customers** in the Group's activities to guarantee relationships based on trust and fostering behaviour which is in line with the Group's reputation.
Establish a stable and ongoing relationship of trust with **Shareholders**.
Establish meaningful and collaborative social and cultural relations with the **Community** thereby strengthening the Group's reputation.

Innovation

Encourage the creation of an environment that spurs innovation both in the products offered and in the relevant business processes.
Encourage the constant and ongoing improvement and growth in the skills and knowledge of the **People**.
Encourage constant dialogue with **Customers** to identify and acknowledge innovative proposals and communicate company news to them.

Share the driving forces of the market in terms of innovation with **Shareholders**.
Encourage consultation/listening with **Suppliers** to foster the continuous development of innovative and responsible processes and products.

Sustainability

Encourage the sustainable development of the economy through an investment approach that considers ESG variables.
Raise awareness of the Group's **People** on diversity issues and encourage the spread of a sustainability culture among them
Offer products and services that increasingly consider ESG issues to meet the needs of **Customers** who are sensitive to these issues.
Promote and encourage relations within the social fabric of the **Local Communities** to create shared value.
Favour **Suppliers** who share the Group's ESG values.
Encourage and share strategic decisions with **Shareholders** who are focused on generating value for the Group over time.

2.3 The Group's governance

The Parent Company, Azimut Holding, has a traditional governance structure which comprises a Shareholders' Meetings, a Board of Directors (BoD) with administrative and management functions and a Board of Statutory Auditors with administration controls functions. In particular, the Board of Directors has the widest ordinary and extraordinary powers to manage the Company (except for those reserved to the Shareholders as per the law).

On 28 April 2022, the Shareholders' Meeting of Azimut Holding resolved to appoint the new Board of Directors in office for the period 2022-2024. On this occasion, considering the growth of the Group's business and its complexity, as well as with a view to increasingly aligning corporate governance with market best practices, it was decided to increase the maximum number of directors on the Board of Directors. Moreover, this increase made it possible to diversify and expand the internal competencies of Board members, as also provided for by the Corporate Governance Code of Borsa Italiana Spa. The current Board of Directors consists of 16 members, 7 women and 9 men, of whom approximately 70% (11 members) are non-executive members, including the chair, while there are 5 executive members. Of the total 16 members, 87.5% (14 members) received a 3-year term of office, while 12.5% (2 members) received a 1-year term of office.

Furthermore, again with reference to the composition of the Board of Directors, an element of great importance is the presence of half of the directors, 8 out of 16, meeting independence requirements. All the directors are also on the list of Timone Fiduciaria, the company that brings together the shareholders belonging to the Azimut Holding shareholders' agreement. The board members have mainly economic-financial skills, with a specialisation in private equity and investment banking, accounting, legal and communications.

In order to ensure that the Directors make fully informed decisions, the Rules on the functioning of the Board of Directors require the Directors - if necessary or appropriate - to participate in initiatives aimed at providing them with adequate knowledge of the business sectors in which the Company operates and the Company's dynamics. Therefore, the independent Directors and Auditors are involved, from time to time, in training programmes also on sustainability issues, for example through the learning management system (LMS) platform called "Azimut Academy".

BoD members by age bracket at 31/12/2023

BoD members by age bracket at 31/12/2023 (GRI 405-1)			
	Women	Men	Total

30 - 50 years	0	5	5
≥ 51 years	7	4	11
Total	**7**	**9**	**16**

The Board of Directors, always in line with the Corporate Governance Code, has established two internal committees with proposal and advisory functions: the Risk and Control Committee and the Remuneration Committee. They are also joined by the Sustainability Committee: ESG, SRI, CSR, which plays a proactive and advisory role for the Board of Directors in managing sustainability aspects. More information on the Sustainability Committee can be found in the section "*3.1 Sustainability Governance*".

The Audit and Risk Committee consists of 3 female, independent and non-executive members, with a term of office of 3 years, and belonging to the Timone Fiduciaria list. The Committee has suitable expertise in the business sector in which the Group operates, aimed at assessing the relevant risks, as well as knowledge and experience in accounting and financial and/or risk management.

The Remuneration Committee also consists of 3 members, 2 women and 1 man, independent, non-executive and belonging to the Timone Fiduciaria list, with suitable expertise to support the Board of Directors in remuneration policies.

The Board of Statutory Auditors is made up of 5 members, 3 of whom are women and 2 men, in office for 3 years, and is characterised by skills related to accounting and financial auditing, in accordance with the control functions assigned to this corporate body. 60% of the members belong to the Timone Fiduciaria list.

In addition, with reference to the Boards of Directors of Group companies, the Irish-based Azimut Investment Limited and Azimut Life Dac in particular should be highlighted, which have a female president and a female board member on their BoD.

The governance rules are those set by industry legislation which, in this case, is extremely pervasive. In particular, the Parent Company's Board of Directors adopted a specific Procedure to regulate, in compliance with the provisions of Article 2391-bis of the Italian Civil Code as well as the Regulation and subsequent amendments, Related Party Transactions entered into directly by the Company or through its subsidiaries, in order to ensure the transparency and substantial and procedural correctness of these transactions. For more information on the controls adopted, reference should be made to the Consolidated Financial Statements, the Consolidated Half-Yearly Financial Report, available on the Investor Relations page of the Group's website accessible at the following link www.azimut-group.com, as well as the Report on corporate governance and ownership structure prepared pursuant to Article 123-bis of the Consolidated Law on Finance attached to the financial statements (as well as accessible in the Governance section of the Group's website: www.azimut-group.com).

Appointment and selection procedure

Article 18 of the By-laws regulates the procedures for the selection and appointment of the Board of Directors, in order to ensure a transparent appointment procedure and a balanced and independent composition of the highest corporate body in accordance with current legislation. The Directors are appointed by the Shareholders' Meeting based on lists submitted by shareholders who collectively hold shares with voting rights representing at least one fortieth of the share capital or, if lower, the different percentage provided for by Article 144-quater of the CONSOB Issuers' Regulation and published by CONSOB pursuant to Article 144-septies of the same Regulation. Each list must contain and expressly indicate the candidature of at least one person meeting the independence requirements established for Statutory Auditors and at least two persons if the

Shareholders' Meeting determines the number of Directors to be more than seven. Each list must include candidates of both genders, with the exception of lists with less than three candidates. The Board of Directors - pursuant to the combined provisions of Article 147-ter, paragraph 4, and Article 148, paragraph 3, of the Consolidated Law on Finance and the criteria set forth in the Corporate Governance Code, based on the information and declarations provided by the parties concerned and the information available to it - assesses the existence of the independence requirement (i) after the appointment of a new Director who qualifies as independent; (ii) during the term of office, if circumstances affecting independence arise; (iii) annually for all independent Directors. Before assessing the independence requirement pursuant to Article 148 of the Consolidated Law on Finance and the Corporate Governance Code for Directors who have declared to be independent and for Statutory Auditors, the Board of Directors established the criteria to assess the relevance of any commercial, financial and professional relations existing between the person and the company, in accordance with the provisions of Recommendation no. 7 of the Code.
The Shareholders' Meeting of 26 April 2012 also introduced criteria for compiling the lists in order to ensure compliance with the gender balance. For more details on the appointment procedures and mechanisms, please refer to the By-laws available on the Group's website at the following link www.azimut-group.com. During 2022, with the aim of a closer alignment with the Company's governance and market best practices, as also envisaged by the Corporate Governance Code of Borsa Italiana S.p.A. also referring to the number of independent directors, an increase in the maximum number of directors on the Board was proposed and approved by the Shareholders' Meeting of 28 April 2022.

Remuneration Policy

Azimut Holding has adopted a Remuneration and Incentive Policy with the aim of creating and applying a procedural body of remuneration policies that - both at the level of the parent company and at the level of the underlying entities - is effective, efficient and functional, proportionate to the needs of the various entities.
This policy, which also takes into account the evaluations and votes cast by shareholders at the previous shareholders' meeting, is the result of a process of continuous improvement aimed at strengthening dialogue with investors, with an awareness of the importance of remuneration and incentive systems within the overall governance.
The Board of Directors is responsible for correctly applying the Policy and reviews it at least once a year, defining, with the support of the Remuneration Committee and the relevant corporate functions and the Board of Statutory Auditors, the remuneration systems for the management and control bodies, key managers, including the individual objectives to be achieved for these corporate roles.
This Policy governs the remuneration of members of the Board of Directors and members of the Board of Statutory Auditors taking into account:

- the balance and proportion between the fixed and variable component (linked to results achieved, through evaluation systems linked to achieving financial and non-financial targets) of remuneration;
- the detailed principles, envisaged with reference to the variable remuneration of "key personnel", in relation to the payment of a share in financial instruments, and to the deferral and retention mechanisms;
- the provision of malus/clawback clauses, in relation to which the remuneration awarded and/or paid may be reduced, reset or required to be repaid in the event of, *inter alia*, adverse events relating to the performance of the company in question or the conduct of personnel.

For more information on the process of developing remuneration policies and determining the remuneration, and its components, please refer to the Remuneration and Incentive Policy and the Remuneration Report available in the Governance section of the Group's website at the following link: www.azimut-group.com.

3. The sustainability approach

The Group operates in compliance with the principles of environmental, social and governance (ESG) sustainability. In order to highlight this approach, the Group's specific ESG Policy, the "Sustainability Policy of the Azimut Group", updated and approved by the Board of Directors of Azimut Holding Spa on 29 April 2021, is designed to identify, assess and manage ESG factors, which may involve risks and opportunities compared to the corporate goals and purposes. The ESG principles outlined in this Policy are inextricably linked to the underlying criteria of independence, integration, participation, internationalisation and innovation, which have historically played a fundamental role in the Group's success.
In particular, the Sustainability Policy identifies the principles, objectives and related management methods for five areas that are considered to be a priority by the Group: the protection of workers and human rights, responsible marketing, relations with local communities, responsible investment and care for the environment. It has been prepared in accordance with the principles defined in the Group's Code of Ethics and 231 Organisational Model and applies to all Group companies, directors, employees, collaborators in various capacities, business and financial partners, consultants, customers and suppliers. The heads of corporate functions, together with the members of the Sustainability Committee, are responsible for ensuring that the commitments defined in the Policy are integrated into business decisions and operations.
The Group undertakes to communicate the sustainability principles contained in the Policy to the corporate bodies and to all the people linked by employment relationships with the Group Companies, as well as to all those who work for the Group through awareness, training and information activities.
The Policy is publicly available in the Sustainability section of the Group's website, www.azimut-group.com.
The Group's approach is also inspired by the principles set out in regulations and reference standards issued by national and international organisations, including the principles of the United Nations Global Compact (UNGC), the Declaration on Fundamental Principles and Rights at Work and the eight Core Conventions of the International Labour Organisation (ILO); the Universal Declaration of Human Rights and subsequent international conventions on civil and political rights and on economic, social and cultural rights; the United Nations Conventions on the rights of women, on the elimination of all forms of racial discrimination, on the rights of the child, on the rights of persons with disabilities; and the 2030 Agenda for Sustainable Development adopted on 25 September 2015 by the United Nations General Assembly and its 17 Sustainable Development Goals (Sustainable Development Goals - SDGs). In addition to the Sustainability Policy adopted at group level, it should be noted that other Group companies have also adopted local sustainability policies, including the Irish-based Azimut Life, which adopted an internal ESG Policy, updated in 2022, that defines the principles outlining the company's approach to environmental, social and governance issues. Moreover, during 2023, Azimut Capital Management updated its ESG Policy, establishing the AM's commitment to integrate ESG factors into its investment process and the provision of its advisory services. The Policy is approved by the AM's Board of Directors, which oversees its proper implementation and defines objectives and strategic investment guidelines consistent with the ESG approach and purposes.

Confirming the primary importance that the management of relations with all stakeholders has for the Group, since 2021 Azimut has adopted an Engagement Policy that describes and governs the process of stakeholder communication and involvement. Moreover, another two engagement policies were approved in 2021 for Azimut Libera Impresa and Azimut Capital Management, respectively, as a fiduciary commitment to protecting and creating value for Customers and Investors. Updated respectively in July and November 2023, the Engagement Policy of Azimut Libera Impresa and that of Azimut Capital Management define the principles, organisational measures and conduct that the companies use to stimulate discussion with the issuers in which they invest, integrating their commitment into their investment strategies and promoting the adoption, by the investees, of behaviour consistent with the principles of sound and prudent management, ethics and sustainability over the long term. In particular, the Policies outline how the companies, in the name and on behalf of the funds and assets under management, monitor and engage with the investees on relevant issues, exercise voting and other rights attached to shares, cooperate with other shareholders, communicate with relevant stakeholders of the investees, and manage current and potential conflicts of interest in relation to their engagement. On the international scene, it should also be noted that, in February 2023, also the Luxembourg-based Azimut Investment SA updated its engagement policy. The Voting Rights Policy of Azimut Investment SA defines the strategy to exercise voting rights with regard to financial instruments qualified as UCITS established and managed by the company or by any other asset management company belonging to the Azimut Group. In addition, the Policy governs the management of conflicts of interest and issues regarding insider information.

Azimut has always been committed to being involved in the local communities of the countries in which it operates with the goal of having a positive impact on the real economy. In November 2019, Azimut announced its new sustainable investment strategy, unveiling a plan that places it among the main European players in complying with ESG principles.

In 2023 Azimut also confirmed its commitment to ESG issues. In line with 2022, the Group continued to expand the range of products classified under Article 8 pursuant to the Regulation (EU) 2019/2088 (SFDR), which at the end 2023, will consist of a total of 51 products of different types (UCITS funds, 5 AIFs, 3 Sub-funds of Pension Funds, 3 Insurance Products and 2 Lines of equity management).

Specifically:

- In line with 2022, Azimut Investment S.A. continued to expand the range of products classified under Article 8 under the SFDR, which, in 2023, consists of a total of 35 UCITS funds and 4 FIA funds, including Azimut Diversified Corporate Credit ESG-8 SCSp RAIF, a new diversified credit fund with a specific ESG investment policy. Furthermore, it is worth noting that during 2023 Azimut Investments S.A. became a delegated external manager for 15 UCITS sub-funds. In addition, worth mentioning is the launch of a new fund qualified as an Article 8 product under the SFDR and called Automobile Heritage Enhancement, an innovative sub-fund of AZIMUT SCA-SICAV-RAIF for HNWI and UHNWI customers, which represents the first evergreen products of the group linked to the automobile sector. The Fund's investment strategy includes the purchase of certain automobiles to enhance the underlying cultural and technological heritage by organising events and exhibitions;
- Azimut Eltif – Infrastructure & Real Asset – ESG the first ELTIF PIR compliant sub-fund of the Group created by Azimut Investment Sa and Azimut Libera Impresa completed the commitment inflow phase. The product, dedicated to retail customers, promotes environmental and social characteristics pursuant to Article 8 of the SFDR;
- Azimut Libera Impresa continued the investment inside the real estate alternative investment fund "Fondo Infrastrutture per la Crescita - ESG" focused on investments in the social infrastructure sector with a specific sustainability approach and aimed at supporting people's social welfare and economic growth while achieving long-term profitability for investors;
- Azimut Investments Ltd launched "Azimut Thematic Fund", an umbrella fund consisting of 3 sub-funds, all classified pursuant to Article 8 as set forth by the SFDR, and focused on environmental and/or social issues and strengthened the integration of ESG factors and sustainability analysis within the investment process.

With regard to other products, the Group has, among other things, expanded:

- the product range with a focus on private markets also involved the launch of new Luxembourg-based "reserved" alternative investment products, i.e. intended for professional customers or High Net Worth Individuals as well as new products under Italian law aimed mainly at retail customers;
- the Group's insurance offer by launching the new Azimut Universal policy, developed by Azimut Life;

- the Luxembourg platform of Azimut Investments, with several sub-funds set up under the “AZ Fund 1”, which have enriched the overall offer of instruments useful to construct the overall asset allocation of customers’ portfolios;
- Azimut Capital Management’s portfolio management range making available - within the Azimut Discretionary and Azimut Exclusive multi-line contracts – some new investment lines that are particularly innovative with respect to market trends.

In line with its responsible investment strategy, since January 2020, Azimut has voluntarily decided to adhere to the **Principles for Responsible Investment (PRI)** of the United Nations, a set of investment principles that promote a series of actions to incorporate ESG issues into investment practices and enrich the information provided to investors on this topic. As a PRI signatory, Azimut also signed the PRI questionnaire in 2023, providing evidence of its commitment to the principles of responsible investment in its investment strategy.

Furthermore, to monitor and mitigate its environmental impact and analyse the related risks and opportunities, since 2019, Azimut has become a signatory of the **CDP** (formerly the Carbon Disclosure Project) with the status of investor signatory and, since 2020 it has participated in the completion of the climate change questionnaire. Thanks to these commitments with the CDP, which is a non-profit association that offers companies and countries a system to measure, detect, manage and share information on climate change globally, support the Group’s commitment and desire to become increasingly aware of how it directly and indirectly impacts the environment and better understand the repercussions of climate change on the current and future business model. It should also be noted that the 2023 CDP questionnaire, for the first time, includes the reporting - for the Group’s Italian companies - on direct Scope 1 emissions, referring to the consumption of natural gas, refrigerant gases and vehicle fuel. In addition, through Azimut Capital Management, the Group is a member of the Forum for Sustainable Finance, a non-profit association that brings together financial operators and other organisations interested in the environmental and social impact of investments. Through its membership, Azimut seeks to highlight its commitment to the adoption and promotion of responsible investment practices, with the goal of integrating environmental, social and governance criteria into its financial products and processes.

It is also worth mentioning that the partnership with Up2you was renewed for 2023, in order to continue with various sustainability awareness initiatives, such as:
- participation of some of the Group’s employees in a 5-week challenge that, together with other companies, involved them in sustainability-related virtuous actions. The CO2eq saved only by Azimut’s participation in this initiative amounted to 2,996.2 kg CO2eq;
- initiatives to offset CO2eq emissions related to certain events organised during the year.

More information on the above-mentioned initiatives implemented with Up2you’s support can be found in the sections “Human capital management and development”, “Environmental impact management” and “Responsible marketing and transparent communication”.

Finally, it should be noted that, during 2023, several initiatives were launched in the area of engagement activities, both individual and collective on behalf of Azimut Capital Management and Azimut Holding. Among the most relevant collective actions is the partnership with the Italian Sustainable Investment Forum for engagement with the Italian issuer ENEL. The intended objective is to stimulate regular reporting with reference to the intermediate targets for the decommissioning of coal-fired power plants in Italy and Spain, set for 2027.

Furthermore, collective initiatives were conducted focusing on the infrastructure and utilities sector, in cooperation with the Sustainable Investment Forum, on several Italian issuers, including Inwit and Erg. These actions were initiated during the year and resumed during Borsa Italiana’s Euronext Sustainability week in September 2023, concentrating on environmental, social and governance issues. On the environmental side, these topics include the alignment with the

European taxonomy, the disclosure of the environmental data through the CDP questionnaire, the sharing of climate reduction targets and the promotion of policies for the sustainable management of water resources. On the social side instead, the topics are just transition, safety at work, sustainability in the value chain and gender equality. The engagement involved 32 organisations, including asset managers, pension funds, banks and insurance companies, with the support of 16 other non-investors such as NGOs and advisory firms, aiming to promote a constructive dialogue between investors and companies for more sustainability.

Also worth mentioning is the participation in the Non-Disclosure Campaign (NDC) initiative promoted by the Carbon Disclosure Project (for more information on the initiative, please refer to the section of the Carbon Disclosure Project website: https://www.cdp.net/en/investor/engage-with-companies/non-disclosure-campaign) to call for greater transparency on environmental impacts and mitigation initiatives by listed companies considered "high emitters" together with a host of institutional investors. The NDC campaign is a collaborative initiative aimed at the signatories of the CDP questionnaire, to directly involve companies that have not yet answered the climate change questionnaire. The campaign has revealed that issuers are much more likely to respond when directly engaged by their shareholders and other financial institutions through the NDC.

In addition, a new engagement initiative coordinated by the Forum for Sustainable Finance was launched to establish a constructive dialogue between investors and the Italian government, requesting a report on actions taken to support an inclusive ecological transition. This engagement with the Italian government is part of a permanent working group of the Forum for Sustainable Finance, aimed at promoting dialogue and joint action on sustainability issues with an economic and financial impact.

With regard to individual initiatives, it should also be noted that during the year, individual engagement paths were implemented with the support of the Group's management team.
In conclusion, a rise in active shareholding initiatives is expected, both collectively and individually, to mitigate the negative effects on the sustainability of investments, in line with the ESG policy promoted by the Group companies.

3.1 Sustainability Governance

The Board of Directors of Azimut Holding approves the CNFS of the Azimut Group, reviews and approves the information provided therein, as well as oversees the sustainability topics with the support of the Sustainability Committee: ESG, SRI CSR". The Board of Directors confers the role to the Committee to provide advice and make recommendations regarding the management of sustainability topics (ESG) and to define the frequency, which must not be less than twice a year, with which the Sustainability Committee must report to the Board on the activities carried out in exercising the tasks conferred upon it.
After approving the financial statements at 31 December 2021, the mandate of the Committee ended and it was then re-appointed on 28 April 2022 by the Board of Directors with the same composition, which includes a total of 6 members (3 women and 3 men), in office for 3 years.

In particular, the Committee aims to coordinate and oversee ESG strategies and other sustainability topics within the Group, thanks to the following functions:

- support top management and the corporate bodies in defining ESG policies and strategies;
- oversee, with the competent structures, the dialogue and relations with the financial community of Socially Responsible Investors;
- work with other Group structures to ensure that the social and environmental issues and those related to climate change are given adequate consideration with regard to business development;

- supervise the preparation of Azimut Group's Consolidated Non-Financial Statement (CNFS), establishing timelines and defining the preliminary activities;
- support management in identifying the key sustainability issues that are most relevant to the Group, and to oversee the materiality analysis process carried out by the Administration, Finance and Control Department;
- oversee dialogue with stakeholders on matters falling within its remit;
- establish social and environmental guidelines by drawing up multi-year action plans together with the interested structures, as well as, monitoring their implementation;
- support training and communication initiatives on social and environmental matters.

A Work Group, cross-functional and transversal with regard to the expertise of its members, provides operational support to the Committee, which is mainly comprised of directors, in defining and developing initiatives and projects. In carrying out its activities, the Work Group, with the approval of the Sustainability Committee: ESG, SRI, CSR, may make use of the direct involvement and/or support of corporate functions that, from time to time, may be functional for performing such activities.

Moreover, the members of the Board of Directors, the Sustainability Committee of Azimut Holding, the independent Directors and the Statutory Auditors, together with other Group stakeholders, actively participate in the materiality analysis process, which is functional to identifying and managing the organisation’s impacts on the economy, environment and people, including human rights. In particular, the Board of Directors is involved in evaluating the material issues and annually approves the analysis conducted and the results obtained. For more information on the materiality analysis, please refer to section “3.2 *The Group’s stakeholders and materiality analysis*”.

As evidence of the growing importance of sustainability factors for the Group and its subsidiaries, it should be noted that in 2023 the company Azimut Capital Management, supervised by Bank of Italy and Consob, has its own Sustainability Committee. The Committee, which is appointed by the Company’s Board of Directors, meets at least every quarter and consists of representatives of the investment functions of the Collectives, Asset Management, Pension Funds and Advisory Service, as well as representatives of the Compliance Risk, Products, IT, Operation, Sales and Marketing functions. The main tasks and functions of the Sustainability Committee Azimut Capital Management include providing support to the Board of Directors and the Investment Committee with regard to ESG issues related to investment activities and policies to exercise voting rights in respect of the companies subject to investment. Furthermore, the Committee expresses opinions with respect to the Company’s ESG Policy and monitors its implementation. It is also tasked with defining and updating the approaches and methodologies adopted in the ESG field, with the support of the Risk Management Function, and with proposing to the Board of Directors changes regarding products that would allow them to be included among those that promote environmental and/or social characteristics pursuant to Article 8 of Regulation 2019/2088 (SFDR) or that promote sustainable investments pursuant to Article 9 of the SFDR. Moreover, the Committee has the right to express opinions on the inclusion and exclusion assessment of issuers and funds, with regard to the assessments prepared internally by the Investment Committee, the Committee’s opinions, if different, prevail over those expressed by the Investment Committees of Azimut Capital Management.

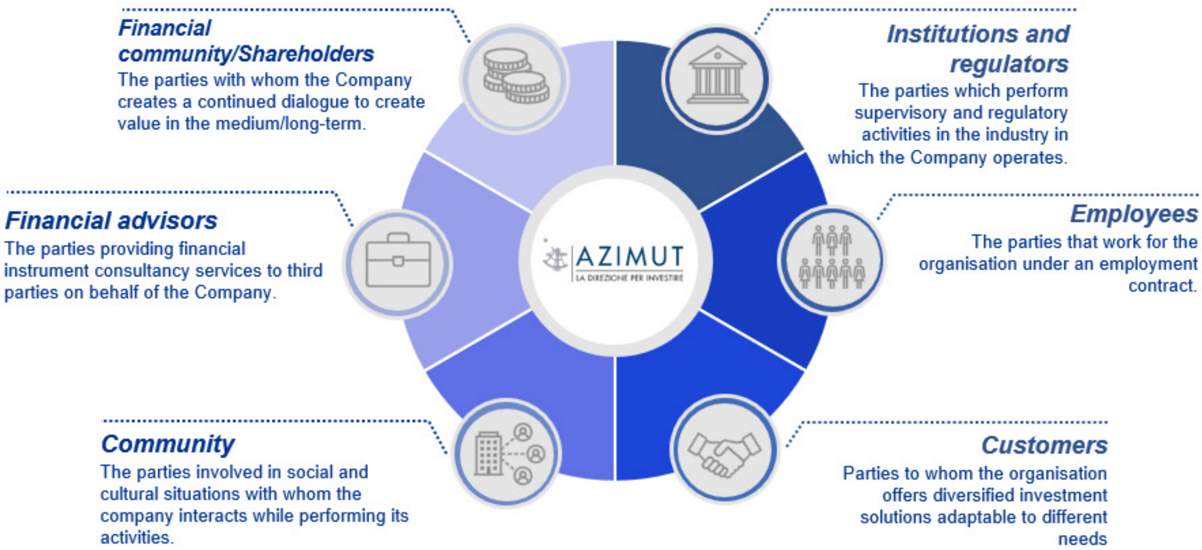
With reference to Azimut Capital Management, it should be noted that the Board of Directors’ meeting of 30 March 2023 approved the conferral of specific powers on the subject of sustainability, climate and environmental risks, in order to implement the relative strategies resolved upon by the Board of Directors and with the aim of integrating the climate and environmental risks into the Company’s governance and control systems, business model and strategy, organisational system and operating processes, risk management system and market disclosure.

Also Azimut Libera Impresa, again supervised by the Bank of Italy and Consob, with a Board resolution of 30 March 2023, granted the Chief Executive Officer specific powers in the field of sustainability and climate and environmental risks, in order to implement the relative strategies approved by the Board of Directors and support the integration of climate and environmental risks in the governance and control systems and in the business model and corporate strategy. By board resolution of 17 March 2023, the Company also appointed a Chief Sustainability Officer, reporting directly to the Chief Executive Officer with responsibility for sustainability matters and for the process of integrating sustainability principles with reference to the Company and the funds it manages. The position of Chief Sustainability Officer supports the definition of ESG strategies also in structuring products and implementing the action plan of the company's strategic sustainability decisions.

In the first few months of 2023, Azimut structured the new multidisciplinary working group called Integrate Assess Monitor (IAM), consisting of representatives from Italian and international offices belonging to the investment, risk, legal and product functions, which aims to advance the integration of ESG factors within the Group's investment processes. During 2023, IAM focused on the due diligence process of new ESG rating providers, which could be added to MSCI ESG also for the purpose of developing a proprietary sustainability rating methodology at Group level, a methodology that is currently being finalised and tested. IAM members in Italy and Luxembourg are involved in both individual and collective engagement initiatives, also making use of IAM's various expertise.

3.2 The Group's stakeholders and materiality analysis

As part of its activities, the Group interacts with a series of internal and external stakeholders who are subject to specific relationship guidelines. The dialogue with stakeholders is extremely important since the services offered (asset management) is intangible, on the one hand, and totally relevant to customers and the community on the other.
Azimut Group's stakeholder map is given below:



The main stakeholders were identified by assessing the importance of each category for the Group's business, based on a judgement (which derives from experience) about the term and the stability of the relationship with the stakeholders.

Other stakeholders, such as **suppliers and outsourcers**, are selected from time to time based on current needs and using specific procedures. Furthermore, their activities are governed and monitored by specific contractual arrangements.

Stakeholder category	***Relationship***
Customers: This category includes all parties to which the Company offers investment solutions and ongoing consultancies to manage the investment portfolio.	Customers are assisted on an ongoing basis by authorised off-premises financial advisors, based on a customised advisory relationship. In turn, the advisors use the daily information and documentation made available to them by Azimut Capital Management, through the internal portal dedicated to them (corporate intranet) and the front-end system, which provide valuable support for customer relations. Furthermore, Azimut's customers can also access directly via the web the data about their investments and assess over time the characteristics of the products acquired, the returns and the market risk to which they are exposed.
Financial advisors: The parties providing investment consultancy services to third parties. Based on the regulations in force in the various countries, they may be employed directly by a Group company (as employees) or through agency/collaboration contracts.	Financial advisors are carefully selected as they represent the Group before customers. They are constantly updated about the services, products and markets through a dedicated portal and daily direct emails. They also benefit from a company TV which broadcasts interviews and communications about the investment sector. Investment Lounge Rooms (ILR) are also organised to examine specific content in depth. All financial advisors participate in an annual meeting and in specific meetings throughout the year, divided by area groups or categories. Considerable attention is given to the possibilities for regular opinion exchanges in order to monitor the level of satisfaction of these stakeholders.
Employees: At 31/12/2023, the Group had **1,657 employees**. **This figure excludes the 1,913** financial advisors who are not subject to the regulations of the reference country.	Internal communication is fundamental to promoting the involvement of employees and collaborators. Employees receive the main information about employee benefits and the company through a dedicated intranet site and may also access a detailed daily press review which, in addition to Azimut's news on digital and print media, covers the main issues of the financial market, focusing, in particular, on the assets under management industry. Italian and foreign employees also receive by e-mail financial press releases from the Corporate Communications department, covering, for example, acquisitions, monthly inflows, consolidated results and significant events, as well as the main communications, including the message of the Group's CEO.
Financial community / shareholders: The parties with whom the Company creates a continued dialogue to create value in the medium/long-term.	Investor Relations' and Media Relations' activities are entirely focused on providing the financial community and shareholders with information about the Holding Company and the Group. In 2023, over 46 press releases were published, also covering the monthly performance of inflows, the news for the Group and periodic financial reporting. During the year, more than 200 in-person meetings and conference calls were also held with institutional shareholders, analysts and potential investors as part of roadshows and equity conferences.
Institutions and regulators:	Azimut has regular contacts with the supervisory authorities of all the countries in which the Group operates, without prejudice to

The parties which perform representation, supervisory and regulatory activities in the industry in which the Company operates.	compliance with regulatory obligations. In Italy, where the Group has been operating for a long time, the financial advisors are members of the Anasf trade association, in which they hold management positions in elective bodies. Azimut Libera Impresa also actively participates in AIFI (Italy's private equity, venture capital and private debt association) initiatives.
Community: The parties involved in social and cultural situations with whom the company interacts while performing its activities.	The widespread presence of financial advisors and customers in the local areas creates and strengthens relationships with local communities (associations, bodies representing the interests of the local social context) which result, above all, in the organisation of meetings which mainly provide training and information about financial market-related issues, savings and investments. The participation in local life supports social, cultural and sports initiatives. Fondazione Azimut's activities, which are clearly separated from the Group's business, focus on poverty and social exclusion issues and inevitably entail interacting with the local institutions which pursue the same goals (church or municipal bodies).

In 2017, the Group carried out its first materiality analysis in order to identify the relevant non-financial issues. This took place through an articulated process that had included a stakeholder mapping phase - i.e. the identification of the parties that influence and are influenced by the Company, considering the reference industry, the practices in place among peers and competitors, and the Group's business model and characteristics. The process also included a phase to identify economic, environmental and social sustainability topics which may be relevant to the Group's business and its stakeholders.

In the following years, the Azimut Group updated the materiality analysis and, starting in 2020, the list of potentially relevant topics was also submitted for assessment by the members of the Sustainability Committee. As of 2021, the stakeholder listening and engagement process was expanded to include employees, financial advisors, customers and community in the materiality assessment.

From the 2022 materiality analysis, the Group adopted a new methodological approach, which takes into account the principles and guidelines resulting from updating the GRI Universal Standards 2021, introducing, in particular, the concept of impact materiality.

During the 2023 materiality analysis, whose results were submitted for approval to the BoD, internal and external stakeholders of Azimut were involved to identify material issues and their impacts from a materiality impact perspective, for Azimut's exercise also called inside-out, envisaged by the GRI Standards. Furthermore, in line with last year and without any change to the final result, a preliminary exercise was carried out, on a voluntary basis, to also consider the outside-in perspective[4] in advance of the regulatory requirements that will be introduced with the new CSRD[5] from the financial year 2024 onwards, involving a dual relevance (or materiality) analysis. In particular, both perspectives consider:

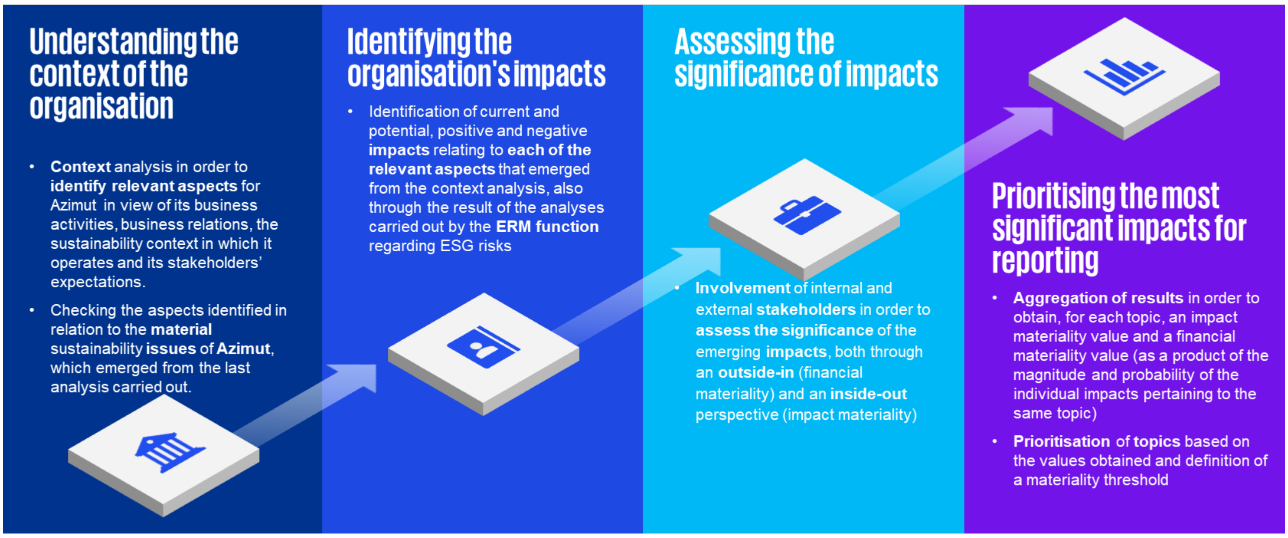
- **inside-out perspective** which requires identifying the most significant impacts generated by the company on the economy, environment and people, including impacts on human rights (so-called impact materiality);

[4]Analysis conducted in addition to that required by the GRI Standards, the evidence of which is therefore not subject to limited review.

[5] Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) no. 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU regarding corporate sustainability reporting.

- **outside-in perspective** aimed at identifying sustainability risks and opportunities that may significantly influence the organisation's performance, results and positioning in the short, medium or long term.

The process conducted during 2023 covered the following stages:



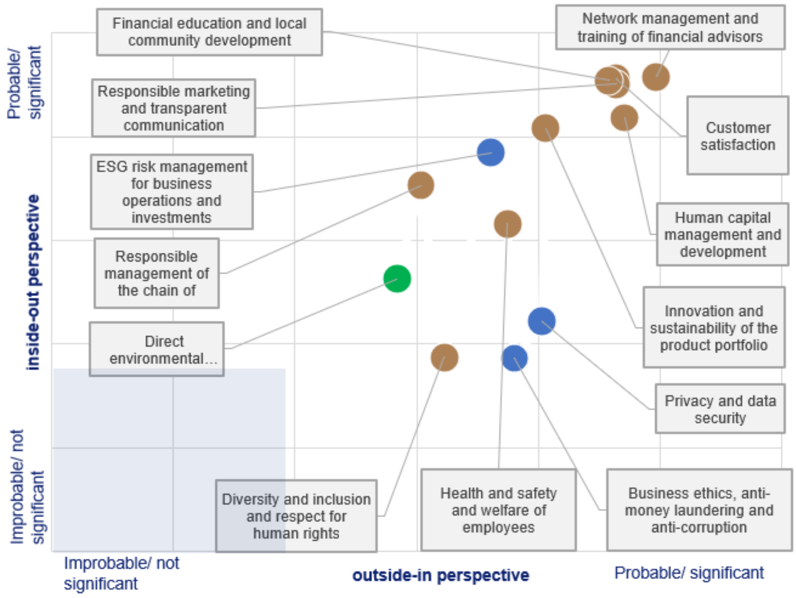
Based on the context analysis, it was possible to identify the potential positive and negative impacts directly related to Azimut Group's activities, products and services on the environment, economy and people, and which may influence the Group's performance. In order to assess the significance of the impacts identified as so, several categories of stakeholders were involved, who were asked to rate, via an online questionnaire, the likelihood of occurrence and relative significance of each impact identified on a scale of 1 (unlikely and not very significant) to 4 (very likely and very significant).

In particular, the following stakeholder categories were asked to assess the impacts from an inside-out perspective: Employees, Financial Advisors, Customers, Community and Strategic Suppliers. With reference to the latter category, please note that only strategic suppliers specifically chosen based on their relevance were included. Moreover, the Sustainability Committee, the members of the Board of Directors, Independent Directors and Statutory Auditors and Partners assessed the impacts from an outside-in perspective.

It should be noted that since the 2021 materiality analysis, the stakeholder listening and engagement process has been extended to four new stakeholder categories: members of the Board of Directors, Independent Directors and Statutory Auditors and reference Partners and strategic Suppliers. The process of gradually enlarging the stakeholders involved in the materiality analysis led, in 2023, to including a total of 362 stakeholders in the analysis. Of these, 300 voted according to the inside-out perspective and 62 stakeholders according to the outside-in perspective.

Stakeholder engagement thus enabled the identification and prioritisation of material impacts for the Azimut Group, then grouped by material topic. No topic assessed during the analysis was found to be non-material in light of the materiality threshold considered (2, i.e. probable and not very significant).

Based on the outcome of stakeholder engagement, the results obtained were aggregated by material topic.



Environmental Social issues Governance issues

Below is the list of prioritised material topics according to the two inside-out and outside-in perspectives.

List of material topics 2023 prioritisation inside-out perspective	Impacts associated with each topic
Financial advisors' training and network management	• Training and professional development of financial advisors (Azimut Academy, Azimut Talent Program, Boost)
Customer satisfaction	• Customer satisfaction
Financial education and development of local communities	• Responding to social needs through community initiatives and partnerships with locally active associations (e.g. Fondazione Azimut) • Financial education, aimed at promoting and disseminating a financial culture that enables knowledgeable and informed investment choices
Responsible marketing and transparent communication	• Comprehensive, clear and transparent product information that facilitates customers' understanding and complies with regulations
Human capital management and development	• Upskilling (improving skills) and reskilling (learning new skills)

Innovation and sustainability in the product portfolio	• Indirect GHG emissions (portfolio company emissions) • Responding to social needs by offering products and services • Contribution to internationally defined environmental objectives by offering products and services (e.g. EU Taxonomy targets) • Supporting technological development through investments in innovative businesses and activities
ESG risk management for business operations and investments	• Resilience of direct business operations by mitigating environmental, social and governance risks and adaptation to changes in the macroeconomic context • Improvement of the portfolio's risk-return profile due to the mitigation of environmental, social and governance risks
Responsible supply chain management	• Indirect GHG emissions (emissions from cloud services or data storage) • Quality of services obtained through responsible supply chain management (e.g. standards of conduct in line with the Group's Code of Ethics)
Health, safety and well-being of employees	• Workplace accidents in the group's offices • Employee satisfaction • Employee well-being
Direct environmental impacts	• GHG Emissions – deriving from the energy consumption of the Group's headquarters and offices
Privacy and data security	• Loss of sensitive data of customers, investors, employees, suppliers (data breach)
Diversity and inclusion and respect for human rights	• Discrimination in the workplace (e.g. exclusion of employees from services due to personal characteristics, harassment, inappropriate behaviour)
Business ethics, anti-money laundering and fight against corruption	• Phenomena of money laundering and active and passive corruption

Environmental issues   Social issues   Governance issues

List of material topics 2023 prioritisation outside-in perspective[6]	Impacts associated with each topic
Financial advisors' training and network management	• Training and professional development of financial advisors (Azimut Academy, Azimut Talent Program, Boost)
Human capital management and development	• Upskilling (improving skills) and reskilling (learning new skills)

[6] Analysis conducted in addition to that required by the GRI Standards, the evidence of which is therefore not subject to limited review.

Customer satisfaction	• Customer satisfaction
Responsible marketing and transparent communication	• Comprehensive, clear and transparent product information that facilitates customers' understanding and complies with regulations
Financial education and development of local communities	• Responding to social needs through community initiatives and partnerships with locally active associations (e.g. Fondazione Azimut) • Financial education, aimed at promoting and disseminating a financial culture that enables knowledgeable and informed investment choices
Innovation and sustainability in the product portfolio	• New fulfilments related to social and environmental regulations and market trends (SFDR, EU Taxonomy, Mifid, investor sensitivity, NZAMI)
Privacy and data security	• Loss of sensitive data of customers, investors, employees, suppliers (data breach) • Unavailability of on-line services due to a cyber attack affecting the management of investment platforms
Business ethics, anti-money laundering and fight against corruption	• Phenomena of money laundering and active and passive corruption
Health, safety and well-being of employees	• Workplace accidents in the SGR's offices • Employee satisfaction • Employee well-being
ESG risk management for business operations and investments	• Resilience of direct business operations by mitigating environmental, social and governance risks and adaptation to changes in the macroeconomic context
Diversity and inclusion and respect for human rights	• Discrimination in the workplace (e.g. exclusion of employees from services due to personal characteristics, harassment, inappropriate behaviour)
Responsible supply chain management	• Quality of services obtained through responsible supply chain management (e.g. standards of conduct in line with the Group's Code of Ethics) • Supply chain resilience obtained from ESG assessment of suppliers
Direct environmental impacts	• Cost savings due to energy efficiency of the Group's headquarters and offices

Environmental issues Social issues Governance issues

Analysis of the results of the most relevant topics in 2023 shows substantial continuity in the preferences expressed compared to the materiality exercise conducted in 2022. In particular, topics related to social areas, such as "Financial advisors' training and network management", "Human capital management and development and customer satisfaction", are confirmed as the most relevant topics, in line with the results of the previous year's materiality exercises. The material topic "Responsible marketing and transparent communication" shows an increase in significance compared to 2022, in line with the increased focus on transparency in financial product disclosures dictated by regulations and, in particular, by the implementation of the SFDR (Regulation (EU) 2019/2088 on sustainability disclosures in financial services). As in the previous year, the topics of financial education and community development, product portfolio innovation and sustainability, and data privacy and security continue to be relevant.

Some important topics covered by the Statement have been part of Azimut's distinctive features well before the implementation of the regulatory reporting obligation. The focus on employees' and advisors' involvement in company management resulted, for example, in a broad shareholder base since the set-up of the network comprised of regional stock brokerage companies (SIM) (1989) and in the subsequent management buy-out (2001) which led to the flotation in 2004. Employees, managers and financial advisors have been and remain a significant part of the shareholder base and are unique in this industry.

An operation to strengthen the shareholder base of employees, managers and financial advisors was launched in June 2018 which also enables the employees who joined the Group after the first management buy-out to participate in the Shareholders' Agreement. As a result, 1,206 shareholders participating in the Shareholders' Agreement acquired approximately 7 million Azimut Holding ordinary shares, equal to 5.0% of share capital. The transaction was completed in February 2020 through an accelerated bookbuilding process on 1.78% of the shares. During 2020, a second strengthening operation was also initiated, which ended in 2022, through which 1,046 shareholders participating in the Shareholders' Agreement acquired approximately 3.5 million Azimut Holding ordinary shares, equal to 2.5% of share capital. As a result of this second operation, after the one of 2018, the total stake held by the Shareholders' Agreement reached 23.8% of Azimut Holding's share capital in March 2022, reinforcing the long-term commitment with a view to creating value for shareholders. At 31 December 2023, the stake amounted to 21.6% of the share capital of Azimut Holding.

The principles governing relationships with shareholders are set out in the "Shareholder Dialogue" policy, updated in December 2021, which aims to regulate the management of communicating with shareholders and other market participants. Indeed, the Policy establishes the framework for managing the ongoing and continuous relationship with institutional investors, asset managers and shareholders, including the topics and methods, as well as the subject of dialogue with the various stakeholders. Azimut deems it to be of primary importance to forge and maintain a constant and ongoing relationship with institutional investors, asset managers and shareholders, through fair, transparent and differentiated forms of engagement. These can help ensure a better understanding of each other's prospects and raise the level of governance of the Company and the market in general, in order to promote the creation of value in the medium-long term and in compliance with the regulatory provisions in force and the principle of equal treatment of shareholders in the same situation. The Company also believes that greater shareholder involvement in the corporate governance of issuers is one of the levers that can help improve their financial and non-financial performance, including environmental, social and governance factors, being an important factor in ensuring that issuing companies adopt a long-term approach.

In view of the above, and taking into account the recommendations of the Corporate Governance Code, Azimut, by adopting the Shareholder Dialogue Policy, intends to encourage, as appropriate, dialogue with shareholders and other stakeholders relevant to the Company, also considering the best practices in the field and the engagement policies adopted by institutional investors and asset managers.

3.3 The internal control and ESG risk management system

The Azimut Group has in place a risk management system which identifies, assesses and controls the risks to which the Group is exposed in all areas of activity. The risks identified are regularly monitored to ensure ongoing operations and the achievement of corporate goals. For additional information about the risk and internal control management structure adopted by the Group, reference should be made to the Report on corporate governance and ownership structure prepared pursuant to Article 123-bis of the Consolidated Law on Finance. For additional information about the main risks identified and how they are monitored, reference should be made to the “Key risks and uncertainties” section of the Management Report.

Azimut Holding has strengthened its governance system by setting up a Risk and Control Committee, with advisory and proposal functions. The Chairman of the Board of Statutory Auditors or another Statutory Auditor designated by the former participate in Committee meetings. Other Statutory Auditors may also attend. At the invitation of the Chairman, the members of Senior Management, the Heads of the Control Functions (Compliance, AML, Risk Management, Internal Audit) of the individual subsidiaries and the manager in charge of financial reporting may also participate in the meeting, in addition to, where necessary and after discussion with the Heads of the Control Functions of the Group companies, other persons whose presence is deemed useful.

The Risk and Control Committee is the interface between the periodic information flows from the subsidiaries, both Italian and foreign, and is responsible for identifying and assessing the problems and risks associated with the company's activities. This committee also assists the Board of Directors in carrying out its internal control tasks and in periodically checking the adequacy of the internal control and risk management system of the individual subsidiaries with respect to the characteristics of the Company and the risk profile assumed, as well as its effectiveness. It may request the Compliance, AML, Risk Management and Internal Audit functions (depending on the different specific competences) of the individual subsidiaries to perform follow-up checks on specific operational areas if the checks carried out by them reveal risk profiles for the Group.

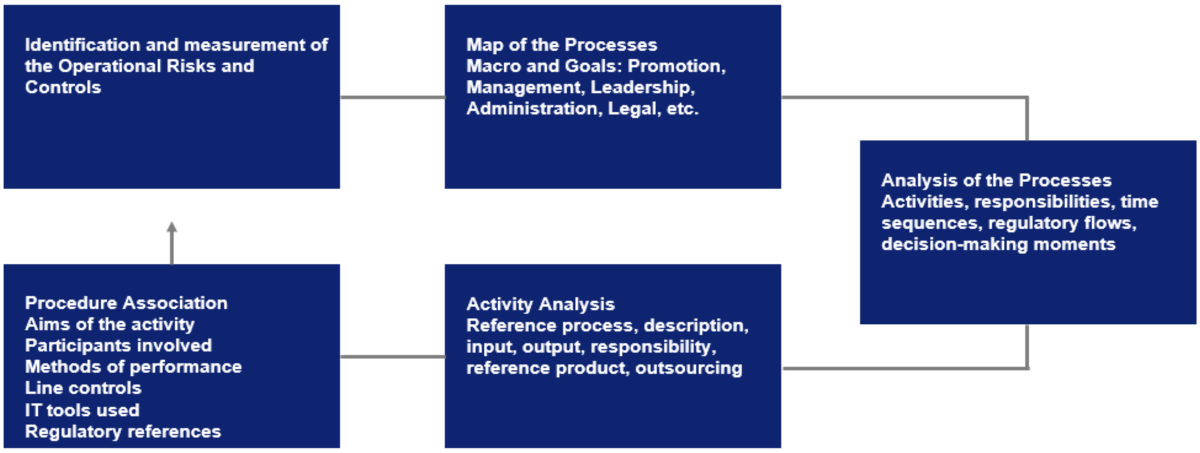
The Risk and Control Committee reports on the activities carried out and on the adequacy of the internal controls of the individual subsidiaries and on the main risk profiles of the internal controls to the Board of Directors, during Board meetings, which are held at least every six months, formulating any proposals for improvement. Furthermore, together with the manager in charge of financial reporting and after consulting the independent auditors and the Board of Statutory Auditors, it assesses the correct use of the accounting policies and their consistency for the purposes of preparing the consolidated financial statements. Furthermore, the Risk and Control Committee is responsible for supervising i) the financial reporting process; ii) the effectiveness of the internal control, internal audit and risk management systems; iii) the statutory audit of the annual separate and consolidated financial statements; iv) the independence of the auditors, specifically with respect to the provision of non-audit services to the Company.

Within each subsidiary, the control process over operational risks relies on a monitoring cyclical pattern based on:

- Risk identification
- Risk assessment and measurement
- Control implementation

Which entails the following:

- Determining the acceptable level of risk
- Risk mitigation and management
- Transfer of risk (where possible).



Risks and related event types are mapped for all business areas in accordance with the Basel II framework, analysing, for each process and activity, the procedures in place and performing assessments with the managers.

Risks analysed	Related event types
Human Resources	Internal illegal acts
Processes	External illegal acts
Systems	Relations with employees and occupational safety
External events	Customers, products and practices
	Disasters and other events
	Technological systems and utilities
	Execution, delivery and process management

The table below provides information about risk-specific areas in relation to the scope of the Decree, which are cross-cuttingly covered by the Group's ESG policy, and the related management approach:

Scope of the Decree	Risks identified	Management approach/Policy
Fight against active and passive corruption	The current risk assessment systems of the Group's individual subsidiaries identify corruption risks mainly related to possible instances of active corruption.	Risks are mitigated thanks to the following management tools and policies implemented by the Group: • Organisational, management and control model pursuant to Legislative decree no. 231/2001 • Code of Ethics (Legislative decree no. 231/2001) • AML and combating the financing of terrorism policy • Whistleblowing policy • Anti-corruption policy • Internal Code of Conduct for Financial Advisors.

		These documents, which apply to each Group subsidiary in the individual countries in accordance with local laws, have a legislative meaning and constitute an operational tool.
Employee-related topics	The current risk assessment systems of the Group's individual subsidiaries identify the loss of key personnel as the main risk in employee relations. Furthermore, the risks related to health and safety are analysed in accordance with the applicable legislation ruling in each country.	The risks associated with the loss of key personnel are mitigated by a number of actions, including ongoing dialogue with employees in order to understand their needs, and remuneration and performance development systems. The main tools implemented are as follows: • Code of Ethics (Legislative decree no. 231/2001) and related online training courses • Remuneration policies defined by individual Group companies Moreover, the Group companies comply with health and safety regulations.
Social-related topics, including trade, supply or sub-contracting relationships	The current risk assessment systems of the Group's individual subsidiaries analyse the risks mainly related to outsourced functions and those related to the trade network's conduct. Reference should be made to the Management Report for additional information thereon.	The Management Report provides detailed information about the approach used to manage the risks related to outsourced functions and those related to the trade network's conduct. These aspects are governed by Bank of Italy's and Consob's regulations.
Respect for human rights	According to the current risk assessment systems of the Group's individual subsidiaries, the risk of human rights violations forms part of personnel management, in terms of risk of possible discrimination.	The codes of conduct and ethics of the Group companies cover this topic in accordance with national legislation and the principles of the Parent Company's Code of Ethics (Legislative decree no. 231/2001).
Environmental-related topics	The current risk assessment systems of the Group's individual subsidiaries cover the risk related to the direct environmental impacts of offices (e.g., emission monitoring, waste management).	The applicable mitigation principles are described in the Group's ESG Policy.

ESG risk management in the investment process

The Group's commitment and interest towards environmental, social and corporate governance (ESG) issues is also embodied in the adoption of the Sustainability policy both at Group level and at the level of the various subsidiaries of Azimut Holding. With reference to the Group, the Sustainability Policy was adopted with the aim to define the general guidelines on sustainability

and formalise in a single document the values and principles that guide the Group in its way of operating and conducting relations, both internally and with third parties.
Investing responsibly is one of the priority areas of the ESG policy. As witnessed by adhering to the Principles for Responsible Investments (PRI) and the Carbon Disclosure Project (CDP), the Azimut Group recognises the integration of ESG criteria into investment processes is a necessity and a value that can create a positive impact on society.
The PRI principles define ESG integration as “the systematic and explicit inclusion of relevant ESG factors in investment analysis and decision-making”. For Azimut, inclusion of ESG factors means considering the elements that have or could potentially have a relevant impact in the analysis and investment choices, among them:

- environmental sustainability factors that allow an assessment of how an issuer manages risks and opportunities arising from climate change and the use of environmental resources for example;
- social sustainability factors that show how the investment object is assessed with respect to social issues (e.g. respect for human rights, working conditions, health and safety);
- the sustainability of an issuer’s governance, which translates into assessing, for example, its structure and diversity and defining its objectives (including shareholder rights, prevention of corruption, etc.)

According to the Group’s responsible investment strategy, depending on the specific product/service offered by the individual companies, ESG factors must be integrated into the investment process, through one or more of the several sustainable management strategies, including:

- **Exclusion**: negative screening based on pre-defined investment rules that excludes companies whose controversial activities are the core business or companies involved in activities or sectors that may entail significant environmental and social risks;
- **Best in class**: positive screening for companies that are leaders in sustainable development;
- **ESG integration**: integration of ESG factors in the construction of portfolios with particular attention given to achieving a sustainable balance due to the complexity of the portfolios' investments;
- **Sustainability themed and Impact investing**: themed and impact-oriented investments where investors sacrifice part of their potential return for support and impact in achieving ESG objectives.

Among these strategies, with particular reference to the exclusion strategy, we highlight the adoption of specific **exclusion criteria**. Azimut Investments Sa, Azimut Capital Management, Azimut Investments LTD, Azimut Life DAC and Azimut Libera Impresa, among the main investment Hubs of the Azimut Group, have established, each in their ESG Policies, the exclusion from their investment scope of issuers operating in 'non-socially responsible' sectors, including issuers involved in activities that may entail significant environmental and social risks. The exclusion criteria adopted, differentiated by the various Group companies, include:

- **Nuclear weapons:** investments are excluded in issuers generating more than 1.5% of their annual turnover from activities related to the production of nuclear weapons and related systems, components and services.
- **Gambling**: investments are excluded in issuers generating more than 5% of their annual turnover from activities related to gambling.
- **Pornography**: investments are excluded in issuers generating more than 1.5% of their annual turnover from activities related to pornography.
- **Tobacco**: investments are excluded in issuers generating more than 5.0% of their annual turnover from activities related to the production and marketing of tobacco.

- **Thermal Coal**: investments are excluded in issuers generating more than 20% of their annual turnover from mining thermal coal (including lignite, bituminous, anthracite and steam coal) and selling it to third parties.
- **Controversial weapons**: investments are excluded in issuers that have any connection with cluster munitions, anti-personnel mines, biological/chemical weapons, depleted uranium weapons, blinding laser weapons, incendiary weapons and/or undetectable fragments are excluded.

By adopting these exclusion criteria, the intention is to limit the vulnerability of portfolios to the negative external issues of ESG risks generated by investing in the above-mentioned sectors and thus, implicitly, to limit the impact these external issues could have on the value of investments. For more details with reference to the ESG risks identified and considered by the Group, please refer to the section "*ESG (Environmental, Social and Governance) and climate change risks"* in the consolidated financial statements.
In addition to the exclusion criteria, the above-mentioned Group companies, in order to integrate ESG factors into the investment process, make use of data and information provided by external info-providers specialised in ESG ratings (e.g. MSCI), and the support of Scientific Advisors. Based on the information obtained, Azimut is able to constantly monitor the exposure and level of ESG risk of the investment products and services offered to its customers, at individual position level and overall portfolio level.
The Group believes that directing its investments towards issuers that show good performance with regard to ESG factors can generate sustainable profits over time and, consequently, create a solid prospect of value creation for all the stakeholders. This also provides a more efficient management of not only environmental and social risks, but also of reputational risks. In general, the higher the ESG scores, the higher the standards adopted by the issuing company being invested in and the lower the risk that an adverse event may occur and lead to a decrease in the value of the investment. With this in mind, in 2022 the Irish-based Azimut Life revised its Engagement Policy (ESG/CSR), which defines the principles that inform the company's approach to any environmental, social and governance issues in its traditional financial analysis and investment process. Another example is the Mexican-based Kaan Capital, which implemented risk assessment activities related to human rights, in order to verify the commitment and policies implemented by its portfolio companies on aspects such as respect for children's rights, health and safety, equal treatment and lack of discrimination.
With specific reference to products that promote environmental and/or social characteristics (products classified according to Article 8 of the SFDR), depending on the strategy implemented, additional investment constraints and objective methodologies have been envisaged to check:
- the minimum percentage of investments aligned with environmental and social characteristics;
- the minimum percentage in sustainable investments as defined by Article 2 of the SFDR[7];
- the presence of good governance practices;
- compliance with a minimum ESG rating level at portfolio level[8];
- Principal Adverse Impacts (PAIs) taken into consideration, i.e. the main negative effects of investment decisions on sustainability factors.

As explained in the ESG Policies of the above-mentioned Group companies, the monitoring of sustainability factors is an integral part of the implemented Risk Management framework. In particular, the Risk Management function is typically assigned the role of verifying ex-ante and ex-post compliance with established binding elements, as well as ongoing monitoring of the quality and ESG risks of managed portfolios.

[7] Not all products pursuant to Article 8 of the SFDR have defined a minimum percentage of sustainable investments.
[8] Criteria related to ESG ratings of issuers and the portfolio as a whole are typically adopted in the context of portfolios investing in public markets and for which the provision of ESG data by external info-providers is relevant. In Private Markets, these criteria are replaced by others specifically identified based on the investment strategy and reference asset class.

4. BUSINESS ETHICS

4.1 Business ethics, anti-money laundering and fight against corruption

All personnel of Azimut Holding and the Group companies (management, middle management, staff and financial advisors) are required to comply with a Code of Ethics published in the Governance section of the Group's website www.azimut-group.com.

It should also be noted that, as in other years, various Group companies provided specific training courses on the Code of Ethics and Business Ethics for 2023. One example is the online training course made available on the Azimut Academy platform relating to the Group Code of Ethics, available to employees of Azimut Capital Management, AFI, Holding and Azimut Libera Impresa.

The Code of Ethics of the Azimut Group outlines the general principles which must be complied with by all Group companies' collaborators in several business areas. Specifically, the principles on which the Group's Code of Ethics is based include transparency, compliance with regulations, honest management, maintaining trust and cooperation with the stakeholders, in order to increase value for them and customer satisfaction, as well as the professional development of employees.

The Code of Ethics sets out the general principles which characterise all the Group's operations, without prejudice to strict compliance with the rules governing the sector. It describes the standards of behaviour in several corporate areas, including human resources and pertaining to various area, such as employment policies, conflicts of interest, compliance with operational procedures, safeguarding the company's assets, the Supervisory Body's functions, external relationships and, specifically, with the media. The Code of Ethics is binding also for Azimut's suppliers and outsourcers and is provided to all those who interact with the Group.

The breach of the principles of the Code of Ethics is punished at corporate level regardless of the disciplinary actions taken by the competent supervisory authority and/or the courts. The Supervisory Body, the Board of Directors and the management of each Group company, in accordance with their respective areas of competence, check the implementation of the Code and its application. The Parent Company's Board of Directors is responsible for updating the Code of Ethics in order to bring it into line to possible regulatory updates and the evolution of civil awareness.

Individual subsidiaries adopt, if necessary according to specific business needs and applicable local regulations, additional Codes of Ethics or Conduct, as well as special procedures, with the aim of further affirming the importance of ethical, transparent and responsible business conduct. With varying frequency at the discretion of individual companies, the Codes of Ethics or Conduct are periodically updated and approved by the Board of Directors. One example is the Irish-based Azimut Investment Ltd, which in December 2022 approved the first internal Code of Ethics coming into force in 2023. The Code provides information on the company's values, principles, standards and rules of conduct, intended for all employees, including directors and managers.
The above-mentioned Charter of Values describes additional principles aimed at spreading a sustainability-oriented behavioural model.

The rules of conduct to be complied with during operations are also described in detail in an additional series of internal documents, defined by the individual Group companies, which apply the general principles of the Code of Ethics (loyalty, seriousness, honesty, ability, transparency) to specific circumstances.
It should therefore be noted that, among the Group companies, Azimut Capital Management adopted an internal code of conduct for financial advisors, which sets out the guidelines, the

anomaly indicators to remotely monitor their behaviour, and the inspection visits to the place where records are kept. As a result of the audits, action may be taken against financial advisors if non-compliance cases are reported. Moreover, it should be noted that during 2023 also Azimut Brazil adopted a code of ethics for its financial advisors.

The *Internal code of conduct for employees, collaborators, directors and statutory auditors* and the *Internal code of conduct for financial advisors and their collaborators* define employees' and financial advisors' conduct at the Group's Italian companies, respectively. The *Internal code of conduct for employees, consultants, directors and statutory auditors* covers, among other topics, issues such as the abuse of privileged information and the management of personal transactions, the provisions to prevent potential fraud risks (rules on registrations, proxies, domiciliation and correspondence address) or corruption risks (rules on presents and gifts).
The *Internal code of conduct for financial advisors and their collaborators* describes in detail the rules of conduct applicable to off-premises offer processes, focusing, in particular, on the confidentiality obligations, insider dealing, personal transactions and conflicts of interest. Specific rules are established in terms of proxies, registrations in more than one name and customers' correspondence address, which are considered hot issues when preventing fraud against customers.

Also the Group's Sustainability Policy refers to compliance with the ethical principles with regard to protecting workers and human rights, responsible marketing, community support, responsible investment strategy and environmental protection. The compliance with the principles set out in the Sustainability Policy, together with the values referred to in the Code of Ethics and the Charter of Values, is essential for the creation of value in the short, medium and long term.

Whistleblowing Mechanism

Azimut ensures that all Group employees, financial advisors and collaborators have the opportunity to report conduct deemed unlawful within the Group, as defined by the Whistleblowing policy, updated in July 2023, which establishes a new whistleblowing mechanism and new whistleblower protection measures, in accordance with the provisions of the new European Directive 2019/1937 on whistleblowing and related Legislative Decree no. 24/2023.

In compliance with the above-mentioned regulations, the Policy governs the procedures for reporting violations and defines appropriate communication channels for the receipt, analysis and processing of reports of unlawful conduct within the Group. The Policy has a legislative meaning and constitutes an operational tool for all the Group companies. Any changes and updates to the Policy are approved by the Board of Directors of Azimut Holding.

In line with the provisions of Decree 24/2023, which extended the range of parties entitled to make internal or external reports, the Whistleblowing Policy of Azimut Holding applies:

- to the parties defined as whistleblowers and in particular: shareholders, members of the bodies of strategic supervision, management and control, supervision and representation, all employees, collaborators (e.g. Financial Advisors) also on an occasional basis of the Group and any person providing services for the Group, including self-employed workers, freelance professionals and consultants, volunteers and trainees (paid and unpaid), suppliers of services on the basis of a contract and/or a letter of assignment (with the time specifications set out in the above-mentioned regulations);
- to parties other than whistleblowers: to facilitators (meaning those who assist the whistleblower in the reporting process operating in the whistleblower's work environment and whose assistance must remain confidential) / to persons in the same work environment as the whistleblower who are bound by a stable emotional or family relationship up to the fourth degree of kinship / to colleagues of the whistleblower who work in the same workplace as the whistleblower (excluding former colleagues) and who have a regular and current relationship with that person / to entities owned - exclusively or in majority shareholding by third parties -

in which the whistleblower works / the entities working in the same workplace as the aforementioned persons.

With reference to the internal reporting channel, Azimut Holding considered it appropriate to adopt a "dualistic" model of parties in charge of receiving, examining and assessing possible reports, ensuring that they:

- are not hierarchically or functionally subordinate to any reported person;
- are not themselves the alleged perpetrators of the breach;
- do not have a potential interest related to the report, which could compromise their impartiality and independent judgement;
- have an obligation to ensure the confidentiality of the information received, including the identity of the whistleblower.

In addition, the Holding Company has set up an internal Office, consisting of the "Internal Whistleblowing System Officers" (the "Whistleblowing Officers"), who ensure the proper conduct of the proceedings and, after carrying out the necessary investigations, directly inform, if necessary, one or more of the following figures within the Group for support and specialist expertise based on the subject matter of the Whistleblowing (unless the figure itself is the subject of the report):

- the Delegated Directors;
- the Head of Human Resources;
- the Chair of the Control and Risk Committee;
- the Chair of the Supervisory Body pursuant to Legislative Decree 231 of 2001.

Whistleblowing Officers periodically report to the Board of Directors of Azimut Holding (and the individual Boards of Directors of the Group companies) on the proper functioning of the whistleblowing system and provide information on the activities carried out. If serious misconduct is detected, the Whistleblowing Officers request an extraordinary call of the Board of Directors of Azimut Holding (or the individual Boards of Directors of the Group companies) to discuss appropriate actions. Whistleblowing Officers are appointed in the persons of the Internal Audit Manager of the company providing the control support service (i.e. currently Azimut Capital Management SGR S.p.A. duly appointed data controller pursuant to Article 28 GDPR and the Chair of the Control Body (Board of Statutory Auditors) of the Holding Company, thus adopting the "dualistic" model indicated above to monitor the effectiveness of the system and assess any reports received. These parties are expressly authorised to process personal data by the Group (and the companies that belong to it). In the event of disagreement, they must refer, as an independent third party, to the Supervisory Board established pursuant to Legislative Decree no. 231/2001, to examine the case.

The report management process is carried out through a specific IT tool, accessible via the Internet, provided by Azimut Holding to the other Group companies as well. The web address, User ID and a universal password to access the service are the same for all parties covered by the Whistleblowing Policy and are available within the Whistleblowing policy published in the relevant section on the group website, as well as - for internal use - on the company notice board and in the human resources department.

Upon receiving notice of a new report, the Whistleblowing Officers access the IT tool and view the submitted reports. Following their investigations, the Whistleblowing Officers will promptly inform the Board of Directors of Azimut Holding (and/or the Boards of Directors of the individual Group Companies) and the Chair of the Supervisory Board, pursuant to Legislative Decree no. 231 of 2001, and shall decide on the disciplinary measures to be taken against the reported person, involving the Board of Directors of the Group company in which the reported person works, if there are no functions or bodies appointed for this purpose. The Group guarantees the anonymity of the whistleblower and the protected persons. The identity of the whistleblower, as well as any other information or element of the report, may not be disclosed, without the whistleblower's express consent, to parties other than those competent to receive or follow up reports and expressly authorised to process such data.

It should also be noted that at the level of individual companies that are part of Azimut Holding, the Mexican-based Operadora De Fondos Azimut-Mexico, S.A. De Cv, during 2023, implemented an online IT tool (Resguarda), which allows users to report illegal behaviour, also anonymously, and provides direct communication with Whistleblowing Officers. After reporting, the user is given a unique personal code that must be used to receive updates on reported events and provide further information. In order to make this mechanism effective, during 2023 all Company personnel were trained in using the channel.

Finally, no reports were registered through the whistleblowing channels in 2023.

Respect for human rights

The Azimut Group promotes an inclusive corporate culture, which condemns all forms of discrimination and enhances cultural diversities and personal characteristics. According to the Code of Ethics, personnel must be selected "on the principles of equal opportunity and without any discrimination regarding the private life or opinions of the candidates".

Also in the Sustainability Policy, the Group sets out its commitment to offering working conditions that respect personal dignity and human rights and a professional, collaborative and safe working environment.

Furthermore, demonstrating the importance that aspects of respect for human rights and non-discrimination have for Azimut Holding, some Group companies have adopted specific policies against discrimination and in favour of equal opportunities, in order to further monitor these aspects and enhance the protection of their employees. These include the Azimut Group companies in Taiwan, which in 2023 adopted internal policies against harassment in the workplace.

Again in 2023, there were no discrimination events or breach of human rights.

Anti-money Laundering (AML)

The Group adopted the *Azimut Group Anti Money Laundering and Counter-Terrorist Financing Guidelines* to which all Group companies must adhere with respect to anti-money laundering and counter-terrorist financing, which define the roles and responsibilities of each subsidiary with regard to these aspects. Each Group company must comply with the general provisions set out in the Policy as well as establish AML/CTF policies and procedures in accordance with local laws and regulations.

Some Group companies set up within their organisation a control process also with regard to issues linked to anti-money laundering, for example by defining scoring models for each customer, in order to assess their potential risks and monitor them over time. In addition, some companies have appointed in-house anti-money laundering compliance managers who carry out the necessary studies to ensure compliance with local law. These include, for example, the company Azimut DIFC, of the United Arab Emirates, which in 2023 appointed a Deputy Money Laundering Reporting Officer (Deputy MLRO) to support the lead MLRO in order to further strengthen its position in terms of compliance with regulatory requirements of the United Arab Emirates and Dubai Financial Services Authority (DFSA).

The functions in charge of anti-money laundering controls in each Group company report to the central manager every quarter. The central manager, in turn, assesses the reliability, suitability and awareness of each entity in dealing with the AML risk and combating the financing of terrorism. The results of the assessment are subsequently sent to the Parent Company's Board of Statutory

Auditors, the Risk and Control Committee and the Board of Directors. Reference should be made to the Management Report for additional information about the organisational model adopted by the Group in respect of AML issues.

With reference to the internal control processes adopted locally by the Group companies, it should be noted that the Italian company Siamosoci Srl - although not subject to anti-money laundering regulations, as a Crowdfunding Services Provider (CSP) pursuant to European Regulation 2020/1503 - adopted specific internal procedures on anti-money laundering controls, in line with the regulations applicable to crowdfunding services. These envisage implementing due diligence processes, which are in addition to the anti-money laundering controls carried out by the bank entrusted with the management of monetary transfers for the completion of investments. Specifically, due diligence includes, among other aspects, checking the absence of any criminal record for violations of national commercial, bankruptcy, financial services, anti-money laundering, anti-fraud or professional liability laws by the funded project holders.

Anti-corruption

Azimut Holding supplemented the internal regulatory framework to monitor the risks underlying corruption, by issuing, in July 2021, suitable Guidelines applicable to the Parent Company and all the subsidiaries belonging to the Azimut Group: the "Group Anti-corruption Guidelines". The Anti-Corruption Guidelines are publicly available in the Governance section on the Group's website at the following link: www.azimut-group.com.

Therefore by adopting these Guidelines the following are enhanced:

- the concepts already enshrined in the Code of Ethics, where the Group explicitly condemns any form of corruption, bribery, undue inducement to give or promise benefits, with the adoption of the "General Principle of Zero Tolerance" establishing that the Azimut Group "will not tolerate any conduct involving the offer or acceptance of money or other benefits - directly or indirectly - with the aim of inducing or rewarding the performance of a function/activity or the omission thereof for unlawful purposes..", by inviting the Group personnel to abstain from offering or accepting undue payments, such as gifts, forms of entertainment or other undue benefits;
- the rules contained in the Organisational, Management and Control Model pursuant to Legislative Decree no. 231/2001, long adopted by the Azimut Group, with the implementation of additional organisational and control measures, designed to avoid or strongly mitigate corruption-related risks, such as the reputational risk.

To complement the internal regulatory framework monitoring the corruption risks, Azimut Holding launched, with the support of Deloitte Risk Advisory S.r.l., an initiative focused on three areas, as part of the overall "Anti-Corruption & Corporate Liability Framework":

- Risk Assessment,
- Operating Controls,
- Monitoring Plan.

The above-mentioned activities and reference documentation are being prepared in relation to the following entities/areas in which, in addition to the Parent Company, benchmark companies have been identified:

- Cluster Asset Management,
- Cluster Distribution,
- Asset Life Insurance,
- Cluster Private Matters.

With reference to the Parent Company, during 2022, the main corporate processes were identified and analysed, as well as the underlying sensitive activities, in order to assess their exposure to corruption risk, taking into consideration qualitative and quantitative data such as: the likelihood of occurrence, the potential reputational impact and the effectiveness of the control measures currently in place. The inherent risk was then calculated and, in order to mitigate the effects of the identified risks, certain control measures (e.g. procedures, principles of behaviour, etc.) were suggested, adopted or are being adopted by the company.

In 2023, activities were carried out to define, implement and maintain the framework aimed at (i) identifying, analysing and assessing the risk of corruption, taking into account the context of the organisation, and (ii) defining/planning and implementing measures and controls to counter corrupt phenomena. Therefore, a Schedule Plan is being prepared and the control activities to be implemented and the information flows from the corporate structures to the person in charge are being identified, evaluating possible synergies with the Supervisory Board itself.

The Group Anti-corruption Guidelines have been brought to the attention of all the employees of the Italian companies through a communication activity based on the publication of the document on the company intranet while, at the same time, sending it by e-mail to all the personnel. The guidelines are also publicly available on the company website.

With reference to foreign companies, the guidelines were translated into English and submitted to the Board of AZ International Holdings, made up of all the country managers of the foreign companies.

It should be noted that in the year 2023, the Chilean Group company, AZ Andes Spa, updated its anti-corruption policies and procedures and began analysing new legal requirements that will come into force in September 2024 relating to new types of offences set out in a recent legislative update. Finally, during 2023, there were no cases of corruption.

4.2 Privacy and data security

Given the sensitive nature of Azimut business, the various companies of the Group have adopted their own Personal Data Protection Policy that set out the guidelines for managing customer information and processing personal data. In line with these principles, customers are provided with all information about the processing of their data before signing a contract and, where permitted by law, they must give their consent to data processing. Azimut has also adopted Information Security Directives and a Policy on Market Abuse, Internal and Insider Dealing.

In particular, the Data Protection Officer (DPO) of Italian companies uses an international company for assistance in privacy-related issues and in the event of relevant new risk management initiatives should weaknesses related to the General Data Protection Regulation (GDPR) - Regulation (EU) 2016/679, which came into force in Italy on 25 May 2018, be identified. The Controller, with the support and constant supervision of the Data Protection Officer Team, monitors and checks compliance with regulations and procedures.

Some of the Group's foreign units adopted privacy policies and/or procedures in line with the relevant regulations in force in each country. For example, this is the case of the Irish-based Azimut Life, which in 2022 aggregated its various data protection policies (data retention, data security, Clean Desk policy) into a single policy, then updated in July 2023.

Furthermore, specific data processing training courses are provided to both employees and financial advisors and awareness-raising activities on the importance of data protection and the risks arising from fraudulent activities are also organised. For example, Azimut Capital Management provided an awareness and sensitisation programme on the importance of data protection and the risks associated with fraudulent activities such as phishing.

It is also worth mentioning that from the end of 2021, Azimut Holding, Azimut Capital Management, Azimut Financial Insurance, Azimut Libera Impresa and Azimut Enterprises Srl introduced a new software application that allows more efficient, decentralised and fully digital management of the records of processing activities, which companies are required to maintain and update pursuant to Article 30 GDPR. Finally, it should be noted that in 2023, the Group's Brazilian companies completed the process of implementing data protection procedures following the updating of internal policies, procedures and systems in accordance with the new Brazilian data protection legislation.

It should be noted that no privacy and data loss complaints were registered during the reporting period.

4.3 The taxation approach

In line with the principles set out in the Code of Ethics (Legislative decree no. 231/2001), the Azimut Group acts in accordance with the values of ethics, transparency, correctness, legitimacy and integrity, which in the tax area entail the correct fulfilment of tax obligations and compliance with the regulatory provisions applicable in the countries in which it operates.
Although not formalised in a fiscal strategy, the Group's tax approach must also be read considering the very nature of Azimut's corporate structure which, in each of the 18 countries in which it operates, is present with operating companies, created as a result of joint ventures with local partners.

In order to adequately comply with applicable regulations, the Group has identified specific operational management and control functions within the 231 Model. Furthermore, in most of the Group's companies, administrative and tax management is based on a model of accounting and tax outsourcing. Azimut has also started a process to bring its 231 Model into line with the recently-introduced tax crimes.
As part of its relations with the tax authorities, the Group observes the principles of conduct and the control protocols set out in the Model in its relations with the Public Administration, ensuring a collaborative approach and guaranteeing that its conduct is based on the principles of ethics, transparency, correctness, legitimacy and integrity.
With respect to the management of reports of unethical or illegal conduct in tax matters, the appropriate information channels are the same as those provided by Azimut Supervisory Body to ensure the reporting of irregularities or violations of the Code of Ethics and the Organisational, Management and Control Model pursuant to Legislative decree no. 231/2001.
For the reporting of the data required by information 207-4 of the GRI, reference is made to the Annexes.

4.4 Responsible supply chain management

The selection of suppliers and the purchase of goods, merchandise and services must comply with the principles and the procedures laid down in the Code of Ethics and in the internal procedures of the individual companies, and solely on the basis of objective parameters such as quality, convenience, capacity and efficiency. Quality is considered a priority, and the selection of providers of financial products and services takes into account international quality principles and standards. The Group's Code of Ethics is an integral part of the contractual obligations, as specified in said Code. Indeed, the relationship with suppliers and customers is key to the Group's success and suppliers are required to know and observe it.

The Group's supply chain is mainly based on the following types of service providers:

- providers offering business support through consultancy and professional services (legal, accounting, information, human resources), databases and ICT;
- providers enabling the Company, in particular, to carry out its operations relating to the managed investment funds (e.g., information providers);
- providers offering support to the physical infrastructure (all cleaning, maintenance and security services), suppliers of utilities and office materials.
- providers which allow the digitisation of companies (offering for example IT platforms, software

and cloud or data storage services).

Many Azimut Companies have a locally based supply chain, within the state where they are located, using only a small part of services provided by global providers (e.g. information providers).

In several countries in which the Group operates, internal procedures have been developed to select and monitor suppliers in compliance with current local regulations. This process requires an initial screening of the target market to identify possible candidates, focusing, in particular, on their integrity, competence, financial stability, quality and reputation. The selection is based, inter alia, on public information available on the market or information gathered from previous transactions with the Group, an assessment of the cost of the service (compared with other competitors), the existence of penalties, if any, for the supplier, and compliance with current regulations.

5. ATTENTION TO OUR CUSTOMERS

Customers are the Group's main asset. Over the past few years, the Azimut Group has increasingly focused its attention on innovative and sustainable investment solutions which identify the needs and demands of the market. Today, Azimut's priority is to define a product range that is always in line with market needs and with distinctive characteristics compared to competitors, and that also incorporates ESG aspects.

a. Innovation and sustainability in the product portfolio

Portfolio ESG Management

Azimut Holding deems of the utmost importance the management of relations with its stakeholders, customers, shareholders, employees, financial advisors, institutions, and all those who have, for any reason, contact with the Group or companies that belong to it and/or have an interest in the activities carried out by the Group or its companies.

Aware of the importance of its activities, the Group embarked on a path to integrate its values and sustainability principles into its business strategy and daily operations as well as in managing its portfolio. Having always been active in the pursuit of innovation in its offer, the Azimut Group has made great efforts to continuously develop and expand the range of products that promote environmental and social characteristics: at 31/12/2023, the offer of the products classified pursuant to Article 8 of Regulation (EU) 2019/2088 ("SFDR") consists of a total of 51 products and funds of different types (UCITS funds, 5 AIFs, 3 Sub-funds of Pension Funds, 3 Insurance products and 2 Lines of equity management).

In addition, some foreign Group companies have also integrated ESG factors into their portfolios, developing products which promote environmental and/or social characteristics. For more details on integrating ESG criteria into investment processes as well as the responsible investment strategies adopted by the Group, please refer to the section "*The internal control and ESG risk management system*".

Portfolio Emissions

Also in 2023, the Group's commitment and interest in integrating ESG issues into the portfolio is also shown by monitoring the GHG emissions of its investment portfolio. Again this year, the Group carried out an exercise to collect and calculate the CO_{2eq} emissions data of its portfolio companies with the support of the infoprovider MSCI ESG Research.

The Group's total Scope 3 emissions related to the portfolio for 2023[9] amounted to 12,495,050 tCO_2eq (in 2022 they amounted to 12,376,943 tCO2eq). For more information on emissions, please refer to the table in the Annex in section "Data relating to the environmental impacts of the Azimut Group".

The scope of analysis considered is **58.7 billion** (compared to 39.3 billion of the previous year) in assets under management[10] of the companies Azimut Capital Management, Azimut Libera Impresa, Azimut Investments Sa, Azimut life, AZ Swiss & Partners Sa, Operadora De Fondos Azimut-Mexico, S.A. De Cv, CGM-Azimut Monaco, relating to both funds and discretionary funds (the latter introduced this year), AZ IM Singapore, AZ IM Hong Kong, Azimut Investment Limited, Azimut DIFC Limited and AZ Quest Investimentos Ltda. The number shown is reported net of double-counting from intra-group investments. As in the previous year, a look-through analysis was conducted on funds under custody (through Factset providers, for almost all the assets invested in third-party funds).

+70% of the scope of analysis compared to 2022

The percentage taken into account in the analysis is 79.16% (71.34% in 2022) of total assets and is obtained from the percentage invested in Equity and Corporate securities. Of this portion, it was possible to obtain emission data through the info-provider MSCI for 70.07% (77.56% in 2022). The data provided by MSCI as a whole cover 55.5% of the total assets.

UCITS products

Azimut Investments has integrated ESG factors into the investment process of UCITS products since 2019. Using MSCI ESG Research's methodology, which provides an ESG score for each investee company, most UCITS products have an overall ESG score of at least BBB.

During 2023, the Luxembourg range of Azimut Investments SA was implemented with the launch of two new sub-funds set up under the "AZ Fund 1", which have enriched the overall offer of instruments useful to construct the overall asset allocation of customers' portfolios;

- AZ Bond Target 2026: the sub-fund expands the "family" of target sub-funds, with the aim of achieving a positive return by investing in a bond portfolio with a residual life in line with its target date (31/12/26). The sub-fund qualifies as an Article 8 financial product of the SFDR;
- AZ Bond US Dollar Aggregate: the new discretionary Sub-fund by the Group company AZ Swiss aims to actively manage a diversified portfolio of fixed and/or floating income debt securities of US issuers, offering exposure to the US investment grade world.

Furthermore, it should be noted that the Luxembourg-based company has confirmed its commitment to expanding its range of ESG products, planning to launch, in 2024, of 3 more new sub-funds classified under Article 8 of the SFDR.

Finally, it should also be noted that the 3 new UCITS sub-funds of the Irish-based Azimut Investment Ltd fall within the scope of the SFDR, being classified as financial products under Article 8 of Regulation 2019/2088.

Alternative Products

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[9] Please note that the Scope 3 emissions of the portfolio were calculated through the info-provider MSCI ESG Research.
[10] The figure is reported net of intra-group investment.

In 2023, the Group continued its strategy of strengthening its range of alternative products for investment in private markets. The offer was expanded on the one hand with the launch of several new sub-funds of the European long-term investment fund AZIMUT ELTIF established by Azimut Investments SA and on the other hand with the launch of other “reserved” alternative investment products.
In particular, for the fund AZIMUT ELTIF, marketing of the following new Sub-Funds was launched:

- Azimut Eltif - Private Debt Digital Lending III, a private debt financial product whose investment strategy is based on loans of Italian SMEs purchased on the main Italian fintech platforms (P2P-lending and Invoice-finance).
- Azimut Eltif - Venture Capital Alicrowd III, created from the strategic partnership of the Azimut Group with Mamacrowd, the leading Italian platform for equity crowdfunding investments. The fund is characterised as an “early stage” Venture Capital product that invests, by acquiring minority stakes, in innovative start-ups and SMEs based in Italy that already have a product or service on the market and are ready to scale up;
- Azimut Eltif - Venture Capital HIPstr, created from the partnership between Azimut Group and HighPost Capital LLC, a private equity company specialised in the consumer sector, based in Florida. The partnership gives product investors access to the exclusive relationship network of the founding families and their partners, the vast experience of the investment team that builds on a significant proprietary deal flow, and gives them access to exclusive investment opportunities;
- Azimut Eltif - Venture Capital Digitech Europe, a product that consolidates the collaboration established in 2019 between Azimut and Gellify. The sub-fund benefits from the technical advice provided by FNDX VC, an advisory and M&A company that advises VC and PE funds on selecting the best investment opportunities;
- Azimut Eltif - Private Equity Valsabbina, a sub-fund created with the objective of investing in financial instruments issued by small and medium-sized Italian companies operating in sectors such as: Information & Technology, Communication, Industrial Goods & Services, Healthcare, etc.

It is also noted that the Luxembourg-based Azimut Investments SA in May 2023 launched Azimut Private Debt Capital Solutions II – Eltif, a European long-term investment fund specialising in Private Debt investments, established through the partnership between Azimut and Muzinich and dedicated to Italian companies looking for flexible capital, with the aim of supporting their relaunch. The fund’s focus is on strategic sectors for the Italian economy that fall within the Italian government’s priority areas. Moreover, the fund is eligible as a qualified investment and intended to create long-term savings plans pursuant to Law no. 232 of 11 December 2016 ("State Budget for the financial year 2017 and Multi-Year Budget for the three-year period 2017-2019"), as amended from time to time.

The expansion of the product range with a focus on private markets also involved among others, also for 2023, the launch of new Luxembourg-based “reserved” alternative investment products, i.e. intended for professional customers or High Net Worth Individuals, such as:

- **Automobile Heritage Enhancement**, an innovative sub-fund of AZIMUT SCA-SICAV-RAIF for HNWI and UHNWI customers, the group’s first evergreen product related to the automotive sector. It qualifies as an Article 8 product under the SFDR. The investment strategy includes the purchase of certain automobiles to enhance the underlying cultural and technological heritage by organising events and exhibitions. As such, the product promotes the following key environmental and social characteristics: encouraging low-impact logistics to improve the sustainability of the supply chain; raising the visibility and awareness of Italy’s cultural heritage; preserving and restoring historic and/or unique cars; and preserving the employment of dedicated automotive craftsmen. The actions promoted by the sub-fund are linked to some Sustainable Development Goals (SDGs) of the United Nations, including “Responsible Consumption and Production”, “Climate Action”, “Decent Work” and “Economic Growth”.

- **Azimut Direct Investment LIFTT SCSp**, a product created from the collaboration with LIFTT S.p.A., a venture capital holding company, focused on the sustainable growth of the region that "transfers" technology from universities and research centres to companies, from the idea development stage to making an innovative product
- **AZ Raif II – Real Assets Roundshield,** a sub-fund of AZ RAIF II, resulting from the collaboration with RoundShield Partners LLP, a European investment company specialising in providing private capital in small and mid caps operating in the real estate, infrastructure, hard (tangible) assets and financial (liquid) assets sectors. The product employs Distressed Debt and Special Situations strategies, by investing in companies with the aim of restoring their financial and asset balance;
- **Azimut Hybrid Growth SCSp RAIF**, a product that adopts a hybrid strategy, combining the Group's expertise in both Public Markets and Private Markets, seeking out the best investment opportunities through a diversified portfolio of companies, leveraging equity strategies with a Growth and PIPE focus, which enable high quality companies with good growth prospects to be selected;
- **AZ RAIF II - Real Estate Italia**, a sub-fund of AZ RAIF II, which aims to invest in residential property redevelopment and resale projects in the main urban areas of central and northern Italy. Set up in July 2023, the sub-fund expands the product range resulting from the partnership with Mamacrowd. Mamacrowd supports Azimut Investments SA by scouting for possible investment opportunities. Investments are made mainly through special purpose vehicles incorporated in Italy;
- **IPO CLUB 2**: created, in June 2023, from the historic partnership between the Azimut Group and Electa Ventures, acting as deal structuring advisor to top European private equity funds and as sponsor of innovative investments. IPO CLUB 2 intends to continue its systematic mission of supporting excellent Italian medium-sized enterprises mainly through investments (i) CORNERSTONE IN PRE-BOOK: pre-IPO, through pre-booking companies or direct/virtual pre-booking to stimulate and support their stock market entry and development, preserving their Italian character; (ii) P.I.P.E. (Private Investments in Public Equity): to support the growth needs of listed companies in a structured manner, keeping them in domestic markets.

During 2023, also Azimut Capital Management continued to strengthen its presence in the alternative product segment by establishing 2 new Italian-based non-reserved closed-end funds (Azimut Private Debt Multistrategy 3 and Azimut Private Escalator 2).
Azimut Private Debt Multistrategy 3 is the fourth Private Debt fund launched and aims to achieve high returns by investing in complex asset classes. The investment strategy focuses on the European market and plans to allocate the fund's capital to performing and non-performing loans of Italian and European SMEs with maximum diversification in terms of strategies, managers and types of assets in the portfolio (ABS, funds of the Azimut Group and third-party funds).

After marketing the non-reserved closed-end fund Azimut Private Escalator, a strategic product for the company as it is highly innovative and not present on the market, the offer of Azimut Private Escalator 2 started in spring 2023. This is the second Italian-based alternative product to use the "Escalator" investment strategy, which makes an initial capital allocation based on liquid funds and bonds, progressively replaced by investments in private markets.

Some alternative investment funds are focused on below.

Azimut Libera Impresa: Fondo infrastrutture per la Crescita - ESG
"Infrastrutture per la crescita – ESG" Fund ("IPC Fund") is a reserved closed-end fund integrating ESG factors explicitly into traditional financial analysis supported by two external scientific advisors - **Tiresia - POLIMI (Polytechnic University of Milan)** and **HUMAN Foundation**.

IPC Fund promotes **environmental and social characteristics** in compliance with Article 8 of the SFDR and, accordingly, only makes investments that promote specific environmental and social characteristics either through direct investments2 in infrastructure or through indirect investments in target companies that develop and/or manage infrastructure.

IPC Fund began operations on 4 January 2021, the date from which it first started investing in line with the environmental and social characteristics promoted.
With the aim of aligning the Fund's investments with the ESG and social impact parameters and principles, as well as contributing to the achievement of the UN Sustainable Development Goals (SDGs), IPC Fund has structured an "ESG Investment Plan" drawn up with the support of the Fund's scientific advisors. In addition to being instrumental to the due diligence activity to identify investment opportunities, it is a reference point in defining the specific output and outcome KPIs, which are necessary to define, in the next management stage, the ESG and Incremental Sustainability Objectives for each of the Fund's investments.

With the support of the Scientific Advisors, the Fund's investment strategy includes constant monitoring of ESG performance both prior to investment and during the management period, with the support of technical advisors:

- "Ex ante" analysis: due diligence activities to verify the alignment of the investment compared to the:
    - Creation of a proprietary model for assessing potential investments against ESG principles;
    - Due diligence to analyse and verify non-financial sustainability;
    - Calculation of a sustainability score.
- Ongoing analysis:
    - Submission of objectives for approval by the Board of Directors of the AM and the Technical Committee and adoption by the Advisory Committee;
    - Development and identification of Sustainability Impact Targets for each fund achieving a minimum compatibility score;
- "Ex-post" analysis:
    - Communication of the data and information required to prepare the Impact Report to the appointed advisor;
    - Collection, verification and processing of technical and qualitative information for the processing of impact results.

For the purpose of pursuing its ESG strategy, the Fund is also supported by the Executive Committee of the Real Estate & Infrastructure Funds of Azimut Libera Impresa, appointed by the company's Board of Directors and responsible for implementing policies and strategies pertaining to the management of real estate and infrastructure alternative investment funds. In order to better support the BoD and the Executive Committee of the Real Estate and Infrastructure Funds in managing the sustainability aspects of the Fund, a Technical Committee has also been set up, whose members have significant experience in the field of sustainability as well as in-depth and specific expertise in their fields. The Technical Committee, composed of experts in the fields related to the Fund's Investment Asset Classes, plays a key role in the following activities:

- approval of the ESG Investment Plan, a useful tool to guide the Fund's investments
- approval of the plan of Objectives and Impact Results, i.e. the list of specific social and/or environmental objectives for each investment
- support in defining investment guidelines that are constantly updated in line with the changing needs of the population and the impact of Megatrends.

The Technical Committee is supported by the Scientific Advisors appointed by the Fund (Human Foundation and Tiresia - Polytechnic University of Milan), who collaborate with each other in order to ensure the process of integration of sustainability criteria in each phase of the Fund's life. In fact, the Technical Committee and the Scientific Advisors meet to define the sustainability objectives for each of the Fund's investments as early as the pre-investment phase. In addition, the Scientific Advisors monitor and analyse the Fund's performance with regard to achieving the ESG Objectives and, upon completing the investment phase, measure the impacts.

IPC Found specifically invests in the following asset classes: White & Silver Economy and well-being, Young Economy, Environment and Society, Housing. These asset classes reflect in more detail initiatives such as, by way of example: medical and hospital facilities, Silver Class Caring, rehabilitation centres, spas, schools and universities, training centres, laboratories, fibre, data centres, technology infrastructure, student accommodation, Senior Housing, short-term rental and hostels.

The Investment team has analysed more than 250 initiatives, defining an investment pipeline of about 1 billion euro, and at 31 December 2023, has approved investment transactions amounting to around 800 million euro (of which approximately 750 million euro already finalised with preliminary or final deeds of sale or binding agreements, including capital expenditure to be realised and approximately 50 million euro to be finalised by the first half of 2024). The transactions described above are divided as follows:

- approximately 310 million euro in the "Environment and Society" asset class
- approximately 251 million euro in the "White & Silver Economy and well-being" asset class
- approximately 159 million euro in the "Young Economy" asset class
- approximately 81 million euro in the "Housing" asset class.

Furthermore, confirming the growing commitment to ESG issues, the majority of investments in Azimut Libera Impresa funds apply an exclusion approach to companies operating in a "non-socially responsible" manner, including companies involved in activities that may entail significant environmental and social risks, in accordance with the ESG Policy adopted by the AM and the Fund regulations. In particular, IPC Fund does not invest in issuers whose share of turnover exceeds the following thresholds for each specific factor:

- Nuclear weapons: all the companies that derive 1.5% of their annual turnover from activities related to the production of nuclear weapons and related systems, components and services.
- Abortifacients: all the companies that derive 1.5% of their annual turnover from activities related to the production and marketing of substances that induce an abortion.
- Pornography: all the companies that derive 1.5% of their annual turnover from activities related to pornography.
- Tobacco: all the companies that derive 5% of their annual turnover from activities related to the production and marketing of tobacco.

AZIMUT ELTIF - "INFRASTRUCTURE & REAL ASSETS ESG"

Azimut Eltif – "Infrastructure and Real Asset ESG" ("'Eltif Infra ESG" or the "Sub-fund") is a sub-fund of Azimut Eltif European Long Term Investment Fund, set up and managed by Azimut Investments SA and with Azimut Libera Impresa as Investment Manager. In addition to maximising the net result for its investors by investing in innovative business ventures focused on building and/or operating crucial infrastructure, Eltif Infra ESG promotes environmental and social characteristics by funding innovative business ventures focused on the construction and/or operation of crucial infrastructure, being supported in its purpose by **Human Foundation** as its Scientific Advisor.

The Group's first ELTIF PIR compliant Sub-Fund is dedicated to retail customers and promotes **environmental and social characteristics** pursuant to Article 8 of the SFDR. Eltif Infra ESG - through direct investments in infrastructure and indirect investments in target companies that develop and/or operate infrastructure - mainly makes investments that promote specific environmental and social characteristics in Italy, in addition to contributing to smart, sustainable and inclusive growth and to EU energy, regional and cohesion policies.

In particular, it selects infrastructure projects aimed at improving the real economy and employment, energy and environmental transition, digitisation, accessibility of care services, including health services, support for education, teaching, and the development of residential projects with social impact, altogether generating measurable and favourable social and/or environmental impact. Therefore, the main drivers of the Sub-Fund's investment strategy are the specific criteria set out in the Sub-Fund's investment policy and the ESG principles called "sustainability indicators", as well as the objectives SDGs (Sustainable Developments Goals), defined by the ESG Investment Plan of the fund.
In accordance with the ESG Investment Plan, the Sub-Fund assesses the suitability of each investment through:

- the definition of an investment selection process; and
- the establishment of an internal "Technical Committee" within the Investment Manager to support the Investment Manager in assessing the sustainability profile of each sub-fund's investments, approve/reject proposed investments and verify their compliance with the ESG Investment Plan.

The investment selection process consists of several stages. First, the sub-fund excludes investments in:

- companies listed on stock exchanges with the objective of engaging in hostile transactions;
- companies that do not respect human rights or that produce, distribute or are involved in:
    - tobacco;
    - pornographic material;
    - armaments (including parts exclusively intended for them);
    - electronic solutions or programmes specifically designed for illegal purposes;
    - gambling; and
- companies based in a Member State with a high-risk, non-cooperative jurisdiction identified by the financial task force.

Subsequently, the sub-fund, through the contribution of the Scientific Advisor, performs ex-ante ESG sustainability due diligence to establish the adequacy of the target investment to the environmental, social and governance characteristics of the Sub-Fund, as defined in the ESG Investment Plan. The results of the due diligence activities are then submitted to the Technical Committee, which approves the indicators that will be used to monitor the Sub-Fund's annual investment performance until the end of the investment period. In fact, Azimut Libera Impresa identifies, for each investment and with the support of the Scientific Advisor, one or more impact objectives, linked to the characteristics of each investment, and then, through the Scientific Advisor, monitors the achievement of the objectives of each investment and reports the results in an annual report that is submitted to the Technical Committee.

The Sub-fund started its operations in the fourth quarter of 2022, from which time it began scouting for ESG-compliant investments in the following asset classes: White & Silver Economy and well-being, Young Economy, the Environment and Society, Co-living.
Four investment transactions were completed, or are in the process of being completed, or approved by the AM's decision-making bodies at 31 December 2023, for a total value of approximately 44 million euro, included in the Environment and Society asset class.

Individual portfolio management

During the year, Azimut Capital Management's portfolio management range was expanded by making available - within the Azimut Discretionary and Azimut Exclusive multi-line contracts – some new investment lines that are particularly innovative with respect to market trends. The new lines, under discretionary management by the Luxembourg-based Azimut Investments SA, are summarised below:

- in March, the Capitale Protetto 100 line started with an investment strategy focused on capital protection and the Selection ASIA formerly Japan Equity, Selection ASIA formerly Japan Bond and Selection LATAM Equity lines respectively focused on Asian bond and equity markets, excluding Japan, and Latin American equity markets;
- again in March, the line Selection Plus Global Healthcare was launched, global equity management with a focus on people's health that invests in companies that contribute to the development/creation and maintenance of the whole industry related to people's health;
- finally, during October, a line called Economia Reale was introduced, which added to the Asset Management platform an important piece focused on the real economy, capitalising on the experience of the Azimut Group gained in these years. At the same time, the line Capital Enhanced was started, which features an investment philosophy aimed at building a short-term portfolio through Group UCITS alongside monetary and bond financial instruments.

Lastly, in order to respond to customers interested in investing with predefined investment time horizons and estimated cumulative expected returns, a new management mandate called "Formula" was implemented, which involves subscribing to an additional service aimed at automatically distributing - at the end of the timescale of the line chosen - any return on the same.

5.2 Customer satisfaction

Efforts are all for customers, in terms of both management (performance, innovation and product range) and consultancies (long-term tailor-made support by experienced professionals).

Customers' growth and loyalty are the Group's common goals, at all levels. Customer satisfaction is monitored above all by analysing data (investments/divestments) for each customer, by number and type of complaint.

In 2023, complaints from Italian customers (the main group in quantitative terms) totalled 68 (70 in 2022), accounting for 0.32% of the total number of customers, a slight decrease from 2022 (0.33%)

In addition to the Italian companies, other Group companies have policies and procedures in place for handling complaints, ensuring clear, proactive and fair handling of the complaint and response, through appropriate channels for receiving complaints, for example website or e-mail addresses, in compliance with local regulations. Specifically, the Irish-based Azimut Life recorded 9 complaints received during 2023, while the companies of Azimut Switzerland recorded a total of 3 complaints. In all these cases, complaints were handled through specific procedures, in particular, the Irish company handles complaints by relying on the Legal & Compliance Function, which has developed a system to track and record the main data related to complaints, including the reasons and responses received.

Azimut Capital Management, the Group's Italian company focused on management and distribution, checked the customers' degree of satisfaction through a specific questionnaire. According to this project, called "Customer Satisfaction", an area manager, in collaboration with a reference advisor, submits to a sample of customers a questionnaire aiming to measure their degree of satisfaction and identify any non-compliant behaviour. In 2023, the questionnaire was sent to a sample of customers in the various commercial areas. Replies totalled 1,030. **53.2%** of respondents declared to be "**extremely satisfied**" with the service provided by Azimut; followed by 42% of the sample stating to be "satisfied"; while only 4.8% were "fairly satisfied" and none of the respondents declared they were “not very satisfied”.

Some of the foreign companies, while not having implemented formal satisfaction surveys, collect continuous feedback from their customers.

5.3 Responsible marketing and transparent communication

In addition to ensuring customer satisfaction, which is monitored also by analysing data by individual customer, number and type of complaints, Azimut is committed to offering a transparent, clear and comprehensive communication model aimed at facilitating customers’ decisions by informing them about its products and services and the conditions applied to them. The Group strictly adheres to sector legislation on information and promotional communications and, during the three-year period, did not receive any objection from the supervisory body.

Transparent communication to the public and customers, beyond legal obligations, is an essential element when developing long-term successful customer relationships.

In 2023, there were no cases of non-compliance in the area of product information, labelling and marketing.

To ensure transparent information to customers, every month, financial advisors receive a series of information sheets about each product managed by the Group which describe the performance, the portfolio and volatility. The financial advisors use these sheets to assist customers and ensure that they can make informed choices. Customers receive product information through financial advisors.

Furthermore, coinciding with the entry into force of Delegated Regulation (EU) 2021/1253 EC, which required financial intermediaries to adapt their distribution processes by gathering their customers' sustainability preferences, the Financial Statement of Azimut Capital Management, the Group's Italian company focused on management and distribution was updated, to take their interest in specific sustainability issues into account. In particular, during 2022, a new “ESG” section has been introduced in which a number of questions are formulated to investigate, for each customer, the level of knowledge about sustainable investments, the level of interest in ESG products and instruments (understood as the portion of the portfolio to be invested in products and instruments that promote or invest in sustainable areas) and, finally, any ESG characteristics of major interest to the customer. It should also be noted that during the first quarter of 2024, the Financial Statement of Azimut Capital Management is the subject of a new update to further investigate each customer’s interest in different categories of ESG financial instruments such as (i) instruments that consider the PAIs[11] (ii) instruments with a minimum percentage in sustainable investments[12] (pursuant to Article 2 (17) SFDR) (iii) instruments with a minimum percentage in Eco-sustainable investments[13] aligned with the Taxonomy (Taxonomy Reg. 852/20).

In addition, the corporate websites of the various Group companies provide all information for current and prospective customers. The latter can also access a secure area of the website which

[11] The PAIs (Principal Adverse Impacts) are indicators that aim to represent the extent to which investment decisions lead to negative impacts on sustainability factors. These indicators include aspects related to climate and the environment (e.g. greenhouse gas emissions, ratio of hazardous waste to radioactive waste) as well as human rights and anti-corruption issues (e.g. gender pay gap, exposure to controversial weapons)

[12] Sustainable Investments are defined in Article 2 (17) SFDR, investment in an economic activity that contributes to an environmental objective, measured, for example, by key resource efficiency indicators relating to energy use, use of renewable energy, use of raw materials and water resources and land use, waste production, greenhouse gas emissions as well as impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment which contributes to fighting against inequality, or which promotes social cohesion, social inclusion and industrial relations, or an investment in human capital or economically or socially disadvantaged communities provided that such investment does not significantly harm any of these objectives and that the enterprises benefiting from such investment comply with good governance practices, in particular regarding sound management structures, employee relations, staff remuneration and compliance with tax obligations

13 Eco-Sustainable Investments are investments that contribute substantially to one or more environmental objectives, pursuant to Regulation (EU) 2020/852 (Taxonomy regulation).

may provide information about their personal position.

In particular, in 2023, the Irish-based Azimut Investment Ltd launched its website (www.azimutinvestments.ie) through which information on the different products can be found, including marketing material: investors can download the specific fact sheet for each UCITS in the document area, as well as view a detailed breakdown of the relevant portfolio.

In 2022, the Luxembourg-based Azimut Investment SA confirmed and further developed the website of the platform (www.azimutinvestments.com) thus improving transparency on Azimut products, in particular concerning:

- Sustainability: all the mandatory information and disclosures required by the SFDR and the EU Taxonomy Regulation have been added or expanded, particularly with regard to the new sustainability reporting required for the SFDR, including pre-contractual and periodic Regulatory Technical Standards (RTS);
- Engagement: a dedicated webpage provides full transparency on the full spectrum of voting activities carried out by Azimut Investments (with the support of ISS) on behalf of the managed UCITS;
- Product material: investors can now download the specific product sheet for each UCITS within the document area, as well as view a detailed breakdown of the relevant portfolio.

Some Group companies are also present on social media through official channels (e.g. Linkedin, Twitter, Instagram etc.) and use daily e-mails and publish monthly reports to keep their customers up to date.

In 2021, Azimut Investments (together with Azimut Capital Management) developed a new project called "Beewise" aiming to provide an innovative channel to handle customer information on investment products and opportunities via a new dedicated website and a purpose-made app launched in 2022 and in a continuous implementation phase for 2023. This app is aimed in particular at young investors/millennials, thus allowing the Azimut Group to serve market segments not yet covered such as super retail or low affluent. The project provides customers with information on investment opportunities by using DLT/blockchain technology and gives investors the tools to interpret the information they receive every day from the business/financial world and to help them make informed choices. This app is the first service of this kind provided by Azimut.

6. Our people

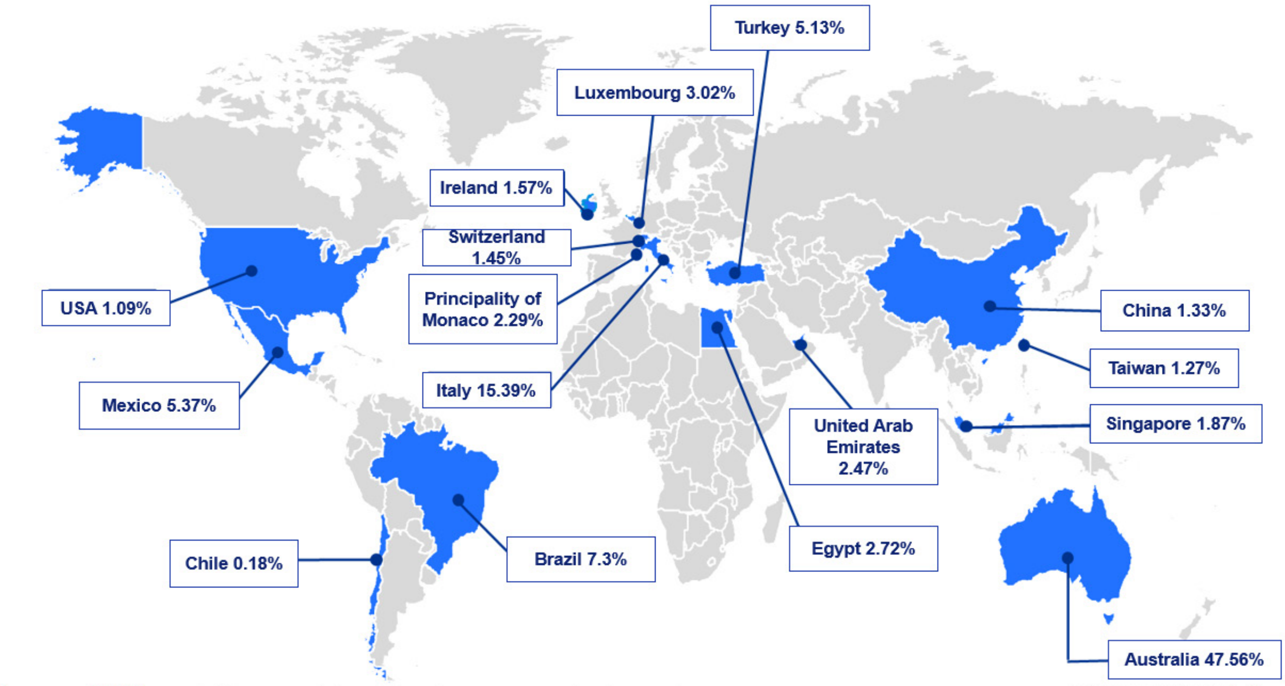
Azimut places humans at the heart of its system. Regardless of their level, the Group companies' employees are carefully assisted throughout their career path.
In its Code of Ethics, Azimut identifies the commitments and responsibilities in business conduct and corporate activities and the values, principles and lines of conduct to be followed by the Group's employees and collaborators. Furthermore, its Sustainability Policy refers to the values of fairness, transparency, freedom, loyalty and trust as the pillar of the relationship between the Group's people. The Group's commitment to fostering an inclusive corporate culture, promoting diversity and ensuring respect for workers' rights and human rights is ensured. In particular, within its Policy, the Group is committed to ensuring diversity and inclusion, fair and favourable working conditions, freedom of association and collective bargaining, combating child and forced labour, worker health and safety, human capital development, fair remuneration and employee data privacy and security. In accordance with these principles, the individual Group companies regulate the work of their employees and collaborators with further procedures and manuals. For example, during 2023, AZ Swiss & Partners Sa updated its personnel policy, released in 2022, with a specific focus on remuneration packages. In December 2023, the Australian-based AZNGA updated the document "Human Resources Policy And Procedure Manual", which governs relations between employees, customers and management, regulating various social issues such as diversity and equal opportunities, protection of human rights, health and safety.

At 31/12/2023, there were a total of 1,657 employees in the Group, for the scope considered. The figure is up from the previous year (1,447 in 2022)[14]. This figure includes financial advisors with a relationship of employment in the country in which they operate, but does not include 1,913 financial advisors operating in Italy, who are not Group employees.

a. Human capital management and development

1,657 employees
+14.5% compared to 2022

While there is still a significant proportion of employees in Italy, where the Group has been operating for more than thirty years, and in Europe, where the presence in some countries such as Luxembourg and Ireland has spanned more than fifteen years, the greatest growth concerns employees in other continents. The figure is a direct consequence of the company's internationalisation effort. The breakdown of the number of collaborators is affected by the different placement systems and asset management services in the various geographical areas. In Italy, placement is the responsibility of personnel other than employees, i.e., authorised off-premises financial advisors. In other countries, however, placement is carried out by employees. This explains, for example, the high number of employees in Australia (788). This figure includes both the employees holding management/administrative/organisational roles, and those acting as advisors and focused on customer relationships.



Most employees **(96%)** have an open-ended contract

Most employees (96%) have an open-ended contract, confirming the stability of the Group's structure. Only 1.8% of employees have fixed-term contracts and only 2.2% are employees with non-guaranteed hours. In addition, about 89% of employees have full-time contracts while 11% are employed on a part-time basis. This type of contract is mainly used by female employees (about 82% of part-time employees

[14] Please note that the total number of employees of the Azimut Group does not include the Australian-based TWD and Catalina, as personnel data were not yet available as the company was in the onboarding phase. In addition, the data of Katarsis Capital Advisors (Switzerland) were not included, given the company's small size in terms of staff and turnover.

are women). During 2023, the Group employed 150 non-employees, who perform tasks for the company but do not maintain an employment relationship with it, mainly in the category of interns (35%) and freelancers and contractors (60%). This figure is slightly up compared to 2022 as it amounted to 115 workers.

With regard to professional category, it appears that around 29% of employees belong to the top and middle management categories, slightly down compared to 2022 (31%). The percentage of women in middle management in 2023 was 30%, in line with the figures recorded in 2022 and 2021. The breakdown of employees by age bracket shows a balance between growth prospects, consolidated experience and expected generational turnover. Most employees (57%) are in the 30-50 age group, 18% of employees are under 30 and 24% are over 50. These figures, in line with the previous year of reporting, reflect both the Group's gradual transition towards an increasingly young company (in 2022, 15.5% was under 30); and the valorisation of experience.

Turnover

The possibility for all the Group's workers (employees and advisors) to participate in the management of the Holding, of which most of them are shareholders pursuant to the Shareholders' Agreement, is the first and main loyalty element. The relevant data is updated periodically and the last update is dated December 2023 This peculiarity is fundamental in driving stability.
Once the employment relationship has been consolidated, Azimut's policy promotes long-term relationships which result in average corporate seniority of about 10 years. This figure refers to Italian companies of the Group, since the entry of foreign companies is too recent to consider the figure significant. This is an impressive figure considering that Azimut grew significantly, especially since the Parent Company's flotation in 2004. A further relevant element for the stability of personnel and management is the presence at the Group's top management of the founders.
The stability of the contractual relationships confirms the employees' satisfaction with the work environment and the remuneration system. Internal career is also a decisive factor in personnel retention. Indeed, some top positions in the Group have been selected among the Group's personnel. Employees' loyalty and satisfaction are the responsibility of the Human Resources department, which also uses tools, such as training, private health insurance for top and middle managers and agreements with external bodies to the benefit of all employees such as applying reduced rates to use public means of transport in Milan.

The turnover in incoming employees accounts for approximately 22%. With respect to the gender composition of incoming employees, at year end, 46% of new employees are women. This figure is in line with the previous year. In 2023, the turnover in outgoing employees is around 11%, recording a significant decrease.

22% turnover in incoming employees
11% turnover in outgoing employees

Young people are selected to join the Group, among other things, in cooperation with top Italian and international universities, offering internship opportunities to both students and recent graduates. Azimut organised training projects, seminars, open days and recruiting days in cooperation with the Catholic University of the Sacred Heart, University of Bologna, Marche Polytechnic University, Bocconi University and University of Modena and Reggio Emilia.

Trainees are present in different corporate areas and are one of the recruitment bases of new employees, when necessary. At year end, the Group had 53 trainees (17 women and 36 men), slightly higher than in 2022. Internships were carried out in the following countries: Brazil, Egypt, Italy, Luxembourg and the United States. Group companies also collaborate with "Alternanza Scuola-Lavoro" work-study initiatives, to the extent of compatible studies.

Employees are key to the success of the Azimut Group and great attention is paid to the entire career lifecycle, from the selection process to onboarding, up to career development, in order to ensure a positive experience for collaborators.

Resources are carefully selected according to procedures that ensure that the choice is made based on business needs and technical and aptitude suitability. The process takes place in a transparent manner and in compliance with the: specific professionalism in relation to the post or tasks, equal treatment, economic conditions consistent with the position held/responsibilities assigned and reliability.

It adopted a protocol to define roles, operating responsibilities, standards of behaviour and control that Azimut Holding intends to respect, in relation to various activities of the "Personnel selection, hiring and management" risk area, in compliance with ruling legislation and the principles of transparency, objectivity and truthfulness of the information and to prevent, when performing said activities, the following types of crimes: corruption, undue induction to give or promise benefits, bribery among private individuals, fraud.
A further element confirming the Group's stability is its ability to manage company crises and reorganisations in such a way as to guarantee that employees are treated fairly and respectfully, ensuring that they can continue their work and professional development through the provision of placement and retraining tools for the personnel concerned.

Employee development

Training

All employees, regardless of their level, participate in training courses concerning regulations with their developments as well as refresher courses with respect to the certifications held. In addition to compulsory training, several Group companies organise training courses to facilitate the acquisition of specific technical skills depending on the job. Some companies also provide training on the job, so that employees can familiarise themselves with the working environment of which they become a part, acquiring the necessary skills for the different professions. Within the working environment, developing experiential training is always encouraged. This takes place through a regular and continuous exchange between colleagues, managers, consultants and customers, for example through online media such as webinars. In addition, induction training is provided for newly-hired employees. Azimut manages the development plans of the employees of all the countries in which it is based in order to consistently develop projects for its employees.

Approximately
9,163 hours
training hours provided

In 2023, a total of approximately 9,163 training hours were provided. The training involved 741 employees, belonging to all company levels, which correspond to approximately 45% of the total personnel. During the reporting period, the average hours of training per employee category amounted to 11 for top management, 10 for middle management and 4 for staff (an average of 6 hours of training per employee).

Specifically, in 2023, 648 hours focused on occupational health and safety, 3,918 hours on soft skills (including language courses), 845 hours on privacy protection, 642 hours on anti-corruption/respecting human rights and 3,110 hours on other types of training, including anti-money laundering, code of ethics, ESG issues and other mandatory activities. With particular reference to ESG issues, during 2023 the employees were actively involved in sustainability training, which was also an opportunity to strengthen their sense of belonging to the company and team building. In addition, several managers of both Italian and Luxembourg companies have completed ESG certifications, including CESGA and CFA ESG.

Worth mentioning, finally, is the "Green Cup" initiative, created by Up2You and held in 2023, which aims to involve and educate employees on sustainability issues through a large topic-based competition in which teams from different companies compete with sustainable quizzes and missions. Azimut took part in the competition through the participation of 10 employees, saving

2,996.2 kg of CO_2eq.

Again via the start-up Up2You, during 2022 Italian employees participated in the branded initiative called PlaNet Azimut, accessed by employees of Italian companies where, divided into teams, they were involved in performing virtuous actions on the topic of sustainability. In addition, at the level of individual companies, please note that in 2023, the Italian-based Azimut Direct provided 156 hours of training dedicated to the talent development programme for employees under 30.

The Azimut Group makes a constant effort to update its training plan. In 2023, some Group companies introduced new topics in their training courses, for example AZ Swiss & Partners Sa, which planned its annual training programme in line with the new Federal Financial Services Act (FinSA). In 2023, the training plans developed for Italian companies continued to be delivered through the IT LMS (learning management system) platform, Azimut Academy, to manage training and development plans. In addition, training courses delivered in 2023 included topics such as: Market Abuse, Conflict of Interest, AML/CTF and Cyber Security.

In 2023, the Chilean-based AZ Andes Spa provided training courses with reference to the regulatory certifications that employees are required to obtain pursuant to the law. Furthermore, also for 2023, the Australian-based AZ NGA provided the Future Leaders Program training project, launched in 2021, to develop future leaders, as well as set up numerous programmes that support staff development within the company.

Assessment system

In order to confirm the importance of employees for Azimut , the Group intends to implement a performance assessment system to monitor performance and gather continuous ideas for improvement, while identifying training needs for future development.
In most countries, the performance assessment system is structured, with one or more formal meetings with managers to discuss performance vs. expectations and the goals of each role.
During the year, 62%[15] of Group employees were assessed using a structured performance assessment system, in line with the previous year. The aim of the assessment programme is to involve resources and encourage formal, half-yearly or annual discussions. Based on the objectives achieved, sometimes an incentive plan was also introduced which comprised, in part, variable remuneration linked to individual qualitative and quantitative performance.
The performance assessment process and performance review is implemented in various Group Companies. For example, AZ Investment Management Singapore Ltd developed mentoring, job rotation and stretch assignments programmes to support employees in developing new skills and knowledge and to better prepare them for future leadership roles. During 2023, employees of the US-based AZ AACP had an annual performance review with their manager and were sent self-assessment questionnaires.

b. Financial advisors' training and network management

Authorised off-premises financial advisors, who account for most of the Group's placement activities, are typical of Italy's financial market. Of the 1,913[16] financial advisors of the Azimut Group, 96% work in Italy. They must pass an exam to enter on a Register managed and monitored by a specific Public Body (Supervisory Body which holds the Single Register of Financial Advisors),

[15] The companies of the Azimut Group introduced a performance assessment system concerning the following countries: Australia, Brazil, Chile, Hong Kong, Ireland (excluding Azimut Investments Limited), Italy (excluding Azimut Wealthype, AZimut Excellence, AZimut Enterprise), Mexico (excluding Kaan Capital Asesores Independientes SAPI de CV), Switzerland, Taiwan, USA AACP.

[16] For the purposes of this document, financial advisors include people who carry out financial advisor activities and are linked to the Group by an agency contract (i.e., they do not have an employment relationship with the Group companies).

are subject to very stringent rules of conduct and the breach of said rules of conduct is punished with different types of penalties, up to the removal from the Register and, consequently, disqualification. In the other countries where the Group operates, financial advisors are governed by different regulations and the employment relationships with the companies managing and providing investment services are different.

1,837 financial advisors in Italy

In Italy, Azimut's 1,837 financial advisors have an agency contract with Azimut Capital Management for asset management advisory and placement and with Azimut Financial Insurance Spa for insurance products advisory and placement. Also Azimut Global Advisory operates as part of Azimut Capital Management, a structure dedicated to a new business model and the improvement of the Group's Consulenza Evoluta platform. Although having to work exclusively for the Azimut, these financial advisors are not employees. In Italy, financial advisors are grouped into local areas coordinated by a manager (Managing Director) and several area managers, assisted by various team managers. All these coordination levels have an agency relationship with Azimut Capital Management and their remuneration is based on fees. Managing directors report directly to the commercial department with which they meet every week to plan and monitor the main results achieved and comment on any feedback from customers and the degree of achievement of corporate targets.

In addition to the financial advisors operating in Italy, another 76 advisors operate in countries where financial advisors are not direct employees of the company (and, therefore, are not included in the number of the employees). The 1,837 Italian financial advisors include approximately 386 resources who make up the Wealth Management division, i.e., professionals specialised in dealing with high-end customers. The sales department consists of 6 Managing Directors, 8 Area Managers, 22 RWMs and 36 Team Managers.
In Azimut about 21% of the financial advisors are women (in line with the figure for 2022). The figure is broadly in line with the national figure and a stabilisation of the number of women can be seen in recent years.
At the end of 2022, authorised off-premises financial advisors, entered on the Register managed by the specific Supervisory Body in Italy, total 51,575, of which 34,683 are active. According to information provided on the website of the Supervisory Body, in 2022 women represent about 22% of those registered to make off-premises offers.[17]
The quality of financial advisors' work results from objective and numerical figures, such as the average amount of assets under management assigned to the company, via the same, the stability of the relationship which reflects the level of customer satisfaction and the compliance of work with internal rules and policies. In Azimut, the broad shareholder base and the provisions of the Shareholders' Agreement create additional stability among financial advisors, generating major advantages for the Group and customers. Also the Group companies, with reference to their network of financial advisors, measure the quality of work in line with the parent company's general policies, through the Assets under Management. Financial advisors' loyalty policies not only provide for the participation and avoidance of commercial pressure as per the above corporate structure, but also focus on creating a positive environment which promotes economic and professional satisfaction.
Annually, thanks to the survey carried out by Finer Finance Explorer, addressed to both financial advisors and Private Bankers (in Azimut, they are represented by the Wealth Management segment) of all the major companies and private banks operating in the sector in Italy, important information is gathered on the level of satisfaction of the principal company, which is useful to allow action to be taken to resolve any critical issues.

Turnover

Azimut attracts and develops talents through the many projects focused on young advisors it

[17] Source: Annual Report of the Supervisory Board and Single Register of financial advisors available.
publicly at the following link: https://www.bluerating.com/wp-content/uploads/2023/06/Relazione-annuale-OCF-2022.pdf

implements over time.
In 2017 Azimut had conducted a three-year project for young advisors with a high potential and during 2023, it further enhanced the project by expanding the offer for the personal and professional development of young counsellors through the “Azimut NEOS Talent Program”. The new program is aimed almost exclusively at “talented” young people who want to start a career in Azimut Capital Management’s network of financial advisors and, thanks to this path, have the possibility of also undertaking development courses abroad at one of the group’s companies. The program focuses on training new professionals with dedicated technical and commercial training paths, using rewarding systems and a pre-defined career path.
In 2023, the incoming turnover of financial advisors is around 6% (in line with 2022), while the outgoing turnover is approximately 7% (again in line with the previous year). The broad shareholder base and the provisions of the Shareholders’ Agreement create stability among the financial advisors network.
The inclusion of new resources confirms the increase in women as a percentage of the total number of advisors. Indeed, in 2023, women accounted for about 21% of incoming advisors, despite it being a sector and industry is historically male-oriented.

Development of financial advisors
In Azimut, training has always been considered a fundamental driver for development which enables financial advisors to obtain and develop the skills necessary to meet the many and complex needs of customers in a context where assets, as a whole, are the object of the consultancy. Therefore, great attention is paid to the design of new specific training paths according to the characteristics of the financial advisors and the new requests from the market and the context in which they operate. The structure dedicated to providing support to maintain and develop skills annually provides advisors with numerous training courses on technical/commercial/relational and ESG issues in addition to compulsory training.
In particular, following the definition of the action plan (better described in Chapter 8 - “Environmental impact management”), approved by the Board of Directors of Azimut Capital Management, the Sustainability Committee provides a training programme for the BoD and the Board of Statutory Auditors on ESG issues, with a specific focus on climate and environmental risks. Also with regard to the action plan, the Compliance function participates in the preparation, to support the competent corporate structures, of training courses on ESG issues, aimed at developing common skills on the subject, addressed to employees and financial advisors.

During 2023, a total of 94,546 training hours were provided. In 2023, almost all training took place remotely through the Azimut Academy LMS platform. The courses provided were divided into 2 macro-categories: hard skills and soft skills. Hard skills courses were created and made available in accordance with applicable regulations (Consob, IVASS and OAM). This type includes all the courses of a technical nature (regulations, products, macro-scenario, pension, insurance, tax). Five specialisation courses were also held (focusing on Asset Protection, Corporate, Private Assets, Key Clients and Corporate Fintech Consultant) in which specific network clusters were involved. Azimut also offered its interested financial advisors the opportunity to attend a course in partnership with one of Italy’s most prestigious universities, to obtain the ESG EFPA certification. In accordance with Consob's intermediary regulations, all advisors conducted an assessment to gauge the level of technical knowledge.

With regard to the topic of soft skills, the courses focused on topics such as remote communication, emotional customer management, use of social networks, linguistic intelligence and personal branding.
In order to support the professional development of financial advisors and given the benefits obtained in previous years, six training courses for the personal and professional development of their advisors were continued:

- As mentioned above, Azimut Neos Talent Program for talented young people entering this profession,
- “Boost Project”: to those who have not yet achieved the growth targets for the managed portfolios

- ESG certification exam preparation course
- “Corporate fintech consultant” training course
- Asset Protection Specialisation
- Corporate Specialisation
- Private Assets Specialisation
- Key Clients Specialisation

In Italy, financial advisors’ performance is monitored using quantitative-qualitative parameters. Specifically, the acquisition of new customers is monitored as well as inflows as an indicator of customers’ confidence, the stability of customers and several indicators used to produce a profile on the behaviour of the financial advisor.
The latter is subsequently monitored using specific irregularity indicators developed by Assoreti trade association. In the event of doubts about the behaviour of a financial advisor, the Sales department reports the fact to the Internal Audit function which acts in order to guarantee utmost fairness, moral integrity and compliance with the applicable laws and internal and external provisions in force.
The entire process is designed and implemented using also a risk-based approach which, on the one hand, identifies the main risks inherent in financial advisors’ operations as part of the definition of controls and the tools and methodologies to be used, and, on the other, focuses control activities on the issues and the parties who are potentially most at risk, including from a reputational viewpoint, for Azimut Group companies. Specifically, controls are performed through the following activities: definition of financial advisors’ risk profiles, on-site inspections, analysis of irregularity indicators; and analysis of customers’ claims.
Azimut’s financial advisors’ good reputation is confirmed by the very low number of complaints. The Internal Audit department regularly checks financial advisors’ operations and behaviour and systematically plans visits to the offices.
Finally, it is worth mentioning that the Azimut Group companies in Taiwan carried out performance reviews for the financial advisors on a quarterly basis, where performance at work is discussed. During the review, the company’s objective and value, career planning/expectations and attitude/leadership at work are also discussed.
Two company strategy meetings (mid-year and end-of-year) are also planned for all advisors, where objectives and how they will be achieved by the entire team will be expressed and discussed.

c. Diversity and inclusion and respect for human rights

As part of its sustainability policy, the Azimut Group is committed to ensuring working conditions that respect the dignity of the individual, human rights and equal opportunities.

45% of women accounting for total employees

Furthermore, the Group does not allow any discrimination based on ethnicity, gender identity, sexual orientation, religion, age, physical appearance, health, disability, health condition, trade union activity, political orientation, family and marital status, citizenship, social background, or any other form of discrimination contrary to the law, and rejects any attitude that may give rise to physical, sexual, psychological, verbal harassment or violence of any other kind. The Group guarantees equal opportunities in all the business processes, including personnel management, selection, training, professional development of human resources and the definition of remuneration and welfare systems. These principles are subsequently implemented by individual Group companies in their own codes of conduct and personnel management procedures or, in some cases, by defining specific policies, always in line with local regulations.

In 2023, with respect to the breakdown by professional level and gender, women account for 45% thereof. A substantial balance in the number of employees is achieved in staff positions.
In 2023, the Group had 5 employees belonging to protected categories (employees with disabilities)

in the Italian companies and in a Turkish company of the Group.
As of September 2020, AZ Investment Management Singapore has joined the Tripartite Alliance for Fair and Progressive Employment, a Singapore-based agency that promotes fair and responsible employment practices, confirming the Group's international commitment to inclusion.
Azimut Group companies apply Remuneration Policies in line with the legislation in force in the countries in which the Group operates. These Policies share the values, principles and benchmarks that drove the Group’s development, and that will continue to guide its mission with the aim of ongoing growth: integrity, balance, meritocracy and value generation. The application of these values by the Group companies is a key element to best meet the needs of all Azimut’s internal and external stakeholders.
The Remuneration Policy first and foremost motivates, encourages and rewards those who, for several reasons, profitably share their experience and skills with the Group, thus directly participating in its development. Meanwhile, an adequate and balanced remuneration structure is a necessary part of the complex governance structure: a fundamental role for all those who see the Group as a landmark in ensuring the quality of the wide range of services currently available, based on an interpretation that revolves around customer safeguard, satisfaction and protection, and increasingly more dedicated to insourcing.
In a highly competitive scenario, such as that of the investment industry, the Remuneration Policy is clearly a factor of interest which attracts the best skills. Therefore, it is carefully considered also from this point of view.
With reference to the remuneration of employees, the ratio of the basic salary of female employees to that of male employees was calculated for the different job categories, as well as the ratio of total remuneration (which also takes into account variable components). In addition, in 2023 (as well as in 2022), the annual total remuneration ratio was reported, as a possible indicator of situations of equal/unequal pay within the Group. This indicator takes into account the ratio between the total annual remuneration of the highest paid person (e.g. CEO) and the average total annual remuneration of all the employees (excluding the above-mentioned person), which in 2023 is approximately 6% (8% in 2022).
The data is shown in the tables on page 123, within the section “Data regarding the people of the Azimut Group”.
The Remuneration and Incentive Policy of Azimut Holding was carried out within which the remuneration system for the governing bodies, managing directors, key managers and members of the Board of Statutory Auditors is regulated. Azimut’s remuneration system is defined consistently with corporate objectives and values, long-term strategies and risk management policies. Specifically, the remuneration structure consists of a fixed component, representing long-term objectives and ensuring continuity of business, and a variable component, linked to certain short- and medium-/long-term objectives and whose weighting is benchmarked against risk-adjusted performance indicators. The latter component, in particular, is proportionally linked to achieving certain objectives related to both quantitative and qualitative parameters, as well as of an economic and different nature.
The annual variable component of the remuneration of the Delegated Directors includes, within the quality targets, also a component linked to strategic and ESG objectives, i.e. objectives linked to sustainability, meaning the capacity to generate and maintain value for all stakeholders in the medium-/long-term.

d. Health, safety and well-being of the Group's people

The Group complies with legal obligations about health and safety in the various countries in which it operates. In Italy, in relation to the risk area “Fulfilment of occupational health and safety obligations” an in-house management system has always been in place, through a dedicated service, led by a qualified expert and supported by equally-qualified internal parties. The system aims to define roles, operational responsibilities, principles of behaviour and control as well as training programmes for all employees, which Azimut follows, in

648 hours of training on health and safety issues

compliance with the regulations in force provided for by Legislative Decree 81/2008 with the further support of 231 Model and under the control and supervision of the Control Body, as provided for by Legislative Decree 231/2001.
For example, in Ireland, the Company has implemented a health and safety management system, which is based on policies and procedures defined in accordance with local legislation, including the appointment of a workers' safety representative. The representative participates in the process of identifying and preventing occupational health and safety risks
With respect to training, employees participate in training courses on occupational safety. In 2023, 648 hours of training were provided on these topics, slightly up from 2022 (581), involving employees of the various Group companies.
In the various Group companies, the plans to promote employees' health, which include, for example, supplementary health insurance, free check-ups and information in a nutshell aimed at increasing their well-being, confirm Azimut's attention to its employees and collaborators.
During 2023, there was one non-serious incident at work in Italy and two non-serious commuting incidents in Switzerland (the transport had not been organised by the Group).
The figure is in line with that in 2022 (2), confirming the usefulness of the Group's health and safety policies and reflecting the continued commitment and focus on these issues. The rate of work-related injuries is 0.07, up to 0.2 including commuting accidents[18]. At Group level, there were no occupational diseases or fatal accidents in the 2021-2023 three-year period.
The Group's absentee rate[19] is around 1.9% (2.1% for women and 1.7% for men), slightly up compared to 2022.

7. OUR COMMITMENT TO THE COMMUNITY

7.1 Development of local communities

Azimut has created a work group dedicated to Corporate Social Responsibility (CSR), called "Azione – Azimut per la Comunità", aimed at promoting culture and responsibility in full compliance with the Charter of Values of Azimut Holding.

The work group "Azione – Azimut per la Comunità" is the result of the Group's need and desire to channel the social responsibility activities of an ever-increasing number of employees and consultants. It will take the form of a professional and personal commitment on the part of the Group's stakeholders, in an organised, structured and shared project. The CSR work group functions as a single team and is committed to constantly drawing attention to sustainability and the implementation of social responsibility initiatives that benefit the community and the country. It was established with full respect for gender equality and with an awareness of the importance of diversity values of inclusion and diversity.

The CSR project aims to create an ecosystem of values, which are contagious and unrelenting, where Azimut serves as the link between individuals, businesses, associations, local communities, universities and schools of all levels.

Specifically, the approach of the Work Group "Azione - Azimut per le Comunità" is based on the following main areas:

- community support initiatives: promoting local development with a high social impact;

18 In line with the new GRI standard 403-9, the injury rate was calculated as follows: (recordable work-related injuries/hours worked) * 200,000. Commuting incidents are only included in the calculation of this rate if transport was organised by the company. The number of hours worked is partly the result of estimates.
19 The absentee rate was calculated as follows: (days of absence/working days). The scope excludes companies related to the following countries: Luxembourg, Brazil, Chile, Egypt, Ireland, Shanghai, USA, for which the data was not collected in 2023.

- initiative on financial education: promoting and spreading a financial culture to enable consumers to make informed investment choices;
- initiatives to support the community and territories in emergency situations.

The activities are a response to local needs and are systematically and consistently carried out, focusing on topics such as philanthropy, financial education, support for the disadvantaged population groups, the promotion of culture, art and sports activities.

The resources involved, which continue to grow in number, are actively participating in specific training courses. The training has actually enabled advisors to have a greater focus on a holistic approach, protecting people and their loved ones.

The group “Azione – Azimut per la Comunità” supports and works in close synergy with the Sustainability Committee of Azimut Holding, in the definition and development of initiatives and projects identified and outlined by the Committee itself. It also actively cooperates with Fondazione Azimut to identify and promote aid initiatives throughout the country. Its objectives, as well as the procedures on which it is based, are set out in the document "ESG in Action", an integral part of the Group’s Sustainability Policy.

The “Azione - Azimut per le Comunità” group, together with the Sustainability Committee of Fondazione Azimut, was crucial in coordinating activities in favour of communities and territories. Among the most important initiatives in favour of communities and territories, thanks to the joint intervention of the Sustainability Committee of Azimut Holding, the “Azione - Azimut per le Comunità” team and Fondazione Azimut, are, in particular, those promoted in the serious emergency situations that have affected our country in recent years, e.g. the Covid 19 health emergency, the refugee emergency resulting from the war in Ukraine, the earthquake in the Marche region and the floods in Emilia Romagna. On these occasions, fund-raising campaigns were launched to collect donations from employees and customers of the Group. These resources were added to those allocated by the Group and Fondazione Azimut. In addition, during the Covid emergency, the Group opened a specific account to collect donations from customers and employees, pledging to double the sums collected for the purchase of medical equipment to be given to hospitals and health facilities in need. In just three months, 230,000 euro was raised. Furthermore, through Azione Azimut per le Comunità, equipment and health care worth 470,000 euro were donated to 32 hospitals located across Italy. Fondazione Azimut also made donations to 47 organisations committed to fighting poverty as a result of the epidemic and active throughout the country to the tune of 711,000 euro. Overall, at Group level, 1,181,000 euro was allocated to the health and social emergency for the community.

In addition to financial donations, the widespread presence and commitment on the ground, through the coordination of the Sustainability Committee of Azimut Holding and the “Azione - Azimut per le Comunità” team played a crucial role, making it possible to quickly identify suppliers of medical equipment and facilities, hospitals and local institutions in order to understand their most urgent needs and create synergies between them to respond to the emergency. The success of these initiatives has been such that numerous associations, bodies and organisations in the area turned to Azimut for contacts and useful information on how to actively contribute to the support projects promoted by the Azimut Group. In this regard, Azimut was a real “link” between those who urgently needed resources and tools and those who decided to donate part of their resources to help those in genuine distress.

Following the prolonged state of emergency in Ukraine, the Sustainability Committee, together with the CSR team, continued its commitment in support of the Ukrainian refugees and in favour of the Institutions and Associations that worked to welcome them, reaffirming its contribution in finding and providing beds for adults and children. In 2023, Fondazione Azimut earmarked shopping vouchers for the value of 151,802 euro.

It is pointed out, however, that at the beginning of 2023, Fondazione Azimut Onlus, with the help of collaborators and colleagues from the Turkish-based Azimut company (Azimut Portföy), tangibly supported the areas affected by the earthquake in Turkey, allocating basic necessities worth 350,000 euro to support the populations.

Also in 2023, during the disastrous flooding in Emilia-Romagna, which left countless families homeless and devastated dozens of towns and villages, Fondazione Azimut and the Sustainability Committee of Azimut Holding, alongside the "Azione Azimut per le Comunità" team provided support to the disaster areas, responding to the reports of colleagues who were in the front line of the relief effort. Fondazione Azimut promptly took action by distributing shopping vouchers, which reached around 200 people, in addition to the payment of funds needed to restore social structures damaged by mud and to finance aid initiatives promoted by Group colleagues active in the flooded area. These actions absorbed resources of around 350,000 euro, which were partly met by donations from many employees of the Azimut Group (around 75,000 euro) for these measures.

Many donations are also made each year at Christmas by the Financial Partners to charities in the region. By way of example, the main local projects are listed below:

- the 2019 Christmas dinner at l'Antoniano: a contribution of around 10,000 euro to the activities of the Bologna-based association dealing with solidarity, entertainment and social communication, to which the personal initiatives of the guests were added, which strengthened the Group's commitment (e.g. the suspended coffee initiative, the purchase of products on site, etc.);
- donations made at Christmas 2021 to a number of sports associations and foundations pursuing a social purpose in the area (Fondazione per lo Sport Silvia Parente, Fondazione Anderlini, Felsina Calcio, Esplora Rimini, Insuperabili);
- the donation made at Christmas 2022 to Dynamo Camp: a Recreational Therapy facility that hosts children with serious or chronic illnesses and their families for periods of holiday and fun.

In addition, Group companies regularly plan donations to local NGOs, in particular, for the treatment of childhood cancer, AIDS, development disorders and poverty support. In addition, it is emphasised that from 2023 the Group is a promoter, together with 15 other industrial groups, of Fondazione Policlinico Sant'Orsola, a non-profit body which reports to the Policlinico Sant'Orsola, Bologna and supports projects aimed at the reception, care and well-being of the person.

Finally, the latest initiatives include:

- Social Startups: 1 million euro in OltreVenture to support social startups with a more balanced distribution of value between shareholders, employees and customers;
- Small and medium-sized enterprises: at least 15% of AuM at 2024 in Private Market funds with Azimut Libera Impresa to support SMEs and contribute to creating new employment opportunities;
- Innovative startups: the Azimut Group works directly as a lead investor in Gellify, the first innovation platform which invests in B2B digital software startups;
- Made in Italy: more than 20 funds active in the main investment asset class of the Alternative Asset Management to support the Italian entrepreneurial fabric.

7.2 Financial education

During the year, in line with previous years, the Group confirmed its closeness to the communities and the local areas also by launching many cultural initiatives developed through webinars and online seminars, dedicated not only to private savers but also businesses and associations.

Azimut Holding, having always believed in the value of education, with the conviction that a more evolved and aware investor can contribute to creating value in the entire economic system, developed several national webinars during the year, each aimed at strengthening and implementing the knowledge of customers and stakeholders on financial issues. The main topics covered, for example, asset protection, support for the real economy, sustainability and welfare. Added to this are webinars dedicated to financial advisors and specialised training courses for them (Private Asset Specialist, Asset Protection Specialist, Key Client Specialist, Corporate Specialist), as well as the important training course on ESG issues promoted by European Financial Planning Association (Efpa)[20]. The latter enabled numerous Financial Partners to obtain the "ESG Advisory" certification. Numerous events are also held in the field, so that the importance of and commitment to sustainability can be a shared value, fostering and promoting a culture of example. Some Group companies participated in conferences and webinars during the year, aimed at raising awareness of financial education. One example is AZ Sinopro in Taiwan, which cooperated with various organisations. Two of these are Teaching For Taiwan and CCRA, to promote financial education and investment opportunities.

Over the years Azimut has:

- produced publications on financial education using a simple language that can be easily understood even by people other than professionals;
- held periodic meetings and events across the country organised by its network of financial advisors to provide training and information on topics relating to financial markets, savings and investments. These specifically include the “Azimut Libera Impresa Expo”, an event supporting Italian companies with over 30 conferences and 70 workshops, offering a meeting point between the real economy and asset management and showed the positive and driving effect that sustainable finance can have on stakeholders and local communities. The latest edition of the event, following the one of October 2019, was held in April 2022 entirely electronically;
- the participation was reconfirmed also for 2023, the second consecutive year, as main sponsor in *Farete*, an event organised together with Confindustria Emilia Centro, focused on businesses and entrepreneurs and hosted numerous workshops and One-to-Ones on topics such as asset protection, business sustainability, corporate welfare, digitisation and artificial intelligence, which featured speakers from some of Azimut Holding’s managers and executives as well as industry experts and businesspeople;
- developed also in 2023, in line with previous years, numerous roadshows throughout the country, thanks to the participation and actions of the Global Team from all over the world and the participation of the US network of the investee Azimut Alternative Capital Partners.
- organised, in 2023 during the launch of the Automobile Heritage Enhancement (AHE) Fund, which enhances the historical heritage of Italian automotive manufacturing while promoting environmental and social aspects in accordance with Article 8 of the SFDR. The main topics of these events were the real economy and sustainability;
- the implementation continued, also during 2023, of the Beewise App, launched in the spring of 2022: a mobile app which provides investors with the tools to interpret the information they receive every day from the business and financial world and helps them make informed choices.

In addition to the above, it should be noted that in 2023, Azimut was the chief sponsor of the fifty-ninth edition of the Premio Estense which, with the contribution of the excellence of Italian journalism, fosters a constructive debate on topical, often complex issues. This important initiative reaffirms the Group’s commitment to promoting and recognising the central role of culture and the value of dialogue in spreading culture, following the values of corporate social responsibility, which have always guided the Group in contributing to the economic and social progress of the communities in which it operates.

Still in 2023, in line with the commitment to support Small and Medium Enterprises on their path of sustainable growth, together with Kon Group and ELITE, the Azimut Group, Emilia-Romagna Marche e Umbria launched the third edition of the Sustainability Award, by becoming the leading

[20] A non-profit association, based in Brussels, which is the most authoritative professional body at European level for setting standards and professional certification for Financial Advisors and Financial Planners.

partner. The initiative aims to encourage the development of a culture of sustainability in the Italian corporate system and to acknowledge Italian companies that have distinguished themselves in their commitment to sustainability. The best-performing companies were awarded at an exclusive evening, held on 11 October 2023. The list of the top 100 companies for their sustainability performance was published in the October issue of the Forbes magazine.

The focus on CSR is also reflected in the partnerships that Azimut has developed with universities for years. These include those undertaken with Bocconi University, Catholic University of the Sacred Heart, University of Bologna, University of Modena and Reggio Emilia and Marche Polytechnic University, with which training and internship projects, seminars, open days and recruiting days are organised. In collaboration with the Department of Management of the Polytechnic University delle Marche, Azimut supports the international "Circular Learning Hub" project, which aims to promote and consolidate circular thinking and sustainability, addressing two categories of strategic players: investors and companies. Also in cooperation with the Polytechnic University delle Marche and the University of Bologna, the research activity "Investor Awareness: comparing customers and advisors" conducted by the CoFIR Observatory (Observatory on Financial Advice and Retail Investors) was launched in November 2022. The purpose of the study is to investigate investors' awareness of the composition and characteristics of their portfolios, as well as their own characteristics on which suitability checks (MiFID) are carried out. In 2019, 2020, 2021, the partnership of Azimut with the Master in Wealth Management with Bologna Business School, further confirmed Azimut's commitment to supporting the future development of the profession through the creation of a high-level training course, supported by specific scholarships and an internship period at the Group. The most deserving students were able to pursue their careers within the Group, as Financial Partners in a commercial structure dedicated to them called "Team Giovani Talenti".

Further initiatives with an impact on local communities are, for example, those promoted through some of the managed Funds. The Luxembourg-based AZ Fund 1 called "AZ Equity-Global ESG", for example, includes the possibility for customers to activate the so-called "solidarity service". Thanks to this service, customers can allocate part of the profits periodically distributed by the Sub-fund to a non-profit organisation (so-called Onlus). Similar initiatives were organised in Brazil thanks to the "AZ Quest Azimut Impacto" Fund.

By participating in charity events or collaborating with local NGOs, the Group launches several initiatives in favour of the communities in the countries where it operates. AZ Sinopra (Taiwan) has collaborated with the non-profit-making organisation Teaching For Taiwan, whose mission is to resolve inequalities in education by promoting financial education events, and Azimut Egypt has launched the "Ataa" fund to support people with disabilities.

7.3 Fondazione Azimut

Fondazione Azimut was established in 2008 and received the authorisation to operate as a non-profit organisation, at national level, in 2012. Fondazione Azimut will be classified as a third sector organisation (Philanthropic body) once the Single National Register definitively comes into force pursuant to Legislative decree no. 117 of 3 July 2017 (Third Sector Code).

The establishment of the Fondazione, on the initiative and at the instigation of Azimut Group's founders, represents the natural evolution of this Group's commitment to philanthropy, which, in fact, sees Azimut Holding Spa as its main supporter, donating each year, in accordance with a clause in its articles of association (Article 32 of the Articles of Association), a sum equivalent to 1% of its consolidated gross profit.

The soul of the Fondazione, as for the entire Azimut Group, lies in focusing on the "person" as a characteristic element of drive and development. Fondazione Azimut has no independent organisational structure, no employees and no operating costs. All the available resources are used to help the beneficiaries.

The members of the Board of Directors, the employees and all collaborators, together with the financial advisors, on an exclusively voluntary basis and free of charge, take on the task of coordinating and managing the coordinate and manage the various activities, including administrative ones, also proposing intervention projects, monitoring their implementation and reporting the results.

The sole mission of Fondazione Azimut is to fight against poverty and combat economic and social hardship, without an idea of "welfarism", but in the aim of supporting people to regain the "dignity" that poverty most often takes away, together with self-respect. Cultural, health and educational initiatives, however valuable they may be, do not fall within the Fondazione Azimut's chosen scope of activities.

Including 2023, the twelfth year of effective operation, the Fondazione has disbursed a total of more than **fourteen million euro** to fight poverty.

Like 2022, 2023 was a year marked by unpredictable events that required immediate action, starting with the devastating earthquake that struck Turkey on 6 February. The colleagues of the Group company Azimut Portfoy requested assistance from Fondazione Azimut and, in collaboration with a major Turkish governmental organisation (TIM - Turkish Exporters Assembly), it was possible to finalise in a very short time a project to build a village consisting of prefabricated accommodation for a thousand people. The costs of the initiative were borne equally by Fondazione and TIM, by allocating substantial resources (351,000 euro).

In May, a very serious flood in Emilia-Romagna led thousands of people into extreme hardship. In coordination with the Sustainability Committee/Azione Azimut per le Comunità, Fondazione Azimut promptly intervened by distributing shopping vouchers, providing funds needed to restore social facilities damaged by mud and financing other aid initiatives promoted by Group colleagues active in the flooded area. These actions also involved allocating 347,106 euro, partly paid for by donations made by many employees of the Azimut Group (around 75,000 euro).

As part of the regular activities, numerous projects were examined, launched and concluded. The total allocation of funds for institutional activities to combat poverty exceeds three million euro, while commitments already made for both the conclusion of projects already started and the launch of projects that have been approved but have not yet started amount to approximately two million euro.

Among the projects partly or fully financed by Fondazione Azimut and completed in 2023, the most significant are:

- **Bergamo. The cloister house.** A seventeenth-century monastery in Calusco d'Adda offered by the Franciscans to transform it into a facility with small lodgings to be temporarily assigned to separated fathers in difficulty. Fondazione Azimut funded the construction of 5 of the 9 planned lodgings.
- **Rome. Changing Course.** In cooperation with Fondazione Cave Canem, a project was financed for the social rehabilitation and job training of young offenders serving their probation period by carrying out activities of social interest and acquiring the skills of a dog handler.
- **Jesi. Garden of Smiles.** Next to land cultivated by vulnerable people, Fondazione Azimut funded the restaurant structure that uses the products of the agricultural cooperative and offers employment opportunities to people with personal and social difficulties.
- **Padua. Emergency shelter.** Initial accommodation and initiatives to support independence for women victims of violence.
- **Padua. Casa Priscilla.** Contribution to build the common area of a new shelter home for 11

mothers and 55 children.

- **Genoa. Parents' Desk.** Two Montessori method crèches accommodate children from families able to pay the fees and children from families in need of assistance. The parents of more fortunate children offer assistance to families in difficulty. Fondazione Azimut also finances the expansion of one of the two crèches to increase its capacity.
- **Catania. Female Dormitory.** The renovation of spaces within the building Locanda del Buon Samaritano made it possible to create a facility to accommodate 12 homeless women to embark on a path of rehabilitation.
- **Turin.Magazzini Oz.** The enhancement of Magazzini Oz (restaurant, emporium in the centre of Turin) increases employment opportunities for disadvantaged people from the charitable activities of CasaOz, an institution that takes care of families with children hospitalised in Turin's medical facilities.
- **Turin. Social Housing.** In cooperation with Fondazione Asili Notturni and in joint partnership with the Città di Torino and the European Next Generation Unit Funds, within the framework of the National Recovery and Resilience Plan, the construction of an important social housing structure was financed, consisting of 10 lodgings intended to accommodate people in housing difficulties and to start recovering their independence, as well as common spaces available to people living in the neighbourhood.
- **Milan. InTEC.** In collaboration with the Impronta Group the creation of a social enterprise was financed in full, whose objective is labour inclusion through training and direct employment of NEETs and young people with Asperger's syndrome, as part of a Software Testing activity. The project was also supported in its first phase, and for training activities, by Gellify Group, participated in by the Azimut Group.
- **Milan. As good as bread.** New bakery for training and job placement of people with disabilities, refugee migrants and fragile young people.

In addition, a number of projects were continued and launched on a three-year basis aimed at supporting significant initiatives in the area of health and educational poverty.

Lastly, support to host and rehabilitation communities in Rome (Frati Minori del Lazio) and Grosseto (Parish church of Santa Maria SS. Immacolata), to the supportive day nurseries in Genoa and to individual situations of severe distress reported by advisors of the Azimut Group also continued to be provided through vouchers.

All the initiatives undertaken by Fondazione Azimut specifically aim to produce positive impacts, first of all, for the direct beneficiaries of the various initiatives, but more generally for the environment in which the projects are conducted. Special attention is paid to projects targeting vulnerable individuals to overcome gender, ability and social environment disadvantages.

The decision to intervene in a project of social value and focused on fighting poverty is preceded by an analysis regarding the reliability of the applicants and partners of the operation. This analysis is carried out by members of the Board of Directors either directly, through meetings and visits, or by examining documentation (viewing budgets, quotes, reports, etc.). The implementation of projects of less than 100,000 euro may be decided by the directors themselves who have been delegated to do so, whereas for larger projects the decision is taken by the entire Board.
Each project is followed up by a Fondazione contact person who monitors the use of the allocated funds and verifies the results achieved. The Board of Directors acquires the reports of the contact person during the development of the initiative and the final evaluations on the results.

8. ENVIRONMENTAL IMPACT MANAGEMENT

The focus on environmental sustainability and climate change is now of common sensibility and applies to both managers when selecting the fund portfolios, and employees' daily activities and in the management of the direct impacts of daily business activities.

In fact, as recalled in the Sustainability Policy, adopted by Azimut Holding, the Group is committed to minimising and optimising the impact that its business has on the environment - both directly and indirectly - over the short and long-term as well as to continuously monitoring the risk factors associated with environmental matters.

In addition, as shown by joining the CDP (Carbon Disclosure Project), the Group is firmly committed to paying attention to environmental issues, constantly monitoring its own environmental impact and analysing the risks and opportunities linked to it. For Azimut Holding joining the CDP is also an important opportunity to transparently communicate its environmental performance to its stakeholders.

Confirming its environmental commitment, also in 2023 some of the most important events, aimed at spreading a financial culture and a virtuous ecosystem for the economic and social development of the territory, have been made Carbon Neutral, due to the collaboration with the partner Up2You, neutralising and offsetting all non-reducible CO_2 emissions produced by events, through projects certified to the highest international standards, including the Verified Carbon Standard (VCS) and Gold Standard. For every kilogram of CO_2 produced by the events, an equal amount of CO_2 was captured, thus reducing the environmental impact of the events to zero.

In addition, also in 2023, Azimut continued monitoring the GHG emissions of its investment portfolio, started in 2022. For more details, reference is made to the section "*Product portfolio innovation and sustainability".*

Instead, with reference to direct environmental impacts, i.e. generated directly by the Group's activities, the environmental impact of Azimut Holding is restricted to consumption related to office work and, for the purposes of this document, the impact of the activity is considered mainly in terms of consumption of paper, electricity used in offices and natural gas and diesel for heating buildings and refrigerant gas for cooling. Furthermore, paper consumption related to office work is monitored[21]. Water consumption instead is related to the personnel in the offices. Therefore, this aspect is not relevant.

It is also specified that, following the inclusion of environmental crimes in the list of crimes covered by Legislative decree no. 231 of 8 June 2001 on administrative liability in 2011, Azimut adopted a Protocol to manage environmental requirements (Protocol 18) which sets out the types of behaviour to be followed.

Energy consumption and emissions
The Group's monitored energy consumption data mainly refer to electricity consumption purchased from the grid, which is considered the most significant element given the sector the Group belongs to and the activities it carries out. Scope 2 emissions are associated to these indirect consumptions.

In addition, thanks to the support of Up2You, the Group monitors its direct Scope 1 emissions, which refer not only to the corporate car fleet, but also to the consumption of natural gas for heating the offices of the Group's various sites, as well as fugitive emissions of refrigerants and other gases. Specifically, for 2023 the Scope 1 emissions total 409.14 tCO_2eq. They mainly result from the fuel consumption of company vehicles and gas consumption for heating.

During 2023, the Group consumed a total of 3100.30[22] MWh of electricity purchased from the grid,

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[21] The figure for paper consumption within offices was provided by 52% of the companies.

[22] Scope 2 emissions in 2023 were calculated according to the location-based and market-based methodology. For this purpose, the electricity consumption (mWh) of the individual Group companies supplied by them was used. For Australia, Mexico Kaan Capital and USA Genesis it was not possible to retrieve data on energy consumption, as this is included in the lease, and therefore the estimated figure for 2022, as reported in the 2022

of which the energy consumption associated with renewable energy supply contracts is 38.21 MWh (7% lower compared to 2022, but 21% higher compared to 2021).

Although electricity consumption from renewable sources is lower than the previous year, it should be noted that the Group's commitment to improve its energy management continued in 2023, thanks to implementing consumption reduction initiatives at some of the Group's premises. For example these initiatives regarded:

- using LED lighting systems;
- the use of low energy IT equipment (AAA) or turning it off in the evening and during weekends/bank holidays;
- maintaining maximum or minimum temperature thresholds depending on the season to minimise electricity consumption;
- adopting best practices promoted among employees, which encourage responsible energy use (e.g., switching off lights, switching off PCs at the end of the day).

It is also recalled that in the 2021, Azimut carried out a renovation plan of the Milan office buildings in Via Cusani, within which a number of energy-efficient solutions were introduced. These include, for example, introduction of Wieland sockets with the "Master & Slave" energy saving system and the replacement of lighting fixtures with an energy-efficient LED product system.

Furthermore, the Luxembourg-based Azimut Genesis office (USA) is located in a LEED Silver certified building[23]. In 2021 it moved to a new building selected also based on an assessment of its environmental characteristics. It is also highlighted that in September 2023 the Irish-based companies moved to a BREEAM-certified green building, featuring high energy efficiency.

The average energy intensity index[24] for 2023 was 1.87 MWh/employee, down on 2022 (where the energy intensity index was 2.01 MWh/employee).

Indirect Scope 2 emissions, resulting from the consumption of electricity purchased from the grid, were calculated according to the location-based methodology, which considers a national emission factor that varies according to the share of renewable energy of the nation considered within the energy mix, and according to the market-based methodology, which considers the total amount of electricity purchased from the grid, only if non-renewable.

In 2023, emissions according to the location-based methodology amount to 1,342 tCO_2eq (in 2022 they amounted to 1,337 tCO_2[25]). While, pursuant to the market-based methodology, Scope 2 emissions are 1,402 tCO_2eq (2022: 1413 tCO_2). The emission intensity index[26] for 2023 is 0.81 tCO_2eq/employee (2022: 0.93 t CO_2/employee).

Paper consumption:

As set out in the Group's Sustainability Policy, Azimut Holding is in favour of digitisation and mainly promotes digital and electronic communication channels, except for the documentation which must

CNFS, is shown. In addition, with reference to the companies pertaining to Egypt, the United Arab Emirates and for the company USA Azimut Alternative Capital Partners, actual consumption figures for 2023 were not provided, therefore, the 2022 consumption figure was used. Please also note that the consolidated figure does not include consumption related to Wealthype Spa, which does not have its own premises, but uses an occasional co-working space. Likewise, in view of materiality and in consideration of their limited impact, the consolidated figure does not include Excellence Srl and Electa Venture. Finally, it should be noted that the data reported does not include the consumption of Azimut Enterprise Srl and Azimut Venture Tech Srl, since the offices of these companies are located within the building in Via Cusani 4 of Azimut Capital Management and, for that reason, already accounted for in the consumption of Azimut Capital Management.

[23] Leadership in Energy and Environmental Design: most widely used green building rating system.

[24] The energy intensity index is calculated by dividing consumption (MWh) by the total number of employees.

[25] For 2023, Scope 2 emissions are expressed in CO2eq and the calculation took into account the most up-to-date emission factors published by the International Energy Agency (IEA) in 2023.

[26] This indicator is calculated by dividing Scope 2 emissions, calculated in accordance with the location-based methodology (tCO2eq) by the total number of employees.

be made available also in paper form and the reports to be sent to the customers.

Specifically, financial advisors were asked to use and assisted in the use of tablets to communicate with customers in order to avoid printing, where possible. Digitisation also affects document filing activities, encouraging employees to file documents electronically, where possible. Digitisation and minimisation of material consumption (mainly paper) have been translated into practice by several Group companies, for example, by using digital presentations during customer meetings, scanning of paper documents, reduction of photocopies to a minimum, using recycled materials, promotion of digital communication channels as well as using digital archives.

Again in 2023, the Italian company Azimut Capital Management continued the projects to digitise letters and communications not only internally, but also to customers. Worth remembering is that in 2022, AZ Apice finalised the migration process towards being completely paperless. This process was started in 2021 and resulted in a completely paperless working system by the end of 2022.

Other initiatives aimed at reducing paper consumption include the introduction, in some of the Group's offices, of photocopiers that track the consumption of printed paper and notify users in the event of overuse and exceeding the number of copies made by an individual user.

In addition, the Group encourages proper waste management and recycling practices and the separate collection of paper and other materials, such as plastic and glass. External companies are entrusted with the proper disposal of products such as toners for photocopiers and printers. Finally, some Group companies are active in employee awareness projects, through periodic meetings that encourage digitisation, recycling, reuse and separate collection practices.

The selection of paper suppliers also plays a fundamental role. Several Group companies decided to use mainly FSC (or PEFC) certified paper from forests managed in accordance with severe environmental, social and economic standards. In particular, of the total paper consumed, 48% is FSC-certified paper. Among the most outstanding companies, Azimut Brazil claims to use only FSC paper while CGM – Azimut Monaco uses 71% FSC paper of the total declared.

In 2023, the Group used 17 tonnes of paper, slightly down compared to the 18 tonnes of paper used in 2022. The 2023 figures, in line with 2022 and 2021, are favourably affected by policies to reduce paper consumption, also taking into account the return to normal business following the end of restrictions due to the Covid-19 pandemic. By completing the 2023 CDP questionnaire, the Group will provide further details about its environmental impact and the strategies implemented to mitigate the negative impacts generated.

Climate and environmental risk management

Like other asset management companies, in 2023 Azimut Capital Management and Azimut Libera Impresa have implemented the Supervisory expectations for climate-related and environmental risks of the Bank of Italy.

In 2022, the Bank of Italy, following the example of similar initiatives by the ECB and other national supervisory authorities, addressed to all entities whose activities are subject to authorisation and supervision by the Bank of Italy in accordance with the Consolidated Law on Banking and the Consolidated Law on Finance, a first set of supervisory expectations regarding the integration of climate-related and environmental risks into business strategies, governance and control frameworks, the risk management framework and the disclosure of supervised banking and financial intermediaries.

In response to requests from the Bank of Italy, Azimut Capital Management and Azimut Libera Impresa prepared Action Plans in response to the Expectations, which were approved by the Boards of Directors and Boards of Auditors of their respective companies and submitted to the Bank of

Italy by 30 March 2023.

The main initiatives that were established to promote an increasing integration of climate and environmental risks, both physical and transitional, in the internal governance system include, in particular, the definition and formalisation of roles and responsibilities within the Board of Directors with explicit delegated powers on sustainability and climate and environmental risks, as well as the strengthening of the management body's competencies by providing special training programmes for the Board of Directors and the Board of Auditors on ESG matters and with a specific focus on climate and environmental risks

Among the planned initiatives is the inclusion in the Board of Directors' regulations of responsibility for defining and monitoring specific ESG performance indicators as well as indicators to monitor the portfolio's level of exposure to climate and environmental risks. With reference to the risk management system, it should be noted, that in conjunction with the preparation of the Action Plans, a preliminary analysis was carried out to assess the level of exposure to climate and environmental risks of financial products, which represented an initial analysis exercise on portfolios that will be refined over time in order to facilitate the full incorporation and integration of climate and environmental risks into the analysis and assessment processes.

9. EUROPEAN TAXONOMY

EU Regulation 2020/852 – EU Taxonomy: regulatory requirements

In a broad international context of transition towards a sustainable economy, one of the measures implemented by the European Union in the Action Plan for Sustainable Finance is: EU Regulation 2020/852 (so-called "taxonomy"), which aims to redirect capital towards economic activities considered environmentally sustainable.

The EU Regulation lays the foundation for the operation of the taxonomy, which is based on identifying six environmental objectives:

- mitigating climate change;
- adapting to climate change;
- sustainable use and protection of water and marine resources;
- transition towards a circular economy;
- preventing and controlling pollution;
- protecting ecosystems and biodiversity.

Eco-sustainable activities are defined as those economic activities that substantially contribute to achieving at least one of the six environmental objectives, while at the same time not causing significant damage to any of the other environmental objectives, and that are carried out in compliance with minimum safeguards[27].

Article 8 of EU Regulation 2020/852 defines the reporting obligations imposed on any enterprise subject to the European Directive 2013/34/EU (Non Financial Reporting Directive - NFRD) which, pursuant to Article 19-bis or Article 29-bis, have an obligation to publish non-financial information. The timetable for application set forth in the Regulation provided for an initial summary disclosure as of 1 January 2022 (with reference to the 2021 reporting period), in which companies were required to include, in their non-financial statements, information on disclosing the proportion of

[27] Minimum safeguards are procedures implemented by an enterprise carrying out an economic activity to ensure that it is in line with the OECD Guidelines for Multinational Enterprises and the United Nations guiding principles on business and human rights, including the principles and rights set out in the eight core conventions identified in the declaration of the International labour organisation on fundamental principles and rights at work and the International Bill of Human Rights.

exposures in taxonomy eligible/admissible economic activities. They are defined as those economic activities that are described in the technical delegated acts, regardless of whether the technical screening criteria set out in the delegated acts are met and complied with.

Only starting from 1 January 2024 (with reference to the 2023 reporting period) does the disclosure also include the share of exposures in eco-sustainable activities (aligned to the taxonomy), which therefore must comply with the technical screening criteria to be considered as such.

Identifying admissible and aligned economic activities is based on the correspondence of the description of the economic activity with that contained in the Technical Delegated Acts. In November 2023, the Official Journal of the European Union published Delegated Regulations (EU) 2023/2485 and 2023/2486 which set out the technical screening criteria (TSC) with respect to the remaining four objectives of the taxonomy.

Applying the Taxonomy to the Azimut Group
In accordance with the requirements of the legislation described above, Azimut provides in its Non-Financial Statement the disclosure required by the taxonomy for financial companies classified as asset managers.

Asset Management – Annex IV
Standard form for disclosure pursuant to Article 8 of the Regulation (EU) 2020/852 (financial asset managers)

KEY PERFORMANCE INDICATOR (KPI) FORM FOR FINANCIAL ASSET MANAGERS	
Standard form for disclosure pursuant to Article 8 of the Regulation (EU) 2020/852 (financial asset managers)	
Weighted average value of all the investments directed to finance or associated with economic activities aligned with the taxonomy with **respect to the value of all the assets covered by the KPI**, with the following weightings for investments in the company:	Weighted average value of all the investments directed to finance or associated with economic activities aligned with the taxonomy, with the following weightings for investments in the company:
based on the turnover: **0.98%**	based on the turnover: 502,064,770 euro
based on the capital expenditure: **1.92%**	based on the capital expenditure: 984,266,737 euro
Percentage of assets covered by the KPI compared to total investments (total financial assets under management). Excluding investments in sovereign entities.	Monetary value of the assets covered by the KPI. Excluding investments in sovereign entities.
Coverage rate: **87.56%**	Coverage: 51,375,706,431 euro
Additional supplementary information: breakdown of the KPI **denominator**	
Percentage of derivatives compared to total assets covered by the KPI: 2.69%	Value of the derivatives in monetary amounts: 1,380,470,476 euro
Share of exposures to EU financial and non-financial companies not subject to Articles 19 bis and 29 bis of Directive 2013/34/EU compared to total assets covered by the KPI:	Value of exposures to EU financial and non-financial companies not subject to Articles 19 bis and 29 bis of Directive 2013/34/EU:
for non-financial companies: 9.63%	for non-financial companies: 4,947,489,940 euro
for financial companies: 1.15%	for financial companies: 588,367,705 euro

Share of exposures to non-EU financial and non-financial companies not subject to Articles 19 bis and 29 bis of Directive 2013/34/EU compared to total assets covered by the KPI:	Value of exposures to non-EU financial and non-financial companies not subject to Articles 19 bis and 29 bis of Directive 2013/34/EU:
for non-financial companies: 59.76%	for non-financial companies: 30,701,216,429 euro
for financial companies: 0.12%	for financial companies: 62,285,386 euro
Share of exposures to financial and non-financial companies not subject to Articles 19 bis and 29 bis of Directive 2013/34/EU compared to total assets covered by the KPI:	Value of exposures to financial and non-financial companies not subject to Articles 19 bis and 29 bis of Directive 2013/34/EU:
for non-financial companies: 9.38%	for non-financial companies: 4,819,262,852 euro
for financial companies: 7.74%	for financial companies: 3,975,916,869 euro
Share of exposures to other counterparties and other assets compared to total assets covered by the KPI:	Value of exposures to other counterparties and other assets:
9.54%	4,900,696,774 euro
Value of all the investments financing economic activities not eligible for taxonomy compared to the value of all the assets covered by the KPI:	Value of all the investments financing economic activities not eligible for taxonomy:
96.28%	49,462,847,837 euro
Value of all the investments financing economic activities eligible for taxonomy but not aligned with the taxonomy compared to the value of all the assets covered by the KPI:	Value of all the investments financing economic activities eligible for taxonomy but not aligned with the taxonomy:
2.75%	1,410,793,825 euro
Additional supplementary information: breakdown of the KPI **numerator**	
Share of exposures aligned with the taxonomy to financial and non-financial companies not subject to Articles 19 bis and 29 bis of Directive 2013/34/EU compared to total assets covered by the KPI:	Value of exposures aligned with the taxonomy to financial and non-financial companies not subject to Articles 19 bis and 29 bis of Directive 2013/34/EU:
for non-financial companies:	for non-financial companies:
based on the turnover: 0.98%	based on the turnover: 502,064,770 euro
based on the capital expenditure: 1.92%	based on the capital expenditure: 984,266,737 euro
for financial companies:	for financial companies:
based on the turnover: 0.00%	based on the turnover: 0 euro
based on the capital expenditure: 0.00%	based on the capital expenditure: euro

<table>
<tr><td>Share of exposures aligned with the taxonomy to other counterparties and other assets compared to total assets covered by the KPI:</td><td colspan="2">Value of exposures aligned with the taxonomy to other counterparties and other assets:</td></tr>
<tr><td>based on the turnover: 0.00%</td><td colspan="2">based on the turnover: 0 euro</td></tr>
<tr><td>based on the capital expenditure: 0.00%</td><td colspan="2">based on the capital expenditure: 0 euro</td></tr>
<tr><td colspan="3">Breakdown of the KPI numerator by environmental objective</td></tr>
<tr><td colspan="3">Assets aligned with the taxonomy:[28]</td></tr>
<tr><td rowspan="4">1) Mitigating climate change</td><td rowspan="2">Turnover: 0.89%</td><td>Transition assets: Turnover 0.01%</td></tr>
<tr><td>Transition assets: Capital expenditure 0.03%</td></tr>
<tr><td rowspan="2">Capital expenditure: 1.80%</td><td>Qualifying assets: Turnover 0.42%</td></tr>
<tr><td>Qualifying assets: Capital expenditure 0.68%</td></tr>
<tr><td rowspan="4">2) Adapting to climate change</td><td rowspan="2">Turnover: 0.02%</td><td>Transition assets: Turnover 0.00%</td></tr>
<tr><td>Transition assets: Capital expenditure 0.00%</td></tr>
<tr><td rowspan="2">Capital expenditure: 0.05%</td><td>Qualifying assets: Turnover 0.01%</td></tr>
<tr><td>Qualifying assets: Capital expenditure 0.02%</td></tr>
</table>

The share of eligible and aligned exposures was identified by mainly considering exposures in debt and equity instruments issued by companies belonging to European Union subject to the NFRD (Non Financial Reporting Directive) and weighing these amounts with data provided by the infoprovider MSCI ESG Research.
In addition, in order to calculate the share of investments in eligible and aligned assets, the Group conducted a look-through analysis on third-party funds.
Compared to the previous year of reporting, the scope of the group companies analysed to calculate the indicators was extended. In addition to the companies: Azimut Capital Management, Azimut Libera Impresa., Azimut Investments S.A., Azimut life DAC, AZ Swiss & Partners S.A., Operadora De Fondos Azimut-Mexico, S.A. De Cv CGM-Azimut Monaco[29], AZ IM Singapore and AZ IM Hong Kong, already included in the 2022 reporting, the following companies were also included in the current analysis Azimut Investment Limited, Azimut DIFC Limited, AZ Quest Investimentos Ltda.
The percentage of exposures in aligned economic assets is closely linked to the narrow pool of assets against which this percentage is calculated: approximately 70% of the exposures in relation to total assets covered by the KPI are exposures to EU and/or non-EU financial and non-financial companies that are not subject to the NFRD (which therefore do not have eligibility and alignment data to the taxonomy).
The Total Covered Assets, on which eligible exposures are calculated, correspond to 87.6% of Total Assets, i.e. Total Assets net of the government component (exposures towards governments and central governments), as set forth in Article 7 paragraph 1 of Delegated Regulation (EU) 2021/2178

[28] It should be noted that the info-provider MSCI did not disclose the detail by individual target against all the counterparties.
[29] Including portfolios managed under the Asset Management service, previously excluded in the reporting in 2022.

of the European Commission. The Total Covered Assets correspond to the denominator of the Turnover-based and CapEx-based KPIs.

Annexes

Table bridging the topics covered by Decree no. 255/2016, material topics and GRI indicators

Scope of the Decree	Material topic for Azimut	GRI indicators
Fight against active and passive corruption	Business ethics, anti-money laundering and fight against corruption	GRI 2 GRI 3 GRI 205 GRI 207
Employee-related topics and respect for human rights	Human capital management and development	GRI 2 GRI 3 GRI 401 GRI 404
	Financial advisors' training and network management	GRI 3 GRI 404
	Diversity and inclusion and respect for human rights	GRI 2 GRI 3 GRI 405 GRI 406
	Health, safety and well-being of employees	GRI 3 GRI 403
Social-related topics	Customer satisfaction	GRI 3
	Responsible supply chain management	GRI 2 GRI 3
	Innovation and sustainability in the product portfolio	GRI 3 GRI 305
	Financial education and development of local communities	GRI 3
	Responsible marketing and transparent communication	GRI 3 GRI 417
	Privacy and data security	GRI 3 GRI 418
	ESG risk management for business operations	GRI 2 GRI 3
Environmental-related topics	Direct environmental impacts	GRI 2 GRI 3 GRI 301 GRI 302 GRI 305

Material topics for Azimut

Material topic	Description
Business ethics, anti-money laundering and fight against corruption	Setting up adequate internal controls and disseminating a corporate culture based on integrity and professional ethics. Operating in accordance with the highest ethical standards aimed at preventing instances of corruption and money laundering, and in strict compliance with principles and standards on lobbying defined by internal codes and local regulations. Defining the approach to taxation transparently, setting out how the company balances tax compliance with business activities and ethical, social and sustainable development expectations.
Human capital management and development	Encouraging structured technical and managerial training, also in order to ensure the Group's competitiveness. Offering real opportunities for personal and professional development, while maintaining the ability to attract talent.
Financial advisors' training and network management	Defining ways of managing and developing financial advisors (remuneration packages, welfare systems, growth and development paths, value system) aimed at ensuring high levels of professionalism and competence.
Diversity and inclusion and respect for human rights	Ensuring the protection of the rights of all employees, managing and valuing diversity, promoting inclusive dynamics by eliminating any form of discrimination, including with respect to remuneration.
Health, safety and well-being of employees	Protecting peoples' health, safety and psychophysical integrity in compliance with the requirements set out in the regulations applicable in the various countries. Raising risk awareness and promoting responsible behaviour among employees. Providing employees with a welfare system that meets their needs and offering modern and flexible working models that meet specific personal needs and ensure work-life balance.
Responsible supply chain management	Defining purchasing processes geared towards full compliance with legality, transparency and anti-corruption.
Innovation and sustainability in the product portfolio	Defining an offer that is always in line with market needs and distinctive compared to competitors, also offering products that integrate ESG characteristics and contribute to environmental and social goals; and provide support for technological development through investments in innovative companies and businesses.
Financial education and development of local communities	Promoting customers' financial awareness, through a model based on the dissemination of clearly conveyed information. Playing an active role in the community by fostering local development, supporting local SMEs and startups.
Responsible marketing and transparent communication	Defining a communication model aimed at informing customers clearly and comprehensively about the products and services offered and the conditions applied, facilitating understanding and informed choices, in compliance with regulations.
Privacy and data security	Protecting customer and third party information and business

	data from unauthorised or accidental changes, loss and unauthorised disclosure.
ESG risk management for business operations	Integrating the assessment of environmental, social and governance risks in the decision-making processes that concern management of SGR's operational activities (i.e., internal activities) and investment choices.
Direct environmental impacts	Encouraging management of the Group's activities environmental impact in order to cut energy consumption and GHG emissions through the rational use of resources.

Data on the Governance of the Azimut Group

BoD members by age bracket at 31/12/2023 (GRI 405-1)			
	Women	Men	Total
<= 29 years	0	0	0
30 - 50 years	0	5	5
≥ 51 years	7	4	11
Total	7	9	16
30 - 50 years	0%	31%	31%
≥ 51 years	44%	25%	69%

Data relating to people of the Azimut Group

Employees by country and gender (GRI 2-7)									
	31/12/2023			31/12/2022			31/12/2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Italy	100	155	255	79	127	206	72	124	196
Australia[30]	427	361	788	371	288	659	318	257	575
Brazil	30	91	121	37	79	116	49	67	116
Chile	1	2	3	2	2	4	2	3	5
China Hong Kong	5	6	11	5	6	11	6	5	11
China Shanghai	5	6	11	4	6	10	5	7	12
Egypt	13	32	45	5	28	33	4	25	29
United Arab Emirates	12	29	41	11	22	33	10	17	27
Ireland	5	21	26	5	17	22	3	14	17
Luxembourg	12	38	50	11	37	48	9	40	49
Mexico	39	50	89	39	53	92	39	52	91

[30] The total number of employees of the Azimut Group does not include the Australian-based TWD and Catalina, as personnel data were not yet available as the company was in the onboarding phase.

Principality of Monaco	7	31	38	6	28	34	9	27	36
Singapore	18	13	31	18	13	31	16	14	30
Switzerland[31]	4	20	24	6	21	27	7	21	28
Taiwan	13	8	21	13	8	21	17	9	26
Turkey	48	37	85	50	34	84	42	28	70
USA	8	10	18	6	10	16	50	70	120
Total	747	910	**1,657**	668	779	**1,447**	658	780	**1,438**

Employees by employment contract, gender and country at 31 December 2023 (GRI 2-7)[32]

	Women				Men			
	Permanent	Temporary	Non-guaranteed hours	Total	Permanent	Temporary	Non-guaranteed hours	Total
Italy	94	6	-	100	147	8		155
Australia	398	-	29	427	354	-	7	361
Brazil	28	2	-	30	86	5	-	91
Chile	1		-	1	2	-	-	2
China Hong Kong	5	-	-	5	6	-	-	6
China Shanghai	5	-	-	5	6	-	-	6
Egypt	12	1	-	13	29	3	-	32
United Arab Emirates	12	-	-	12	28	1	-	29
Ireland	5	-	-	5	21	-	-	21
Luxembourg	11	1	-	12	37	1	-	38
Mexico	39	-	-	39	49	1	-	50
Principality of Monaco	7	-	-	7	30	1	-	31
Singapore	18	-	-	18	13	-	-	13
Switzerland	4	-	-	4	20	-	-	20
Taiwan	13	-	-	13	8	-	-	8
Turkey	48	-	-	48	37	-	-	37
USA	8	-	-	8	10	-	-	10
Total	708	10	29	747	883	20	7	910

31 The total number of employees in the Azimut Group does not include the figures of Katarsis Capital Advisors (Switzerland), in view of the company's small size in terms of workforce and turnover.
32 Disclosure of employees with non-guaranteed hours was introduced from 2022. Therefore, in this document the figures are only available for 2022 and 2023.

Employees by employment contract, gender and country at 31 December 2022 (GRI 2-7)[33]								
	Women				Men			
	Permanent	Temporary	Non-guaranteed hours	Total	Permanent	Temporary	Non-guaranteed hours	Total
Italy	75	4	-	79	117	10	-	127
Australia	350	-	21	371	282	-	6	288
Brazil	34	3	-	37	75	4	-	79
Chile	2	-	-	2	2	-	-	2
China Hong Kong	5	-	-	5	6	-	-	6
China - Shanghai	4	-	-	4	6	-	-	6
Egypt	5	-	-	5	26	2	-	28
United Arab Emirates	11	-	-	11	22	-	-	22
Ireland	4	1	-	5	17	-	-	17
Luxembourg	10	1	-	11	36	1	-	37
Mexico	39	-	-	39	53		-	53
Principality of Monaco	6	-	-	6	27	1	-	28
Singapore	18	-	-	18	13	-	-	13
Switzerland	5	1	-	6	21	-	-	21
Taiwan	13	-	-	13	8	-	-	8
Turkey	50	-	-	50	34	-	-	34
USA	6	-	-	6	10	-	-	10
Total[34]	**637**	**10**	**21**	**668**	**755**	**18**	**6**	**779**

Employees by employment contract, gender and country at 31 December 2021 (GRI 2-7)						
	Women			Men		
	Permanent	Temporary	Total	Permanent	Temporary	Total
Italy	67	5	72	115	9	124
Australia	300	18	318	252	5	257
Brazil	49	-	49	67	-	67
Chile	2	-	2	3	-	3
China Hong Kong	6	-	6	5	-	5
China - Shanghai	5	-	5	6	1	7
Egypt	4	-	4	25	-	25
United Arab Emirates	9	1	10	17	-	17

[33] Disclosure of employees with non-guaranteed hours was introduced from 2022. Therefore, in this document the figures are only available for 2022 and 2023.
[34] The figure has been updated from the 2022 CNFS considering the improvement in the data collection process.

Ireland	2	1	3	13	1	14
Luxembourg	7	2	9	40	-	40
Mexico	39	-	39	51	1	52
Principality of Monaco	8	1	9	26	1	27
Singapore	16	-	16	14	-	14
Switzerland	7	-	7	21	-	21
Taiwan	17	-	17	9	-	9
Turkey	42	-	42	28	-	28
USA	50	-	50	70	-	70
Total	**630**	**28**	**658**	**762**	**18**	**780**

Employees by type of employment, gender and country at 31 December 2023 (GRI 2-7)						
	Women			Men		
	Full-time	Part-time	Total	Full-time	Part-time	Total
Italy	95	5	100	154	1	155
Australia	289	138	427	338	23	361
Brazil	28	2	30	86	5	91
Chile	1	-	1	2	-	2
China Hong Kong	5	-	5	6	-	6
China Shanghai	5	-	5	6	-	6
Egypt	13	-	13	32	-	32
United Arab Emirates	12	-	12	28	1	29
Ireland	5	-	5	21	-	21
Luxembourg	12	-	12	38	-	38
Mexico	39	-	39	50	-	50
Principality of Monaco	6	1	7	29	2	31
Singapore	18	-	18	13	-	13
Switzerland	3	1	4	20	-	20
Taiwan	13	-	13	8	-	8
Turkey	48	-	48	37	-	37
USA	8	-	8	10	-	10
Total	600	147	747	878	32	910

Employees by type of employment, gender and country at 31 December 2022 (GRI 2-7)						
	Women			**Men**		
	Full-time	Part-time	Total	Full-time	Part-time	Total
Italy	79	-	79	127	-	127
Australia	268	103	371	273	15	288

Brazil	34	3	37	75	4	79
Chile	2	-	2	2	-	2
China Hong Kong	5	-	5	6	-	6
China - Shanghai	4	-	4	6	-	6
Egypt	5	-	5	28	-	28
United Arab Emirates	11	-	11	22	-	22
Ireland	5	-	5	17	-	17
Luxembourg	11	-	11	37	-	37
Mexico	39	-	39	53	-	53
Principality of Monaco	5	1	6	27	1	28
Singapore	18	-	18	13	-	13
Switzerland	4	2	6	20	1	21
Taiwan	13	-	13	8	-	8
Turkey	50	-	50	34	-	34
USA	6	-	6	10	-	10
Total	**559**	**109**	**668**	**758**	**21**	**779**

Employees by type of employment, gender and country at 31 December 2021 (GRI 2-7)

	Women			Men		
	Full-time	Part-time	Total	Full-time	Part-time	Total
Italy	72	-	72	124	-	124
Australia	219	99	318	239	18	257
Brazil	49	-	49	67	-	67
Chile	2	-	2	3	-	3
China Hong Kong	6	-	6	5	-	5
China - Shanghai	5	-	5	6	1	7
Egypt	4	-	4	25	-	25
United Arab Emirates	9	1	10	17	-	17
Ireland	3	-	3	14	-	14
Luxembourg	8	1	9	40	-	40
Mexico	39	-	39	52	-	52
Principality of Monaco	7	2	9	26	1	27
Singapore	16	-	16	14	-	14
Switzerland	7	-	7	21	-	21
Taiwan	17	-	17	9	-	9
Turkey	42	-	42	28	-	28
USA	50	-	50	70	-	70
Total	**555**	**103**	**658**	**760**	**20**	**780**

Financial advisors carry out a significant portion of the company's activities. Pursuant to Italian legislation and that of the other countries in which the Group operates, they are linked to Azimut by agency contracts.

Financial advisors by age and gender (GRI 2-7)									
	2023			2022			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
<= 29 years	19	79	98	26	70	96	35	72	107
30-50 years	149	449	598	148	464	612	237	545	782
>= 51 years	229	988	1217	225	1,000	1,225	246	1,018	1,264
Total	**397**	**1,516**	**1,913**	**399**	**1,534**	**1,933**	**518**	**1,635**	**2,153**

In addition, the Group uses other workforce, as detailed below:

Workers who are not employees (GRI 2-8)[35]						
	2023			2022		
	Women	Men	Total	Women	Men	Total
Trainees	17	36	53	24	22	46
Interns	2	5	7	3	2	5
Contractors/ freelancers	33	57	90	19	45	64
Others (volunteers, remote workers etc.)	0	0	0	-	-	-
Total	**52**	**98**	**150**	**46**	**69**	**115**

Percentage of employees covered by collective bargaining agreements (GRI 2-30)			
	2023	2022	2021
Employees	318	288	273
Total employees	1,657	1,447[36]	1,438
% employees covered	**19%**	**20%**	**19%**

This figure reflects the fact that, in many countries, there are no collective bargaining agreements. The terms and conditions of employment of employees not covered by collective bargaining agreements are determined by the various Group companies based on other collective bargaining agreements and/or based on market standards for the different categories of employees.

Number and rate of new employee hires by country, age group and gender at 31 December 2023 (GRI 401-1)										
	Women					Men				
	≤ 29	30-50	> 51	Total	Rate	≤ 29	30-50	> 51	Total	Rate
Italy	9	17	2	28	28%	17	12	4	33	21%
Australia	32	47	21	100	23%	22	49	10	81	22%

[35] This indicator was introduced in 2022. Therefore, in this document the figures are only available for 2022 and 2023.
[36] Compared to the published figure in the 2022 CNFS, the figure was updated due to an improved reporting process.

Brazil	3	1	-	4	13%	17	6	1	24	26%
Chile	-	-	-	-	0%	-	-	-	-	0%
China Hong Kong	-	-	-	-	0%	-	-	-	-	0%
China - Shanghai	-	1	-	1	20%	-	-	-	-	0%
Egypt	7	1	-	8	62%	8	1	-	9	28%
United Arab Emirates	-	1	-	1	8%	1	7	-	8	28%
Ireland	1	-	-	1	20%	3	4	-	7	33%
Luxembourg	1	2	-	3	25%	4	2	-	6	16%
Mexico	-	4	1	5	13%	1	6	1	8	16%
Principality of Monaco	1	-	-	1	14%	3	2	1	6	19%
Singapore	-	3	1	4	22%	1	2	-	3	23%
Switzerland	-	-	-	-	0%	-	1	-	1	5%
Taiwan	-	2	-	2	15%	-	-	-	-	0%
Turkey	-	5	4	9	19%	7	2	3	12	32%
USA	1	2	-	3	38%	-	2	-	2	20%
Total	**55**	**86**	**29**	**170**	**23%**	**84**	**96**	**20**	**200**	**22%**

Number and rate of new employee hires by country, age group and gender at 31 December 2022 (GRI 401-1)

	Women					**Men**				
	≤ 29	30-50	> 51	**Total**	**Rate**	≤ 29	30-50	> 51	**Total**	**Rate**
Italy[37]	3	9	1	**13**	**16%**	13	6	-	**19**	**15%**
Australia	31	67	23	**121**	**33%**	24	36	12	**72**	**25%**
Brazil	4	4	-	**8**	**22%**	7	19	2	**28**	**35%**
Chile	-	-	-	**-**	**0%**	-	-	-	**-**	**0%**
China Hong Kong	-	-	-	**-**	**0%**	-	-	1	**1**	**17%**
China Shanghai	-	-	-	**-**	**0%**	-	-	-	**-**	**0%**
Egypt	1	1	-	**2**	**40%**	3	1	-	**4**	**14%**
United Arab Emirates	2	2	-	**4**	**36%**	-	7	-	**7**	**32%**
Ireland	1	1	-	**2**	**40%**	1	6	-	**7**	**41%**
Luxembourg	3	-	-	**3**	**27%**	1	-	-	**1**	**3%**
Mexico	2	-	2	**4**	**10%**	3	10	3	**16**	**30%**
Principality of Monaco	-	-	-	**-**	**0%**	1	1	-	**2**	**7%**
Singapore	3	1	1	**5**	**28%**	2	-	-	**2**	**15%**

[37] Incoming and outgoing changes in 2022 do not include the companies Siamosoci and AZ Venture Tech.

Switzerland	-	-	-	**-**	**0%**	-	1	.	**1**	**5%**
Taiwan	-	1	-	**1**	**8%**	-	1	-	**1**	**13%**
Turkey	3	10	-	**13**	**26%**	5	7	1	**13**	**38%**
USA	3	-	-	**3**	**50%**	-	-	1	**1**	**10%**
Total	**56[38]**	**96**	**27**	**179**	**27%**	**60**	**95**	**20**	**175**	**22%**

Number and rate of new employee hires by country, age group and gender at 31 December 2021 (GRI 401-1)

	Women					**Men**				
	≤ 29	30-50	> 51	**Total**	**Rate**	≤ 29	30-50	> 51	**Total**	**Rate**
Italy	2	6	1	**9**	**12.5%**	9	11	4	**24**	**19.4%**
Australia	31	51	11	**93**	**29%**	16	31	6	**53**	**21%**
Brazil	2	10	1	**13**	**27%**	3	11	-	**14**	**21%**
Chile	-	1	-	**1**	**50%**	-	-	-	**-**	**0%**
China Hong Kong	-	-	-	**-**	**0%**	-	1	1	**2**	**40%**
China - Shanghai	-	4	-	**4**	**80%**	-	2	-	**2**	**29%**
Egypt	1	-	-	**1**	**25%**	-	2	-	**2**	**8%**
United Arab Emirates	1	1	1	**3**	**30%**	1	3	-	**4**	**24%**
Ireland	-	-	-	**-**	**0%**	-	1	-	**1**	**7%**
Luxembourg	3	2	-	**5**	**56%**	2	6	1	**9**	**23%**
Mexico[39]	-	2	-	**2**	**5%**	6	5	2	**13**	**25%**
Principality of Monaco	1	1	-	**2**	**22%**	1	1	2	**4**	**15%**
Singapore	-	2	-	**2**	**13%**	1	1	-	**2**	**14%**
Switzerland	-	-	1	**1**	**14%**	1	2	-	**3**	**14%**
Taiwan	1	2	-	**3**	**18%**	-	1	-	**1**	**11%**
Turkey	6	7	-	**13**	**31%**	4	9	-	**13**	**46%**
USA	4	14	4	**22**	**44%**	11	15	5	**31**	**44%**
Total	**52**	**103**	**19**	**174**	**26%**	**55**	**102**	**21**	**178**	**23%**

Number and rate of employee turnover by country, age group and gender at 31 December 2023 (GRI 401-1)

	Women					Men				
	≤ 29	30-50	> 51	Total	Rate	≤ 29	30-50	> 51	Total	Rate
Italy	3	10	2	15	15%	6	11	8	25	16%

[38] The total was updated compared to the figure of the 2022 CNFS due to an improved reporting process.

[39] Please note that the total was updated compared to the figure of the 2022 CNFS due to an improved reporting process.

Australia	8	15	12	35	8%	7	5	5	17	5%
Brazil	1	8	2	11	37%	-	10	2	12	13%
Chile	-	1	-	1	100%	-	-	-	-	0%
China - Hong Kong	-	-	-	-	0%	-	-	-	-	0%
China - Shanghai	-	-	-	-	0%	-	-	-	-	0%
Egypt	-	-	-	-	0%	3	2	-	5	16%
United Arab Emirates	-	-	-	-	0%	-	1	-	1	3%
Ireland	1	-	-	1	20%	-	3	-	3	14%
Luxembourg	1	-	-	1	8%	-	6	-	6	16%
Mexico	1	2	2	5	13%	1	5	5	11	22%
Principality of Monaco	-	-	-	-	0%	2	-	1	3	10%
Singapore	-	3	1	4	22%	1	2	-	3	23%
Switzerland	-	-	2	2	50%	-	1	1	2	10%
Taiwan	-	2	-	2	15%	-	-	-	-	0%
Turkey	1	8	2	11	23%	3	5	1	9	24%
USA	-	-	1	1	12%	-	1	1	2	20%
Total	**16**	**49**	**24**	**89**	**12%**	**23**	**52**	**24**	**99**	**11%**

Number and rate of employee turnover by country, age group and gender at 31 December 2022 (GRI 401-1)

	Women					Men				
	≤ 29	30-50	> 51	**Total**	**Rate**	≤ 29	30-50	> 51	**Total**	**Rate**
Italy[40]	2	6	-	**8**	**10%**	7	4	2	**13**	**10%**
Australia	25	54	22	**101**	**27%**	15	21	13	**49**	**17%**
Brazil	4	15	1	**20**	**54%**	5	11	-	**16**	**20%**
Chile	-	-	-	**-**	**0%**	-	-	1	**1**	**50%**
China - Hong Kong	-	-	1	**1**	**20%**	-	-	-	**-**	**0%**
China - Shanghai	-	1	-	**1**	**25%**	1	-	-	**1**	**17%**
Egypt	1	-	-	**1**	**20%**	1	-	-	**1**	**4%**
United Arab Emirates	1	2	-	**3**	**27%**	1	1	-	**2**	**9%**
Ireland	-	-	-	**-**	**0%**	5	-	-	**5**	**29%**
Luxembourg	-	1	-	**1**	**9%**	1	3	-	**4**	**11%**
Mexico	2	1	1	**4**	**10%**	4	9	2	**15**	**28%**
Principality of Monaco	1	1	1	**3**	**50%**	-	-	1	**1**	**4%**

40 Incoming and outgoing changes in 2022 do not include the companies Siamosoci and AZ Venture Tech.

Singapore	1	1	1	**3**	**17%**	2	1	-	**3**	**23%**
Switzerland	-	-	1	**1**	**17%**	-	1	-	**1**	**5%**
Taiwan	-	5	-	**5**	**38%**	-	2	-	**2**	**25%**
Turkey	3	2	-	**5**	**10%**	4	3	-	**7**	**21%**
USA[41]	1	-	-	**1**	**17%**	1	-	1	**2**	**20%**
Total	**41**	**89**	**28**	**158**	**24%**	**47**	**56**	**20**	**123**	**16%**

Number and rate of employee turnover by country, age group and gender at 31 December 2021 (GRI 401-1)										
	Women					**Men**				
	≤ 29	30-50	> 51	**Total**	**Rate**	≤ 29	30-50	> 51	**Total**	**Rate**
Italy	-	2	-	**2**	**2.8%**	-	3	3	**6**	**5%**
Australia	5	13	1	**19**	**6%**	4	7	1	**12**	**5%**
Brazil	2	2	-	**4**	**8%**	4	13	1	**18**	**27%**
Chile	-	-	-	**-**	**0%**	-	-	-	**-**	**0%**
China Hong Kong	-	-	-	**-**	**0%**	-	-	1	**1**	**20%**
China - Shanghai	1	1	-	**2**	**40%**	-	-	-	**-**	**0%**
Egypt	-	-	-	**-**	**0%**	1	1	-	**2**	**8%**
United Arab Emirates	-	2	-	**2**	**20%**	-	-	-	**-**	**0%**
Ireland	-	-	-	**-**	**0%**	-	1	-	**1**	**7%**
Luxembourg	-	1	-	**1**	**11%**	-	-	-	**-**	**0%**
Mexico	2	1	-	**3**	**8%**	-	3	2	**5**	**10%**
Principality of Monaco	-	1	-	**1**	**11%**	-	-	1	**1**	**4%**
Singapore	**-**	2	-	**2**	**13%**	-	1	1	**2**	**14%**
Switzerland	-	-	-	**-**	**0%**	1	2	-	**3**	**14%**
Taiwan	2	-	-	**2**	**12%**	-	-	1	**1**	**11%**
Turkey	1	3	-	**4**	**10%**	3	5	-	**8**	**29%**
USA	1	4	5	**10**	**20%**	2	7	6	**15**	**21.4%**
Total	**14**	**32**	**6**	**52**	**7.9%**	**15**	**43**	**17**	**75**	**9.6%**

Incoming financial advisors by age bracket and gender									
	2023			**2022**			**2021**		
	Women	Men	Total	Women	Men	Total	Women	Men	Total

[41] The figure was updated compared to the text of the 2022 CNFS due to an improved reporting process.

≤ 29 years	6	29	35	12	34	46	17	40	57
30-50 years	10	37	47	9	44	53	54	86	140
> 51 years	9	27	36	3	16	19	33	41	74
Total	**25**	**93**	**118**	**24**	**94**	**118**	**104**	**167**	**271**

Financial advisors turnover by age and gender									
	2023			2022			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
≤ 29 years	3	9	12	1	6	7	13	14	27
30-50 years	8	25	33	10	27	37	22	40	62
> 51 years	16	77	93	14	52	66	17	65	82
Total	**27**	**111**	**138**	**25**	**85**	**110**	**52**	**119**	**171**

Employees by category and gender (GRI 405-1)[42]									
	2023			2022			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Top Managers/Directors	33	186	219	33	179	212	29	164	193
Middle Managers	77	183	260	76	166	242	85	199	284
Staff	637	541	1,178	559	434	993	544	417	961
Total	**747**	**910**	**1,657**	**668**	**779**	**1,447**	**658**	**780**	**1,438**
Top Managers/Directors	15%	85%	**13%**	16%	84%	**15%**	15%	86%	**14%**
Middle Managers	30%	70%	**16%**	31%	69%	**17%**	31%	69%	**19%**
Staff	54%	46%	**71%**	56%	44%	**69%**	57%	43%	**67%**
Total	**45%**	**55%**	**100%**	**46%**	**54%**	**100%**	**46%**	**54%**	**100%**

Employees by age group and category (GRI 405-1)[43]												
	2023				2022				2021			
	≤ 29 years	30 - 50 years	≥ 51 years	Total	≤ 29 years	30 - 50 years	≥ 51 years	Total	≤ 29 years	30 - 50 years	≥ 51 years	Total

[42] Please note that the percentages regarding the breakdown of employees by category level and gender in 2022 and 2021 were recalculated due to an improved reporting process.

[43] Please note that the percentages regarding the breakdown of employees by gender in 2022 and 2021 were recalculated due to an improved reporting process.

Top Managers/Directors	7	116	96	219	6	111	95	212	-	93	100	193
Middle Managers	5	183	72	260	6	171	63	240	6	210	68	284
Staff	293	649	236	1,178	213	583	199	995	231	558	172	961
Total	**305**	**948**	**404**	**1657**	**225**	**865**	**357**	**1,447**	**237**	**861**	**340**	**1,438**
Top Managers/Directors	3%	53%	44%	**13%**	3%	52%	45%	**15%**	0%	50%	50%	**14%**
Middle Managers	2%	70%	28%	**16%**	3%	71%	26%	**17%**	2%	73%	25%	**19%**
Staff	25%	55%	20%	**71%**	21%	59%	20%	**69%**	24%	58%	18%	**67%**
Total	**18%**	**57%**	**24%**	**100%**	**16%**	**60%**	**25%**	**100%**	**16%**	**60%**	**24%**	**100%**

Average hours of training by employee during the year (GRI 404-1)									
	2023 [44]			**2022**			**2021**		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Top Managers/Directors	13	10	11	8	9	9	5	5	5
Middle Managers	16	8	10	10	10	10	8	7	7
Staff	3	4	4	3	4	3	3	4	4
Total hours of training by employee	**5**	**6**	**6**	**4**	**6**	**5**	**4**	**5**	**5**

Percentage of employees receiving regular performance and career development by gender and category (GRI 404-3)[45]									
	2023			**2022**			**2021**		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Top Managers/Directors	76%	68%	69%	64%	57%	58%	62%	55%	56%
Middle Managers	71%	57%	61%	67%	61%	63%	55%	56%	56%
Staff	56%	66%	60%	77%	71%	74%	64%	59%	61%
Total employees	**58%**	**65%**	**62%**	**75%**	**65%**	**70%**	**63%**	**57%**	**60%**

[44] The disclosure under GRI 404-1 for the year 2023 also includes the training hours of Azimut Investment LTD.

[45] The figure is calculated on the total number of Group employees. The Companies of the Azimut Group which have introduced a performance appraisal system belong to the following countries: Australia, Brazil, Chile, Hong Kong, Ireland (not Irlanda Limited), Italy (not AZ Wealthype, AZ Excellence, AZ Enterprise), Mexico (not Kaan Capital), Switzerland, Taiwan, USA AACP. The data relating to 2022 and 2021 were updated due to an improved calculation process.

Ratio between the basic salary of female and male employees and total remuneration (GRI 405-2)						
	2023[46]		2022		2021	
	Basic salary	Total remuneration	Basic salary	Total remuneration	Basic salary	Total remuneration
Top Management/ Directors[47]	81%	-	79%	-	74%	-
Middle Managers	72%	68%	75%	71%	78%	78%
Staff	75%	77%	85%	81%	81%	79%

Ratio between the total annual remuneration of the highest paid person (e.g. CEO) and the average total annual remuneration of all the employees (excluding the above-mentioned person) (GRI 2-21)[48]		
Data	**2023**	**2022**
Total annual remuneration ratio	6.23%	8.14%

Number and rate of total work-related injuries (GRI 403-9)									
	2023			2022			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Total work-related injuries	**-**	**1**	**1**	**-**	**2**	**2**	**-**	**-**	**-**
of which At work	-	1	**1**	-	-	-	-	-	-
of which Commuting incidents (where the transport has been organised by the Group)[49]	-	-	**-**	-	1	1	-	-	-

[46] The data on the ratio of the basic salary of female and male employees to total remuneration do not take into account the data of the Italian-based Electa Ventures.

[47] Information on the total remuneration of top management is not shown, as inconsistent data was collected across countries due to the specific nature of the role.

[48] This indicator was introduced in 2022. Therefore, in this document the figures are only available for 2022 and 2023.

[49] In line with the new requirements of GRI 403-9, starting from 2020 injuries as a result of commuting incidents are included only where the transport has been organised by the organisation.

High-consequence work-related injuries	-	-	-	-	-	-	-	-	-
Rate of work-related injuries[50]	-	**0.12**	**0.07**	-	**0.1**	**0.07**	-	-	-
Rate of work-related injuries (also including commuting incidents)	-	-	-	-	0.3	0.1	0.2	-	0.1
Hours worked	1,303,316	1,723,190	**3,026,506**	1,207,944	1,548,342	**2,756,286**	1,126,702	1,486,055	**2,612,757**
Absentee rate[51]	**2.1%**	**1.70%**	**1.90%**	**2%**	**1.4%**	**1.7%**	**1.5%**	**1.2%**	**1.3%**

In 2023, there were no fatalities as a result of work-related injuries. No figures about financial advisors' work-related injuries are available as they are not collected directly by the relevant departments in the various countries where the Group operates.

Data relating to the environmental impacts of the Azimut Group

Energy consumption (GRI 302-1)

	m.u.	2023	2022	2021
Electricity from non-renewable sources	GJ	11,024	10,131	9,081
Electricity from renewable sources	GJ	138	148	113
Total	**GJ**	**11,161**	**10,279**	**9,194**

Energy intensity (GRI 302-3)

	m.u.	2023	2022	2021
Energy intensity ratio	MWh/no. of employees	1.87	2.01	1.78

Indirect emissions (Scope 2) (GRI 305-2)

[50] The frequency rate was calculated in accordance with the following formula: (work-related injuries/hours worked) *200,000. In line with the new requirements of GRI 403-9, in 2021, injuries as a result of commuting incidents are included only where the transport has been organised by the Group. These have been represented in the row "Rate of work-related injuries (including commuting incidents).

[51] The absentee rate was calculated in accordance with the following formula: (days of absence/working days)

	m.u.	2023	2022	2021

Electricity (location based)	tCO_2eq[52]	1,342	1,337	1,064
Electricity (Market based)	tCO_2eq[53]	1,402	1,413	1,130

Other indirect GHG emissions (Scope 3) (GRI 305-3)			
	m.u.	**2023**	**2022**
GHG Scope 1	tCO_2eq	1,803,914	1,951,208
GHG Scope 2	tCO_2eq	358,189	310,482
GHG Scope 3	tCO_2eq	10,332,946	10,115,416
Total	tCO_2eq	**12,495,050**	**12,376,943**

GHG emissions intensity (GRI 305-4)				
	m.u.	**2023**	**2022**	**2021**
Emissions intensity ratio	tCO_2eq/n employees[54]	0.81	0.93	0.74

Paper consumed				
	m.u.	**2023**	**2022**	**2021**
Total	tonnes	17	18	19

Data relating to taxation

Taxation (GRI 207-4) – 2023 Data

Area	**Employees** (no.)	**Net assets at 31.12.23** (euro/thousand)	**Fee and commission income - 2023** (euro/thousand)	**Total income - 2023** (euro/thousand)	**Taxes - 2023** (euro/thousand)	**Intangible assets - 2023** (euro/thousand)
Italy[55]	331	48,186	967,064	697,091	150,888	465,115
Europe - Middle East	233	7,271	150,517	156,191	6,809	63,909
Americas	231	25,624	43,926	55,494	3,973	53,207
Asia - Pacific	862	9,669	131,636	126,714	5,378	310,512

Taxation (GRI 207-4) – 2022 Data

Area	**Employees** (no.)	**Net assets** (euro/million)	**Fee and commission income** (euro/thousand)	**Total income** (euro/thousand)	**Taxes** (euro/thousand)	**Intangible assets** (euro/thousand)
Italy[56]	276	46,071	907,762	633,317	118,479	419,879

[55]The Italy Area data shown in this table, in line with IFRS 8, also includes data from Luxembourg and Ireland

Europe - Middle East	211	5,909	117,579	124,069	5,905	63,906
Americas	228	18,815	38,949	52,312	3,780	58,460
Asia - Pacific	732	8,169	94,955	101,530	3,912	336,001

GRI content index

Azimut Group's 2023 Consolidated Non-Financial Statement (CNFS) was drafted in accordance with the GRI Standards: in accordance. The GRI content index below represents the alignment between the GRI indicators reported in the Group's Consolidated Statement, any omissions applied in the methodology and calculations of the indicators, and the alignment with the indicators set by the SASB, where deemed applicable.

Statement of use	The Azimut Group reported in accordance with GRI Standards for the period 01/01/2023 - 31/12/2023
GRI 1 use	GRI 1 - Fundamental Principles - version 2021
Relevant GRI industry standards	N/A - the publication of the industry-specific standard will be awaited

GRI CONTENT INDEX				
GRI Standard/ Other source (SASB)	**Disclosure**	**Location**	**Omissions (Requirements omitted, reason for omission, explanation)**	**Ref. no. GRI industry standard** [57]
GENERAL DISCLOSURES – GRI 2 version 2021				
THE ORGANISATION AND ITS REPORTING PRACTICES				
GRI 2-1	Organisational details	Methodology P. 54 Azimut Group P. 57		
GRI 2-2	Entities included in the organisation's sustainability reporting	Methodology P. 54		
GRI 2-3	Reporting period, frequency and point of contact	Methodology P. 54 Publication date: 03/04/2024 Investor.relations@azimut.it		
GRI 2-4	Review of information	Methodology P. 54 Annexes P. 125, 128, 129, 131, 132.		

[53] In order to also consider other climate-altering gases besides CO2, the 2023 data are calculated in tonnes of Co2eq, while the 2022 and 2021 data in tonnes of Co2.
[54] In order to also consider other climate-altering gases besides CO2, the 2023 data are calculated in tonnes of Co2eq/number of employees, while the 2022 and 2021 data in tCO2/number of employees.
[55]The Italy Area data shown in this table, in line with IFRS 8, also includes data from Luxembourg and Ireland
[56]The Italy Area data shown in this table, in line with IFRS 8, also includes data from Luxembourg and Ireland
[57]Not applicable for this year, as no industry-specific standard on the financial services industry is currently available.

GRI 2-5	External assurance			
ACTIVITIES AND EMPLOYEES				
GRI 2-6	Activities, value chain and other business relationships	Methodology P. 54 Azimut Group P. 57 Our people P. 99 Responsible supply chain management P. 89		
GRI 2-7	Employees	Our people P. 99 Annexes P. 123		
GRI 2-8	Workers who are not employees	Our people P. 99 Annexes P. 127		
GOVERNANCE				
GRI 2-9	Structure and Composition of Governance	The Group's governance P. 63 Sustainability Governance P. 69 Report on corporate governance and ownership structure P.69-70	The disclosure in GRI 2-9 c is currently unavailable. The Group is committed to reporting this information starting with next year's sustainability statement.	
GRI 2-10	Appointment and selection of the top governing body	The Group's governance P. 63 Reference should be made to the Report on corporate governance and ownership structure regarding the procedure to appoint and select committees as set out in disclosure 2-10 a, contained in paragraph 6, 7.2, 8.3. Reference should be made to the Report on corporate governance and ownership structure regarding the expertise in relation to the impacts of the organisation (GRI 2-10b4), paragraph 4.4, page 13.		
GRI 2-11	Chair of the top governing body	The Group's governance P. 63 Compared to the disclosure in GRI 2-11 a and b, reference should		

		be made to the Report on corporate governance and the ownership aspects with reference to the Breakdown of the Board of Directors, paragraph 4.3 Breakdown, page 10.		
GRI 2-12	Role of the top governing body in impact management control	The Group's governance P. 63 Sustainability Governance P. 69 - 71 The Group's stakeholders and materiality analysis P. 71	The disclosure envisaged under par. 2-12b is currently unavailable. The Group undertakes to submit a report starting next year.	
GRI 2-13	Delegation of responsibility for impact management	Sustainability Governance P. 69		
GRI 2-14	Role of the top governing body in sustainability reporting	Methodology P. 54 Sustainability Governance P. 69		
GRI 2-15	Conflicts of interest	The Group's governance P. 63		
GRI 2-16	Communication of critical issues	The Group's governance P. 63 Sustainability Governance P. 69 The Group's stakeholders and materiality analysis P. 71 As part of the approval process for material topics and the CNFS, the company's most relevant sustainability issues were presented. During the reporting year, no critical issues were found in relation to sustainability aspects.		
GRI 2-17	Collective knowledge of the top governing body	The Group's governance P. 63 During 2023, no training was provided to members of the Board of Directors on sustainability issues. However, the Board of Directors is supported by the Sustainability		

		Committee in overseeing ESG aspects and is regularly informed about sustainability issues.		
GRI 2-18	Performance assessment of the top governing body	The Group's governance P. 63 With reference to disclosure in GRI 2-18 a, b and c, please note that the Board of Directors uses the Sustainability Committee to oversee ESG issues as described in paragraph 3.1 herein.		
GRI 2-19	Rules on remuneration	The Group's governance P. 63 Remuneration and incentive policy	The disclosure in GRI 2-19 b does not include details on the ESG component of the remuneration of top governance bodies as the Remuneration Policies of members of the Board of Directors are not related to achieving the targets on sustainability aspects.	
GRI 2-20	Procedure for determining remuneration	The Group's governance P. 63 Remuneration and incentive policy With respect to disclosure 2-20a iii, reference should be made to the Report on corporate governance and the ownership aspects, paragraph 7 Remuneration of Directors - Remuneration Committee, p. 19, as well as paragraph 1.6 of the Report on remuneration policy and remuneration paid, from pages 19 – 32.		
GRI 2-21	Total annual remuneration ratio	Diversity and inclusion and respect for human rights Annexes P. 134		
STRATEGY, POLICIES AND PRACTICES				

GRI 2-22	Sustainable Development Strategy Statement	Management Report: Letter to the shareholders		
GRI 2-23	Commitment in terms of policy	The sustainability approach P. 66	The disclosure envisaged under par. 2-23a is currently unavailable. The Group undertakes to submit a report starting next year.	
GRI 2-24	Commitment integration in terms of policy	The sustainability approach P. 66		
GRI 2-25	Processes to remedy negative impacts	The sustainability approach P. 66, and 84-86		
GRI 2-26	Mechanisms for requesting clarification and raising concerns	The sustainability approach P. 66 Business ethics, anti-money laundering and fight against corruption P. 83		
GRI 2-27	Compliance with laws and regulations	Business ethics, anti-money laundering and fight against corruption P. 83	Indicator 2-27 does not include specifications on a single non-significant event of non-compliance with applicable laws and guidelines recorded by one of the Group's companies, due to its insignificance.	
GRI 2-28	Membership of associations	The Group's stakeholders and materiality analysis P. 71		
STAKEHOLDER ENGAGEMENT				
GRI 2-29	Approach to stakeholder engagement	The Group's stakeholders and materiality analysis P. 71		
GRI 2-30	Collective labour agreements	Annexes P. 127		
MATERIAL TOPICS – GRI 3 version 2021				
GRI 3-1	Process of determining material topics	The Group's stakeholders and materiality analysis P. 71		
GRI 3-2	List of material topics	The Group's stakeholders and materiality analysis P. 71		
BUSINESS ETHICS, ANTI-MONEY LAUNDERING AND FIGHT AGAINST CORRUPTION				

Anti-corruption				
GRI 3-3	Managing material topics	Business ethics, anti-money laundering and fight against corruption P. 83		
GRI 205-3	Confirmed incidents of corruption and measures taken	Business ethics, anti-money laundering and fight against corruption P. 83		
SASB FN-AC-510a.1	Business Ethics	Business ethics, anti-money laundering and fight against corruption P. 83		
Taxes				
GRI 3-3	Managing material topics	The taxation approach P. 89		
GRI 207-1	Approach to taxes	The taxation approach P. 89		
GRI 207-2	Tax governance, control, and risk management	The taxation approach P. 89	The information in GRI 207-2c relating to the assurance process for tax disclosures is not reported because the company does not perform external assurance for tax disclosures.	
GRI 207-3	Stakeholder engagement	The taxation approach P. 89		
GRI 207-4	Country-by-country reporting	Annexes P. 136	Confidentiality obligations: due to the sensitivity and confidentiality of tax information, disclosure 207-4 is reported with some limitations and in a combined form.	
DIRECT ENVIRONMENTAL IMPACTS				
Energy				
GRI 3-3	Managing material topics	Environmental impact management P. 113		
GRI 302-1	Energy consumption within the organization	Environmental impact management P. 113 Annexes P. 135	The information in GRI 302-1 does not include disclosures relating to a), b) and c) referring to, respectively, total fuel consumption in the organisation from non-renewable energy sources and total fuel	

			consumption in the organisation from renewable energy sources and heating energy consumption as the figure is partial.	
GRI 302-3	Energy intensity	Environmental impact management P. 113 Annexes P. 135		
Issues				
GRI 3-3	Managing material topics	Environmental impact management P. 113		
GRI 305-2	Energy indirect (Scope 2) GHG emissions	Environmental impact management P. 113 Annexes P. 135		
GRI 305-4	GHG emissions intensity	Environmental impact management P. 113 Annexes P. 135		
HUMAN CAPITAL MANAGEMENT AND DEVELOPMENT				
Employment				
GRI 3-3	Managing material topics	Human capital management and development P.99		
GRI 401-1	New employee hires and employee turnover	Human capital management and development P. 99 Annexes P. 129		
Training and education				
GRI 3-3	Managing material topics	Human capital management and development P. 99		
GRI 404-1	Average hours of training per year per employee, by gender and category	Human capital management and development P. 99 Annexes P. 133		
GRI 404-3	Percentage of employees receiving regular performance and career development reviews, by gender and category	Human capital management and development P. 99 Annexes P. 133		
HEALTH, SAFETY AND WELL-BEING OF EMPLOYEES				
GRI 3-3	Managing material topics	Health, safety and well-being of the Group's people P. 107		
GRI 403-1	Occupational health and safety management system	Health, safety and well-being of the Group's people P. 107 The tasks carried out by the workers mainly concern office work at		

		the company's premises.		
GRI 403-2	Hazard identification, risk assessment, and incident investigation	Health, safety and well-being of the Group's people P. 107	It is specified that the disclosure in GRI 403-2 does not include the information in a), b) and c).	
GRI 403-3	Occupational health services	Health, safety and well-being of the Group's people P. 107 The Company operates in compliance with the regulations applicable to the different countries concerning the health and safety of workers. In particular, in Italy, the Company complies with Legislative Decree 81/08, which envisages the health surveillance of workers by the appointed Competent Doctor.		
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	Health, safety and well-being of the Group's people P. 107	The disclosure in GRI 403-4 is not provided because the organisation has not adopted specific processes beyond what is required by applicable regulations.	
GRI 403-5	Worker training on occupational health and safety	Health, safety and well-being of the Group's people P. 107		
GRI 403-6	Promotion of worker health	Health, safety and well-being of the Group's people P. 107		
GRI 403-7	Prevention and mitigation of occupational health and safety impacts	Health, safety and well-being of the Group's people P. 107 The Group complies with legal obligations about health and safety in the various countries in which it operates, aimed at preventing and mitigating any significant negative impacts. Due to the type of activities performed,		

		which are mainly office-based, no significant negative impacts were identified.	
GRI 403-9	Work-related injuries	Health, safety and well-being of the Group's people P. 107 Annexes P. 134 The main hazards to which workers are exposed are determined and assessed in accordance with the legal provisions in force in the various countries in which the organisation operates, and mainly concern those related to office activities (posture, use of video terminals, commuting).	
FINANCIAL ADVISORS' TRAINING AND NETWORK MANAGEMENT			
Employment			
GRI 3-3	Managing material topics	Financial advisors' training and network management P. 103	
GRI 401-1	New employee hires and employee turnover	Financial advisors' training and network management P. 103 Annexes P. 131	
Training and education			
GRI 3-3	Managing material topics	Financial advisors' training and network management P. 103	
GRI 404-1	Average hours of training per year per employee, by gender and category	Financial advisors' training and network management P. 103 Annexes P. 133	
GRI 404-3	Percentage of employees receiving regular performance and career development reviews, by gender and category	Financial advisors' training and network management P. 103 Annexes P. 133	
DIVERSITY AND INCLUSION AND RESPECT FOR HUMAN RIGHTS			
Diversity and equal opportunities			
GRI 3-3	Managing material topics	Diversity and inclusion and respect for human rights P. 106	
GRI 405-1	Composition of	Diversity and inclusion	

	governance bodies and breakdown of employees by gender, age, membership of protected job programmes and other indicators of diversity	and respect for human rights P. 106 The Group's governance P. 63 Annexes P. 123 Annexes P. 132		
SASB FN-AC-330a.1	Employee Diversity & Inclusion	Diversity and inclusion and respect for human rights P. 106 The Group's governance P. 63 Annexes P. 123		
GRI 405-2	Ratio between the basic salary and remuneration of female and male employees	Diversity and inclusion and respect for human rights P. 106 Annexes P. 133	Information on the total remuneration of top management is not shown, as incomplete data was collected across countries due to the specific nature of the role.	
Non-discrimination				
GRI 3-3	Managing material topics	Business ethics, anti-money laundering and fight against corruption P. 83		
GRI 406-1	Incidents of discrimination	Business ethics, anti-money laundering and fight against corruption P. 83		
RESPONSIBLE SUPPLY CHAIN MANAGEMENT				
GRI 3-3	Managing material topics	Responsible supply chain management P. 89		
RESPONSIBLE MARKETING AND TRANSPARENT COMMUNICATION				
GRI 3-3	Managing material topics	Responsible marketing and transparent communication P. 97		
SASB FN-AC-270a.3; FN-AC-270a.2	Transparent Information & Fair Advice for Customers	Responsible marketing and transparent communication P. 97		
GRI 417-2	Incidents of non-compliance concerning product and service information and labeling	Responsible marketing and transparent communication P. 97		
GRI 417-3	Incidents of non-compliance concerning marketing communications	Responsible marketing and transparent communication P. 97		

PRIVACY AND DATA SECURITY			
GRI 3-3	Managing material topics	Privacy and data security P. 88	
GRI 418-1	Number of documented complaints concerning non-compliance with privacy and losses of customer data	Privacy and data security P. 88	
CUSTOMER SATISFACTION			
GRI 3-3	Managing material topics	Customer satisfaction P. 97	
PRODUCT PORTFOLIO INNOVATION AND SUSTAINABILITY			
GRI 3-3	Managing material topics	Innovation and sustainability in the product portfolio P. 90	
SASB FN-AC-410a.2	Incorporation of Environmental, Social, and Governance Factors in Investment Management & Advisory	Innovation and sustainability in the product portfolio P. 90	
Issues			
GRI 305-3	Other indirect greenhouse gas (GHG) emissions (Scope 3)	Innovation and sustainability in the portfolio P. 90	
FINANCIAL EDUCATION AND DEVELOPMENT OF LOCAL COMMUNITIES			
GRI 3-3	Managing material topics	Development of local communities P. 107 Financial education P. 110	
ESG RISK MANAGEMENT FOR BUSINESS OPERATIONS AND INVESTMENTS			
GRI 3-3	Managing material topics	The internal control and ESG risk management system P. 78	

AZIMUT GROUP

CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2023

FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2023

Euro/000

Assets	31.12.2023	31.12.2022
Cash and cash equivalents	464,571	298,142
Financial assets at fair value through profit or loss	7,544,967	7,319,828
c) other financial assets mandatorily measured at fair value	7,544,967	7,319,828
Financial assets at fair value through other comprehensive income	15,897	15,872
Financial assets at amortised cost	259,388	170,272
Equity investments	280,971	263,467
Insurance contract assets	5,634	5,278
b) reinsurance contract assets	5,634	5,278
Property, plant and equipment	45,880	48,555
Intangible assets	892,743	878,246
of which:		
- goodwill	749,832	743,667
Tax assets	28,196	63,553
a) current	8,790	40,664
b) deferred	19,406	22,889
Other assets	420,075	451,364
TOTAL ASSETS	**9,958,322**	**9,514,577**

The prior year corresponding figures were reclassified in order to comply with IFRS 17. Reference should be made to the paragraph below "Accounting standards, amendments and interpretations endorsed by the European Union and in force from 1 January 2023" for a description and a presentation of the effects of the adoption this standard.

On behalf of the Board of Directors
Chief Executive Officer
(Gabriele Blei)

Euro/000

Liabilities and Shareholders' Equity	**31.12.2023**	**31.12.2022**
Financial liabilities at amortised cost	553,901	555,935
a) Liabilities	56,919	58,019
b) Outstanding securities	496,982	497,916
Insurance liabilities	1,505,259	1,311,911
Financial liabilities designated at fair value	5,679,679	5,523,654
Tax liabilities:	219,667	195,123
a) current	142,731	120,124
b) deferred	76,936	74,999
Other liabilities	324,372	382,799
Staff severance pay (TFR)	4,328	3,629
Provisions for risks and charges:	61,813	69,300
c) other provisions for risks and charges	*61,813*	*69,300*
Share capital	32,324	32,324
Treasury shares (-)	- 55,069	- 56,485
Equity instruments	36,000	36,000
Share premium reserve	173,987	173,987
Reserves	938,695	810,552
Valuation reserves	- 9,940	14,591
Profit for the year	434,567	406,461
Minority interests	58,739	54,796
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**9,958,322**	**9,514,577**

The prior year corresponding figures were reclassified in order to comply with IFRS 17. Reference should be made to the paragraph below "Accounting standards, amendments and interpretations endorsed by the European Union and in force from 1 January 2023" for a description and a presentation of the effects of the adoption this standard.

On behalf of the Board of Directors

Chief Executive Officer

(Gabriele Blei)

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

Euro/000

Items	2023	2022
Fee and commission income	1,293,143	1,265,624
Fee and commission expense	(343,998)	(377,748)
NET FEE AND COMMISSION INCOME	**949,145**	**887,876**
Dividends and similar income	17,865	13,398
Interest income and similar income	11,929	3,284
Interest expense and similar charges	(12,529)	(14,214)
Profits (losses) on disposal or repurchase of:	353	242
b) financial assets at fair value through other comprehensive income	353	242
Net gains (losses) on other financial assets and financial liabilities at fair value through profit or loss	40,189	536
a) assets and liabilities designated at fair value	3,222	13,804
b) other financial assets mandatorily measured at fair value	36,967	(13,268)
Profit from insurance services	28,667	20,093
Financial income from insurance operations	(129)	3,024
TOTAL INCOME	**1,035,490**	**914,239**
Administrative costs:	(372,202)	(338,783)
a) personnel costs	(187,950)	(168,259)
b) other administrative costs	(184,252)	(170,524)
Net accruals to provisions for risks and charges	1,861	(10,375)
Net impairment losses/reversals of impairment losses on property, plant and equipment	(12,826)	(13,303)
Net impairment losses/reversals of impairment losses on intangible assets	(31,050)	(22,644)
Other operating income and costs	7,749	11,188
OPERATING EXPENSE	**(406,468)**	**(373,917)**
Profits (losses) on equity investments	(3,961)	19,381
PRE-TAX PROFIT (LOSS) FROM CONTINUING OPERATIONS	**625,061**	**559,703**
Income tax on profit from continuing operations	(167,048)	(132,702)
NET PROFIT (LOSS) FROM CONTINUING OPERATIONS	**458,013**	**427,001**
PROFIT FOR THE YEAR	**458,013**	**427,001**
Profit for the year attributable to minority interests	23,446	20,540
Parent Company profit for the period/year	434,567	406,461

Basic earnings per share - Euro	3,140	2,919
Diluted earnings per share - Euro	3,140	2,919

The prior year corresponding figures were reclassified in order to comply with IFRS 17. Reference should be made to the paragraph below "Accounting standards, amendments and interpretations endorsed by the European Union and in force from 1 January 2023" for a description and a presentation of the effects of the adoption this standard.

On behalf of the Board of Directors

Chief Executive Officer

(Gabriele Blei)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Euro/000

Items	2023	2022
Profit for the year	**458,013**	**427,001**
Other comprehensive income, net of taxes, not transferred to profit or loss		
Equity instruments at fair value through other comprehensive income	563	708
Property, plant and equipment		
Defined benefit plans	- 306	1,260
Other comprehensive income, net of taxes, transferred to profit or loss		
Exchange rate differences	- 24,788	3,432
Total other comprehensive income (expense), net of taxes	**- 24,531**	**5,400**
Comprehensive income	**433,482**	**432,401**
Consolidated comprehensive income attributable to minority interests	**23,446**	**20,540**
Consolidated comprehensive income attributable to the parent company	**410,036**	**411,861**

The prior year corresponding figures were reclassified in order to comply with IFRS 17. Reference should be made to the paragraph below “Accounting standards, amendments and interpretations endorsed by the European Union and in force from 1 January 2023” for a description and a presentation of the effects of the adoption this standard.

On behalf of the Board of Directors

Chief Executive Officer

(Gabriele Blei)

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT 31 DECEMBER 2023

Euro/000

Items	Balance at 31.12.22	Changes in opening balance	Balance at 01.01.23	Allocation of prior year profit (loss)		Changes during the year						Consolidated comprehensive income for 2023	Group shareholders' equity at 31 December 2023	Shareholders' equity attributable to minority interests at 31 December 2023
							Shareholders' equity transactions							
				Reserves	Dividends and other distributions	Changes in reserves	Issue of new shares	Treasury share purchases	Extraordinary dividend distribution	Changes in equity instruments	Other changes			
Share capital	***32,324***		**32,324**										**32,324**	**178,396**
Share premium reserve	***173,987***		**173,987**										**173,987**	
Other reserves:														
a) income-related	**913,532**	5,935	**919,467**	171,323							(43,180)		**1,047,610**	**(133,357)**
b) other	**(108,915)**		**(108,915)**										**(108,915)**	
Valuation reserves	***14,591***		**14,591**									(24,531)	**(9,940)**	**(9,746)**
Equity instruments	***36,000***		**36,000**										**36,000**	
Treasury shares	***(56,485)***		**(56,485)**								1,416		**(55,069)**	
Profit for the year	***406,461***	4,090	**410,551**	(171,323)	(239,228)							434,567	**434,567**	***23,446***
Group shareholders' equity	**1,417,430**	**10,025**	**1,421,520**								**(41,764)**	**410,036**	**1,550,564**	
Shareholders' equity attributable to minority interests	**54,796**		**54,796**								**(19,503)**	**23,446**		**58,739**

The column showing the opening balance reflects the adoption of IFRS 17. Reference should be made to the paragraph below "Accounting standards, amendments and interpretations endorsed by the European Union and in force from 1 January 2023" for a description and a presentation of the effects of the adoption this standard.

On behalf of the Board of Directors

Chief Executive Officer

(Gabriele Blei)

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS’ EQUITY AT 31 DECEMBER 2022

Euro/000

Items	Balance at 31.12.21	Changes in opening balance	Balance at 01.01.22	Allocation of prior year profit (loss)		Changes during the year						Consolidated comprehensive income for 2022	Group shareholders’ equity at 31.12.22	Shareholders’ equity attributable to minority interests at 31.12.22
							Shareholders’ equity transactions							
				Reserves	Dividends and other distributions	Changes in reserves	Issue of new shares	Treasury share purchases	Extraordinary dividend distribution	Changes in equity instruments	Other changes			
Share capital	*32,324*		32,324										32,324	157,377
Share premium reserve	*173,987*		173,987										173,987	
Other reserves:														
a) income-related	*475,435*	9,445	484,880	332,556							102,031		919,467	(120,366)
b) other	*(108,915)*		*(108,915)*										(108,915)	
Valuation reserves	*9,191*		9,191									5,400	14,591	(2,755)
Equity instruments	*36,000*		36,000										36,000	
Treasury shares	*(40,834)*		(40,834)					(29,651)			14,000		(56,485)	
Profit (loss) for the year	*605,457*		605,457	(332,556)	(272,901)							406,461	406,461	*20,540*
Group shareholders’ equity	**1,182,645**	**9,445**	**1,192,090**								**116,031**	**411,861**	**1,417,430**	
Shareholders’ equity attributable to minority interests	**52,937**		**52,937**								**(18,681)**	**20,540**		**54,796**

The column showing the opening balance reflects the adoption of IFRS 17. Reference should be made to the paragraph below “Accounting standards, amendments and interpretations endorsed by the European Union and in force from 1 January 2023” for a description and a presentation of the effects of the adoption this standard.

On behalf of the Board of Directors

Chief Executive Officer

(Gabriele Blei)

CONSOLIDATED CASH FLOW STATEMENT
Indirect method

Euro/000

A. OPERATING ACTIVITIES	2023	2022
1. Operations	**531,587**	**477,428**
- profit for the year (+/-)	434,567	406,461
- net impairment losses on property, plant and equipment and intangible assets (+/-)	43,876	35,947
- net accruals to provisions for risks and charges and other expenses/income (+/-)	(1,861)	10,375
- taxes and tax credits still to be paid (+)	55,005	19,294
- other changes (+/-)	0	5,351
2. Cash generated from or used by financial assets	**(326,125)**	**94,987**
- financial assets measured at fair value	(339,022)	189,983
- insurance contract assets	(356)	(5,278)
- other assets mandatorily measured at fair value	(6,181)	(59,409)
- financial assets at fair value through other comprehensive income	(438)	(2,023)
- financial assets at amortised cost	(36,914)	8,297
- other assets	56,786	(36,583)
3. Cash generated from or used by financial liabilities	**263,384**	**(673,744)**
- financial liabilities at amortised cost	(2,034)	(382,099)
- financial liabilities measured at fair value	156,025	(180,785)
- insurance liabilities	193,348	(123,505)
- other liabilities	(83,955)	12,645
Net cash generated from or used by operating activities	**468,846**	**(101,329)**
B. INVESTMENT ACTIVITIES		
1. Cash generated from	**45,019**	**13,398**
- dividends from equity investments	17,865	13,398
- disposal of subsidiaries and business units	27,154	0
2. Cash used by	**(118,221)**	**(203,057)**
- purchase of equity investments	(35,369)	(59,378)
- purchase of property, plant and equipment	(10,151)	(9,823)
- purchase of intangible assets	(39,382)	(38,430)
- purchase of subsidiaries and business units	(33,319)	(95,426)
Net cash generated used by investment activities	**(73,202)**	**(189,659)**
C. FINANCING ACTIVITIES		
- issue/purchase of treasury shares	0	(15,651)
- dividends and other distributions	(239,228)	(272,901)
- change in other reserves	(62,205)	107,431
- sale/purchase of non-controlling interests	3,943	1,859
Net cash generated from or used by financing activities	**(297,490)**	**(179,262)**
NET CASH GENERATED/(USED) DURING THE YEAR	**98,154**	**(470,250)**

RECONCILIATION		
	2023	**2022**
Opening cash and cash equivalents	791,262	1,261,512
Total net cash generated/(used) during the year	98,154	(470,250)
Closing cash and cash equivalents	889,416	791,262

The prior year corresponding figures were reclassified in order to comply with IFRS 17. Reference should be made to the paragraph below "Accounting standards, amendments and interpretations endorsed by the European Union and in force from 1 January 2023" for a description and a presentation of the effects of the adoption this standard.

On behalf of the Board of Directors
Chief Executive Officer
(Gabriele Blei)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

PART A – ACCOUNTING POLICIES

A.1 General information

Section 1 – Statement of compliance with IAS/IFRS

The consolidated financial statements comply with the International Accounting Standards (IAS) / International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the related interpretations of the IFRS Interpretations Committee (IFRIC), endorsed by the European Commission and in force on 31 December 2023, implementing Legislative decree no. 38/2005 and Regulation (EC) 1606/2002. There were no departures from IAS/IFRS.

For information about the standards that came into force in 2023, reference should be made to "Section 2 – General reporting criteria" which also describes the impacts, if any, on the Group.

Section 2 – General reporting criteria

The Group's consolidated financial statements have been drawn up voluntarily in accordance with the instructions issued by the Bank of Italy about the financial statements of asset management companies, within the Measure "IFRS financial statements of intermediaries other than banking intermediaries" of 17 November 2022. Although this measure does not apply to the Group, it pertains to its core business. The instructions lay down the mandatory financial statements schedules and how they must be filled in by asset management companies. The Measure also stipulates that where the consolidation scope includes insurance companies, special items must be included in the financial statements to reflect the accounting entries related to insurance contracts. These items are described in the notes thereto. In this respect, the provisions of Bank of Italy Circular no. 262 of 22 December 2005 apply. In this respect, as required by the above Measure, it is noted that the balance sheet and the income statement include items that reflect the insurance business of the Irish-based Azimut Life Dac. Furthermore, for the purposes of preparing the consolidated financial statements, reference was also made to the several interpretative documents issued by international and Italian supervisory bodies. Specifically:

- the Public Statement published by the European Securities and Markets Authority ("ESMA") on 25 October 2023 "European common enforcement priorities for 2023 annual financial reports", which reaffirms, inter alia, certain recommendations already included in its previous Public Statement published in October 2022;
- Discussion paper no. 1/2022 "Impairment testing of non-financial assets (IAS 36) following the war in Ukraine" published by the Italian valuation body ("OIV") on 29 June 2022, incorporating the content of ESMA's Public Statement of 13 May 2022 (covered by Consob's call for attention dated 19 May 2022), which provides operational guidance on the uncertainty caused by the current scenario when conducting impairment tests;
- the interpretative documents on the application of IAS/IFRS in Italy prepared by the Italian accounting standard setter ("OIC") and Consob that make reference to specific IAS/IFRS standards or provisions.

The consolidated financial statements comprise the consolidated balance sheet, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in shareholders' equity, the consolidated cash flow statement and these notes and are accompanied by the management report on the performance of the companies included in the scope of consolidation.

These notes are comprised of four parts: A – Accounting policies, B – Notes to the balance sheet, C – Notes to the income statement, D – Other information.

In accordance with the provisions set forth in Article 5, paragraph 2 of Legislative Decree No. 38/2005, the consolidated financial statements have been drawn up by adopting the euro as the reporting currency. Unless otherwise specified, the amounts shown in the financial statements and the notes thereto, as well as those presented in the management report, are in thousands of euro.

The consolidated balance sheet, income statement and statement of comprehensive income comprise items and sub-items.

Unlike the formats defined by the Bank of Italy, these schedules and the notes thereto do not include items and sections with a nil balance in either the year to which these financial statements refer or the previous year.

The consolidated financial statements have been prepared clearly and give a true and fair view of the Group's financial position, results of operations, changes in shareholders' equity and cash flows.
The consolidated financial statements have been prepared in accordance with IAS 1 "Presentation of financial statements" and in line with the general assumptions of the "Framework for the preparation and presentation of financial statements" (the framework) prepared by the IASB, specifically with respect to the fundamental principle of substance over form[58], the relevance and materiality of financial information, the accruals basis of accounting and the going concern assumption. Except for that provided for or permitted by IAS/IFRS or one of their interpretations or Bank of Italy's provisions on the financial statements of asset management companies, assets and liabilities and costs and revenue are not offset.

These consolidated financial statements have been prepared based on the going concern assumption. Financial, operating and other indicators [59]have been considered which, as also shown in the document issued on 6 February 2009 by the supervisory authorities Bank of Italy, Consob and IVASS, may highlight problems that could compromise the stability and going concern assumption of the company if not taken into proper consideration.
Although the economic outlook remains uncertain, also in the light of the impacts of the contingent market situation with particular reference to inflation and the rise in interest rates, as well as the geopolitical crisis arising from Russia's military invasion in Ukraine and the conflict in the Middle East, an overall valuation of the past and current financial position and financial performance of the Group, its operating guidelines, the business model of investees and the risks to which the business activity is exposed[60], lead us to believe that the Group will continue to operate on a going concern basis for the foreseeable future.

<u>Accounting standards, amendments and interpretations endorsed by the European Union and in force from 1 January 2023.</u>

The IAS/IFRS applied to prepare the consolidated financial statements, governing the classification, recognition, measurement and derecognition criteria of asset and liability items

[58] Transactions and other corporate events have been recognised and presented in accordance with the principle of substance over form.
[59] Examples of which are shown in audit standard no. 570 on "Going Concerns".
[60] As described in the Management Report accompanying these consolidated financial statements.

and the recognition of income and expense are those in force at the drafting date of these financial statements, as endorsed by the European Union.
For information on the classification, recognition, measurement and derecognition criteria of the main items, reference should be made to that set out in Section 2 "General reporting criteria" of these notes.

Accounting standards, amendments and interpretations in force from 1 January 2023.

Amendments	IASB publication date	Date of coming into force
Deferred tax related to assets and liabilities arising from a single transaction [Amendments to IAS 12]	May 2021	1 ° January 2023
Disclosure of accounting policies [Amendments to IAS 1 and IFRS Practice Statement 2]	February 2021	1 ° January 2023
Definition of accounting estimates [Amendments to IAS 8]	February 2021	1 ° January 2023
IFRS 17 - Insurance Contracts, including amendments issued in June 2020	May 2018	1 ° January 2023
Initial application of IFRS 17 and IFRS 9 - comparative information [Amendments to IFRS 17 and IFRS 9]	December 2021	1 January 2023
International Tax Reform – Pillar Two Model Rules – [Amendments to IAS 12]	May 2023	1 January 2023

Forthcoming standards, amendments and interpretations endorsed by the EU

Amendments	IASB publication date	Date of coming into force
Lease liability in a sale and leaseback [Amendments to IFRS 16]	September 2022	1 January 2024
Classification of liabilities as current or non-current - deferral of effective date [Amendment to IAS 1] Non-current liabilities with covenants [Amendments to IAS 1]	January 2020 July 2020 October 2022	1 January 2024

Standards, amendments and interpretations not yet endorsed by the European Union

Amendments	IASB publication date	Date of coming into force
Amendments to IAS 7 Statement of cash flows and IFRS 7 Financial instruments: disclosures: reverse factoring agreements	May 2023	1 January 2024
The effects of changes in foreign exchange rates: lack of exchangeability [Amendments to IAS 21]	August 2023	1 January 2025

The Group will adopt the above new standards based on the expected application date and will assess the potential impact once they have been endorsed by the European Union.

Transition to IFRS 17 - Insurance Contracts

This section describes the main impacts of the introduction of IFRS 17 - Insurance Contracts and the adoption of IFRS 9 - Financial Instruments on the Group's Irish insurance company, which is included in the Group's consolidated financial statements, as well as the related implementation process, in compliance with the European Securities and Markets Authority (ESMA) guidelines and the requirements of paragraphs 30 and 31 of IAS 8.

The relationship between the two standards - IFRS 17 and IFRS 9 - which the Irish insurance company applied simultaneously and for the first time as of 1 January 2023, is also described.

IFRS 17 - Insurance contracts issued by the IASB in May 2017 and subject to subsequent amendments published on 25 June 2020, was endorsed by EU Regulation no. 2036/2021 of 19 November 2021 and became mandatorily effective on 1 January 2023. The parent company and, consequently, the Group, decided to apply this standard for the first time from that date. The prior year (2022) corresponding figures were reclassified as required by said standard.

Summary of IFRS 17

IFRS 17 replaces IFRS 4, which, when introduced, was considered an interim standard and, as such, did not intend to provide, inter alia, a single methodology to present insurance contracts, referring to the accounting policies set out by the local regulations of individual countries.

The main changes are as follows:

- initial recognition of insurance liabilities: at the time the contract is signed with the policyholder, an entity recognises a liability whose amount reflects the algebraic sum of the present value of the future cash flows ("PVFCF"), including an appropriate risk adjustment ("RA") for non-financial risks and the expected contractual service margin *("CSM")*, which represents the present value of future pre-tax profits;
- group of contracts: IFRS 17 identifies portfolios of insurance contracts. Each portfolio is further subdivided into groups consisting of contracts with similar characteristics in terms of expected profitability, thus distinguishing between profitable (with a positive expected profit margin) and onerous (with a negative expected profit margin) contracts;
- the measurement approaches envisaged by the standard, including the General Model ("GM") generally applies to all contracts, except as provided for by the standard;
- transition: upon initial application of IFRS 17, all contracts in the portfolio must be recognised as if the new requirements had always been in force, using the full retrospective approach ("FRA"); Since its application may be extremely complex because of the unavailability of the time series of attributes necessary to handle the large population of the data model required by lFRS 17, which would allow its full application, the standard provides for the two other optional methods: (i) the modified retrospective approach ("MRA"), which approximates the results of the FRA using a retrospective approach, simplifying CSM estimates, the level of aggregation of contracts, the use of annual cohorts and the discount rates to be applied; (ii) the fair value approach ("FVA"), whereby the CSM/Loss Component (for onerous contracts) is calculated as the difference between the fair value of the group of contracts to which it refers and the value of the fulfillment cash flows at the same date (being the sum of PVFCF and RA). The company opted for the Fair Value Approach ("FVA");
- subsequent measurement of insurance liabilities: insurance liabilities are to be measured at the end of each reporting period to check the appropriateness of estimates against current market conditions;
- measurement of insurance revenue: an entity shall present profitability based on the "margins" achieved over the duration of the contracts in profit or loss;
- performance measurement: for the purposes of disclosures that ensure a better comparability of the performance of insurance companies, the two main components that typically contribute to forming the profitability of such companies are presented distinctly:

the first, which represents the profit from the insurance business provided ("insurance service result") and the second, which instead groups together all the components of a "financial" nature (the results of investments, the effects of the financial variables used in the measurement of contracts, etc.).

New key performance indicators were introduced based on product margins compared to the previous premium income benchmarked both domestically and internationally.

With respect to the presentation of IFRS 17 in the consolidated financial statements of IFRS intermediaries other than banking intermediaries that own insurance companies, on 17 November 2022, the Bank of Italy published an update to the Measure "Financial statements of IFRS financial intermediaries, other than banking intermediaries". In order to limit the compilation burden for intermediaries, in preparing the update, the Bank of Italy considered the similar provisions issued by Italy' Insurance Industry Supervisory Body (IVASS) on IFRS insurance financial statements, making a cross-reference to the provisions issued by IVASS for the aspects pertaining to the insurance contracts of consolidated insurance companies. The changes introduced refer to the consolidated financial statements and related disclosures provided in the notes thereto and to the provisions of IFRS 17, which amended IAS 1 and IFRS 7, and the alignment to the provisions issued by IVASS. Specifically, the Group's consolidated balance sheet shows the "insurance contract assets" and the "insurance contract liabilities" of insurance contracts issued and reinsurance ceded, while in the consolidated income statement, the interim results for insurance operations distinguish between revenue/costs for insurance services and net revenue/costs of a financial nature related to insurance contracts issued and reinsurance ceded. The notes to the consolidated financial statements are adjusted in accordance with IVASS provisions in order to present information on the nature and extent of risks arising from insurance contracts in accordance with IFRS 17. The Bank of Italy did not make any changes to the presentation of IFRS 9 balances. Therefore, the financial instruments of insurance companies (including the insurance products to which IFRS 9 applies) recognised pursuant to the previous Measure are presented together with those of the intermediary, providing specific evidence in the tables of the notes to the consolidated financial statements.

IFRS 17 implementation project: organisational and IT impacts

This implementation project comprised the following actions:

- defining the methodological framework: key topics were identified which entail corresponding methodological decisions in terms of product classification, calculation of prospective cash flows and the CSM;
- information system evolution: the analysis and preparation of the business requirements that led to the necessary changes in the accounting system in order to bring it into line with the new requirements envisaged in the standard by 1 January 2023 have been completed. Specifically, with respect to actuarial engines, the relevant IT developments have been completed.
- developing training activities: these activities will be developed throughout the entire project and will involve board members, top managers and project teams;
- 2022 transition and parallel run: during the third and fourth quarters of 2022, the calculation of the opening balances as at 1 January 2022 and the production of comparative figures for the quarters of 2022 were completed.
- changes in processes and internal regulations: the target operating model, i.e., the design and formalisation of systems, organisational processes and the relevant offices have been defined in order to oversee the new process underlying the preparation of financial statements.

Methodological decisions

IFRS 17 governs the recognition, measurement, presentation and disclosure of insurance, reinsurance and investment contracts with discretionary participation features (DPFs). The Group's Irish company assessed its contracts and identified those that fall in the scope of the standard. The variable fee approach was adopted.

Under IFRS 17, companies must initially aggregate contracts into groups for recognition, measurement, presentation and disclosure purposes. The Irish company's portfolio of insurance contacts consists exclusively of unit-linked policies, all of which have similar risks and are therefore managed together and grouped in a single portfolio.

Upon initial recognition, the company measured a group of contracts as the total fulfilment cash flows, which include estimates of future cash flows, adjusted to reflect the time value of money and associated financial risks, and an adjustment for non-financial risk and contractual service margin (CSM).

The changes to accounting policies resulting from the adoption of IFRS 17 were applied on a fully retrospective basis. Consequently, on 1 January 2022, the Irish company identified, recognised and measured each group of insurance contracts as if IFRS 17 had always been applied.

Furthermore, in the consolidated financial statements under IFRS 17, with respect to management of intra-group transactions, in order to calculate actual cash flows outside the Group, the intra-group costs projected by the Irish company in the estimate of its stand alone reporting package (usually the fees paid to the distribution network) must be replaced with the actual costs incurred by the Group vis-à-vis third party economies. This led to the recognition of a different CSM for the individual Group companies in the separate financial statements of the Irish company and the Group as a whole vis-à-vis third party economies in the consolidated financial statements. In its annual Communication on financial statements priorities[61], the ESMA highlights the importance of consistently applying the consolidation requirements under IFRS 10 in order to ensure the correct application of IFRS 17 in the consolidated financial statements. Specifically, the ESMA notes that where Group companies distribute insurance products, the CSM at the consolidated level will often differ from that in the separate financial statements of the insurance company.

Impacts on the financial position and financial performance

The new standard introduces new financial position items and different ways of recognising the profitability of insurance products.

The impact of the initial application on the financial position depends on the level of market rates at the transition date (all other conditions being equal, a lower rate level corresponds to a greater negative impact) and on the transition approaches adopted.

On the other hand, the financial performance is closely related to how the CSM is released over time and how it is adjusted following the revised operational and financial assumptions included in cash flows and risk adjustment.

[61] ESMA Public Statement "European enforcement priorities for 2022 annual financial statement" dated 30 October 2022

Through its Irish company the Group has assessed the impact of the initial application of IFRS 17 on its financial statements. Based on the assessments made, at 1 January 2022, shareholders' equity rose by a net 9,445 thousand euro (1 January 2023: 10,025 thousand euro).

The rules used to reclassify the balance sheet items as at 31 December 2023 and 1 January 2022 and the income statement for 2022 in accordance with the format introduced by Bank of Italy Circular no. 262/2005 are described below.

Balance sheet - Assets

The application of IFRS 17 resulted in the reclassification of balances from "Financial assets at fair value through profit or loss" to "reinsurance contract assets".

Balance sheet - Liabilities

The adoption of the new standard resulted in the following reclassification of liabilities:

the balances of "Technical reserves where the investment risk is borne by policyholders" have been reclassified to "Insurance liabilities".

Income statement

The adoption of the new standard resulted in the following reclassification of income statement items:

the balances included under "Net premiums", "Net profits (losses) on financial instruments at fair value through profit or loss", "Change in technical reserves where the investment risk is borne by policyholders" and "Redemptions and claims" have been reclassified to Results of insurance services a) insurance income from insurance contracts issued b) costs for insurance services arising from insurance contracts issued c) insurance income from reinsurance ceded d) costs for insurance services arising from reinsurance ceded and to Financial income (expense) from insurance operations a) net financial income/expense relating to insurance contracts issued b) net financial income/expense relating to reinsurance ceded and "Fee and commission income".

The opening schedules are shown below, highlighting the items that were adjusted/reclassified following the adoption of IFRS 17 based, in particular, on the Bank of Italy circular no. 262.

Euro/000

thousands of euro	31.12.2021	IFRS 17	01.01.2022
Assets			
Cash and cash equivalents	180,044		180,044
Financial assets at fair value through profit or loss	7,738,699	- 2,145	7,736,554
Financial assets at fair value through other comprehensive income	12,412		12,412
Financial assets at amortised cost	477,696		477,696
Equity investments	217,487		217,487
Insurance contract assets		4,588	4,588
Property, plant and equipment and intangible assets	819,069		819,069
Tax assets	24,036		24,036
Other assets	453,056	- 142	452,914
Total assets	**9,922,499**	**2,301**	**9,924,800**

Euro/000

Items	31.12.2021	IFRS 17	01.01.2022
Liabilities			
Financial liabilities at amortised cost:	932,683		932,683
b) Payables	80,006		80,006
c) Outstanding securities	852,677		852,677
Insurance liabilities	185,892	1,249,524	1,435,416
Financial liabilities measured at fair value	6,961,981	- 1,257,543	5,704,438
Tax liabilities	141,721	1,017	142,738
Other liabilities	388,788	- 142	388,646
Staff severance pay (TFR)	3,149		3,149
Provisions for risks and charges	72,703		72,703
Share capital	32,324		32,324
Treasury shares (-)	- 40,834		- 40,834
Equity instruments	36,000		36,000
Share premium reserve	173,987		173,987
Reserves	366,520	9,445	375,965
Valuation reserves	9,191		9,191
Profit for the year	605,457		605,457
Minority interests	52,937		52,937
Total liabilities	**9,922,499**	**2,301**	**9,924,800**

Euro/000

Items	31.12.2022	IFRS 17	01.01.2023
Assets			
Cash and cash equivalents	298,142		298,142
Financial assets at fair value through profit or loss	7,316,612	3,216	7,319,828
Financial assets at fair value through other comprehensive income	15,872		15,872
Financial assets at amortised cost	170,272		170,272
Equity investments	263,467		263,467
Insurance contract assets		5,278	5,278
Property, plant and equipment and intangible assets	926,801		926,801
Tax assets	63,553		63,553
Other assets	451,926	- 562	451,364
Total assets	**9,506,645**	**7,932**	**9,514,577**

Euro/000

Items	31.12.2022	IFRS 17	01.01.2023
Liabilities			
Financial liabilities at amortised cost:	555,935		555,935
b) Payables	58,019		58,019
c) Outstanding securities	497,916		497,916
Insurance liabilities	158,728	1,153,183	1,311,911
Financial liabilities measured at fair value	6,682,767	- 1,159,113	5,523,654
Tax liabilities	191,192	3,931	195,123
Other liabilities	382,893	- 94	382,799
Staff severance pay (TFR)	3,629		3,629
Provisions for risks and charges	69,300		69,300
Share capital	32,324		32,324
Treasury shares (-)	- 56,485		- 56,485
Equity instruments	36,000		36,000
Share premium reserve	173,987		173,987
Reserves	804,617	5,935	810,552
Valuation reserves	14,591		14,591
Profit (loss) for the year	402,371	4,090	406,461
Minority interests	54,796		54,796
Total liabilities	**9,506,645**	**7,932**	**9,514,577**

The table below shows the reconciliation between shareholders' equity at 31 December 2022 and at 1 January 2023 and discloses the impact of the adoption of IFRS 17 on shareholders' equity and the profit for the year.

Euro/000

Consolidated shareholders' equity at 31 December 2022	**1,417,430**
IFRS 17 adoption	5,935
2022 profit difference	4,090
Consolidated shareholders' equity at 1 January 2023	**1,427,455**

The change in the opening shareholders' equity of the consolidated financial statements amounted to 10,025 thousand euro and may be analysed as follows:

- 5,935 thousand euro relating to the impacts of the first-time adoption of IFRS 17 on reserves at 1 January 2023;
- 4,090 thousand euro relating to the impacts of the first-time adoption of IFRS 17 on the profit for 2022 of the Irish company.

Income statement

Euro/000

Items	01.01.2022-31.12.2022 Published	Effect of IFRS 17 transition	01.01.2022 – 31.12.2022 After the effect of IFRS 17 transition
Fee and commission income	1,159,245	106,379	1,265,624
Fee and commission expense	(386,091)	8,343	(377,748)
NET FEE AND COMMISSION INCOME	**773,154**	**114,722**	**887,876**
Dividends and similar income	13,398		13,398
Interest income and similar income	3,284		3,284
Interest expense and similar charges	(14,214)		(14,214)
Profits (losses) on disposal or repurchase of:	242		242
b) financial assets at fair value through other comprehensive income	242		242
Net gains (losses) on other financial assets and financial liabilities at fair value through profit or loss	536		536
a) assets and liabilities designated at fair value	13,804		13,804
b) other financial assets mandatorily measured at fair value	(13,268)		(13,268)
Profit from insurance services		20,093	20,093
Financial income from insurance operations		3,024	3,024
Net premiums	4,657	(4,657)	-
Net profits (losses) on financial instruments at fair value through profit or loss	306,310	(306,310)	-
Change in technical reserves where the investment risk is borne by policyholders	27,357	(27,357)	-
Redemptions and claims	(203,495)	203,495	-
TOTAL INCOME	**911,229**	**3,010**	**914,239**
Administrative costs:	(340,489)	1,706	(338,783)
a) personnel costs	(168,259)		(168,259)
b) other administrative costs	(172,230)	1,706	(170,524)
Net accruals to provisions for risks and charges	(10,375)		(10,375)
Net impairment losses/reversals of impairment losses on property, plant and equipment	(13,303)		(13,303)
Net impairment losses/reversals of impairment losses on intangible assets	(22,644)		(22,644)
Other operating income and costs	11,188		11,188
OPERATING EXPENSE	**(375,623)**	**1,706**	**(373,917)**
Profits (losses) on equity investments	19,381		19,381
PRE-TAX PROFIT (LOSS) FROM CONTINUING OPERATIONS	**554,987**	**4,716**	**559,703**
Income tax on profit from continuing operations	(132,076)	(626)	(132,702)
NET PROFIT (LOSS) FROM CONTINUING OPERATIONS	**422,911**	**4,090**	**427,001**
PROFIT FOR THE YEAR	**422,911**	**4,090**	**427,001**
Profit for the year attributable to minority interests	20,540		20,540
Parent Company profit for the period/year	402,371	4,090	406,461

Adoption of IFRS 9 Financial instruments for the Group's Irish company.

The first-time adoption of IFRS 9 had no significant effects on the insurance company. Consequently, the prior year corresponding figures were not reclassified.

Global minimum top-up tax

Italian Law No. 11/2023 delegated the Government to issue implementing legislation on the Global minimum top-up tax. The GloBE rules are based on the BEPS initiative which introduces a minimum top-up tax in its Pillar Two rules in the countries where the parent company of large multinational groups is based. Specifically, the rule, which becomes effective in Italy in 2024, provides for a top-up tax levied through:

- a minimum top-up tax, payable by parent companies, typically the ultimate parent company or controlling entity of a multinational group or a domestic group, in relation to group entities which are subject to a tax rate below 15% in the country where they are based
- a minimum top-up tax, payable by one or more entities of the multinational group based in Italy, in relation to group entities that are based in low-tax countries when the equivalent minimum top-up tax in other countries has not been levied in whole or in part. Moreover, where the ultimate parent company (i) is based in a non-Member State which does not apply an equivalent minimum top-up tax or (ii) is an excluded entity, all entities based in Italy, other than investment entities, are jointly and severally liable for the payment, by way of a minimum top-up tax, of an amount equal to the top-up tax for the year, to the Italian State
- the domestic minimum tax, payable in respect of all entities of a multinational or domestic group subject to low taxation based in Italy.

Given the complexity and new impact of the calculation of the level of effective taxation, the new Pillar Two rules provide for the possibility of adopting a simplified mechanism (a transitional safe harbour for periods beginning before 31 December 2026 and ending by 30 June 2028) for the first effective periods (a transitional safe harbour for country-by-country reporting). This mechanism is primarily based on the accounting information available for each relevant jurisdiction and, if at least one of the three regulatory tests is passed, results in the reduction of administrative burdens and the elimination of Pillar Two taxes.

The amendments to IAS 12, in line with the international tax reform, were introduced by Regulation No. 2468/2023. These changes include a temporary mandatory exception from deferred tax accounting resulting from the application of the OECD Pillar Two Model Rules. In addition, the changes require specific disclosures by the companies concerned, both in the interim reports and in the financial statements. The aim of these provisions is to ensure greater transparency and understanding of the exposure of entities to Pillar Two taxes.

The Azimut Group, as a multinational that exceeds the established revenue threshold, will fall under the scope of these taxes as of 2024.

No current taxes were recognised since, at the reporting date, this rule was not effective in any of the countries in which the Group operates.

Also based on the guidelines provided by the OECD, the Azimut Group conducted tests starting from the accounting evidence from the latest reporting carried out in accordance with the common reporting standard rules. The impact of the application of this rule on the Group's financial position is not deemed significant. With this in mind, specific processes are currently being implemented to meet the regulatory and tax obligations that will apply once the legislation becomes effective, including identifying and characterising the companies subject to Pillar Two legislation and calculating simplified tests to maximise the benefits of reduced administrative burdens and eliminated taxes.

ESEF regulation

Directive 2013/50/EU, which amended Directive 2004/109/EC (Transparency Directive), introduced a requirement for issuers to prepare their annual financial reports (AFRs), whose securities are admitted to trading on a regulated market, in a single electronic reporting format (ESEF). The European Commission transposed these requirements in Delegated Regulation 2019/815 (European Single Electronic Format - ESEF Regulation). The aim is to make annual financial reports readable by both human users and automated devices and to improve the comparability and analysis of the information included in annual financial reports. Under the ESEF Regulation, issuers preparing IFRS consolidated financial statements must prepare and publish their annual financial report in the eXtensible Hypertext Markup Language ("XHTML") format, using the Inline Extensible Business Reporting Language ("iXBRL") to tag the Consolidated Financial Statements (Consolidated Balance Sheet, Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of

Changes in Equity, Consolidated Statement of Cash Flows) and the disclosure included in the Notes to the Consolidated Financial Statements. On 29 October 2021, the ESMA published its annual statement "European common enforcement priorities for 2021 annual financial reports" in which, inter alia, it outlines the priorities on which listed companies should focus when preparing their annual financial reports. On 29 September 2022, Delegated Regulation (EU) 2022/2553 was published, disclosing the 2022 updates to the IFRS taxonomy and providing further guidance on the mark-up of financial statements. The new 2022 taxonomy was applied to the annual financial report including the financial statements covering the years beginning on 1 January 2023.

Furthermore, on 25 October 2023, the ESMA published its annual statement "European common enforcement priorities for 2023 annual financial reports" in which, inter alia, it outlines the priorities on which listed companies should focus when preparing their 2023 annual financial reports and, again this year, recalled the application of ESEF Regulation, focusing, in particular, on the tagging of financial statements disclosure. With respect to the tagging of the consolidated financial statements at 31 December 2023, the Group applied the taxonomy envisaged by Delegated Regulation (EU) 2022/2553.

Section 3 – Significant events after the reporting date

No significant events occurred after 31 December 2023, the reporting date of the consolidated financial statements, until 7 March 2024, the date on which the Board of Directors approved and authorised the publication of the consolidated financial statements.

Section 4 – Other information

Discretionary assessments

In applying the Group's accounting policies, the directors' decisions were based on the following discretionary assessments (excluding those involving estimates) with a significant effect on the carrying amounts.

Assessing control or lack of control over an investment

As a result of the general agreements in place with Unicredit, the Group has significant influence over Nova Investments Limited, although it holds the majority of the voting rights.

Risks and uncertainties related to estimates

The preparation of the consolidated financial statements also entails the use of estimates and assumptions that may have a significant impact on the carrying amounts recognised in the balance sheet and the income statement, and on the disclosure about contingent assets and liabilities. The computation of such estimates is based on the use of available information and the adoption of subjective assessments, also based on historical experience, used to develop reasonable assumptions underlying the recognition of operations. Because of their nature, the estimates and assumptions used may change from year to year. Consequently, it cannot be excluded that the currently reported amounts may differ, also significantly, in the next few years following the change in the subjective assessments used. These estimates mainly relate to:

- the estimates and assumptions underlying the valuation models for the fair value recognition of financial instruments not listed on active markets (level 2 and 3 of the fair value hierarchy), mainly comprising cross put and call options agreed with non-controlling investors and related to the residual capital of the acquired companies;
- the recoverability of deferred tax assets;
- the identification and quantification of the provisions for risks and charges to be recognised, mainly as a result of litigation outstanding at the reporting date and the charges for the supplementary indemnity provision for financial advisors;
- the assumptions used to identify impairment losses, if any, on intangible assets and reported equity investments (IAS 36).

The overall impact of the Russia-Ukraine conflict on the Group's operating activities, the financial position and financial performance of the period and the measures taken to mitigate the effects of the crisis, have been discussed in a specific section of the Management Report.

Also as required by the regulators, the Group carefully checked the fairness of the carrying amount of goodwill and other intangible assets with an indefinite useful life recognised at consolidated level. For additional information about the assessments made, reference should be made to the note to "Intangible assets".

Furthermore, the Group has no liquidity issues. Indeed, in order to mitigate this risk, it adopted a policy for the optimisation of financial resources management. Specifically, the Group

maintains an adequate level of liquidity available thanks to constant cash flow generation and by promptly monitoring forecast needs based on financial planning.
There is no other relevant information to be disclosed for reporting purposes.

Section 5 – Consolidation scope and methods

The consolidated financial statements include the balance sheet and income statement figures of Azimut Holding S.p.A. and the companies directly or indirectly controlled by the latter.

Subsidiaries

The Azimut Group consolidation scope has been established in accordance with IFRS 10. Specifically, subsidiaries are those companies in respect of which the Azimut Group is exposed, or has rights, to variable returns from its involvement with the investees and has the ability to affect those returns through its power over the investees. Control exists only when the following elements simultaneously exist: (i) the power to direct the relevant activities; (ii) exposure, or rights, to variable returns from involvement with the investee; (iii) the ability to use its power over the investee to affect the amount of its returns.
Subsidiaries are consolidated on a line-by-line basis as of the acquisition date, i.e., the date on which the Group acquires control in accordance with IFRS 10. They are deconsolidated when the Group no longer controls them.

Associates

Associates are those companies subject to significant influence, i.e. companies in which the Azimut Group, either directly or indirectly, holds at least 20% of the voting rights (including "potential" voting rights) or in which – despite holding a smaller percentage of voting rights – has the power to participate in the financial and operating policy decisions, such as the participation in shareholders' agreements, due to specific legal relationships. These companies are consolidated using the equity method whereby on initial recognition the investment is recognised at cost, and the carrying amount is increased or decreased based on the investee's share of equity, using the most recently approved financial statements of the companies. The difference between the carrying amount of the equity investment and the investee's share of equity is included in the carrying amount of the investee.

Changes to the consolidation scope

Compared to 31 December 2022, the following companies joined the consolidation scope following their acquisition:

- the Italian-based Wealthype S.p.A. (formerly Virtual B S.p.A.) in which Azimut Enterprises S.r.l. acquired a controlling interest, entailing a total outlay of 3.9 million euro;
- the Australian-based Boutique Mortgage Solutions Pty Ltd, Bennet & Co. Pty Ltd, Rose Partners Pty Ltd, Rose Partners Holdings Pty Ltd, Rose Partners Management Accounting Pty Ltd, Kingsbridge Private Pty Ltd, Foster Raffan Iplan Pty Ltd, TWD Advisory Pty Ltd, TWD Australia Pty Ltd, TWD Solutions Pty Ltd and Catalina Consultants Pty Ltd for a total of 34.7 million euro.
- the Brazilian-based AZ Panorama LTDA by AZ Quest Holdings SA, entailing a total outlay of 1.5 million euro.

The following companies were established in 2023:

- Italian Excellence S.r.l., based in Italy and 74.07%-owned by Azimut Financial Insurance S.p.A.;
- Digital Advisory S.r.l., based in Italy and 49%-owned by Azimut Enterprises S.r.l.;
- AZ OpCo Ltd based in Australia and 100% owned by AZ NGA Next Generation Advisory Ltd;
- People and Partners Legacy and Succession Pty Ltd, based in Australia and wholly owned by People & Partners Pty Ltd;
- Client Ready Pty Ltd, based in Australia and wholly owned by Yarra Lane Tax & Accounting Pty Ltd;
- Nestworth Financial Strategists Pty Ltd, based in Australia and wholly owned by HM Holdings Pty Ltd;
- AZ Quest Agro LTDA and AZ Quest iNFRA LTD, based in Brazil and both owned by AZ Quest Holdings SA with a 100% investment.

The following companies left the consolidation scope in 2023:

- ValueBiotech S.r.l., based in Italy, due to loss of control;

- Reimagine Finance Pty Ltd, PT Services WA Pty Ltd, Empowered Financial Partners Pty Ltd, Time Advice Pty Ltd and Az Global Wealth Management Australia Pty Ltd, based in Australia, as they ceased operations.

The Group's policy which governs the recognition of the effects of the price adjustment on associates envisages the adoption of the cost-based approach. Accordingly, the carrying amount of the investment is adjusted and a liability is concurrently recognised under "Other liabilities". The agreements governing the newly acquired Australian companies provided for the exchange of the shares of each acquired company with AZ NGA shares and the progressive repurchase of these shares over the next ten years. The residual 51% was paid in cash to the founding members. For information about the acquisitions of the past twelve months, with reference to the difference between the fair value of the assets acquired and the liabilities assumed and the consideration paid to acquire the investments and the amount attributed to "Customer Relationships", reference should made to note 11 - Intangible Assets.

Azimut Holding S.p.A.'s direct and indirect subsidiaries are listed below.

1. Wholly-owned subsidiaries

	Name	Registered office	Type of ownership (**)	Stake		
				Shareholder	% share (***)	% voting rights (***)
	A. Wholly-owned companies consolidated on a line-by-line basis					
1	Azimut Capital Management Sgr SpA	Italy	1	Azimut Holding SpA	100	100
2	Azimut Investments SA	Luxembourg	1	Azimut Holding SpA	51	51
				Azimut Capital Management Sgr SpA	30	30
				Azimut Financial Insurance SpA	19	19
3	Azimut Life DAC	Ireland	1	Azimut Holding SpA	100	100
4	Azimut Enterprises Srl	Italy	1	Azimut Holding SpA	100	100
5	Azimut Libera Impresa Sgr Spa	Italy	1	Azimut Holding SpA	100	100
6	Azimut Financial Insurance SpA	Italy	1	Azimut Holding SpA	100	100
7	Italian Excellence S.r.l. (*)	Italy	1	Azimut Financial Insurance SpA	74.07	74.07
8	Azimut Capital Tech Srl	Italy	1	Azimut Enterprises Srl	75	75
9	Azimut Direct SpA	Italy	1	Azimut Enterprises Srl	100	100
10	Azimut Direct Finance Srl	Italy	1	Azimut Direct SpA	100	100
11	Azimut Direct Solution S.r.l.	Italy	1	Azimut Direct SpA	100	100
12	Siamosoci S.r.l.	Italy	1	Azimut Enterprises Srl	54.37	54.37
13	AZ Venture Tech Srl	Italy	1	Azimut Enterprises Srl	75	75
14	Electa Ventures S.r.l.	Italy	1	Azimut Enterprises Srl	100	100
15	Electa Italia Srl	Italy	1	Electa Ventures S.r.l.	100	100

	Name	Registered office	Type of ownership (**)	Stake		
				Shareholder	% share (***)	% voting rights (***)
16	Wealthype S.p.A. (formerly Virtual B S.p.A.) (*)	Italy	1	Azimut Enterprises Srl	49.19	49.19
17	Digital Advisory S.r.l. (*)	Italy	1	Azimut Enterprises Srl	49	49
18	GH Investimenti S.r.l.	Italy	1	Azimut Enterprises Srl	100	100
19	Azimut Fintech Holding Spa	Italy	1	AZ International Holdings SA	100	100
20	Azimut Investments Limited	Ireland	1	Azimut Holding SpA	100	100
21	Azimut Alternative Capital Management Limited	Ireland	1	Azimut Enterprises Srl	100	100
22	AZ International Holdings SA	Luxembourg	1	Azimut Holding S.p.A.	100	100
23	Eskatos Capital Management Sarl	Luxembourg	1	Katarsis Capital Advisors SA	100	100
24	Azimut Private Capital Management Sarl	Luxembourg	1	AZ International Holdings SA	100	100
25	Azimut Private Capital Management II Sarl	Luxembourg	1	AZ International Holdings SA	100	100
26	Azimut UK Holdings Ltd	England	1	Azimut Holding S.p.A.	100	100
27	Azimut (DIFC) Limited	United Arab Emirates	1	Azimut UK Holdings Limited	100	100
28	Azimut (ME) Limited	United Arab Emirates	1	Azimut UK Holdings Limited	100	100
29	AZ Sestante Ltd	Australia	1	Azimut UK Holdings Limited	100	100
30	AZ Next Generation Advisory Limited	Australia	1	Azimut UK Holdings Limited	54.05	54.05
31	Eureka Whittaker Macnaught Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
32	Pride Advice Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
33	Lifestyle Financial Planning Services (No2) Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
34	Eureka Financial Group PTY Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
35	Pride Financial Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05

	Name	Registered office	Type of ownership (**)	Stake		
				Shareholder	% share (***)	% voting rights (***)
36	Wise Planners Pty Ltd	Australia	1	Priority Advisory Group Pty Ltd	54.05	54.05
37	Financial Lifestyle Partners Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
38	Blackwood Advisory Pty Ltd (formerly Onesta Advisory Pty Ltd)	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
39	Harvest Wealth Pty Ltd	Australia	1	Blackwood Advisory Pty Ltd (formerly Onesta Advisory Pty Ltd)	54.05	54.05
40	RI Toowoomba Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
41	Wealthwise Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
42	Priority Advisory Group Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
43	Sterling Planners Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
44	On-Track Financial Solutions Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
45	People & Partners Pty Ltd	Australia	1	AZ Next Generation Accounting Pty Ltd	54.05	54.05
46	Menico Tuck Parrish Financial Services Pty Ltd	Australia	1	Menico Tuck Parrish Pty Ltd	54.05	54.05
47	AZ Next Generation Accounting Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
48	Wealthmed Australia Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
49	Wealthmed Accounting Pty Ltd	Australia	1	Wealthmed Australia Pty Ltd	54.05	54.05
50	Wealthmed Property Pty Ltd	Australia	1	Wealthmed Australia Pty Ltd	54.05	54.05
51	FHM Holdings Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
52	Menico Tuck Parrish Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
53	ACN 623 166 772 Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
54	ACN 623 172 083 Pty Ltd	Australia	1	ACN 623 166 772 Pty Ltd	54.05	54.05
55	ACN 623 172 387 Pty Ltd	Australia	1	ACN 623 166 772 Pty Ltd	54.05	54.05

	Name	Registered office	Type of ownership (**)	Stake		
				Shareholder	% share (***)	% voting rights (***)
56	Hurwitz Geller Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
57	Dunsford Financial Planning Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
58	Nextstep Financial Services Pty Ltd	Australia	1	Sterling Planners Pty Ltd	54.05	54.05
59	Next Steps Home Loans Pty Ltd	Australia	1	Nextstep Financial Services Pty Ltd	54.05	54.05
60	RI Coastal Pty Ltd	Australia	1	RI Toowoomba Pty Ltd	54.05	54.05
61	MP Holdings WA	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
62	Sage Business Group Pty Ltd	Australia	1	Blackwood Advisory Pty Ltd (formerly Onesta Advisory Pty Ltd)	54.05	54.05
63	PM Financial Services Pty Ltd	Australia	1	MP Holdings WA	54.05	54.05
64	MP Wealth WA Pty Ltd	Australia	1	MP Holdings WA	54.05	54.05
65	MPM Finance Pty Ltd	Australia	1	MP Holdings WA	54.05	54.05
66	Moneycare Australia Pty Ltd	Australia	1	MP Holdings WA	54.05	54.05
67	Ottavo Financial Group Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
68	Kellaway Cridland Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
69	Tempus Wealth Group Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
70	Yarra Lane Tax & Accounting Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
71	Beezewax Business Solutions	Australia	1	Yarra Lane Tax & Accounting Pty Ltd	54.05	54.05
72	Yarra Lane Wealth Pty Ltd	Australia	1	Yarra Lane Tax & Accounting Pty Ltd	54.05	54.05
73	Yarra Lane Finance Pty Ltd	Australia	1	Yarra Lane Tax & Accounting Pty Ltd	54.05	54.05
74	Yarra Lane Legal Pty Ltd	Australia	1	Yarra Lane Tax & Accounting Pty Ltd	54.05	54.05
75	Yarra Lane Insurance Pty Ltd	Australia	1	Yarra Lane Tax & Accounting Pty Ltd	54.05	54.05

	Name	Registered office	Type of ownership (**)	Stake		
				Shareholder	% share (***)	% voting rights (***)
76	Client Ready Pty Ltd (*)	Australia	1	Yarra Lane Tax & Accounting Pty Ltd	54.05	54.05
77	Certe Wealth Protection Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
78	People & Partners Wealth Management Pty Ltd	Australia	1	People & Partners Pty Ltd	54.05	54.05
79	Matthews Steer Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
80	Wealthpro Sunshine Coast Pty Ltd	Australia	1	Wealthmed Australia Pty Ltd	54.05	54.05
81	Sterling Pts Pty Ltd	Australia	1	Sterling Planners Pty Ltd	54.05	54.05
				MP Holdings WA	54.05	54.05
82	AZ Service Co Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
83	HM Holdings Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
84	Nestworth Financial Solutions Pty Ltd (formerly HM Advisory Services Pty Ltd)	Australia	1	HM Holdings Pty Ltd	54.05	54.05
85	Logiro Unchartered Pty Ltd	Australia	1	Nestworth Financial Solutions Pty Ltd (formerly HM Advisory Services Pty Ltd)	54.05	54.05
86	Tokim Holdings Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
87	Cranage Financial Group Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
88	Cranage Landing Solutions Pty Ltd	Australia	1	Cranage Financial Group Pty Ltd	54.05	54.05
89	Cranage Private Wealth Pty Ltd	Australia	1	Cranage Financial Group Pty Ltd	54.05	54.05
90	Cranage Superannuation Services Pty Ltd	Australia	1	Cranage Financial Group Pty Ltd	54.05	54.05
91	Gordon Financial Services Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
92	Genesis Financial Partners Pty Ltd	Australia	1	Certe Wealth Protection Pty Ltd	40.54	40.54
93	KMS Accounting and Tax Pty Ltd	Australia	1	People & Partners Pty Ltd	54.05	54.05
94	VBP Holdings Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
95	Virtual Business Partners Pty Ltd	Australia	1	VBP Holdings Pty Ltd	54.05	54.05

	Name	Registered office	Type of ownership (**)	Stake		
				Shareholder	% share (***)	% voting rights (***)
96	VBP Holdings Back Office Solutions Inc.	Philippines	1	VBP Holdings Pty Ltd	54.05	54.05
97	Dunsford Finance Pty Ltd	Australia	1	Dunsford Financial Planning Pty Ltd	54.05	54.05
98	SCM Financial Group Pty Ltd	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
99	SCM Consultants Pty Ltd	Australia	1	SCM Financial Group Pty Ltd	54.05	54.05
100	SCM Financial Services Pty Ltd	Australia	1	SCM Financial Group Pty Ltd	54.05	54.05
101	SCM Finance Solutions Pty Ltd	Australia	1	SCM Financial Group Pty Ltd	54.05	54.05
102	SCM Accounting and Advisory Pty Ltd	Australia	1	SCM Financial Group Pty Ltd	54.05	54.05
103	SCM Wealth Management Pty Ltd	Australia	1	SCM Financial Group Pty Ltd	54.05	54.05
104	Boutique Mortgage Solutions Pty Ltd (*)	Australia	1	SCM Financial Group Pty Ltd	54.05	54.05
105	Bennet & Co. Pty Ltd (*)	Australia	1	SCM Financial Group Pty Ltd	54.05	54.05
106	Rose Partners Pty Ltd (*)	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
107	Rose Partners Holdings Pty Ltd (*)	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
108	Rose Partners Management Accounting Pty Ltd (*)	Australia	1	Rose Partners Holdings Pty Ltd	54.05	54.05
109	AZ OpCo (*)	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
110	Kingsbridge Private Pty Ltd (*)	Australia	1	People & Partners Pty Ltd	54.05	54.05
111	Foster Raffan Iplan Pty Ltd (*)	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
112	Catalina Consultants Pty Ltd (*)	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
113	TWD Advisory Pty Ltd (*)	Australia	1	AZ Next Generation Advisory Limited	54.05	54.05
114	TWD Australia Pty Ltd (*)	Australia	1	TWD Advisory Pty Ltd	54.05	54.05
115	TWD Solutions Pty Ltd (*)	Australia	1	TWD Advisory Pty Ltd	54.05	54.05
116	Nestworth Financial Strategists Pty Ltd (*)	Australia	1	HM Holdings Pty Ltd	54.05	54.05

	Name	Registered office	Type of ownership (**)	Stake		
				Shareholder	% share (***)	% voting rights (***)
117	People and Partners Legacy and Succession Pty Ltd (*)	Australia	1	People & Partners Pty Ltd	54.05	54.05
118	AZ Brasile Holding Ltda	Brazil	1	AZ International Holdings SA	100	100
119	AZ Quest Holdings SA	Brazil	1	AZ Quest Participacoes Ltda	70.99	70.99
120	AZ Quest Investimentos Ltda	Brazil	1	AZ Quest Holdings SA	70.99	70.99
121	AZ Quest MZK Investimentos Macro e Credito Ltda	Brazil	1	AZ Quest Holdings SA	70.77	70.77
122	Azimut Brasil Wealth Management Holding SA	Brazil	1	AZ Brasile Holding Ltda	96.85	96.85
123	Azimut Brasil Wealth Management Ltda	Brazil	1	Azimut Brasil Wealth Management Holding SA	93.58	93.58
124	Gudance Gestora de Recursos Ltda	Brazil	1	Azimut Brasil Wealth Management Holding SA	49.39	49.39
125	AZ Quest Participacoes Ltda	Brazil	1	AZ Brasile Holding Ltda	100	100
126	Futurainvest Holding SA	Brazil	1	AZ Brasile Holding Ltda	100	100
127	Azimut Brasil DTVM Ltda	Brazil	1	Futurainvest Holding SA	100	100
128	Futurainvest Investimentos e Participações Ltda	Brazil	1	Azimut Brasil Wealth Management Holding SA	96.85	96.85
129	M&O Consultoria, Planejamento e Análise de Valores Mobiliários Ltda	Brazil	1	Azimut Brasil Wealth Management Holding SA	96.85	96.85
130	AZ Quest Agro LTDA (*)	Brazil	1	AZ Quest Holdings SA	70.94	70.94
131	AZ Quest iNFRA LTDA (*)	Brazil	1	AZ Quest Holdings SA	70.92	70.92
132	AZ Panorama Capital LTDA (*)	Brazil	1	AZ Quest Holdings SA	35.5	35.5
133	Azimut Switzerland SA (formerly AZ Swiss & Partners SA)	Switzerland	1	AZ International Holdings SA	100	100
134	Katarsis Capital Advisors SA	Switzerland	1	AZ International Holdings SA	100	100

	Name	Registered office	Type of ownership (**)	Stake		
				Shareholder	% share (***)	% voting rights (***)
135	Azimut Investments SA AGF (formerly AZ Andes S.p.A.)	Chile	1	AZ International Holdings SA	100	100
136	An Zhong Investment Management (Shanghai) Co. Ltd.	China	1	An Zhong (AZ) Investment Management Hong Kong Ltd	100	100
137	An Zhong (AZ) Investment Management	Hong Kong	1	AZ International Holdings SA	100	100
138	An Zhong (AZ) Investment Management Hong Kong Ltd	Hong Kong	1	An Zhong (AZ) Investment Management	100	100
139	CGM – Azimut Monaco	Monaco	1	AZ International Holdings SA	100	100
140	AZ Mexico Holdings S.A. De CV	Mexico	1	AZ International Holdings SA	100	100
141	Azimut Mexico SA (formerly Mas Fondos S.A.)	Mexico	1	AZ Mexico Holdings S.A. De CV	100	100
142	KAAN Capital Asesores Independientes SAPI de CV	Mexico	1	AZ Mexico Holdings S.A. De CV	51	51
143	AZ Investment Management Singapore Ltd	Singapore	1	AZ International Holdings SA	100	100
144	Azimut Portföy Yönetimi A.Ş.	Turkey	1	AZ International Holdings SA	100	100
145	AZ Sinopro Financial Planning Ltd	Taiwan	1	AZ International Holdings SA	51	51
146	AZ Sinopro Investment Planning Ltd	Taiwan	1	AZ Sinopro Financial Planning Ltd	51	51
147	AZ Sinopro Insurance Planning Ltd	Taiwan	1	AZ Sinopro Investment Planning Ltd	51	51
148	Azimut US Holdings Inc. (formerly AZ US Holdings Inc.)	United States	1	Azimut UK Holdings Limited	100	100
149	AZ Apice Capital Management LLC	United States	1	Azimut US Holdings Inc. (formerly AZ US Holdings Inc.)	83.1	83.1
150	Azimut Alternative Capital Partners LLC	United States	1	Azimut US Holdings Inc. (formerly AZ US Holdings Inc.)	96.5	96.5

	Name	Registered office	Type of ownership (**)	Stake		
				Shareholder	% share (***)	% voting rights (***)
151	Azimut Genesis Holdings LLC	United States	1	Azimut US Holdings Inc. (formerly AZ US Holdings Inc.)	51.0	51.0
152	Azimut Genesis Advisors LLC (formerly Genesis Investment Advisors LLC)	United States	1	Azimut Genesis Holdings LLC	51.0	51.0
153	AZG Capital LLC (formerly Genesis Fund Management LLC)	United States	1	Azimut Genesis Holdings LLC	51.0	51.0
154	AACP PL SPV LLC	United States	1	Azimut Alternative Capital Partners LLC	91.25	91.25
155	AACP Investments LLC (DE LLC) - Investment Manager	United States	1	Azimut US Holdings Inc. (formerly AZ US Holdings Inc.)	100	100
156	Azimut Egypt Asset Management	Egypt	1	AZ International Holdings SA	100	100

(*) Newly consolidated compared to 31/12/2022

(**) Type of ownership

(1) majority of voting rights at ordinary shareholders' meetings

(***) The percentage in the column shows the direct and indirect investment in the subsidiary with respect to the parent company. It does not represent the voting rights and ownership in the respective companies. In fact, it reflects the contribution to the group's shareholders' equity and the difference with respect to 100% of minority interests.

Investments measured at equity

	Name	Registered office	Stake		Voting rights %
			Shareholder	% Stake	
	Companies measured at equity				
1	Cofircont Compagnia Fiduciaria srl	Italy	Azimut Enterprises Srl	30.00	30.00
2	P101 SGR S.p.A. Gestore EuVECA a Socio Unico	Italy	Azimut Enterprises Srl	30.00	30.00
3	FDNX S.r.l.	Italy	Azimut Enterprises Srl	30.00	30.00
4	Azimut Market Place Srl	Italy	Azimut Fintech Holding Srl	43.10	43.10
5	IPOC 1 S.r.l.	Italy	Electa Ventures S.r.l	35.00	35.00
6	IPOC 6 S.r.l.	Italy	Electa Ventures S.r.l	52.50	52.50
7	Valuebiotech Srl (**)	Italy	Azimut Enterprises Srl	24.90	24.90
8	Alps Blockchain S.p.A. (*)	Italy	Azimut Enterprises Srl	22.47	22.47
9	Sterling Planners WA	Australia	Sterling Planners Pty Ltd	27.03	27.03
10	Pride Accounting X Numbergroup Pty Ltd	Australia	People & Partners Wealth Management Pty Ltd	40	21.62
11	Pride Accounting X Numbersuper Pty Ltd	Australia	People & Partners Wealth Management Pty Ltd	70	37.84
12	SCM Insurance Pty Ltd	Australia	SCM Financial Group Pty Ltd	50	27.03
13	McLean Delmo Bentleys Holdings Pty Ltd	Australia	AZ Next Generation Advisory Limited	49	26.48

	Name	Registered office	Stake		Voting rights %
			Shareholder	% Stake	
14	SW-TWD Wealth Pty Ltd (*)	Australia	TWD Australia Pty Ltd	50	27.03
15	EPAA Services Pty Ltd (*)	Australia	TWD Australia Pty Ltd	50	27.03
16	Expert Pensions Advice pty Ltd (*)	Australia	TWD Australia Pty Ltd	50	27.03
17	Shanghai Heyu Information Technology Ltd	China	AZ Investment Management (Shanghai) Co. Ltd.	12.50	12.50
18	Sweetwood Ventures II GP S.a r.l	Luxembourg	AZ International Holdings Sa	20.00	20.00
19	Kennedy Lewis	United States	Azimut Alternative Capital Partners LLC	19.30	19.30
20	High Post Capital LLC	United States	Azimut Alternative Capital Partners LLC	12.06	12.06
21	Pathlight Capital	United States	AACP PL SPV LLC	21.15	21.15
22	Sanctuary Wealth Group LLC	United States	Azimut US Holdings Inc. (formerly AZ US Holdings Inc.)	53.37	53.37
23	Kennedy Capital Management Inc	United States	Azimut US Holdings Inc. (formerly AZ US Holdings Inc.)	35.00	35.00
24	Diaman Partners Limited	Malta	Azimut UK Holdings Ltd	20.00	20.00
25	LCP Yonetim Danismanligi	Turkey	Azimut Portfoy Yonetimi AS	49.90	49.90
26	Nova Investment Limited (*)	Ireland	Azimut Holding Spa	100	100
27	Azimut Peninsula GP S.à r.l.	Luxembourg	AZ International Holdings Sa	50	50

(*) Associate newly consolidated compared to 31 December 2022

(**) Classified under associates due to loss of control

2. Significant assessments and assumptions used to determine the consolidation scope

In applying the Group's accounting policies, the directors' decisions were based on the following discretionary assessments (excluding those involving estimates) with a significant effect on the carrying amounts.

Unit linked

The line-by-line consolidation scope excludes the Unit-Linked Funds (insurance internal funds) ("Unit linked") in which the Azimut Group does not hold any equity investment and to which the IFRS 10 definition of control applies. With respect to the mutual funds underlying the Unit-Linked Funds, the Azimut Group considers that these conditions do not apply. Indeed:

- it does not hold the outstanding majority units;
- it does not have full power over the investment entity (funds), since it is limited by funds' regulations governing asset allocation and management policies;
- it is not significantly exposed to the variable returns from the investment entity, since the profits or losses from the measurement of Unit-Linked assets are entirely paid to policyholders by adjusting the mathematical reserve.

The exposure to the changes in the value of the Group's funds is limited to the change in terms of fee impact. Specifically, the Group is exposed to the risk of changes in entry fees and charges on premiums, linked to the performance of inflows, the management fees related to assets under management and the incentive fees linked to the performance of the managed funds.

Nova Investments Limited

In assessing the existence or lack of control over the investment in accordance with IFRS 10, as a result of the general agreements in place, the Group has significant influence over Nova Investments Limited, although it holds the majority of the voting rights.

3. Wholly-owned subsidiaries with significant non-controlling interests

Since 2015, the Azimut Group, through AZ NGA, the holding company incorporated in November 2014, has begun a series of acquisitions of controlling interests in Australia. The relevant agreements provide for the following: (i) an exchange of shares with AZ NGA shares and the progressive repurchase of said shares in the next ten years, equal to 49% of each company, starting from each acquisition date and ii) a cash payment to the founding shareholders over a two-year period for the remaining 51% (for certain subsidiaries, the percentages of 49% and 51% are modified based on the negotiations carried out at the time of the acquisition).

With respect to the contract for the acquisition of the US-based Azimut Genesis Holdings LLC, it is noted that it includes call/put options on the residual capital to be exercised over a contractually-agreed time horizon.

4. Significant restrictions

There are no significant legal, contractual or regulatory restrictions within the Azimut Group which may limit the parent company's ability to transfer cash and cash equivalents or other assets to other Group companies, or guarantees which may limit the distribution of dividends, capital or loans and advances granted to or repaid by other Group companies.

5. Other information

Basis of consolidation

Investments in subsidiaries are consolidated on a line-by-line basis, while interests in jointly-controlled entities and associates are measured using the equity method.

Line-by-line method – Under this consolidation method, the companies' balance sheet and income statements figures are consolidated line-by-line. The carrying amount of equity investments is offset against the residual equity of the subsidiary after allocating the relevant portions of equity and profit or loss to non-controlling interests. Positive differences are recognised under "Intangible assets" as goodwill (calculated using the partial goodwill method), after allocation to the subsidiary's asset or liability items measured at fair value, upon acquisition and first-time consolidation. Conversely, negative differences are taken to profit or loss.

For the purposes of consolidation, the financial statements at 31 December 2023 of consolidated companies were used. They were prepared in accordance with the IFRS and Group criteria to which they make reference. The financial statements used are those prepared by the Boards of Directors of each company, duly reclassified and adjusted to comply with the above standards and criteria. The data about individual financial statements are obtained through the information included in the reporting packages of the consolidated companies at 31 December 2023.

The Parent Company's financial statements and those of the subsidiaries have been consolidated on a line-by-line basis, including all subsidiaries and assuming all assets, liabilities, costs and income of each subsidiary, while eliminating the carrying amount of the equity investments against the relevant share/quotaholders' equity, as set out by the IFRS.

The assets, liabilities, costs and income generated by transactions among consolidated companies have been eliminated in full, as have the profits and losses generated by transactions among consolidated companies which do not involve third parties.

The positive differences between the equity investments consolidated on a line-by-line basis and the related net fair value of the acquired assets and assumed liabilities, were considered as goodwill on consolidation upon first consolidation and tested for impairment to check the adequacy of their carrying amount every year.

For consolidated companies that prepare their financial statements in a functional currency other than that of the parent company, the amounts expressed in currencies other than the euro were translated as follows: for the balance sheet, using the closing rate, and for the income statement, using the average exchange rate for the year. The differences arising from the translation of opening shareholders' equity using closing rates, along with those triggered by the use of closing and average exchange rates for the year are classified under the specific item Exchange rate differences in the Valuation reserve.

Equity method — The equity investments over which the Group has significant influence or has joint control, as defined by IAS 28, are measured using the equity method.

Under this method, the equity investment is initially recognised at cost and the carrying amount is increased or decreased to reflect the investor's share of profit or loss of the investee earned/incurred after the acquisition date. The share of the profit (loss) for the year attributable to the investor is recognised in the latter's income statement. The dividends received from an investee decrease the carrying amount of the equity investment. Furthermore, the carrying amount may be adjusted also following the change in the equity interest in the investee, due to changes in the latter's equity not recognised in the income statement.

These changes include those arising from the translation of foreign currency items. The portion related to these changes is recognised directly in equity. When the investee incurs losses and these losses exceed the carrying amount of the investment, the latter's carrying amount is

zeroed and any further losses are recognised only when the parent has legal or constructive obligations or has made payments on behalf of the investee. If the investee subsequently earns a profit, the parent recognises the share of profit attributable to it only when it has reached the same amount of the previously unrecognised loss.
The consolidation of associates and/or jointly-controlled entities considers the financial statements prepared and approved by the board of directors of each company.

Business combinations carried out in 2023
With respect to the adoption of IFRS 3 and the fair value measurement of the assets and liabilities of the companies acquired in 2023, the relevant standard provides for the provisional allocation of the acquisition cost, to be finalised within 12 months of the acquisition date. For additional information, reference should be made to note 11 – Intangible assets of the notes to the consolidated financial statements.

A.2 Key financial statements items
This section describes the accounting policies used to prepare the consolidated financial statements at 31 December 2023, specifically the classification, recognition, measurement and derecognition of assets and liabilities items, and the recognition of income and expense. The accounting policies have been applied consistently in the current and previous years.

1 – Cash and cash equivalents

This item includes legal tender, including foreign banknotes and coins ("cash in hand") and current account balances and on-demand deposits with banks. They are recognised at their nominal amount.

2 -Financial assets at fair value through profit or loss

Classification
This item comprises financial assets other than those classified under financial assets at fair value through other comprehensive income and financial assets at amortised cost. This item includes:

- equity instruments, except for the possibility of classifying them under the new category: financial assets at fair value through other comprehensive income, not transferred to profit or loss;
- financial assets mandatorily measured at fair value, which did not meet the requirements necessary for application of the amortised cost method;
- financial assets not held as part of a hold to collect ("HTC") business model or a mixed business model whose objective is achieved by collecting the contractual cash flows of the financial assets in portfolio or through a sale transaction which is an integral part of the strategy ("Hold to Collect and Sell" business model);
- financial assets designated at fair value, i.e., the financial assets designated as such upon initial recognition and when the relevant requirements are met;
- derivatives, recognised under held-for-trading financial assets when the fair value is positive and under liabilities, if negative. Offsetting is possible only to the extent of transactions carried out with the same counterparty when there is a legally enforceable right of setoff and an entity has the intention to settle a financial asset and a financial liability net. Derivatives include those embedded in hybrid financial instruments - where the host contract is a financial liability - which were recognised separately.

Reclassifications of financial assets, except for equity instruments for which no reclassification is allowed, are not allowed between other categories of financial assets unless an entity's business model objective for its financial assets changes. In such cases, which must not be frequent, the financial assets may be reclassified from the fair value through profit or loss category to one of the two other categories introduced by IFRS 9 (fair value through other comprehensive income and amortised cost). The amount of the reclassification is the fair value upon reclassification and the effects of the reclassification are applied prospectively as of the reclassification date. In this case, the effective interest rate of the reclassified financial asset is calculated based on its fair value at the reclassification date and this date is considered as the initial recognition date for credit risk stage assignment for impairment purposes.

Specifically, this item includes:

- investments relating to insurance contracts (unit-linked policies) issued by the Irish subsidiary Azimut Life Dac where the investment risk is borne by policyholders and comprise UCI units;

- financial assets comprised of UCI units and units of alternative closed-ended funds held by the Group companies in the context of liquidity management policies;
- equity investments other than in subsidiaries, associates or jointly-controlled entities.
- derivative instruments.

Recognition

Financial assets are initially recognised at the settlement date for debt instruments and equity instruments, at the disbursement date for loans and at the signing date for derivatives.

Upon initial recognition, financial assets at fair value through profit or loss are recognised at fair value, without considering transaction costs or proceeds that are directly attributable to the instrument.

Measurement and recognition of income and expense

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. The effects of the application of this measurement criteria are taken to profit or loss.

The fair value of financial instruments quoted in an active market is calculated using market prices. When no active market exists, commonly-used estimate methods and valuation models are applied which consider all risk factors related to the instruments and which are based on market data, such as: valuation of quoted instruments with similar characteristics, calculation of discounted cash flows, models to recalculate option prices, amounts recognised in recent similar transactions, etc.. The cost criterion is used to estimate the fair value of equity instruments and derivatives related to equity instruments, not quoted in an active market, only on a residual basis and limited to few circumstances, i.e., when none of the above methods can be used or in the case of a large range of fair value measurement possibilities, when cost is the most significant estimate.

Derecognition

Financial assets are derecognised when the contractual rights to the cash flows generated by the assets expire or when the asset is sold and all the risks and rewards of ownership have been transferred.

3 -Financial assets at fair value through other comprehensive income (FVTOCI)

<u>Classification</u>

This category includes the financial assets which meet both the following conditions:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets ("Hold to Collect and Sell" business model);
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding amount (SPPI test passed). It also includes equity instruments, not held for trading, for which the option to designate a financial asset at fair value through other comprehensive income is exercised upon initial recognition.

Specifically, this item includes:

- equity investments, other than in subsidiaries, associates or jointly-controlled entities, not held for trading, for which the option to designate a financial asset at fair value through other comprehensive income has been exercised;
- debt instruments under a Hold to Collect and Sell business model which passed the SPPI test.

Reclassifications of financial assets, except for equity instruments for which no reclassification is allowed, are not allowed between other categories of financial assets unless an entity's business model objective for its financial assets changes.

In such cases, which must not be frequent, the financial assets may be reclassified from the fair value through other comprehensive income category to one of the two other categories introduced by IFRS 9 (fair value through profit or loss and amortised cost). The amount of the reclassification is the fair value upon reclassification and the effects of the reclassification are applied prospectively as of the reclassification date. With respect to the reclassification from this category to that of the amortised cost, the cumulative gain or loss recognised in the fair value reserve is taken as an adjustment to the fair value of the financial asset at the reclassification date.

Conversely, with respect to the reclassification to the fair value through profit or loss category, the cumulative gain or loss previously recognised in the fair value reserve is reclassified from equity to profit or loss.

Recognition

Financial assets are initially recognised at the settlement date based on their fair value, inclusive of transaction costs/proceeds that are directly attributable to the acquisition of the financial instrument.

The costs/proceeds which, despite having the above characteristics, are repaid by the counterparty or fall under administrative internal ordinary costs, are excluded.

The initial fair value of a financial instrument is usually equal to the purchase cost incurred.

Measurement and recognition of income and expense

Subsequent to initial recognition, financial assets are recognised at their fair value, recognising any fair value gains or losses on the amortised cost in the specific shareholders' equity reserve in the statement of comprehensive income until disposal or impairment.

Equity instruments classified under this category are measured at fair value and the amounts recognised as a balancing entry in shareholders' equity (Statement of comprehensive income) are not subsequently taken to profit or loss, including in the event of disposal (OCI exemption). Dividends are the only item related to equity instruments which is taken to profit or loss. Fair value is calculated based on the criteria already described in respect of Financial assets at fair value through profit or loss. The cost criterion is used to estimate the fair value of the equity instruments included in this category, not quoted in active market, only on a residual basis and limited to few circumstances, i.e., when none of the above methods can be used or in the case of a large range of fair value measurement possibilities, when cost is the most significant estimate.

Derecognition

Financial assets are derecognised when the contractual rights to the cash flows generated by the assets expire or when the asset is sold and all the risks and rewards of ownership have been transferred.

4-Financial assets at amortised cost

Classification

This item includes the amounts due from banks, from financial institutions, from customers, managed funds and debt instruments, i.e., all receivables involving fixed payments or in any case payments which are definable and are not listed on an active market.

Recognition

Financial assets are initially recognised at the settlement date for debt instruments and at the disbursement date for receivables. Upon initial recognition, financial assets are measured at fair value, including transaction costs or proceeds that are directly attributable to the instrument.

Specifically, with respect to receivables, the disbursement date normally coincides with the date the contract is signed.

Measurement and recognition of income and expense

Subsequent to initial recognition, receivables are measured at amortised cost, equal to the initially recognised amount decreased/increased by the repayment of principal, net impairment losses/reversals of impairment losses and amortisation - calculated using the effective interest method - of the difference between the amount disbursed and the repayable one upon maturity, which usually refers to the costs/income directly allocated to individual receivables.

The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the receivable to obtain exactly the carrying amount upon initial recognition, which includes both directly attributable transaction revenues/costs and all fees paid or received by the parties to the contract. This method is based on a financial logic and enables entities to allocate the economic effect of income/expense over the residual life of the loan.

The measurement criteria are closely related to the stage to which the loan is assigned, where stage 1 comprises performing loans, stage 2 under-performing loans, i.e., those loans where the credit risk rose significantly compared to initial recognition and stage 3 non-performing loans, i.e., those loans which show a significant impairment loss.

Impairment losses are taken to profit or loss. Those related to performing loans under stage 1 are calculated considering a one-year expected loss, while those under stage 2 refer to the life time expected credit losses.

Derecognition

Receivables are derecognised when they are no longer recoverable or when they are transferred, when all risks and rewards incidental to the receivables are substantially transferred.

5 - Equity investments

Classification

Equity investments include equity investments that are deemed to be strategic investments. Companies are classified as associates when the Group has significant influence thereon, but not control or joint control over their financial and operating policies.

The Group has a significant influence on a company when it holds at least 20% of the voting rights or when - despite holding fewer voting rights - it has the power to participate in the financial and operating policy decisions of the investee under specific agreements, unless it can be clearly demonstrated that this is not the case. The possible exercise or conversion of potential voting rights is a factor to be considered in deciding whether significant influence exists.

Measurement and recognition

Equity investments in associates are recognised using the equity method which provides for initial recognition at cost. The equity investment is subsequently adjusted to reflect the share of the profit (or loss) of the associate after the date of acquisition.

Minority interest does not include any potential voting rights.

Since goodwill included in the carrying amount of a given investment in an associate is not recognised separately, this value is not subjected to a separate impairment test, in line with the provisions set forth in IAS 36 Impairment of assets. On the other hand, the investment's full carrying amount is tested for impairment pursuant to IAS 36, by comparing its recoverable amount – calculated based on the value in use – and its corresponding carrying amount, whenever the application of the provisions set forth in IAS 36 indicates a potential impairment. The differences between the value of the equity investment and the associate's shareholders' equity are included in the associate's carrying amount, whereas the share of the profits/(losses) generated during the year by the associate in question is recognised in the consolidated income statement. Any impairment losses on the equity investment pursuant to IAS 36 are recognised in the income statement.

An entity shall discontinue the use of the equity method from the date when its investment ceases to be an associate as follows:

a) if the investment becomes a subsidiary, the entity shall account for its investment in accordance with IFRS 3 Business Combinations and IFRS 10; b) if the retained interest in the former associate is a financial asset, the entity shall measure the retained interest at fair value. The fair value of the retained interest shall be regarded as its fair value on initial recognition as a financial asset in accordance with IFRS 9. The entity shall recognise in profit or loss any difference between: i) the fair value of any retained interest and any proceeds from disposing of a part of interest in the associate; and ii) the carrying amount of the investment at the date the equity method was discontinued.

6 - Property, plant and equipment

Classification

They include business properties, plant, furniture and fixtures, machines and equipment of any kind and renovation costs for any rented properties.

With reference to business properties, IAS 16 establishes that land is to be recognised separately from buildings since only the latter is subject to depreciation as the useful life is not indefinite. This separation is necessary only in the case of self-contained properties: no separation is necessary if the property consists of a portion of the building (for example an apartment), since in this case the company does not own the surrounding land or land beneath. Azimut Group owns portions of property and therefore no separation was adopted for their measurement.

Right-of-use assets and related to the use of an asset (for lessees) and the assets under operating lease (for lessors) are also included.

Measurement and recognition

They are initially recognised at cost, including the extra costs directly attributable to the acquisition and start-up of the asset. They are subsequently measured at cost, less depreciation and impairment losses. Depreciation is charged annually on a straight-line basis over the remaining useful life.

Leasehold improvements are recognised under assets since the lessee essentially has control over the assets and may receive economic benefits therefrom. Therefore, they are depreciated over a period corresponding to the remaining duration of the lease.

Leases are recognised using the right-of-use asset model, whereby, at the commencement date, the lessee has a financial obligation to make payments to the lessor to offset its right to use the underlying asset during the lease term.

When the asset is made available to the lessee for use (commencement date), the lessee recognises both the lease liability and the right-of-use asset.

Right-of-use assets, recognised using IFRS 16, are measured using the cost model in accordance with IAS 16 Property, plant and equipment. In this case, the asset is subsequently depreciated and tested for impairment, whenever an impairment indicator is identified.

Derecognition

Tangible assets are derecognised upon disposal or when the asset has been retired and future benefits are not expected from its disposal.

7 - Intangible assets

Classification

Intangible assets include goodwill, trademarks, customer relationships and application software for long-term use.

Recognition

Goodwill on consolidation is determined, on first-time consolidation, based on the difference between the fair value of the subsidiaries' shareholders' equity and the carrying amount of the investments.

Basis of preparation

Goodwill and goodwill arising on consolidation are not amortised systematically, but are tested for impairment annually to check the adequacy of the book value in accordance with that set out in *IAS 36 Impairment of assets*.

Software is recognised at cost, net of amortisation and impairment losses. Such assets are amortised based on their estimated residual useful life.

Customer relationships are recognised in the income statement on a long-term basis, based on the historical percentage of deterioration of the relevant assets under management (AUM).

Recognition of income and expense

The amount of the impairment, determined on the basis of the difference between the book value and its recoverable amount, if lower, is recognised in the income statement.

Derecognition

Intangible assets are derecognised at the date of disposal and when no future economic benefits are expected.

8 - Tax assets and liabilities

Current taxes are calculated in accordance with ruling tax rates and legislation. When they are not paid, they are recognised under liabilities. Income taxes are recognised in the income statement, except for those related to items directly credited or debited to equity. The provision for taxes is recognised based on a prudent estimate of the current and deferred tax charge.

The balance-sheet liability method is applied to deferred taxes. Specifically, deferred tax assets and liabilities are calculated in respect of the temporary differences – without time limits – arising between the carrying amount of assets and liabilities and their value for tax purposes. Deferred tax assets are recognised to the extent their recovery is probable, based on the company's ability to generate ongoing positive taxable income.

9 - Other assets

This item includes assets which are not ascribable to other assets items. Other assets include prepayments related to the incentives paid to financial advisors, including incentive costs, which usually remunerate sales activities carried out over several years, related to total inflow targets and are directly attributable to existing contracts that meet the capitalisation requirements under the new cost category (contract costs) introduced by IFRS 15. In this case, an amortisation period was defined, related to the payback period of the costs incurred upon transfer of the services covered by the investment contracts to customers, based on the contractual term set out in the stability pact agreed with the individual financial advisor, i.e., the minimum time horizon within which, in the event of exit, the advisor is required to return any related incentives received.

The amortisation period of the costs incurred to obtain contracts with customers is 10 years based on the average term of contractual relations with customers. This period is deemed a time horizon which is more in line with the duration of the service period to customers. The change in the amortisation period, which took place in 2020, is based on the availability of reliable data and statistical analysis on the average term of customer relationships, considering the historical data from the Azimut Group's customer base. These changes resulted in the revision of the amortisation period of recruitment incentives linked to the acquisition of new customers and that of the incremental costs recognised to the sales structure in relation to the organic growth of assets under management (linked to the net inflows generated), thus ensuring a more effective correlation between the entire amount of fees paid to financial advisors and the fee and commission income generated by services provided to customers. The change had an impact on the recognition of ordinary sales incentives linked to net inflows targets paid to the network of financial advisors for which, previously, the accounting representation was based on an estimate of the useful life equal to the observation period (generally 36 months) and the incentives linked to the acquisition of new customers which were amortised over a period corresponding to the "stability pact" agreed with the advisor, as well as on the incentive costs for recruiting new financial advisors not directly linked to net inflows targets and amortised over the contract term.

This item also includes prepayments on the fee and commission expenses payable to the sales network for the sale of "no load" products. These funds do not charge an entry fee but are able to break-even by charging an exit fee for a specific amount of time. Therefore, they are recognised in the income statement over the foregoing period in accordance with the matching principle.

Finally, other assets include the prepayments generated by the deferral of commission expenses incurred for the purchase of unit-linked policies classified as investment contracts.

10 - Financial liabilities at amortised cost

Classification

This item comprises Due to banks, Due to financial institutions, Due to customers, Lease liabilities under IFRS 16 and Outstanding securities.

10.1 Payables

Measurement and recognition

Short-term trade payables (due within one year) are recognised at their par value.

Payables in the form of medium/long-term loans, initially recognised at the amount collected, net of transaction costs if any, are subsequently measured at amortised cost using the effective interest rate method.

Lease liabilities under IFRS 16 at initial recognition are equal to the present value of the residual future lease payments at the date of transition, discounted at their incremental borrowing rate ruling at the date of transition;

After the initial measurement, the carrying amount is increased by interest and decreased as payments are made and/or restated to reflect any new measurements or changes in the lease.

Derecognition

Payables are derecognised once settled.

10.2 Outstanding securities

This item includes the bonds issued by Azimut Holding S.p.A..

Recognition

Outstanding securities are recognised when issued or when a new placement takes place based on the "settlement date" principle. They are initially recognised at fair value which usually corresponds with the collected amount or the issue price, adjusted to reflect any additional cost and income directly attributable to funding or issue transactions. Internal administrative costs are not included. The fair value of outstanding securities issued at below-the-market conditions is subject to a specific estimate and the difference with respect to market value is taken directly to the income statement.

In the case of convertible debt instruments, the costs borne for the bond issue are allocated proportionally to the debt component and the equity component.

Measurement and recognition of income and expense

Subsequent to initial recognition, the debt component is measured at amortised cost, using the effective interest rate method.

Interest expense is recognised under Interest expense and similar charges in the income statement, using the effective interest rate method.

Derecognition

Outstanding securities are derecognised after expiry or settlement. They are derecognised also when previously issued securities are repurchased. The difference between the carrying amount of the security and the amount paid to repurchase it is taken to the income statement. A new placement of own securities subsequent to their repurchase is considered a new issue with the recognition of the new placement price, with no impact on the income statement.

11 - Insurance contract liabilities

Commitments to holders of unit-linked policies issued by Azimut Life Dac, classified as insurance contracts since they include a considerable insurance risk, are measured based on actuarial criteria, by taking account of the value of the financial assets to which the benefits are linked.

12 – Financial liabilities measured at fair value

This item includes: (i) the commitments to policyholders arising from the unit linked policies issued by Azimut Life Dac, classified as investment contracts where the investment risk is borne by policyholders; (ii) the liabilities arising from the future exercise of the call options of the residual portion of share capital of certain subsidiaries.

Measurement and recognition

The measurement of call options reflects the amount to be paid to sellers, following the exercise of the call options. The measurement reflects the estimated amount to be paid to the seller, based on the estimate of the future parameters set out in the relevant contracts, including AUM and profit for the year, and which are subject to specific sensitivity analyses. The change in the amount on first recognition is taken to the income statement.

With respect to the call and put options related to minority interests for some subsidiaries for which these options may be exercised by assigning the Parent Company's shares, the Company decided to treat this contractual obligation as a derivative whose changes in fair value are to be recognised in the income statement. This position is currently being analysed by the IFRIC.

Derecognition

Financial liabilities are derecognised once settled.

13 – Other liabilities

Classification

This item includes liabilities that are not ascribable to other liability items. This item includes: (i) the liabilities for the purchase of residual equity investments in some subsidiaries, as per the relevant agreements. In addition, this item includes the deferred income arising from the deferral of fee and commission income on the premiums of unit-linked policies classified as investment contracts over the expect term of the policies; (ii) the liabilities in the form of the contractual commitments relating to fees and commissions, including retention fees, to be paid to financial advisors in the medium/long-term (over 12 months), calculated on the basis of actuarial criteria and representing the best estimate of the expense required to settle the foregoing liabilities.

Recognition

Short-term liabilities (due within 12 months) and trade payables are recognised at their par value.

Derecognition

Other liabilities are derecognised once settled.

14 - Provisions for risks and charges

Recognition

Accruals to provisions for risks and charges are recognised if, and only if:

- there is a present obligation (legal or constructive) as a result of past events;
- it is probable that an outflow of resources will be required to generate economic benefits; and
- a reliable estimate can be made of the amount of the obligation.

Provisions for risks also include the supplementary indemnity provision for financial advisors linked to accrued commissions and seniority. The amount represents the best estimate of the charge necessary to settle the obligation, taking into account the various assumptions underlying the expected risks and uncertainties and the present value of the liability.

Basis of preparation

The amount accrued is the best estimate of the expense required to settle the obligation at the reporting date and reflects the risks and uncertainties that inevitably characterise many facts and circumstances. The amount accrued is equal to the present value of the outflow required to settle the obligation. The future facts which may affect the expense required to settle the obligation are considered only when there is objective evidence that they will take place.

The accruals to the provisions for risks and charges also include the risk arising from any tax disputes.

Derecognition

Accruals are derecognised when the use of resources that generate economic benefits to settle the obligation becomes improbable.

15 - Costs and income

Cost are recognised on an accrual basis. Those incurred to obtain and fulfil contracts with customers are recognised in profit or loss when the related income is recognised.

Income is recognised when received, or when it is probable the future benefits will be received and when such benefits can be reliably calculated. Specifically:
>> interest is recognised on an accruals basis using the contractual interest rate or the effective interest rate when the amortised cost method is applied;
>> fee and commission income from services is recognised based on the relevant contractual agreements at the time the services are provided.
Fees for portfolio management, consultancy and management of mutual funds are recognised over the term of the service.

17 – Treasury shares

They are recognised as a decrease in shareholders' equity. Profits or losses arising from the purchase, sale, issue or elimination of treasury shares are not recognised in the income statement, but in shareholders' equity.

18 - Profit-participating financial instruments

The profit-participating financial instruments issued by Azimut Holding S.p.A. as per the Shareholders' resolution of 29 April 2010 and subsequent resolutions of the Parent Company's Board of Directors are recognised under Equity instruments at the subscription amount, equal to their fair value, increasing shareholders' equity. Indeed, under the By-laws, they have an indefinite life, are issued with no obligation for the Parent Company to repay the amount paid by investors, participate in the allocation of the Parent Company's residual assets in case of liquidation, in subordination to the creditors and shareholders. These instruments are not transferable, except to the Parent Company (at their fair value and subject to specific conditions). In this case, the relevant equity rights are suspended. Furthermore, these instruments entitle their holders to receive a part of the Company's profit as per the By-laws subject to, inter alia, the Shareholders' approval of dividend distribution.

19— Business combinations and changes in equity investments Business combinations are recognised in accordance with the acquisition method (IFRS 3) whereby the identifiable acquired assets and assumed liabilities, including contingent ones, are recognised at their fair value at the acquisition date (i.e., the date on which the Group obtains effective control of the company). The fair value of acquired assets and assumed liabilities is calculated within one year of the acquisition. For each business combination, minority interests in the acquiree, if any, are recognised at fair value or in proportion to the minority interests' percentage in the net identifiable assets of the acquiree at fair value. Goodwill is initially measured at cost, being the excess amount of the sum of the consideration paid for the controlling interest and the minority interests over the fair value of the net assets acquired by the Group (net of assumed liabilities). In the consolidated financial statements, only the Group's share of goodwill is recognised, while the share of goodwill pertaining to non-controlling interests is not recognised. When the sum is below the fair value of the net assets of the acquiree, the difference is taken to the income statement. In a business combination achieved in stages, the Group recalculates the interest it already held in the company owned prior to obtaining control at the respective fair value calculated at the date control was acquired, recognising any resulting gain or loss in the income statement. Changes in the investment held in a subsidiary that do not entail the loss of control are recognised as Group's equity transactions. Acquisition-related costs are recognised in the income statement of the year in which they are incurred. Transactions carried out among two or more Group companies for reorganisation purposes are not considered business combinations. Transactions between jointly-controlled entities are recognised in the Group's financial statements using the acquiree's consistent amounts when they do not have a significant impact on the future cash flows.

20 - Turkey - Hyperinflationary economy: impacts of the application of IAS 29

As of the second quarter of 2022, the Turkish economy is considered hyperinflationary under "IAS 29 - Financial reporting in hyperinflationary economies".

For the purposes of preparing these consolidated financial statements and in accordance with IAS 29, certain balance sheet items of the Turkish investee have been re-measured by applying the general consumer price index to historical data, in order to reflect the changes in the purchasing power of the Turkish lira at the reporting date. The Azimut Group acquired control of the Turkish companies in 2016. Consequently, the non-monetary balance sheet figures were re-measured by applying inflation indices as of that date. The accounting effects of this adjustment are already reflected in the opening balance sheet and also reflect the changes in the period. Specifically, the effect of re-measuring non-monetary assets and liabilities, shareholders' equity items and income statement items was recognised with a balancing entry in the income statement under financial income and charges.

Furthermore, in order to consider the impact of hyperinflation on the local currency exchange rate, the income statement balances expressed in the hyperinflationary currency were translated into the Group's presentation currency by applying, pursuant to IAS 21, the closing rate instead of the average rate for the period in order to align these amounts to current values.

The cumulative levels of general consumer price indices are as follows:

- 1 January 2016 to 31 December 2022: 173.67%;
- 1 January 2023 to 31 December 2023: 37.57%.

In 2023, the application of IAS 29 resulted in the recognition of a net financial loss (pre-tax) of 3,418 thousand euro.

A.3 Disclosure about financial asset transfers between portfolios

A.3.1. Transfers between portfolios

During the year, the Group did not transfer any financial assets between portfolios as a consequence of changes in business model.

A.4 - Fair value disclosure

Qualitative information

The fair value of other financial assets mandatorily measured at fair value is based on the prices reported on the respective markets on the last day of trading in the reference period. At the end of each year, impairment tests are carried out to establish which financial assets are to be impaired. This test is performed for each individual financial instrument, considering the impairment effects in accordance with IFRS 9. Financial assets are derecognised when the contractual rights to the cash flows generated by the assets expire or when the asset is sold and all the risks and rewards of ownership have been transferred.

Quantitative information

In accordance with the provisions of IFRS 7 and IFRS 13, the Group companies classify fair value measurement of financial assets and financial liabilities based on a hierarchy that conveys the nature of inputs used. The levels are as follows:

- Level 1: (unadjusted) quoted prices in active markets for assets and liabilities identical to those subject to measurement;
- Level 2: inputs other than unadjusted quoted prices (as per level 1) that are directly (as in the case of prices) or indirectly (deriving from prices) observable market data;
- Level 3: inputs based on unobservable market data.

Specifically, the fair value of a financial instrument measured at level 1 corresponds to the unadjusted price, at which the instrument – or an identical instrument – is sold on an active market on the measurement date. For classification at level 1, prices are measured together with all other characteristics of the financial asset or financial liability: if the quoted price is adjusted in order to take account of specific conditions that require adjustment, the financial instrument is classified under a level other than level 1.

Analyses for classification at other levels within the fair value hierarchy are performed analytically for each individual financial asset or liability held/issued; these analyses and measurement criteria are applied consistently over time.

With respect to the financial instruments held as part of liquidity management policies and financial liabilities issued, according to the Group's main policies:

- government bonds and open-ended mutual funds, whose fair value is designated as level 1 if represented by the Net Asset Value (NAV) provided by the fund manager at the measurement date, are classified as level 1; on the other hand, with respect to listed funds and Exchange Traded Funds (ETF), level 1 fair value is equal to the closing price of the relevant stock market and the bonds issued;
- investments related to unit-linked policies issued (for which the investment risk is borne by the policyholders), financial liabilities and closed-end mutual funds which are measured based on the most recently approved Net Asset Value or other methodologies that can identify the type of investment, also based on the fund rules, are classified as level 2;

- the equity securities measured at cost and the financial liabilities related to the commitments to purchase the residual equity investments in some subsidiaries in accordance with ruling contractual agreements, are classified as level 3. With respect to liabilities, the measurement reflects the estimated amount to be paid to the seller, based on the estimate of the future parameters set out in the relevant contracts, including AUM and profit for the year and which are subject to specific sensitivity analyses. The change in the amount on first recognition is taken to the income statement. Financial liabilities are derecognised once settled.

  This level also includes derivatives classified in financial assets at fair value through profit or loss, including those embedded in complex financial contracts - where the host contract is a financial liability - that have been separately recognised.

A.4.5 Fair value hierarchy

A.4.5.1 Assets and liabilities measured at fair value on a recurring basis: breakdown by fair value level

	31.12.2023			31.12.2022		
Financial assets/liabilities measured at fair value	**Level 1**	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
1. Financial assets at fair value through profit or loss						
a) held-for-trading financial assets						
b) financial assets designated at fair value						
c) financial assets mandatorily measured at fair value	263,338	7,196,900	84,729	383,403	6,872,144	64,281
2. Financial assets at fair value through other comprehensive income	1,658		14,238	2,071		13,801
3. Hedging derivatives						
4. Property, plant and equipment						
5. Intangible assets						
Total	**264,997**	**7,196,900**	**98,967**	**385,475**	**6,872,144**	**78,082**
1. Held-for-trading financial liabilities						
2. Financial liabilities designated at fair value		5,568,660	111,019		5,424,338	99,316
3. Hedging derivatives						
Total		**5,568,660**	**111,019**		**5,424,338**	**99,316**

A.4.5.2 Annual change in financial assets measured at Level 3 fair value on a recurring basis

FINANCIAL ASSETS								
	Total	of which: a) held-for-trading financial assets	of which: b) financial assets designated at fair value	of which: c) other financial assets mandatorily measured at fair value	Financial assets at fair value through other comprehensive income	Hedging derivatives	Property, plant and equipment	Intangible assets
1. Opening balance	**78,082**			**64,281**	**13,801**			
2. Increases	**20,956**			**20,448**	**508**			
2.1. Purchases	18,936			18,936				
2.2. Profits allocated to:	483				483			
2.2.1 Profit or loss	1,512			1,512				
of which: gains								
2.2.2 Shareholders' equity	483				483			
2.3. Transfers from other levels								
2.4. Other increases	25				25			
3. Decreases	**- 71**				**- 71**			
3.1. Sales								
3.2. Redemptions								
3.3. Losses charged to:								
3.3.1 Profit or loss								
of which: losses								
3.3.2 Shareholders' equity								
3.4. Transfers from other levels								
3.5. Other decreases	- 71				- 71			
4. Closing balance	**98,967**			**84,729**	**14,238**			

A.4.5.3 Annual changes in liabilities measured at Level 3 fair value on a recurring basis

	Held-for-trading financial liabilities	Financial liabilities measured at fair value	Hedging derivatives
1. Opening balance		**99,316**	
2. Increases		**34,060**	
2.1. Purchases		21,967	
2.2. Losses charged to:		12,093	
2.2.1 Profit or loss		10,131	
of which: losses			
2.2.2 Shareholders' equity		1,962	
2.3. Transfers from other levels			
2.4. Other increases		-	
3. Decreases		**22,357**	
3.1. Sales			
3.2. Redemptions			
3.3. Profits allocated to:		22,357	
3.3.1 Profit or loss		12,547	
of which: gains			
3.3.2 Shareholders' equity		9,810	
3.4. Transfers from other levels			
3.5. Other decreases		0	
4. Closing balance		**111,019**	

A.4.5.4 Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis: breakdown by fair value level

Assets/liabilities not measured at fair value or measured at fair value on a non-recurring basis	31.12.2023				31.12.2022			
	CA	L1	L2	L3	CA	L1	L2	L3
1. Financial assets at amortised cost	259,388	-	-	259,388,440	170,272	-	-	170,272
2. Property, plant and equipment held for investment purposes	-	-	-	-	-	-	-	-
3. Non-current assets held for sale and discontinued operations	-	-	-	-	-	-	-	-
Total	**259,388**	**-**	**-**	**259,388,440**	**170,272**	**-**	**-**	**170,272**
1. Financial liabilities at amortised cost	555,935	488,319		58,019	555,935	473,286		58,019
2. Liabilities related to discontinued operations	-	-	-	-	-	-	-	-
Total	**555,935**	**488,319**	**-**	**58,019**	**555,935**	**473,286**	**-**	**58,019**

A.5 - Disclosure about the “Day one profit/loss”

The Group did not carry out transactions which entailed recognition of the so-called “day one profit/loss”.

Operating segment disclosure (IFRS 8)

The Azimut Group operates via various companies, each specialising in the sale, marketing, and management of financial and insurance products (essentially unit-linked).

As a matter of fact, the nature of the various products and services offered, the structure of the management and operating processes, the type of customers, as well as the methods adopted for the distribution of products and services are sufficiently similar as to ensure that the risks and benefits of the various Group companies do not differ to any great extent but, on the contrary, have many comparable features.

Although it operates as a single structure, dedicated in its entirety to asset management and the sale of investment instruments, in which the contributions made by the individual companies appear to be indistinguishable, in accordance with IFRS 8, the Group chose the allocation by geographical areas as the method to measure its performance and make significant economic decisions.

Indeed, the Group identified four geographical areas:

- the first area (Italy) reflects the activity carried out by the Italian companies directly controlled by Azimut Holding S.p.A., each specialising in the distribution, promotion and management of financial and insurance products (basically unit-linked products) and operating as a single structure, dedicated in its entirety to asset management and the sale of investment instruments, in which the contributions made by the individual companies appear to be indistinguishable and operating results are revised periodically by management for the purpose of decisions regarding allocation of resources and measurement of results and company performance. This area also includes the foreign product companies Azimut Investments Sa, Azimut Life Dac and Azimut Investments Limited;

- on the other hand, the other three sectors relate to the activities carried out by the foreign companies, which are presented and classified by geographical segment (EMEA, Americas and Asia Pacific). Foreign companies also specialise in the management, promotion and distribution of financial and asset management products, each in the relevant geographical segment and in accordance with the same above-mentioned integrated business model. Therefore, management implemented a consolidated reporting system for AZ International Holdings SA which, in turn, sends the Parent Company Azimut Holding S.p.A. a consolidated reporting package for all foreign companies broken down by the above geographical segments.

This section shows the consolidated figures broken down by geographical area, according to the reporting system selected by management and in line with the information disclosed to the market.

The main figures broken down by geographical area are as follows:

Area	Net assets at 31.12.23	Net assets at 31.12.22	Fee and commission income - 2023	Fee and commission income - 2022	Total income - 2023	Total income - 2022
Italy	48,186	46,071	967,064	1,014,141	697,091	636,327
Europe - Middle East	7,271	5,909	150,517	117,579	156,191	124,069
Americas	25,624	18,815	43,926	38,949	55,494	52,312
Asia-Pacific	9,669	8,169	131,636	94,955	126,714	101,530

The breakdown by country of the above geographical areas is described in the specific table included in the section on the impairment test in the notes to these consolidated financial statements.

With respect to the information about the financial position required by IFRS 8, the Group's management does not show or analyse a different breakdown of assets and liabilities other than that approved in the separate and consolidated financial statements.
In accordance with paragraph 34 of IFRS 8, it is noted that the Group has no customers which account for more than 10% of consolidated revenue.

Earnings per share

Basic earnings per share are calculated by dividing the net profit for the year by the average number of outstanding ordinary shares.
There were no earnings-dilutive transactions to be disclosed at 31 December 2023.

	2023	2022
Basic earnings per share	3,140	2,919
Average number of outstanding shares (*)	138,402,704	139,226,158
Diluted earnings per share	3,140	2,919
Average number of outstanding shares (*)	138,402,704	139,226,158

* outstanding shares are calculated net of treasury shares held by Azimut Holding S.p.A. at the reporting date.

PART B – NOTES TO THE BALANCE SHEET

ASSETS

Section 1 – Cash and cash equivalents

The item amounts to 464,571 thousand euro (298,142 thousand euro at 31 December 2022) and refers to bank demand deposits which bear interest at market rates, and cash.

Section 2 -Financial assets at fair value through profit or loss

This item amounts to 7,544,967 thousand euro (7,319,828 thousand euro at 31 December 2022).

2.5 Other financial assets mandatorily measured at fair value: breakdown

Items/Value	Total 31/12/2023			Total 31/12/2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Debt instruments	-	-	16,921	-	-	-
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt instruments	-	-	16,921	-	-	-
2. Equity instruments	-	-	67,808	-	-	64,281
3. UCI units	263,338	7,196,900	-	383,403	6,872,144	-
4. Loans	-	-	-	-	-	-
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	-	-	-	-
Total	**263,338**	**7,196,900**	**84,729**	**383,403**	**6,872,144**	**64,281**

“UCI units” (Level 1) refers to the units in mutual funds managed by the Azimut Group as part of the Group’s liquidity management policies.

“UCI units” (Level 2) refers to liquidity and investments (7,083,910 thousand euro), measured at fair value and relating to the unit-linked policies issued by Azimut Life Dac, where the investment risk is borne by policyholders. The Net Asset Values (“NAV”) of the Internal Funds are calculated daily (on working days excluding Italian and Irish public holidays) and are based on the latest available prices as indicated in the insurance contracts. Consequently, measurement of the unit-linked portfolio may not take place on the last day of the year, but is consistent with the measurement of the liabilities.

This item includes investments in units of alternative investment funds (“AIF”) subscribed by the Group as part of its liquidity management policies. They amounted to 100,160 thousand euro at 31 December 2023. This item also includes the investment in the Luxembourg-based vehicle Azimut Private Equity I SCSp through which the Company made a single indirect investment in a listed company (INWIT). The balance at 31 December 2023 is 12,830 thousand euro. This amount was repaid in part in June 2023.

“Equity instruments” (Level 3) refer to the fair value of the future exercise of the call options on the remaining portion of capital for the acquisition of the associates LCP Yonetim Danismanligi and Kennedy Capital Management, in addition to minority interests over which the Group exercises neither control, significant influence or joint control.

“Debt instruments” (Level 3) refer to the acquisition of a bond issued by Azimut Financing I Sarl.

2.6 Other financial assets mandatorily measured at fair value: breakdown by debtor/issuer

Items/Value	Total 31/12/2023	Total 31/12/2022
1. Equity instruments	**67,808**	**64,281**
of which: banks	-	-
of which: other financial companies	-	-
of which: non-financial companies	67,808	64,281
of which: insurance companies	-	-
3. Debt instruments	**16,921**	**-**
a) Public administrations	-	-
b) Banks	-	-
c) Other financial companies	16,921	-
of which: insurance companies	-	-
d) Non-financial companies	-	-
3. UCI units	**7,460,238**	**7,255,547**
4. Loans	**-**	**-**
a) Public administrations	-	-
b) Banks	-	-
c) Other financial companies	-	-
of which: insurance companies	-	-
d) Non-financial companies	-	-
e) Households	-	-

Section 3 Financial assets at fair value through other comprehensive income (FVTOCI)

This item amounts to 15,897 thousand euro (31 December 2022: 15,872 thousand euro). It comprises minority interests over which the Group has no control, significant influence or joint control (14,238 thousand euro) and government securities in portfolio held as part of the Group's liquidity (1,658 thousand euro).

3.1 Financial assets at fair value through other comprehensive income: breakdown

Items/Value	Total 31/12/2023			Total 31/12/2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Debt instruments	1,658	-	-	2,071	-	-
- of which: government securities	1,658	-	-	2,071	-	-
2. Equity instruments	-	-	14,238	-	-	13,801
3. Loans	-	-	-	-	-	-
Total	**1,658**	**-**	**14,238**	**2,071**	**-**	**13,801**

3.2 Financial assets at fair value through other comprehensive income: breakdown by debtor/issuer

Items/Value	Total 31/12/2023	Total 31/12/2022
1. Debt instruments	**1,658**	**2,071**
a) Public administrations	1,658	2,071
b) Banks		
c) Other financial companies		
of which: insurance companies		
d) Non-financial companies		
2. Equity instruments	**14,238**	**13,801**
a) Banks	1,907	1,424
b) Other financial companies		
of which: insurance companies		
c) Non-financial companies		
d) Other	12,331	12,377
3. Loans		
a) Public administrations		
b) Banks		
c) Other financial companies		
of which: insurance companies		
d) Non-financial companies		
e) Households		

3.3. Financial assets at fair value through other comprehensive income: gross balance and total impairment losses

	Gross balance				Total impairment losses			Total partial write-offs (*)
	First stage	of which: instruments with low credit risk	Second stage	Third stage	First stage	Second stage	Third stage	
Debt instruments Loans	1,658							
Total at 31.12.2023	**1,658**							
Total at 31.12.2022	**2,071**							
of which: impaired, acquired or originated financial assets	X		X		X			

(*) for disclosure purposes

Section 4 - Financial assets at amortised cost

The item amounts to 259,388 thousand euro (31 December 2022: 170,272 thousand euro). It comprises receivables for portfolio management services (153,943 thousand euro), receivables for other services (87,636 thousand euro), deposits (5.905 thousand euro) and debt instruments (11,904 thousand euro). As those related to portfolio management services and other services and banks are due in the very short term, the amortised cost coincides with their nominal amount.

4.1 Financial assets at amortised cost: breakdown

Breakdown	Total 31/12/2023						Total 31/12/2022					
	Carrying amount			Fair value			Carrying amount			Fair value		
	I and II stage	III stage	of which: impaired acquired or originated	Level 1	Level 2	Level 3	I and II stage	III stage	of which: impaired acquired or originated	Level 1	Level 2	Level 3
1. Receivables for portfolio management services	**153,943**	**-**	**-**	**153,943**			**107,003**	**-**	**-**	**107,003**	**-**	**-**
1.1. UCI units	139,352	-	-	139,352			101,134	-	-	101,134	-	-
1.2 individual portfolio management	9,977	-	-	9,977			1,874	-	-	1,874	-	-
1.3 pension fund management	4,615	-	-	4,615			3,995	-	-	3,995	-	-
2. Receivables for other services	**87,636**	**-**	**-**	**87,636**			**57,499**	**-**	**-**	**57,499**	**-**	**-**
2.1 advisory services	-	-	-	-			-	-	-	-	-	-
2.2 outsourced corporate functions	-	-	-	-			-	-	-	-	-	-
2.3 other	87,636	-	-	87,636			57,499	-	-	57,499	-	-
3. Other receivables	**5,905**	**-**	**-**	**5,905**			**696**	**-**	**-**	**696**	**-**	**-**
3.1 repurchase agreements	-	-	-	-			-	-	-	-	-	-
of which: government securities	-	-	-	-			-	-	-	-	-	-
of which: for other debt instruments	-	-	-	-			-	-	-	-	-	-
of which: for equity instruments and units	-	-	-	-			-	-	-	-	-	-
3.2 deposits and current accounts	5,905	-	-	5,905			696	-	-	696	-	-
3.3 other	-	-	-	-			-	-	-	-	-	-
4. Debt instruments	**11,904**	**-**	**-**			**11,904**	**5,073**	-	-	**5,073**	-	-
Total	**259,388**	**-**	**-**	**247,485**		**11,904**	**170,272**	**-**	**-**	**170,272**	**-**	**-**

"Receivables for portfolio management services" include receivables in the form of fee and commission income on mutual funds and discretionary portfolios accrued during December 2023 and collected the following month.

The item "Receivables for other services" mainly includes receivables in the form of fees and commissions from the sale of products of third-party banks and receivables in the form of fee income to be collected for the sale of insurance products of third-party companies.

4.2 Receivables: breakdown by counterparty

Breakdown/Counterparty	Banks		Financial institutions		Customers	
		of which: Group		of which: Group		of which: Group
1. Receivables for portfolio management services			**4,615**		**149,329**	
1.1. UCI units					139,352	
1.2 individual portfolio management					9,977	
1.3 pension fund management			4,615			
2. Receivables for other services	**6,538**		**7,561**		**73,537**	
2.1 advisory services						
2.2 outsourced corporate functions						
2.3 other	6,538		7,561		73,537	
3. Other receivables	**5,000**		905			
3.1 repurchase agreements						
of which: government securities						
of which: for other debt instruments						
of which: for equity instruments and units						
3.2 deposits and current accounts						
3.3 other	5,000		905			
4. Debt instruments			**11,904**			
Total 31/12/2023	**11,538**		**24,984**		**222,866**	
Total 31/12/2022	**6,176**		**16,505**		**147,591**	

Section 7 – Equity investments

7.1 Equity investments: information

This item amounts to 280,971 thousand euro (263,467 thousand euro at 31 December 2022). It comprises equity investments in associates.

	Name	Registered office	Stake		Voting rights %
			Shareholder	% Stake	
	Companies measured at equity				
1	Cofircont Compagnia Fiduciaria srl	Italy	Azimut Enterprises Srl	30.00	30.00
2	P101 SGR S.p.A. Gestore EuVECA a Socio Unico	Italy	Azimut Enterprises Srl	30.00	30.00
3	FDNX S.r.l.	Italy	Azimut Enterprises Srl	30.00	30.00
4	Azimut Market Place Srl	Italy	Azimut Fintech Holding Srl	43.10	43.10
5	IPOC 1 S.r.l.	Italy	Electa Ventures Srl	35.00	35.00
6	IPOC 6 S.r.l.	Italy	Electa Ventures Srl	52.50	52.50
7	Valuebiotech Srl (**)	Italy	Azimut Enterprises Srl	24.90	24.90
8	Alps Blockchain S.p.A. (*)	Italy	Azimut Enterprises Srl	22.47	22.47
9	Sterling Planners WA	Australia	Sterling Planners Pty Ltd	27.03	27.03
10	Pride Accounting X Numbergroup Pty Ltd	Australia	People & Partners Wealth Management Pty Ltd	40	21.62
11	Pride Accounting X Numbersuper Pty Ltd	Australia	People & Partners Wealth Management Pty Ltd	70	37.84
12	SCM Insurance Pty Ltd	Australia	SCM Financial Group Pty Ltd	50	27.03
13	McLean Delmo Bentleys HoldingsPty Ltd	Australia	AZ Next Generation Advisory Limited	49	26.48
14	SW-TWD Wealth Pty Ltd (*)	Australia	TWD Australia Pty Ltd	27.03	27.03
15	EPAA Services Pty Ltd (*)	Australia	TWD Australia Pty Ltd	27.03	27.03
16	Expert Pensions Advice pty Ltd (*)	Australia	TWD Australia Pty Ltd	27.03	27.03
17	Shanghai Heyu Information Technology Ltd	China	AZ Investment Management (Shanghai) Co. Ltd.	12.50	12.50
18	Sweetwood Ventures II GP S.a r.l	Luxembourg	AZ International Holdings Sa	20.00	20.00
19	Kennedy Lewis	United States	Azimut Alternative Capital Partners LLC	19.30	19.30

20	High Post Capital LLC	United States	Azimut Alternative Capital Partners LLC	12.06	12.06
21	Pathlight Capital	United States	AACP PL SPV LLC	21.15	21.15

	Name	Registered office	Stake		Voting rights %
			Shareholder	% Stake	
22	Sanctuary Wealth Group LLC	United States	Azimut US Holdings Inc.	53.37	53.37
23	Kennedy Capital Management Inc	United States	Azimut US Holdings Inc.	35.00	35.00
24	Diaman Partners Limited	Malta	Azimut UK Holdings Ltd	20.00	20.00
25	LCP Yonetim Danismanligi	Turkey	Azimut Portfoy Yonetimi AS	49.90	49.90
26	Nova Investment Limited (*)	Ireland	Azimut Holding Spa	100	100
27	Azimut Peninsula GP S.à r.l.	Luxembourg	AZ International Holdings Sa	50	50

(*) Associate newly consolidated compared to 31 December 2022

(**) Classified under associates due to loss of control

7.2 Annual changes in equity investments

	Total value
A. Opening balance	**263,467**
B. Increases	**56,510**
B.1 Purchases	40,476
B.2 Reversals of impairment losses	
B.3 Revaluations	8,727
B.4 Other changes	7,307
C. Decreases	**- 39,007**
C.1 Sales	
C.2 Impairment losses	- 12,687
C.3 Other changes	- 26,320
D. Closing balance	**280,970**

7.3 Significant equity investments: accounting figures

Name	Carrying amount	Fair value (*)	Dividends received
Cofircont Compagnia Fiduciaria srl	1,108	1,108	45
P101 SGR S.p.A. Gestore EuVECA a Socio Unico	3,177	3,177	
FDNX S.r.l.	300	300	
Alps Blockchain S.p.A.	4,585	4,585	
Valuebiotech Srl	3,899	3,899	
Nova Investment Limited	1,506	1,506	-
Mc Lean Delmo Bentley Holdings Pty Ltd	18,796	18,796	920
SCM Insurance Pty Ltd	421	421	115
Shanghai Heyu Information Technology Ltd	7,787	7,787	-
Sweetwood Ventures II GP S.a r.l	2	2	-
Kennedy Lewis	79,596	79,596	5,257
Azimut Market Place Srl	2,945	2,945	
High Post	10,002	10,002	
Pathlight Capital	100,395	100,395	8,111
Kennedy Capital	13,698	13,698	1,557
IPOC 1 S.r.l.	140	140	1,067
Sanctuary Wealth Group LLC	31,451	31,451	
Diaman Partners Limited	345	345	
LCP Yonetim Danismanligi	476	476	
IPOC 6 S.r.l.	315	315	
Azimut Peninsula GP S.à r.l.	25	25	

(*) As these companies are not listed, fair value coincides with the carrying amount.

The carrying amounts of Kennedy Lewis and Pathlight Capital include not only the consideration paid in cash, but also the residual outstanding liability to the sellers, estimated over a long-term time horizon as a result of the contractually-agreed price adjustment and earn-out mechanisms. For additional information, reference should be made to Note 9 - Other Liabilities.

Pursuant to the IAS/IFRS, with respect to equity investments, the Group checked whether there were objective evidence of impairment. Impairment indicators can essentially be divided into two categories:

- qualitative indicators, such as the achievement of negative economic results or, in any case, a significant deviation from budget or long-term plan targets disclosed to the

market, the announcement/commencement of bankruptcy proceedings or restructuring plans;
- quantitative indicators, such as the carrying amount of the investment in the separate financial statements that exceeds the carrying amount in the consolidated financial statements of the net assets and goodwill of the investee, or the distribution by the investee of a dividend that exceeds its total income.

If there is any indication that an asset may be impaired, the recoverable amount, being the value in use, is determined, and if the latter is lower than the carrying amount, the asset is impaired. As described in Part B – Notes to the Consolidated Balance Sheet - Assets, the impairment tests performed on the individual investments in the consolidated financial statements did not result in the need for recognising any impairment losses on these investments.

Insurance contract assets

This item amounts to 5,634 thousand euro (5,278 thousand euro at 31 December 2022) and refers to contracts held by the subsidiary Azimut Life Dac whereby it transfers the insurance risk related to the underlying insurance contracts, classified as reinsurance contracts and recognised in accordance with IFRS 17.

Section 8 – Property, plant and equipment

This item amounts to 45,880 thousand euro (48,555 thousand euro at 31 December 2022).

8.1 Breakdown of "Property, plant and equipment – business purposes: breakdown of assets at cost"

Items/Value	Total 31/12/2023	Total 31/12/2022
1. Owned	**8,430**	**9,020**
a) land	-	-
b) buildings	95	104
c) furniture & fixtures	1,301	1,557
d) electronic systems	255	446
e) other	6,779	6,913
2. Right-of-use assets: leases	**37,450**	**39,535**
a) land	-	-
b) buildings	36,353	38,796
c) furniture & fixtures	-	-
d) electronic systems	-	-
e) other	1,097	739
Total	**45,880**	**48,555**

8.5 Property, plant and equipment – business purposes: annual changes

	Land	Buildings	Furniture & fixtures	Electronic systems	Other	**Total**
A. Opening gross balances		**92,540**	**10,934**	**3,852**	**36,556**	**143,882**
A.1 Total net impairment losses		-53,641	-9,378	-3,406	-28,904	-95,328
A. 2 Opening net balances	**-**	**38,900**	**1,556**	**446**	**7,652**	**48,555**
B. Increases		**6,764**	**93**	**128**	**3,212**	**10,197**
B.1 Purchases		6,764	93	128	3,212	10,197
B.2 Leasehold improvements						-
B.3 Reversals of impairment losses						
B.4 Increases in fair value taken to:						
a) shareholders' equity						
b) profit or loss						
B.5 Exchange rate gains						
B.6 Transfers from investment property			**X**	**X**	**X**	
B.7 Other changes						-
C. Decreases		**-9,215**	**-348**	**-319**	**-2,989**	**-12,871**
C.1 Sales						-
C.2 Depreciation		-9,215	-335	-319	-2,956	-12,826
C.3 Impairment losses charged to:						-
a) shareholders' equity						
b) profit or loss						-
C.4 Decreases in fair value:						
Charged to:						
a) shareholders' equity						
b) profit or loss						
C.5 Exchange rate losses						
C.6 Transfers to:						
a) property, plant and equipment held for investment purposes			**X**	**X**	**X**	
b) non-current assets held for sale and discontinued operations						
C.7 Other changes			**-13**		-32	-45
D. Gross closing balance		**99,304**	**11,027**	**3,980**	**39,768**	**154,079**
D.1 Total net impairment losses		-62,856	-9,726	-3,725	-31,892	-108,199
D.2 Net closing balance		**36,449**	**1,301**	**255**	**7,876**	**45,880**
E. Measurement at cost		**36,449**	**1,301**	**255**	**7,876**	**45,880**

Depreciation rates are as follows:

Description	% rate
Buildings	3%
Furniture & fixtures	12%
Other:	
Systems	15%-20-25%
Motor vehicles	25%
Electronic office equipment	20%
Leasehold improvements	Over the residual lease term

Section 9 – Intangible assets

This item amounts to 892,743 thousand euro (878,246 thousand euro at 31 December 2022).

9.1 Breakdown of "Intangible assets"

	Total 31/12/2023		Total 31/12/2022	
	Assets at cost	Assets at fair value	Assets at cost	Assets at fair value
1. Goodwill	749,832		743,667	
2. Other intangible assets	142,912		**134,579**	
2.1 generated internally				
2.2 other	142,912		134,579	
Total	**892,743**		**878,246**	

Goodwill and changes on the previous year are shown below:

Company	Total 31.12.2022	New acquisitions	Write-downs 2023	Other Changes	Total 31.12.2023
Azimut Holding Spa	292,145			-	292,145
Azimut Libera Impresa SGR S.p.A.	6,376				6,376
Azimut Direct SpA	15,936				15,936
Siamosoci S.r.l.	10,352				10,352
Electa Ventures S.r.l.	61,588				61,588
Valuebiotech S.r.l.	7,952			-7,952	-
Wealthype SpA		4,259			4,259
- Total Azimut/Italy CGU	**394,349**	**4,259**	**-**	**-7,952**	**390,656**
CGM – Azimut Monaco	31,732				31,732
Azimut Switzerland	7,490				7,490
Azimut Portföy	9,232				9,232
Katarsis Capital Advisor	6,756				6,756
Azimut (DIFC) Limited	255				255
Azimut Egypt Asset Management	9,548				9,548
- Total Europe, Middle East & Africa CGU	**65,013**	**-**	**-**	**-**	**65,013**
AZ NGA and subsidiaries	231,035	27,545		-16,437	242,143
AZ Sestante	50				50
AZ Sinopro Financial Planning	1,247				1,247
AZ Investment Management Singapore	592				592
- Total Asia & Pacific CGU	**232,924**	**27,545**	**-**	**-16,437**	**244,032**
Azimut Brasil Holdings and subsidiaries	32,833	1,515		-2,767	31,581
AZ Quest MZK Investimentos Macro e Credito Ltda	11,185				11,185
Azimut Mexico Sa	6,122				6,122
Kaan Capital	153				153
Azimut Genesis Holdings LLC	1,087			2	1,089
- Total America CGU	**51,380**	**1,515**	**-**	**-2,765**	**50,130**
Total	**743,667**	**33,319**	**-**	**-27,154**	**749,832**

"Goodwill" refers to:

- the acquisition by Azimut Holding S.p.A. (formerly Tumiza S.p.A.) of the merged company Azimut Holding S.p.A., completed on 12 February 2002. This company wholly owned (directly or indirectly) all the companies of the Azimut Group. This item was calculated as the difference between the initial cost of the equity investment, at acquisition date, and the shareholders' equity of the subsidiaries at 31 December 2001. Following the merger by incorporation of Azimut Holding S.p.A. into Tumiza S.p.A., with accounting effects on 1 July 2002, a portion of goodwill on consolidation, equal to 176.3 million euro amortised by 26.4 million euro prior to the adoption of IFRS, was included in "Goodwill" in the separate financial statements of Azimut Holding S.p.A.;
- the acquisitions made in Italy through Azimut Enterprises S.r.l. and abroad through the subsidiaries AZ International Holding SA and Azimut UK Holdings Limited, in order to support the Group's expansion.

Specifically, during the year, the Group continued its expansion by completing the acquisitions:
- of the Australian-based Kingsbridge Private Pty Ltd, Rose Partners Pty Ltd and subsidiaries, Foster Raffan Iplan Pty Ltd, TWD Advisory Pty Ltd and subsidiaries and Catalina Consultants Pty Ltd;
- of Wealthype Spa via the subsidiary Azimut Enterprises Srl;
- of AZ Panorama via the Brazilian subsidiary AZ Quest Holdings SA.

These acquisitions are described in the following table which summarises the fair value of the assets and liabilities related to the above business combinations at the acquisition date and the related goodwill or customer relationships (in thousand of euros):

	2023 Business combinations							
	Kingsbridge Private Pty Ltd	**Rose Partners Pty Limited**	**Foster Raffan Iplan Pty Ltd**	**TWD Advisory Pty Ltd**	**Catalina Consultants Pty Ltd**	**Wealthype S.p.A.**	**AZ Panorama**	**Total**
Purchase price	2,510	21,559	3,319	6,098	1,178	3,902	1,508	40,074
Total purchase price (A)	**2,510**	**21,559**	**3,319**	**6,098**	**1,178**	**3,902**	**1,508**	**40,074**
Cash			82	33	61	30	-	206
Other assets		1,688	165	2,794	262	472	54	5,435
Other liabilities	-1		-380	-7,305	-290	-859	-61	-8,896
Deferred tax liabilities	-182	-2,190	-826	-1,415	-137		-	-4,750

Fair value of the net assets acquired (B)	**-183**	**-502**	**-959**	**-5,893**	**-104**	**-357**	**-7**	**-8,005**
Difference (A – B) allocated to:	**2,693**	**22,061**	**4,278**	**11,991**	**1,282**	**4,259**	**1,515**	**48,079**
- Customer relationships	607	7,300	1,679	4,719	455		-	14,760
- Goodwill (including deferred tax liabilities)	2,086	14,761	2,599	7,272	827	4,259	1,515	33,319

With respect to the 27.1 million decrease, the following should be noted:

- as of 31 March 2023, the Group no longer holds the majority of voting rights of ValueBiotech S.r.l., as already explained in the section "*Significant events of the year*" of the Management Report. Therefore, the company has been consolidated using the equity method;
- the decrease in the Australian-based AZ NGA and its subsidiaries, in addition to the change in exchange rates, is mainly due to the completion, during the first half of the year, of the Purchase Price Allocation ("PPA") procedure which had previously been determined provisionally following the acquisition of the SCM Group in the fourth quarter of 2022;
- the decrease in the Brazilian-based Azimut Brasil Holdings and its subsidiaries is due to the change in exchange rates.

Goodwill and customer relationships were calculated on a provisional basis as their calculation is based on preliminary estimates and assumptions: fair value adjustments, which may differ considerably, will be recognised when final information, including assessments and other analyses, is available, however within one year from the acquisition date.

"Other intangible assets – Other" refers to:

- Trademarks of 41,678 thousand euro, of which the "Azimut" trademark amounts to 35,338 thousand euro;
- Software totalling 29,543 thousand euro;
- Other intangible assets of 71,691 thousand euro.

"Other intangible assets" includes customer relationships relating to:

- 6,286 thousand euro allocated to customer relationships relating to the business unit acquired from Sofia SGR S.p.A. in 2018 and amortised over the residual useful life of 10 years;

- 64,184 thousand euro allocated to customer relationships relating to AZ NGA's acquisitions and amortised over the residual useful life of 10 years;
- 923 thousand euro allocated to customer relationships relating to the P&G SGR business unit acquired by P&G SGR and amortised over the residual useful life (estimated at 10 years) or, if lower, the fund duration whose management mandate was acquired.

Under IAS 38, these are intangible assets from which the buyer will probably obtain future economic benefits.

9.2 "Intangible assets": annual changes

	Total at 31.12.2023
A. Opening balance	**878,246**
B. Increases	**72,701**
B.1 Purchases	72,701
B.2 Reversals of impairment losses	
B.3 Increases in fair value taken to:	
- shareholders' equity	
- profit or loss	
B.4 Other changes	
C. Decreases	**-58,204**
C.1 Sales	-
C.2 Depreciation	-24,232
C.3 Impairment losses charged to:	-6,818
- shareholders' equity	
- profit or loss	-6,818
C.4 Decreases in fair value charged to:	
- shareholders' equity	
- profit or loss	
C.5 Other changes	-27,154
D. Closing balance	**892,743**

The amortisation rates for intangible assets with a finite useful life are as follows:

Description	**% rate**
Application software	33%
Zenit platform software	Useful life of the asset (30.6.2023)
IT platform software	20%

Impairment test

The impairment test was conducted based on several documents, calls for attention and recommendations issued by supervisory authorities (e.g., Consob, ESMA, Bank of Italy, etc.) as well as those resulting from the current reference framework which may have an impact on checking the company's ability to continue as a going concern and on asset measurement ("impairment test").

Introduction

With respect to the presentation of goodwill and trademarks (asset with an indefinite useful life), under the IFRS, specifically IAS 36 – Impairment of assets, companies must perform annual impairment tests as part of the preparation of both separate and consolidated financial statements. The aim of the impairment test is to identify any impairment loss on intangible assets. More specifically:

- Goodwill on consolidation
- Goodwill
- Trademark.

Although the Group operates as a single structure, dedicated in its entirety to asset management and the sale of investment instruments, in which the contributions made by the individual companies appear to be indistinguishable, the impairment test has been performed on a significant number of cash-generating units ("CGUs"), totalling 4, reflecting management's decisions when identifying operating/geographical reporting segments under IFRS 8. This is due to the fact that, under IAS 36, a CGU cannot be larger than an operating segment as defined by paragraph 5 of IFRS 8.

In Italy and abroad, the Group operates via an integrated management and distribution model, which involves the direct placement of the Group's products with customers, mainly through its own sales network. This model, which was initially developed in Italy, is also replicated abroad, however considering the local characteristics of the individual geographical areas.

As part of the impairment test conducted on goodwill, in order to identify the cash generating units to which goodwill is to be allocated, Management considered the M&A strategy pursued by the Group. This strategy envisages the generation of synergies, mainly in terms of revenue, within the relevant geographical area, by entering the market of a country or expanding the activities carried out in a country where the Group already operates, based on the possibility of managing and placing asset management products in other countries included in the same geographical area. Therefore, goodwill arising from the business combinations carried out by the Group was allocated to the four CGUs identified that represent the minimum level within the Group at which goodwill is monitored for internal management purposes.

The following CGUs were identified:

i) Azimut/Italy CGU;

ii) Europe, Middle East & Africa CGU;

iii) Asia & Pacific CGU;

iv) Americas CGU.

During the year, no facts and circumstances occurred that required changes to the identification criteria of the CGUs or to the above CGUs.

The first CGU reflects the activity carried out by Azimut Holding S.p.A.'s Italian, Luxembourg and Irish direct subsidiaries, each specialising in the distribution, promotion and management of financial and insurance products (basically unit-linked products) and operating as a single structure, generally focusing on asset management and the sale of investment instruments, in which the contributions made by the individual companies appear to be indistinguishable and operating results are revised periodically by management for the purpose of decisions regarding allocation of resources and measurement of results and company performance. Therefore, it includes the foreign product companies Azimut Investments Sa, based in Luxembourg, and its Portuguese Branch, Azimut Life Dac and Azimut Investment Limited, both based in Ireland.

The other three CGUs relate to the activities carried out by the foreign companies, which are presented and classified by geographical segment (Americas, Asia Pacific and Europe & MENA). As mentioned earlier, foreign companies also specialise in the management, promotion and distribution of financial and asset management products, each in the relevant geographical segment and in accordance with the same integrated business model of the above-mentioned CGU.

The countries included in the three foreign CGUs are as follows:

Americas	Asia-Pacific	Europe & MENA
Brazil	Australia	Egypt
Chile	China - Shanghai	Monaco
Mexico	China - Hong Kong	Switzerland
USA	Singapore	Turkey
	Taiwan	UAE

Calculation of the value in use of each CGU

The value in use is calculated using the discounted cash flow method, based on the following assumptions:

1) Discount rate

Calculated using 31 December 2023 as the reference date and determined using the weighted average cost of capital (WACC) approach for each CGU:

- Risk free
  (a) CGU Azimut: 10-year Italian government bonds, average 2023;
  (b) EMEA CGU: average 2023 of 10-year GovBond of its member countries, weighted by each country.
  (c) Asia Pacific CGU: average 2023 of 10-year GovBond of its member countries, weighted by each country.
  (d) Americas CGU: average 2023 of 10-year of US and Brazil GovBond.
- Cost of capital (Ke) calculated using the CAPM (unlevered) method;
- Cost of debt calculated using the cost of debt net of the parent company Azimut Holding’s ordinary taxation of 1.30%;
- Beta levered: calculated on a 5-year timescale with daily readings (source: Bloomberg);
- Market risk premium: additional return for investments in equities rather than in risk-free securities and calculated at 6.0%, in line with the most common professional practice;

- Weighted average cost of capital: calculated by weighting the cost of debt and the cost of equity based on the Group's current financial structure.

2) Cash flows

In order to calculate the unlevered cash flow, the expected cash flow is an approximate estimate based on the profit for the year, gross of interest expense on the parent company's liability.

Profits were calculated based on the strategic guidelines to be used to develop the long-term plans for the 2024 - 2027 period, starting from the budgets prepared and approved or being approved for 2024 and, if available, from the approved long-term business plans. The growth of the year for the observation periods not subject to approval is deemed equal to the "g" growth rate of the corresponding country.

3) Terminal value

To calculate terminal values, the cash flow for the most recent forecast period was considered, assuming an average "g" growth rate for each CGU in line with the expectations of the member countries.

The "g" growth rate is calculated at individual CGU level as the weighted average across the countries included in the same CGU, considering inflation-link government bonds and, alternatively, where not available, analysts' forecasts.

The sensitivity values developed for each CGU attributable to the foreign subsidiaries may be analysed as follows:

A.2) Sensitivity: Europe, Middle East & Africa

Difference between value in use and the carrying amount of the CGU

		WACC							
		9.4%	9.9%	10.4%	10.86%	11.4%	11.9%	12.4%	12.9%
G	3.2%	€ 2,324,347,467	€ 2,140,222,621	€ 1,981,978,952	€ 1,844,531,922	€ 1,724,046,651	€ 1,617,576,234	€ 1,522,818,799	€ 1,437,950,181
	3.7%	€ 2,497,039,816	€ 2,284,246,078	€ 2,103,595,405	€ 1,948,331,291	€ 1,813,466,512	€ 1,695,239,586	€ 1,590,760,006	€ 1,497,769,946
	4.2%	€ 2,703,344,750	€ 2,453,815,898	€ 2,245,026,428	€ 2,067,768,444	€ 1,915,414,148	€ 1,783,071,321	€ 1,667,050,128	€ 1,564,515,115
	4.7%	€ 2,954,133,729	€ 2,656,390,540	€ 2,411,543,976	€ 2,206,665,100	€ 2,032,720,598	€ 1,883,208,334	€ 1,753,328,838	€ 1,639,462,226
	5.2%	€ 3,265,533,009	€ 2,902,644,890	€ 2,610,472,256	€ 2,370,198,745	€ 2,169,139,402	€ 1,998,431,383	€ 1,851,695,246	€ 1,724,222,085
	5.7%	€ 3,662,534,955	€ 3,208,413,618	€ 2,852,294,007	€ 2,565,562,339	€ 2,329,755,683	€ 2,132,427,345	€ 1,964,880,941	€ 1,820,856,850
	6.2%	€ 4,186,062,163	€ 3,598,237,192	€ 3,152,558,871	€ 2,803,050,776	€ 2,521,634,081	€ 2,290,191,027	€ 2,096,507,610	€ 1,932,050,024
	6.7%	€ 4,908,065,887	€ 4,112,298,268	€ 3,535,365,586	€ 3,097,935,058	€ 2,754,885,835	€ 2,478,661,602	€ 2,251,481,744	€ 2,061,359,536

Difference between value in use and the carrying amount of the CGU - decrease in cash flows

-17.5%	-15.0%	-12.5%	-10.0%	-7.5%	-5.0%	-2.5%

€ 1,948,712,930	€ 2,008,925,189	€ 2,069,137,449	€ 2,129,349,708	€ 2,189,561,967	€ 2,249,774,226	€ 2,309,986,486	€ 2,370,198,745

B.2) Sensitivity: Asia & Pacific

Difference between value in use and the carrying amount of the CGU

		WACC							
		7.5%	8.0%	8.5%	9.05%	9.5%	10.0%	10.5%	11.0%
G	0.39%	€ 59,206,416	€ 43,519,926	€ 29,768,302	€ 17,615,982	€ 6,800,718	-€ 2,885,406	-€ 11,609,354	-€ 19,506,743
	0.89%	€ 72,997,106	€ 55,288,630	€ 39,904,886	€ 26,418,039	€ 14,499,128	€ 3,891,062	-€ 5,609,988	-€ 14,167,700
	1.39%	€ 89,028,473	€ 68,825,815	€ 51,458,243	€ 36,369,986	€ 23,141,583	€ 11,450,511	€ 1,044,710	-€ 8,275,657
	1.89%	€ 107,894,893	€ 84,562,488	€ 64,747,721	€ 47,712,900	€ 32,913,078	€ 19,936,965	€ 8,468,320	-€ 1,740,006
	2.39%	€ 130,421,356	€ 103,082,098	€ 80,196,440	€ 60,760,311	€ 44,050,318	€ 29,532,078	€ 16,802,277	€ 5,550,802
	2.89%	€ 157,787,331	€ 125,194,472	€ 98,377,174	€ 75,927,632	€ 56,861,148	€ 40,468,285	€ 26,224,972	€ 13,735,672
	3.39%	€ 191,740,059	€ 152,057,395	€ 120,084,930	€ 93,777,205	€ 71,753,450	€ 53,047,873	€ 36,964,661	€ 22,989,804
	3.89%	€ 234,982,946	€ 185,385,992	€ 146,456,308	€ 115,089,556	€ 89,279,368	€ 67,671,360	€ 49,318,200	€ 33,537,369

Difference between value in use and the carrying amount of the CGU - decrease in cash flows

-17.5%	-15.0%	-12.5%	-10.0%	-7.5%	-5.0%	-2.5%	
€ 20,616,730	€ 26,351,528	€ 32,086,325	€ 37,821,122	€ 43,555,919	€ 49,290,716	€ 55,025,514	€ 60,760,311

C.2) Sensitivity: Americas

Difference between value in use and the carrying amount of the CGU

		WACC							
		9.8%	10.3%	10.8%	11.31%	11.8%	12.3%	12.8%	13%
G	1.0%	€ 387,334,553	€ 361,791,690	€ 338,882,829	€ 318,223,229	€ 299,499,541	€ 282,453,985	€ 266,872,554	€ 252,576,104
	1.5%	€ 408,045,593	€ 379,938,095	€ 354,881,667	€ 332,407,957	€ 312,139,743	€ 293,769,799	€ 277,045,378	€ 261,756,655
	2.0%	€ 431,418,822	€ 400,276,173	€ 372,702,758	€ 348,121,262	€ 326,072,439	€ 306,186,404	€ 288,161,904	€ 271,751,107
	2.5%	€ 458,002,791	€ 423,228,500	€ 392,676,233	€ 365,624,297	€ 341,506,551	€ 319,872,640	€ 300,359,835	€ 282,672,713
	3.0%	€ 488,507,871	€ 449,333,749	€ 415,217,090	€ 385,241,301	€ 358,698,594	€ 335,033,733	€ 313,805,037	€ 294,656,763
	3.5%	€ 523,870,679	€ 479,289,499	€ 440,854,346	€ 407,379,868	€ 377,967,046	€ 351,921,661	€ 328,699,121	€ 307,866,213
	4.0%	€ 565,351,936	€ 514,015,498	€ 470,273,075	€ 432,559,572	€ 399,712,257	€ 370,849,267	€ 345,289,628	€ 322,499,141
	4.5%	€ 614,689,935	€ 554,749,767	€ 504,376,536	€ 461,453,259	€ 424,444,571	€ 392,209,820	€ 363,883,892	€ 338,798,746

Difference between value in use and the carrying amount of the CGU - decrease in cash flows

-17.5%	-15.0%	-12.5%	-10.0%	-7.5%	-5.0%	-2.5%	
€ 308,504,231	€ 319,466,670	€ 330,429,109	€ 341,391,547	€ 352,353,986	€ 363,316,424	€ 374,278,863	€ 385,241,301

The sensitivity values developed for the Azimut/Italy CGU are as follows:

Difference between value in use and the carrying amount of the CGU

G	WACC 8.1%	8.6%	9.1%	9.59%	10.1%	10.6%	11.1%	11.6%
0.0%	€ 3,576,624,711	€ 3,338,727,175	€ 3,127,025,244	€ 2,937,422,255	€ 2,766,633,315	€ 2,611,993,723	€ 2,471,319,209	€ 2,342,802,329
0.5%	€ 3,790,118,803	€ 3,524,783,608	€ 3,290,354,716	€ 3,081,733,286	€ 2,894,883,478	€ 2,726,569,167	€ 2,574,165,210	€ 2,435,519,759
1.0%	€ 4,033,710,253	€ 3,735,342,266	€ 3,473,864,639	€ 3,242,837,459	€ 3,037,237,218	€ 2,853,087,702	€ 2,687,200,592	€ 2,536,989,525
1.5%	€ 4,314,246,162	€ 3,975,584,458	€ 3,681,541,432	€ 3,423,847,133	€ 3,196,156,334	€ 2,993,519,386	€ 2,812,018,532	€ 2,648,512,323
2.0%	€ 4,640,820,999	€ 4,252,263,143	€ 3,918,495,488	€ 3,628,694,413	€ 3,374,710,973	€ 3,150,292,783	€ 2,950,562,608	€ 2,771,660,009
2.5%	€ 5,025,781,062	€ 4,574,347,745	€ 4,191,387,338	€ 3,862,420,064	€ 3,576,779,909	€ 3,326,436,583	€ 3,105,228,740	€ 2,908,350,157
3.0%	€ 5,486,320,558	€ 4,954,014,805	€ 4,509,063,646	€ 4,131,593,872	€ 3,807,335,538	€ 3,525,777,192	€ 3,279,004,909	€ 3,060,946,622
3.5%	€ 6,047,120,097	€ 5,408,222,119	€ 4,883,534,294	€ 4,444,941,967	€ 4,072,858,540	€ 3,753,219,867	€ 3,475,666,087	€ 3,232,397,403

Difference between value in use and the carrying amount of the CGU - decrease in cash flows

-17.5%	-15.0%	-12.5%	-10.0%	-7.5%	-5.0%	-2.5%	
€ 2,908,460,621	€ 3,011,351,163	€ 3,114,241,704	€ 3,217,132,246	€ 3,320,022,788	€ 3,422,913,329	€ 3,525,803,871	€ 3,628,694,413

Stress test of the CGUs

The stress test described in the following tables checked, for each CGU, the difference between the value in use and the carrying amount of each CGU, considering the decrease in the expected cash flows and the discount rate as the variable parameters (where methodologically significant) until the deviation between the above values was zero.

CGU	%Stress Flussi Cassa	%Stress Tasso WACC
America	87,85%	>20%
Asia-Pacific	26,49%	11,32%
Europe&MENA	98,41%	>20%

CGU	%Stress Flussi Cassa	%stress Tasso WACC
Italia	88,17%	>20%

Climate change risk assessment

The Group is aware of the potential direct and indirect impacts of its operations on the external environment and of the risks to which it is exposed due to external variables related to the effects of climate change.

As required by ESMA in its communication "European common enforcement priorities for 2023 annual financial reports" dated 25 October 2023, the Group constantly monitors climate risk and considers its impact on cash flows for impairment test purposes.

Any negative impact caused by climate risk would entail a decrease in AuM and net inflows: both parameters are key performance indicators for the Group and are constantly monitored both locally and at Group level by management.

Conclusions:

The above analyses did not identify any impairment indicators: the balance sheet figures used are the most recently available figures that can be extracted from the reporting system at 31 December 2023.

Furthermore, the market cap has not once fallen below shareholders' equity since the company was listed.

Section 10 – Tax assets and tax liabilities

Tax assets

This item amounts to 28,196 thousand euro (63,553 thousand euro at 31 December 2022). The breakdown is as follows:

<u>10.1 Breakdown of "Tax assets: current and deferred"</u>

Breakdown	Total 31/12/2023	Total 31/12/2022
Current	8,790	40,664
Deferred	19,406	22,889
Total	**28,196**	**63,553**

"Current tax assets" mainly refer to IRES and IRAP taxes paid on account for 2023, net of the provision for current taxes.

"Deferred tax assets" relate to temporary differences resulting from the different timing of the IRES and IRAP tax deductibility for some cost items compared to that recognised in the income statement.

Tax liabilities

This item amounts to 219,667 thousand euro (195,123 thousand euro at 31 December 2022). The breakdown is as follows:

10.2 Breakdown of "Tax liabilities: current and deferred":

Breakdown	Total 31/12/2023	Total 31/12/2022
Current	142,731	120,124
Deferred	76,936	74,999
Total	**219,667**	**195,123**

"Current tax liabilities" include the IRAP liability, net of the advances paid during the year, and the IRES liability resulting from the taxable income transferred by the companies participating in the tax consolidation scheme and the tax liabilities with the Group's foreign companies, net of the advances paid during the year.

"Deferred tax liabilities" include those relating to the temporary difference between the carrying and tax amounts of goodwill (36.401 thousand euro). and the trademark (3,746 thousand euro).

The item also includes the deferred tax liabilities recognised on incentive costs relating to total inflow target which are directly attributable to the existing contracts which meet the requirements for deferring the costs incurred to fulfil a contract introduced by IFRS 15.

Moreover, this item includes deferred IRES and IRAP taxes on unallocated earnings of subsidiaries at 31 December 2023.

10.3 Changes in deferred tax assets (balancing entry in income statement)

	Total 31/12/2023	Total 31/12/2022
1. Opening balance	**22,826**	**20,244**
2. Increases	**3,171**	**5,314**
2.1 Deferred tax assets recognised in the year:	3,127	5,314
a) from previous years	25	1
b) due to changes in accounting policies		
c) write-backs		
d) other	3,102	5,313
2.2 New taxes or increased tax rates		
2.3 Other increases	44	-
3. Decreases	**6,692**	**2,731**
3.1 Deferred tax assets eliminated during the year	2,465	1,838
a) reversals		1,827
b) write-off of irrecoverable tax		
c) due to changes in accounting policies		
d) other	2,465	11
3.2 Decreases in tax rates		
3.3 Other decreases	4,227	893
4. Closing balance	**19,305**	**22,826**

10.4 Changes in deferred tax liabilities (balancing entry in income statement)

	Total 31/12/2023	Total 31/12/2022
1. Opening balance	**55,404**	**53,553**
2. Increases	**15,388**	**6,913**
2.1 Deferred tax liabilities recognised in the year:	15,364	6,854
a) from previous years		
b) due to changes in accounting policies	1,357	
c) other	14,007	6,854
2.2 New taxes or increased tax rates		
2.3 Other increases	24	59
3. Decreases	**11,624**	**5,062**
3.1 Deferred tax liabilities eliminated during the year	21	-
a) reversals	21	-
b) write-off of irrecoverable tax		
c) due to changes in accounting policies		
d) other		
3.2 Decreases in tax rates		
3.3 Other decreases	11,603	5,062
4. Closing balance	**59,168**	**55,404**

10.5 Changes in deferred tax assets (balancing entry in shareholders' equity)

	Total 31/12/2023	Total 31/12/2022
1. Opening balance	**63**	**63**
2. Increases	**38**	**0**
2.1 Deferred tax liabilities recognised in the year:	38	
a) from previous years		0
b) due to changes in accounting policies		
d) other	38	0
2.2 New taxes or increased tax rates		
2.3 Other increases		0
3. Decreases		
3.1 Deferred tax liabilities eliminated during the year		
a) reversals		
b) write-off of irrecoverable tax		
c) due to changes in accounting policies		
d) other		
3.2 Decreases in tax rates		
3.3 Other decreases		
4. Closing balance	**101**	**63**

10.6 Changes in deferred tax liabilities (balancing entry in shareholders' equity)

	Total 31/12/2023	Total 31/12/2022
1. Opening balance	**15,664**	**16,338**
2. Increases	**2,865**	**-**
2.1 Deferred tax liabilities recognised in the year:		-
a) from previous years		
b) due to changes in accounting policies		
d) other		
2.2 New taxes or increased tax rates		
2.3 Other increases	2,865	-
3. Decreases	**761**	**674**
3.1 Deferred tax liabilities eliminated during the year	96	-
a) reversals		-
b) write-off of irrecoverable tax		
c) due to changes in accounting policies		
d) other	96	
3.2 Decreases in tax rates		
3.3 Other decreases	665	674
4. Closing balance	**17,768**	**15,664**

Section 12 – Other assets

This item amounts to 420,075 thousand euro (451,364 thousand euro at 31 December 2022).

14.1 Breakdown of "Other assets"

	Total 31/12/2023	Total 31/12/2022
Due from Inland Revenue	107,270	109,143
Due from financial advisors	20,702	19,380
Other receivables	121,064	176,817
Prepayments	171,039	146,023
Total	**420,075**	**451,364**

"Due from Inland Revenue" mainly includes amounts related to mathematical reserves of 106,236 thousand euro.

"Due from financial advisors" mainly includes loans granted to financial advisors amounting to 11,496 thousand euro, which generate interest income in line with the Euribor plus spread, in addition to advance commissions paid to the same financial advisors of 9,206 thousand euro. The terms for repayment of these loans vary on average from 12 to 36 months.

"Other receivables" include, inter alia, virtual stamp duties of 80,556 thousand euro and receivables related to the payment of capital gain tax advances of 3,766 thousand euro.

"Prepayments" include the assets generated via the deferral of acquisition costs for the unit-linked policies issued by the Group's Irish insurance company, classified as investment contracts.

The item also includes incentive costs relating to total inflow target which are directly attributable to the existing contracts which meet the requirements for deferral to the new category of costs incurred to fulfil a contract introduced by IFRS 15, in addition to incentive costs for introducing new financial advisors not directly linked to net funding targets and amortised over the contractual term. They amount to 145,865 thousand euro at 31 December 2023.

LIABILITIES

Section 1 – Financial liabilities at amortised cost

This item amounts to 553,901 thousand euro (555,935 thousand euro at 31 December 2022). The breakdown is as follows:

Financial liabilities at amortised cost: breakdown

Breakdown/Value	Total 31/12/2023	Total 31/12/2022
1. Due to sales networks:	**519**	**677**
1.1 for UCI sales	519	677
1.2 for individual portfolio management sales	-	-
1.3 for pension fund sales	-	-
2. Payables for asset management services:	**5,855**	**5,120**
2.1 for proprietary portfolio management	5,855	5,120
2.2 for discretionary portfolio management	-	-
2.3 for other	-	-
3. Payables for other services:	**10,080**	**10,471**
3.1 advisory services	-	-
3.2 outsourced corporate functions	-	-
3.3 other	10,080	10,471
4. Other payables	**40,465**	**41,751**
4.1 repurchase agreements	-	-
of which: government securities	-	-
of which: for other debt instruments	-	-
of which: for equity instruments and units	-	-
4.2 Lease liabilities	40,242	41,463
4.3 Other payables	222	288
Total	**56,919**	**58,019**
Fair value – Level 1	-	-
Fair value – Level 2	-	-
Fair value – Level 3	56,919	58,019
Total fair value	**56,919**	**58,019**

"Due to sales networks" mainly includes commissions accrued and to be settled for the sale of fund units.

"Other payables -Lease liabilities" consist of the residual amount due at 31 December 2023 in relation to the right-of-use assets recognised in accordance with IFRS 16. For additional information, reference should be made to "Part D – Other information – Section 7 – Leases" of these notes.

"Other payables" include a loan granted by Banco BPM in January 2021 to the subsidiary Siamosoci S.r.l. of 222 thousand euro with final maturity in January 2026.

1.2 "Financial liabilities at amortised cost" breakdown by counterparty

Breakdown/Counterparty	Banks		Financial companies		Customers	
		of which: Group		of which: Group		of which: Group
1. Due to sales networks	**224**		**295**			
1.1 for UCI sales	224		295			
1.2 for individual portfolio management sales						
1.3 for pension fund sales						
2. Payables for asset management services:					**5,855**	
2.1 for proprietary portfolio management					5,855	
2.2 for discretionary portfolio management						
2.3 for other						
3. Payables for other services:	**2**		**10,077**		**0**	
3.1 advisory services received						
3.2 outsourced corporate functions						
3.3 other	2		10,077			
4. Other payables	**222**				**40,242**	
4.1 repurchase agreements						
of which: government securities						
of which: for other debt instruments						
of which: for equity instruments and units						
4.2 Lease liabilities					40,242	
4.3 Other payables	222					
Total 31/12/2023	**449**		**10,373**		**46,098**	
Total 31/12/2022	**533**		**10,903**		**46,583**	**-**

1.2 Breakdown of "Financial liabilities at amortised cost": "Outstanding securities"

Breakdown	Total 31/12/2023				Total 31/12/2022			
	Carrying amount	Fair value			Carrying amount	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
1. Securities								
Bonds	496,982	488,319		-	497,916	473,286		-
Other securities	-	-		-	-	-		-
Total	**496,982**	**488,319**		**-**	**497,916**	**473,286**		**-**

This item is entirely comprised of the "*Azimut 2019-2024 1.625%*" bond amounting to 496,982 thousand euro originally composed of 5,000 bonds worth 100,000 euro with a duration of five years and issued on 12 December 2019. The amount refers to total bonds sold and includes the charges incurred by the company for the issue and placement, in addition to interest expense accrued at 31 December 2023 which will be paid on the pre-established date. The bond bears annual fixed interest of 1.625%.

1.3 Subordinated securities

The company has no subordinated securities.

Insurance liabilities

This item amounts to 1505259 thousand euro (1311911 thousand euro at 31 December 2022) and refers to the commitments arising from the unit-linked policies issued by the subsidiary Azimut Life Dac, classified as insurance contracts.

Section 4 - Financial liabilities designated at fair value

This item amounts to 5,679,679 thousand euro (5,523,654 thousand euro at 31 December 2022) and comprises:

- 5,568,660 thousand euro relating to the unit-linked policies issued by the subsidiary Azimut Life Dac, classified as investment contracts (level 2);
- 111,019 thousand euro relating to liabilities that arose mainly from the future exercise of the call options over the residual portion of capital of some companies that were acquired, but are not wholly owned (level 3) and to the fair value liability of the residual consideration to be paid in connection with the acquisition of 49.9% of Azimut Direct S.p.A. from its non-controlling investors.

4.1 Breakdown of Financial liabilities designated at fair value

Liabilities	Total 31/12/2023				Total 31/12/2022			
	Carrying amount	Fair value			Carrying amount	Fair value		
		L1	L2	L3		L1	L2	L3
1. Payables	5,679,679	-	5,568,660	111,019	5,523,654	-	5,424,338	99,316
2. Debt instruments	-	-	-	-	-	-	-	-
bonds	-	-	-	-	-	-	-	-
other securities	-	-	-	-	-	-	-	-
Total	**5,679,679**	**-**	**5,568,660**	**111,019**	**5,523,654**	**-**	**5,424,338**	**99,316**

Level 3 financial liabilities measured at fair value are shown below:

Company	Fair value measurement 31.12.2023	Fair value measurement 31.12.2022
Eureka Whittaker Macnaught	1,354	850
Pride Advice	1,365	786
Lifestyle Financial Planning Services (No2) Pty Ltd	2,804	148
Financial Lifestyle Partners	322	887
Harvest Wealth		471
RI Toowoomba	957	1,291
Wealthwise Pty Ltd	2,315	1,041
Priority Advisory Group	1,019	1,273
Sterling Planners Pty Ltd	1,735	2,035
Logiro Unchartered Pty Ltd		884
On Track Financial Solutions Pty Ltd	684	711
Menico Tuck Parrish Financial Solutions Pty Ltd	440	416
Wealthmed Australia Pty Ltd	1,309	1,662
Farrow Hughes Mulcahy Financial Services Pty Ltd	2,136	2,294
Hurwitz Geller Pty Ltd	418	958
Dunsford Financial Planning Pty Ltd	1,223	1,047
MP Holdings WA	5,200	4,245
Sage Business Group Pty Ltd	903	603
Spencer Fuller & Associates	1,817	1,520
Kellaway Cridland Pty Ltd	1,229	1,248
Tempus Wealth Group Pty Ltd	1,365	1,061
JPH Group Holdings Pty LTD	2,327	2,047
Certe Wealth Protection Pty Ltd	1,542	996
Parallel Financial Planning Pty Ltd	2,587	2,436
Matthews Steer Pty Ltd	1,910	1,981
Henderson Matusch Holdings Pty Ltd	1,564	3,326
Tokim Holdings Pty Ltd	3,110	2,969
Cranage Group	3,037	2,226
RI Newcastle	1,487	1,372
VBP Holdings Pty Ltd	5,501	3,358
SCM Financial Group Pty Ltd	5,095	6,285
Rose Partners Holdings Pty Ltd	7,725	
Foster Raffan Iplan Pty Ltd	781	
Catalina Consultants Pty Ltd	317	
TWD Australia Pty Ltd	3,081	
AZ Sinopro Financial Planning Ltd	2,103	5,940
Azimut Genesis Holdings LLC	3,427	3,278
KAAN Capital Asesores Independientes SAPI de CV	2,352	1,874
AZ Quest Investimentos Ltda	9,741	
Azimut Direct Spa	16,623	17,660
Azimut Capital Tech Srl	5,981	5,578

Siamosoci S.r.l.		9,508
FDNX S.r.l.	2,131	3,051
Total	**111,019**	**99,316**

The measurement reflects the discounted amount to be paid to non-controlling interests, following the exercise of the call options. The measurement reflects an estimate of the discounted amount to be paid to the seller. This amount is based on the estimate of key parameters (future income statement, balance sheet and financial position parameters set out in the relevant contracts), that are subject to specific sensitivity analyses.
With respect to the above level 3 financial liabilities measured at fair value and the related measurement at 31 December 2023, net gains of 3,222 thousand euro were recognised in the income statement under "Net result of financial assets and financial liabilities measured at fair value".

Section 7 – Tax liabilities

"Tax liabilities" are described in detail in section 12 of assets to which reference should be made.

Section 9 – Other liabilities

This item amounts to 324,372 thousand euro (382,799 thousand euro at 31 December 2022) and is broken down as follows:

	Total 31/12/2023	Total 31/12/2022
Due to suppliers	78,988	82,800
Due to inland revenues and tax authorities	14,040	15,450
Due to employees	28,213	28,009
Due to social security bodies	4,638	5,013
Other payables	121,107	175,004
Due to financial advisors	76,599	75,384
Deferred income	785	1,139
Total	**324,372**	**382,799**

"Other payables" mainly include: 32,491 thousand euro relating to the residual amount to be paid to acquire an investment in Kennedy Lewis. The amount reflects the estimated consideration to be paid to the sellers over a long-term time horizon as a result of contractually-

agreed price adjustment and earn-out mechanisms, also given the positive results achieved by the company in terms of new inflows. This led to the review of the business plan.
“Due to financial advisors” mainly includes amounts due for commissions of December 2023 paid in January 2024, in addition to other accruals relating to 2023, which will be paid during the subsequent year, and other contractual commitments for commissions, including loyalty commissions, to be paid to financial advisors over the medium-long term.

Section 10 – Staff severance pay (TFR)

This item amounts to 4,328 thousand euro (3,629 thousand euro at 31 December 2022) and refers to the TFR accrued by personnel employed by the Group companies at 31 December 2023.
10.1 Staff severance pay (TFR): annual changes

	Total 31/12/2023	Total 31/12/2022
A. Opening balance	**3,629**	**3,149**
B. Increases	**1,359**	**1,556**
B1. Provisions for the year	936	651
B2. Other increases	423	905
C. Decreases	**- 660**	**- 1,075**
C1. Payments made	- 627	- 107
C2. Other decreases	- 34	- 968
D. Closing balance	**4,328**	**3,629**

10.2 Other information
As set out in the section on “Accounting policies”, staff severance pay was calculated in accordance with IAS 19, based on the following specific technical, demographic and financial assumptions:

Demographic assumptions

In order to determine the probabilities of removal of personnel in service due to death, the SIM/F 2000 table was used (ISTAT – Italian National Institute of Statistics – mortality table by gender), prudentially reduced by 20%. Decreases due to disability were calculated using the relevant INPS (the Italian social security institution) tables, reduced by 20%. Pension, which is considered the main reason for outgoing employees, was subject to a timescale equal to meeting the minimum requirement (contribution period or seniority), calculated in accordance with ruling legislation. The following parameters were used for other technical, non-financial factors:

- Turnover: 1.5% unchanged;
- Advance: 2% unchanged;
- Amount paid in advance: 70%.

Finally, assessment of the allocation of TFR to private pension funds was carried out based on the behaviour observed on assessment (lack or partial adherence to private pension funds), without making any assumption on the future decisions of the personnel different from the current ones.

Financial assumptions

IAS 19 requires utilisation of financial technical factors. These assumptions reflect their influence on the prospective trend of flows (following remuneration increases and forecast inflation scenarios) and on discounting of the Company's estimated liability at the measurement date. Indeed, the discount rate is the main financial assumption on which the analysis results depend.

- Inflation: a constant rate of 2.00% was used with respect to the future inflation scenario to be used for remuneration and TFR revaluation.
- Interest rates: the future liability to employees was discounted using the yield curve of debt instruments in accordance with IAS 19.

Section 11 – Provisions for risks and charges

This item amounts to 61,813 thousand euro (69,300 thousand euro at 31 December 2023).

11.1 Breakdown of "Provisions for risks and charges"

Items/Value	Total 31/12/2023	Total 31/12/2022
1. Commitments and guarantees issued		
2. Company pension funds		
3. Other provisions for risks and charges	61,813	69,300
3.1 tax and legal disputes	7,989	15,720
3.2. personnel costs	-	-
3.3 other	53,824	53,580
Total	**61,813**	**69,300**

"Other provisions for risks and charges" mainly comprise the provision for legal disputes related to the risks arising from disputes with customers, equal to the present value of the charge deemed necessary to settle the obligations, the supplementary indemnity provision for financial advisors calculated on an actuarial basis in accordance with IFRS and the provision for the adjustment of annuities to the current coefficients of potential requests for the transformation of pension benefits into annuities by members of the Azimut Previdenza Pension Fund managed by Azimut Capital Management Sgr S.p.A..

11.2 "Provisions for risks and charges": annual changes

Other provisions for risks and charges	31.12.2023	31.12.2022
A. Opening balance	**69,300**	**72,703**
B. Increases	**10,346**	**13,381**
B.1 Provisions for the year	10,254	13,306
B.2 Changes due to time		
B.3 Changes due to adjustments to the discount rate	92	
B.4 Other changes		75
C. Decreases	**17,833**	**16,784**
C.1 Utilisation of the year	5,647	14,003
C.2 Changes due to adjustments to the discount rate	106	356
C.3 Other changes	12,080	2,425
D. Closing balance	**61,813**	**69,300**

Section 12 – Shareholders' Equity

12.1 Breakdown of "Share Capital"

Types of shares	Amount
1. Share capital	32,324
1.1 Ordinary shares	32,324
1.2 Other shares	-

At 31 December 2023, the fully paid-up and subscribed share capital was composed of 143,254,497 ordinary shares, with a total value of 32,324 thousand euro.

12.2 Breakdown of "Treasury Shares"

Types of shares	Amount
1. Treasury shares	55,069
1.1 Ordinary shares	55,069
1.2 Other shares	-

At 31 December 2023, Azimut Holding S.p.A. held 4,800,213 treasury shares at an average carrying amount of 11.47 euro per share.

12.3 Breakdown of "Equity instruments"

At the reporting date, this item amounts to 36,000 thousand euro and relates to the issue amount, as per the shareholders' resolution of 29 April 2010, of 1,500,000 profit-participating financial instruments (equal to their fair value calculated by an independent leading company).

12.4 Breakdown of "Share premium reserve"

The share premium reserve amounts to 173,987 thousand euro at 31 December 2023 (unchanged on 31 December 2022).

12.5 Other information

Breakdown and changes in "Reserves"

	Legal reserve	Other reserves	Total
A. Opening balance	**6,465**	**804,087**	**810,552**
B. Increases		**171,323**	**171,323**
B.1 Profit appropriations		171,323	**171,323**
B.2 Other changes		-	**-**
C. Decreases		**43,180**	**43,180**
C.1 Allocations		-	**-**
- loss account reserve			
- dividends		-	**-**
- transfers to share capital			
C.2 Other changes		43,180	**43,180**
D. Closing balance	**6,465**	**932,230**	**938,695**

Section 13 – Minority interest

13.1 Breakdown of "Minority interest"

Items/Value	**31.12.2023**	**31.12.2022**
1. Share capital	178,396	157,377
2. Treasury shares		
3. Equity instruments		
4. Share premium reserve		
5. Reserves	- 133,357	- 120,366
6. Valuation reserves	- 9,746	- 2,755
7. Profit for the year	23,446	20,540
Total	**58,739**	**54,796**

"Minority interests" relate to stakes held by third parties.

PART C – NOTES TO THE INCOME STATEMENT

Section 1 – Fee and commission income and expense

1.1 Breakdown of "Fee and commission income and expense"

SERVICES	2023			2022		
	Fee and comm. income	Fee and comm. expense	Net fees and comm.	Fee and comm. income	Fee and comm. expense	Net fees and comm.
A. ASSET MANAGEMENT						
1. Proprietary portfolio management						
1.1 Mutual funds						
- Management fees	840,170	-	840,170	790,977	-	790,977
- Incentive fees	- 10,295	-	-10,295	32,301	-	32,301
- Entry / redemption fees	4,715	-	4,715	7,346	-	7,346
- Switch fees	7	-	7	9	-	9
- Other fees	1,669	-	1,669	2,499	-	2,499
Total mutual fund fees	**836,266**	**-**	**836,266**	**833,133**	**-**	**833,133**
1.2 Individual portfolio management						
- Management fees	45,986	-	45,986	43,185	-	43,185
- Incentive fees	27,362	-	27,362	13,024	-	13,024
- Entry / redemption fees	-	-	-	-	-	-
- Other fees	1,512	-	1,512	1,381	-	1,381
Total individual portfolio management fees	**74,861**	**-**	**74,861**	**57,590**	**-**	**57,590**
1.3 Open-ended pension funds						
- Management fees	25,634	-	25,634	22,329	-	22,329
- Incentive fees	759	-	759	-	-	-
- Entry / redemption fees	-	-	-	-	-	-
- Other fees	2,074	-	2,074	1,958	-	1,958
Total open-ended pension fund fees	**28,467**	**-**	**28,467**	**24,287**	**-**	**24,287**
2. Discretionary portfolio management						
- Management fees	1,666	-	1,666	2,034	-	2,034
- Incentive fees	-	-	-	-	-	-
- Other fees	-	-	-	-	-	-
Total discretionary portfolio management fees	**1,666**	**-**	**1,666**	**2,034**	**-**	**2,034**
TOTAL ASSET MANAGEMENT FEES (A)	**941,260**	**-**	**941,260**	**917,044**	**-**	**917,044**
B. OTHER SERVICES	**351,883**	**-**	**351,883**	**348,581**	**-**	**348,581**

- Advisory services	18,838	-	18,838	16,893	-	16,893
- Sales commissions	152,528	-	152,528	122,919	-	122,919
- Order intake	145	-	145	157	-	157
- Insurance products	140,587	-	140,587	123,193	-	123,193
- Other services	39,784	-	39,784	85,419	-	85,419
Fee expenses for sales, distribution and order intake	-	- 343,998	- 343,998	-	- 377,748	**- 377,748**
TOTAL FEES AND COMMISSIONS (A+B)	**1,293,143**	**- 343,998**	**949,145**	**1,265,624**	**- 377,748**	**887,876**

1.3 Fee and commission expense: breakdown by type and counterparty

SERVICES	Banks		Financial institutions		Other		Total	
		of which Group		of which Group		of which Group		of which Group
A. ASSET MANAGEMENT								
1. Proprietary portfolio management								
1.1 Sales fees								
- UCI								
- Individual portfolio management								
- Pension funds								
1.2 Maintenance fees								
- UCI								
- Individual portfolio management								
- Pension funds								
1.3 Incentive fees								
- UCI								
- Individual portfolio management								
- Pension funds								
1.4 Other fees and commissions								
- UCI								
- Individual portfolio management								
- Pension funds								
2. Discretionary portfolio management								
- UCI								
- Individual portfolio management								
- Pension funds								
TOTAL ASSET MANAGEMENT FEES (A)								
B. OTHER SERVICES	**4,884**		**2,692**		**336,422**		**343,998**	
- Advisory services								
- Other services	4,884		2,692		336,422		343,998	
TOTAL FEES FOR OTHER SERVICES (B)	**4,884**		**2,692**		**336,422**		**343,998**	
Fee expenses for sales, distribution and order intake								
TOTAL FEES AND COMMISSIONS (A+B)	**4,884**		**2,692**		**336,422**		**343,998**	

Section 2 – Dividends and similar income

2.1 Breakdown of "Dividends and similar income"

Items/Income	2023		2022	
	Dividends	Income from UCI units	Dividends	Income from UCI units
A. Held-for-trading financial assets				
B. Other financial assets mandatorily measured at fair value	683		1,799	
C. Financial assets at fair value through other comprehensive income	110		96	
D. Equity investments	17,072		11,503	
Total	**17,865**		**13,398**	

Section 3 – Interest

3.1 Breakdown of "Interest income and similar income"

Items/Technical forms	Debt instruments	Repurchase agreements	Deposits and current accounts	Other	**Total 2023**	**Total 2022**
1. Financial assets at fair value through profit or loss:						
1.1. Held-for-trading financial assets						
1.2. Financial assets designated at fair value						
1.3 Other financial assets mandatorily measured at fair value	1,091				1,091	
2. Financial assets at fair value through other comprehensive income	43				43	27
3. Financial assets at amortised cost:			10,003	-	10,003	2,517
3.1. Due from banks			10,003	-	10,003	1,954
3.2. Due from financial companies			-	-		564
3.3 Due from customers			-	-	-	
4. Hedging derivatives			-	-	-	
5. Other assets			-	792	792	740
6. Financial liabilities			-	-	-	
Total	**1,134**		**10,003**	**792**	**11,929**	**3,284**
of which: interest income on impaired financial assets						

"Other assets" includes interest accrued solely on loans granted to financial advisors.

3.2 Breakdown of "Interest expense and similar charges"

Items/Technical forms	Loans	Repurchase agreements	Deposits and current accounts	Other	**2023**	**2022**
1. Financial liabilities at amortised cost	9,898	-	1,844		11,743	12,075
1.1. Payables	1,265	-	1,844		3,110	1,730
1.2. Outstanding securities	8,633	-	-	-	8,633	10,345
2. Held-for-trading financial liabilities	-	-	-	-	-	-
3. Financial liabilities measured at fair value	-	-	-	-	-	-
4. Other liabilities				786	786	2,139
5. Hedging derivatives				-	-	-
6. Financial assets					-	-
Total	**9,898**	**-**	**1,844**	**786**	**12,529**	**14,214**
of which: interest expense on lease liabilities	1,265				1,265	1,124

"Loans" are mainly composed of interest charges arising from the loans raised and bonds issued by the Parent Company.

Section 6 – Profits (losses) on disposal or repurchase

6.1 Breakdown of "Profits (losses) on disposal or repurchase"

	2023			2022		
Items/Income items	**Profit**	**Loss**	**Net result**	**Profit**	**Loss**	**Net result**
1. Financial assets						
1.1 Financial assets at amortised cost:						
- due from banks						
- due from financial companies						
- due from customers						
1.2 Financial assets at fair value through other comprehensive income						
- debt instruments	710	- 357	353	243	-1	242
- loans						
1.3 Other financial assets						
Total (1)	**710**	**-357**	**353**	**243**	**-1**	**242**
2. Financial liabilities at amortised cost						
2.1 Payables						
2.2 Outstanding securities						
Total (2)		**-**	**-**		**-**	**-**
Total (1+2)	**710**	**-357**	**353**	**243**	**-1**	**242**

Section 7 – Net gains (losses) on financial assets and financial liabilities at fair value through profit or loss

7.1 Breakdown of net gains (losses) on financial assets and financial liabilities at fair value through profit or loss: assets and liabilities designated at fair value

This item reflects a gain of 3,222 thousand euro (gain of 13,804 thousand euro in 2022).

Items/Income items	Gains	Profits on disposal	Losses	Losses on disposal	Net result
1. Financial assets					
1.1 Debt instruments					
1.2 Loans					
2. Financial assets and financial liabilities in foreign currency: exchange rate differences					
3. Financial liabilities	**5,390**		**- 2,167**		**3,222**
3.1 Payables					
3.2 Debt instruments					
Total	**5,390**		**- 2,167**		**3,222**

This item includes the effect recognised in profit or loss of the fair value measurement of the put and call options in place to purchase the residual portion of the share capital of some subsidiaries that are not wholly owned.

7.2 Breakdown of "Net gains (losses) on financial assets and financial liabilities at fair value through profit or loss": other financial assets mandatorily measured at fair value

This item reflects a loss of 36,967 thousand euro (2022: gain of 13,268 thousand euro).

Items/Income items	Gains	Profits on disposal	Losses	Losses on disposal	Net result
1. Financial assets					
1.1 Debt instruments					
of which: government securities					
1.2. Equity instruments					
1.3. UCI units	31,605	9,960	- 1,076	- 3,521	36,967
of which: owned UCI	31,605	9,960	- 1,076	- 3,521	36,967
1.4 Loans					
2. Financial assets and financial liabilities in foreign currency: exchange rate differences					
Total	31,605	9,960	- 1,076	- 3,521	**36,967**

Results of insurance services

This item amounts to 28,667 thousand euro (20,093 thousand euro in 2022) and relates to revenues/costs for services related to policies of the Irish insurance company Azimut Life Dac classified as insurances contracts.

Financial income from insurance operations

This item is negative by 129 thousand euro (3,024 thousand euro in 2022) and relates to financial income/costs related to policies of the Irish insurance company Azimut Life Dac classified as insurances contracts.

Section 9 – Administrative costs

This item amounts to 372,202 thousand euro (338,783 thousand euro in 2022). The breakdown is as follows:

9.1 Breakdown of "Personnel costs"

Items	2023	2022
1. Employees	**165,991**	**148,475**
a) wages and salaries	140,524	124,281
b) social security	11,558	11,888
c) staff severance pay (TFR)	-	-
d) pension contributions	-	-
e) TFR provisions	1,548	1,555
f) accrual to the pension provision and similar obligations:	-	-
- defined contribution	-	-
- defined benefit	-	-
g) private pension plans:	4	5
- defined contribution	4	5
- defined benefit	-	-
h) other employee benefits	12,356	10,746
2. Other personnel	1,773	1,695
3. Directors and Statutory Auditors	20,186	18,088
4. Early retirement costs	-	-
5. Cost recoveries for employees seconded to other companies	-	-
6. Reimbursed costs for employees seconded to the company	-	-
Total	**187,950**	**168,259**

9.2 Average number of employees by category

	2023	2022
Managers	181	198
Middle managers	324	306
Other employees	1,098	1,026
Total	**1,603**	**1,530**

9.3 Breakdown of "Other administrative costs"

Items	2023	2022
Professional services rendered	26,249	24,725
Advertising, promotion and marketing expenses	11,020	9,978
Telephone and fax	3,146	3,255
Insurance premiums	1,540	1,657
Tax liabilities	3,986	2,349
Enasarco/Firr contributions	7,153	6,458
Lease and hire	24,642	23,975
Outsourced functions	50,562	49,252
Services other than IT services	20,191	25,572
Maintenance costs	1,537	1,878
Other administrative costs	34,228	21,425
Total	**184,252**	**170,524**

Section 10 – Net accruals to provisions for risks and charges

10.1 Breakdown of "Net accruals to provisions for risks and charges"

This item is positive by 1,861 thousand euro (negative by 10,375 thousand euro in 2022) and mainly includes the accrual to the indemnity provision for agents (9,227 thousand euro), the release of the provision for sundry risks and charges related to risks arising from disputes with customers (6,651 thousand euro) and the release of the accrual to the provision for sundry risks to guarantee the minimum return on the Fondo Previdenza linea Garantita sub-fund closed on 24 February 2023 (4,716 thousand euro). A breakdown of provisions is included in the note to "Provisions for risks and charges" - Section 11 - Liabilities.

Section 11 – Net impairment losses/reversals of impairment losses on property, plant and equipment

In 2023, net impairment losses on property, plant and equipment based on depreciation are broken down as follows:

11.1 Breakdown of "Net impairment losses/reversals of impairment losses on property, plant and equipment"

Items/Impairment losses and reversals	Amortisation	Impairment losses	Reversals of impairment losses	Net result
1. Business purposes	**12,826**	**-**	**-**	**12,826**
- Owned	3,080	-	-	3,080
- Right-of-use assets	9,746	-	-	9,746
2. Held for investment purposes	**-**	**-**	**-**	-
- Owned				-
- Right-of-use assets				-
Total	**12,826**	**-**	**-**	**12,826**

Section 12 – Net impairment losses/reversals of impairment losses on intangible assets

In 2023, net impairment losses on intangible assets based on amortisation are broken down as follows:

12.1 Breakdown of "Net impairment losses/reversals of impairment losses on intangible assets"

Items/Impairment losses and reversals	Amortisation	Impairment losses	Reversals of impairment losses	Net result
1. Intangible assets other than goodwill	**24,232**	**6,818**	**-**	**31,050**
1.1 owned	24,232	6,818	-	31,050
- generated internally	-	-	-	-
- other	24,232	6,818	-	31,050
(software packages)	22,623	6,818		29,441
Customer relationships	1,609			1,609
1.2 right-of-use assets	-	-	-	-
Total	**24,232**	**6,818**	**-**	**31,050**

Section 13 – Other operating income and costs

14.1 Breakdown of "Other operating income and costs"

This item is positive by 7,749 thousand euro (a positive 11,188 thousand euro in 2022) and is mainly comprised of trade expenses and current account bank charges, in addition to charge-backs made to financial advisors.

Section 14 – Profits (losses) on equity investments

14.1 Breakdown of "Profits (losses) on equity investments"

Items	2023	2022
1. Income	**8,727**	**28,138**
1.1 Revaluations	8,727	25,511
1.2 Profits on disposal		
1.3 Reversals of impairment losses		2,627
1.4 Other increases		
2. Costs	**- 12,687**	**- 8,757**
2.1 Impairment losses		-
2.2 Losses on disposal		
2.3 Impairment losses	- 12,687	- 8,757
2.4 Other costs		
Net result	**- 3,961**	**19,381**

Section 18 - Income tax on profit from continuing operations

18.1 Breakdown of "Income tax on profit from continuing operations"

Breakdown	**2023**	**2022**
1. Current taxes	137,606	138,745
2. Changes in current taxes of previous years	23,346	
3. Decrease in current taxes for the year		
3.bis Decrease in current taxes for the year due to tax credits pursuant to Italian Law No. 214/2011		
4. Change in deferred tax assets	9,860	-1,301
5. Change in deferred tax liabilities	-3,764	-4,742
Total	**167,048**	**132,702**

Current income taxes for the year mainly refer to the IRAP and IRES paid by the Group's Italian companies, taxes payable by the foreign companies as well as the income and charges from tax consolidation equal to the taxes receivable and due on taxable income transferred to the parent company by the Group's Italian subsidiaries that have joined the tax consolidation scheme pursuant to article 117 of Presidential Decree no. 917/86.

Taxes for the Group's foreign companies are calculated in accordance with the tax regulations in force in the individual countries of residence.

They include the tax charge related to the dispute with the Tax Authorities which was settled in 2023, as described in the relevant section of the Management Report.

"Change in deferred tax assets" includes the deferred tax assets recognised on temporary differences resulting from the different timing criteria of IRES tax deductibility.

The same item also includes the deferred tax liabilities on dividends to be paid by the subsidiaries within the consolidation scope.

18.2 Reconciliation of theoretical and effective tax charge

Reconciliation of theoretical and effective tax rate	
	31.12.2023
Pre-tax profit	**625,061**
Applicable theoretical rate	24
Theoretical tax charge	**150,015**
Effect of increases	10,519
Effect of decreases	(126,990)
Change in deferred tax assets	4,257
Change in deferred tax liabilities	225
Other increases (decreases)	23,239
Current IRAP taxes	16,475
Increases due to foreign companies excluded from tax consolidation (CNM)	85,544
Taxes - consolidation scheme	3,763
Taxes as per the financial statements	**167,048**

Section 20 – Profit (loss) for the year attributable to minority interest

This item is positive by 23,446 thousand euro (20,540 thousand euro in 2022) and reflects the net balance of profits and losses attributable to minority interests in consolidated companies.

PART D – OTHER INFORMATION

Section 1 – Specific references to business activities

1.1. Information on commitments, guarantees and third party assets

1.1.1 Commitments and guarantees issued to third parties

At 31 December 2023, the Company had commitments relating to sureties issued on leases (2,8 million euro).

No collateral was issued at 31 December 2023.

Al 31 December 2023, Azimut Enterprises S.r.l. and Azimut Investments Sa issued commitments relating to sureties to a strategic partner worth 14,000,000 euro falling due on 31 December 2023 and renewable until 31 December 2025.

As regards the business activities of Azimut Life Dac, for as long as there is no change in its shareholding structure, Azimut Holding S.p.A. has made a commitment to the IFSRA (Irish Financial Services Regulatory Authority) to provide the insurance company with the necessary capital in the event that it is unable to meet an adequate solvency margin, in accordance with the relevant regulations.

1.1.2 Commitments relating to guaranteed pension funds

On 25 February 2023, the transfer of all positions from Comparto Garantito to Comparto Obbligazionario was completed and, concurrently, Comparto Garantito was closed. Therefore, the sub-advisory agreement with Intesa San Paolo Vita S.p.A. ceased to exist.

1.1.4 Own securities deposited with third parties

Own securities deposited with third parties	31.12.2023	31.12.2022
Fund units deposited with BNP Securities Service SA	291,059	463,550
Fund units deposited with Banque De Rothschild Luxembourg	19,062	18,632
Fund units deposited with Banco BTG Pactual Sa	7,754	6,987
Fund units deposited with Banco S3	11318	507
Fund units deposited with Takasbank	27,456	14,055
Fund units deposited with Caceis Bank	703	286
Fund units deposited with US Bank or Morgan Stanley	5,320	3,622
Fund units deposited with Banque du Caire	4,306	3,019
Azimut Holding S.p.A. treasury shares deposited with Banco BPM S.p.A.	75,653	68,420
Azimut Holding S.p.A. treasury shares deposited with BCC Treviglio	37,824	33,488
Total	**480,456**	**612,567**

1.1.5 Third-party assets under custody

Third-party assets and securities entrusted by customers using individual and collective portfolio management services and invested in hedge funds are deposited at the custodian bank BNP Securities Services SA following the merger of BNP Paribas Securities Services, Milan Branch ("BP2S") into BNP Paribas S.A., Italy Branch ("BNPP"), effective from 1 October 2022.

Third-party assets and securities entrusted by customers and invested in Luxembourg funds are deposited with the custodian bank Bnp Paribas, while the units of Eskatos Funds are deposited with Banque Edmond de Rothschild Europe.

Third-party assets and securities entrusted by customers invested in the discretionary portfolios of Azimut Capital Management Sgr S.p.A. and GCM – Azimut Monaco, are mainly deposited with: Banco BPM S.p.A., UBS Milan, Banca Generali, Banca BSI Monaco.

Third-party assets and securities entrusted by customers and invested in Turkish funds are deposited with the custodian banks Takasbank and Euroclear.

Third-party assets and securities entrusted by customers to AZ Investment Management are deposited with the custodian bank ICB, Shanghai Branch.

Third-party assets and securities entrusted by customers and invested in Brazilian funds are deposited with the custodian bank Banco BTG Pactual SA.

Third-party assets and securities entrusted by customers and invested in Mexican funds are deposited with the custodian bank Banco S3 (a JV of Santander+Caceis).

Third-party assets and securities entrusted by customers and invested in Egyptian funds are deposited with the custodian bank Banque du Cairo.

Third-party assets and securities entrusted by customers and invested in US funds are deposited with the custodian bank US Bank of Morgan Stanley.

1.4 Information on assets under management

1.2.1. Total net UCI (breakdown by country)

UCI	31.12.2023	31.12.2022
1. Proprietary portfolio management		
Italy	4,312,348	3,887,186
Luxembourg	27,566,595	28,223,721
Monaco	113,218	115,206
Switzerland	507,541	556,914
Turkey	2,321,533	1,822,925
Brazil	4,591,413	4,622,860
Chile	-	-
China	84,763	99,186
Mexico	413,728	329,627
Singapore	30,820	1,802
Taiwan	41	71
Australia	1,006,831	817,209
United Arab Emirates	389,459	529,772
Egypt	250,438	154,456
USA	3,399,628	2,831,503
Total proprietary portfolio management	**44,988,356**	**43,992,438**

1.2.2 Total value of portfolio management activity

	Total 31/12/2023		Total 31/12/2022	
		of which invested in AM company funds		of which invested in AM company funds
1. Proprietary portfolio management	11,508,603		9,759,678	
2. Discretionary portfolio management	3,334,376		1,397,181	
3. Portfolio management delegated to third parties	-	-	-	-

1.2.3 Total value of pension funds

Net value of pension funds managed by Azimut Capital Management SGR S.p.A. at 31 December 2023:

1.2.3 Total net value of pension funds		
	Total 31/12/2023	**Total 31/12/2022**
1. Proprietary portfolio management		
1.1 Open-ended pension funds:		
Azimut Previdenza Comparto Equilibrato	871,845	747,634
Azimut Previdenza Comparto Crescita	602,924	496,615
Azimut Previdenza Comparto Obbligazionario	227,548	92,881
Azimut Sustainable Future Accrescitivo	89,494	54,071
Azimut Sustainable Future Conservativo	23,502	12,278
Azimut Sustainable Future Bilanciato	83,787	54,282
Total proprietary portfolio management	**1,899,100**	**1,457,761**
2. Discretionary portfolio management		
2.1 Pension funds:		
- open-ended	-	-
- closed-ended	-	-
- other forms of pension funds	-	-
Total discretionary portfolio management	**-**	**-**
3. Portfolio management delegated to third parties		
3.1 Pension funds		
- open-ended	-	-
- Azimut Previdenza Comparto Garantito	-	114,266
- closed-ended	-	-
- other forms of pension funds	-	-
Total portfolio management delegated to third parties	**-**	**114,266**

1.2.5 Advisory services: number of contracts in place

At 31 December 2023, there are 317,666 contracts.

Section 3 – Information on risk management and hedging policies

Introduction

Azimut Holding S.p.A.'s internal control system is supervised by:

- the Board of Directors;

- the Board of Statutory Auditors;

- the Control and Risk Committee;
- the Supervisory Body pursuant to Legislative Decree no. 231/01;
- the Anti-bribery Officer;
- supported by the Internal Audit, Risk Management, Compliance and Anti-money laundering functions of Azimut Capital Management SGR S.p.A..

The Board of Directors of the individual companies approves the strategies and policies, assesses the risks assumed, sets the acceptable levels of these risks and ensures that top management takes the necessary measures to identify, monitor and control these risks; it approves the organisational structure and the structure of internal controls and ensures that top management continuously checks the effectiveness of internal controls over time.

The Board of Statutory Auditors checks the regular overall functioning of the company and assesses the degree of efficiency and adequacy of controls.

The Group's corporate control functions (Compliance, Internal Audit, Anti-Money Laundering and Risk Management) with competences and responsibilities pertain to the operating subsidiaries.

The Control and Risk Committee collects information flows from the subsidiaries, both Italian and foreign. The flows are sent to the Committee and the Board of Directors (of which the Committee is a member). At its discretion, the Committee meets with the Heads of the Control Functions of the individual subsidiaries, also in order to assess the coordination of the activities of those functions. It may request that the functions of the individual subsidiaries (according to their different specific competences) carry out follow-up checks on specific operational areas if the checks carried out by them reveal risk profiles for the Group.

Azimut Holding S.p.A. receives information from the operating companies (summary reports) and assesses the most important profiles from the control system (i.e., those that are potentially capable of significantly influencing the risk profile of the Group as a whole). In this respect, the new set-up is thus more closely aligned with the typical functions attributable to the management and coordination of a holding company, distinguishing, on the one hand, the operational profile (which remains with the supervised companies) and, on the other, the strategic profile (with the holding company.

In any case, Azimut Holding S.p.A. continues to be supported by the control functions of Azimut Capital Management SGR S.p.A. by virtue of a service agreement entered into with the said company for the provision of consultancy and assistance on all Issuer-related issues covering, inter alia, the regulation of market abuse, listed issuers and the organisational model.

The Group has also internal and external reporting systems relating to any irregularities found under the existing Market Abuse procedures and policies, as well as in the organisational model adopted pursuant to Legislative Decree no. 231 of 8 June 2001.

Finally, Azimut Holding S.p.A. adopted a specific Whistleblowing Policy, updated by the Board of Directors on 27 July 2023 to comply with the changes introduced by Legislative Decree No. 24/2023, implementing Directive (EU) 2019/1937, which enables personnel to report internally acts or facts that may constitute a breach of the rules governing the activity carried out, as well as of Regulation (EU) 596/2014. The Group companies have also implemented this policy.

Azimut Holding S.p.A.'s internal units avail of the support of the Risk Management Function of Azimut Capital Management SGR S.p.A. for the necessary checks in this area, based on a specific service agreement.

The Function reports to the Risk and Control Committee on the operational and reputational risks of Azimut Capital Management SGR S.p.A., based on a specific service agreement, and on the operational and reputational risks of the other companies directly controlled by Azimut Holding S.p.A. based on that periodically communicated by the respective Risk Management functions.

The Risk Management units of the various Azimut Group companies define and implement their own risk governance policies, through an appropriate risk management process, considering the principle of proportionality, the different risk areas to which they are exposed and applicable regulations.

The Risk and Control Committee periodically reports to the Board of Directors on the results of the assessments carried out during the year, as well as in the definition and formalisation of the Group's Guidelines for policies for the governance of operational and reputational risks.

3.1 FINANCIAL RISKS

Disclosure must comply with article 2428 of the Italian Civil Code and IAS 32 and IFRS 7.

Financial risks include:

• liquidity risk, i.e., the difficulty in disposing an asset quickly and at a market price or in having timely access to the financial resources necessary for the company at sustainable costs;

• credit risk, i.e., the risk of incurring losses due to the default or insolvency of the counterparty;
• market risk, related to fluctuations in the value of assets/liabilities as a result of changes in market conditions.

At 31 December 2023, the Group's proprietary portfolio included financial assets measured at fair value worth 376 million euro, including open-ended mutual funds managed by the Luxembourg subsidiary Azimut Investments SA and by certain Group subsidiaries, whose goal is the appreciation of capital by investing in the Euro area in bonds and liquidity which are exposed to the market risk in relation to liquidity management policies. The Group also holds alternative reserved closed-end funds set up and/or managed mainly by Group companies, whose investment policy is focused on private asset classes (Private Equity, Venture Capital, Private Debt). With respect to the market risk, the small exposure to equity investments and the long-term investment strategy, which is also reflected in the measurement of the underlyings, is a mitigating factor for these instruments.

As regards financial risks linked to the investment held in Eskatos Multistrategy ILS Fund, this UCI is an asset that is completely uncorrelated with the normal risks that instruments usually present on the market are subject to.

As for credit risk, there are no specific problems given the nature of the corporate activity.

In accordance with IFRS 7, market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Based on its business model and financial asset management, the Group is exposed to the price risk, while it is marginally exposed to the currency risk (indeed, as mentioned earlier, the Group invests in open-ended mutual funds managed by the Luxembourg subsidiary Azimut Investments SA whose investment goal is focused on capital appreciation through investments in the Euro area).

With respect to the open-ended funds managed by the Group, the market risk is mainly monitored using the Value at Risk ("**VaR**") as the primary valuation metric, based on the provisions of the internal risk management policy, the applicable regulations and currrent practices. Specifically, a VaR limit is first set internally with the approval of the asset management company's Board of Directors. This limit is set according to the risk profile, instruments and management techniques adopted. The VaR limit is assigned when the fund is launched and updated when the fund's investment policy changes or in the event of exceptional market conditions. Certain limits are also imposed by external regulators depending on the country in which the fund manager in which the Group's liquidity is invested is based.

With respect to controls over financial management, the risk management function controls the risk profile of the managed portfolio and provides the Investment Department with a market risk assessment system. Specifically, the assessment is performed by analysing the portfolios of the individual funds and monitoring, on an on-going basis, the significant risk factors identified, such as the average financial duration, exposure to various asset classes and financial instruments, currency exposure and the credit rating of the issuers.

Disclosure required by IFRS 7 about the Group's indebtedness:

Loans raised and repaid during the year

The changes in financial debt items during 2023 are shown in the following table:

		Interest rate		Nominal	
Euro/000	Currency	Nominal	Effective	amount	Maturity
Balance at 01.01.2023					
Of which:					
Banco BPM S.p.A. loan	Euro			288	2026
"*Azimut 2019-2024*" Bond	Euro	1.625%	1.73%	500,000	2024
Redemptions:					
Of which:					
Banco BPM S.p.A. loan	Euro			-66	2023

At 31 December 2023, the Group had the following debt structure:

Type	Nominal amount	Indebtedness at 31.12.2023 (*)
Bank loan	222	222
Bond	500,000	496,982
Total indebtedness	**500,222**	**497,204**

(*) This amount reflects the carrying amount and includes interest accrued at 31 December 2023 but not yet paid, net of transaction costs.

The maturity profile of the nominal debt structure is as follows:

Maturity	Loan	Bond	Total
Up to 6 months			
Up to 1 year	66	500,000	500,066
Between 1 and 3 years	156		156
Between 3 and 5 years			
Over 5 years			
Total	**222**	**500,000**	**500,222**

The maturity profile of level 3 financial liabilities measured at fair value is as follows:

Financial liabilities measured at fair value	Up to 6 months	Up to 1 year	Between 1 and 3 years	Between 3 and 5 years	Over 5 years	Total
AZ Next Generation Advisory PTY Ltd Group	-	9,990	26,511	13,242	18,918	**68,660**
AZ Sinopro Financial Planning Ltd	164	160	592	1,187	-	**2,103**
Genesis Investment Advisors LLC	-	-	938	679	1,810	**3,427**
KAAN Capital Asesores Independientes SAPI de CV	199	384	1,770	-	-	**2,352**
Azimut Capital Tech Srl	-	-	5,981	-	-	**5,981**
FDNX S.r.l.	-	-	-	-	2,131	**2,131**
Azimut Direct SpA	-	-	16,623	-	-	**16,623**
AZ Quest	7,460	-	2,281	-	-	**9,741**
Total	**7,823**	**10,534**	**54,696**	**15,107**	**22,859**	**111,019**

3.2 OPERATIONAL RISKS

This form of risk includes those that are typical of the various business operating procedures.

In the broader framework of its own activities, the Risk Management function "maps out" and monitors the risks, through specific analyses based on an internally-developed model approved by the internal control and risk management committee. The operating model applied associates an index which summarises the risk level, to each type of risk identified, based on the combination of empirical findings, theoretical assessments and interviews with operators. The results of the analyses are subsequently presented, analysed and discussed with the internal control and risk management committee. Where necessary, the latter takes the necessary measures in respect of the irregularities identified.

Since the incorporation of Azimut Capital Management SGR S.p.A., the losses arising from the above-mentioned operational risks have never been significant.

With respect to operational risks arising from outsourced functions, when the relevant contract was signed, the Company agreed the terms and conditions governing the provision of the outsourced services and prepared specific service level agreements whereby the outsourcer undertakes to provide its supplies at an appropriate qualitative service level, allowing Azimut Capital Management SGR S.p.A. to take action against the supplier in the event of any economic losses arising from problems in the provision of services.

Another measure to ensure that services are performed correctly was the creation of an Operating Committee, whose members come from both Azimut Capital Management SGR S.p.A.

and the supplier company, to establish the procedures, define the timescales, and monitor the correct execution of all services provided. This Committee meets at least once a month. Minutes are drawn after the meeting which are subsequently discussed with the participants. For information about the risks arising from the impacts of the Russia-Ukraine crisis, reference should be made to the Management Report.

Section 4 – Information on shareholders' equity

4.1 Company shareholders' equity

4.1.1 Qualitative information

For information on the individual items of the consolidated shareholders' equity, please refer to part B of these notes.

4.1.2 Quantitative information

4.1.2.1 Company shareholders' equity: breakdown

Items/Value	31.12.2023	31.12.2022
1. Share capital	**32,324**	**32,324**
2. Share premium reserve	**173,987**	**173,987**
3. Reserves	**938,695**	**810,552**
income-related		
a) legal	*6,465*	*6,465*
b) statutory		
c) treasury shares		
d) other	*1,041,145*	*913,002*
other	-108,915	-108,915
4. (Treasury shares)	**-55,069**	**-56,485**
5. Valuation reserves	**-9,940**	**14,591**
Financial assets at fair value through other comprehensive income	790	227
Property, plant and equipment		
Intangible assets		
Foreign investment hedge		
Cash flow hedge		
Exchange rate differences	-11,593	13,195
Non-current assets held for sale and discontinued operations		
Special revaluation laws		
Actuarial gains/losses on defined benefit plans	863	1,169
Share of valuation reserves for investments measured at equity		
6. Equity instruments	**36,000**	**36,000**
7. Profit for the year	**434,567**	**406,461**
Total	**1,550,564**	**1,417,430**

Section 5 – Statement of comprehensive income

Items	2023	2022
10. Profit for the year	**458,013**	**427,001**
Other comprehensive income not transferred to profit or loss	**257**	**1,968**
20. Equity instruments at fair value through other comprehensive income:		
a) changes in fair value	563	708
b) transfers to other equity items		
30. Financial liabilities designated at fair value through profit or loss (change in credit rating)		
a) changes in fair value		
b) transfers to other equity items		
40. Hedges of equity instruments at fair value through other comprehensive income:		
a) changes in fair value (hedged item)		
changes in fair value (hedging instrument)		
50. Property, plant and equipment		
60. Intangible assets		
70. Defined benefit plans	(306)	1,260
80. Non-current assets held for sale and discontinued operations		
90. Share of valuation reserves of investments measured at equity		
100. Income taxes on other comprehensive income not transferred to profit or loss		
Other comprehensive income transferred to profit or loss		
110. Foreign investment hedge:		
a) changes in fair value		
b) transfer to profit or loss		
c) other changes		
120. Exchange rate differences:	(24,788)	3,433
a) changes in fair value		
b) transfer to profit or loss		
c) other changes	(24,788)	3,432
130. Cash flow hedge:		
a) changes in fair value		
b) transfer to profit or loss		
c) other changes		
140. Hedging instruments (items not designated)		
a) changes in fair value		
b) transfer to profit or loss		
c) other changes		
150. Financial assets (other than equity instruments) at fair value through other comprehensive income:		
a) changes in carrying amount		

b) transfer to profit or loss		
- credit risk adjustments		
- profits/losses on disposal		
c) other changes		
160. Non-current assets held for sale and discontinued operations:		
a) changes in fair value		
b) transfer to profit or loss		
c) other changes		
170. Share of valuation reserves of investments measured at equity:		
measured at equity:		
a) changes in fair value		
b) transfer to profit or loss		
- impairment losses		
- profits/losses on disposal		
c) other changes		
180. Income taxes on other comprehensive income transferred to profit or loss		
190. Total other comprehensive income (expense)	**(24,531)**	**5,400**
200. Comprehensive income (Items 10+190)	**433,482**	**432,401**
210. Consolidated comprehensive income attributable to minority interests	**23,446**	**20,540**
200. Consolidated comprehensive income attributable to the parent company	**410,036**	**411,861**

Section 6 – Related-party transactions

6.1 Information on key management fees

Directors' fees amount to 19,293 thousand euro in 2023, while those pertaining to the Board of Statutory Auditors total 640 thousand euro.

6.2 Related-party disclosures

Related party transactions refer to commercial transactions carried out by Azimut Holding S.p.A. with its subsidiaries and associates, and among its subsidiaries and/or associates in 2023. They are part of the Group's ordinary business and were conducted on an arm's length basis.

Moreover:

- for use of the trademark, the subsidiary Azimut Capital Management SGR S.p.A. pays Azimut Holding S.p.A. annual royalties totalling 2,000 thousand euro, established by contract;

- Azimut Holding S.p.A., as the Parent Company, Azimut Capital Management Sgr S.p.A., Azimut Financial Insurance S.p.A., Azimut Libera Impresa SGR S.p.A., Azimut Enterprises S.r.l., Azimut Capital Tech S.r.l. and AZ Venture Tech S.r.l. (from 1 January 2023) as subsidiaries, have adopted the tax consolidation scheme;

- a contractually established annual fee (totalling 1,000 euro/thousand) is payable for the coordination activities carried out by the Parent Company on behalf of the subsidiary Azimut Capital Management SGR S.p.A.;

- a contractually established annual fee (totalling 300 thousand euro) is payable for the coordination activities carried out by the Parent Company on behalf of the subsidiary Azimut Libera Impresa SGR S.p.A.;

- Azimut Capital Management SGR S.p.A. has disbursed loans to several financial advisors, identified as related parties, to develop their business. The terms and conditions of these loans are at arm's length. At 31 December 2023, they amounted to 11,496 thousand euro;

- moreover, the directors of the Group who also act as managers of mutual funds are exempt from paying fees and commissions on any personal investments made in the funds they manage;

- An annual fee calculated based on contractually established percentages is payable for the Risk Management, Internal Audit, Compliance and Anti-money Laundering control activities carried out by Azimut Capital Management SGR S.p.A., in favour of Azimut Holding S.p.A., Azimut Financial Insurance S.p.A., Azimut Libera Impresa SGR S.p.A., Azimut Life Dac (only to the extent of the Anti-money Laundering function) and Azimut Direct S.p.A..
- An annual fee calculated based on contractually established percentages is payable for the IT/operation activities carried out by Azimut Capital Management SGR S.p.A. in favour of AZ Fund Management Sa.
- Moreover, the directors of the Group who also act as managers of mutual funds are exempt from paying fees and commissions on any personal investments made in the funds they manage.

With respect to profit-participating financial instruments, in accordance with Shareholders' resolutions, 4 key managers subscribed 183,319 instruments (paying the corresponding amount), including the Chairman Pietro Giuliani (93,319), the Chief Executive Officers Gabriele Blei (30,000), Paolo Martini (30,000) and Alessandro Zambotti (30,000). As per the Shareholders' agreement related to Azimut Holding S.p.A., 1,221 related parties subscribed a total of 1,130,917 profit-participating financial instruments. At the reporting date, the Parent Company held 185,764 profit-participating financial instruments.
Minor transactions refer to an investment transaction carried out last year by Azimut Enterprises S.r.l. and Azimut Libera Impresa SGR S.p.A., on behalf of the Azimut Digitech Fund which entailed the capital increase for consideration of Up2You S.r.l. (capital increase for consideration to be carried out in several tranches), a related party of Azimut Holding S.p.A..
Lastly, the transactions of lesser importance also include Azimut Enterprises S.r.l.'s investment in FinGroove S.r.l., whose founder, and a party to the investment agreement, is a related party as a member of the voting and blocking syndicate related to Azimut Holding S.p.A. shares, in compliance with the companys' procedure applicable to related party transactions.

The following table shows the impact that the transactions or positions with related parties (other than those listed above) have on the Group's financial position and results of operations:

	Total	Related parties	
		Absolute value	%
Assets Other assets	420,075	11,496	2.74
Liabilities			
Other liabilities:	324,372	10,359	3.19
Due to suppliers		62	0.02
Due to the Board of Statutory Auditors		*561*	0.17
Directors' fees		*9,736*	3.00
Income statement			
Administrative costs	372,202	22,765	6.12
Professionals' fees		62	0.02
Statutory Auditors' fees		*640*	0.17
Directors' fees		*19,317*	5.19
VAT on royalties, coordination activities and recharges of control and IT/operation activities		*2,746*	0.74

Section 7 – Leases

7.1 - Leases

This section provides the information required of lessees by IFRS 16 which has not been already included in other sections of these financial statements.

Qualitative information

This item provides the qualitative disclosure required by paragraph 51 and subsequent paragraphs of IFRS 16. The leases entered into by the Group and falling within the scope of IFRS 16 refer to buildings, printers and cars. Property leases are the most significant item as they account for approximately 99% of the recognised right-of-use assets. Conversely, the impact of cars and printers is marginal.

The costs of leases where the underlying asset has a low value (i.e., below 5,000 euro) and the term is 12 months or less are recognised under *"Other administrative costs"* in the income statement. These costs coincide with the invoice related to the lease payment of the period (quarterly or monthly).

With respect to the contracts falling under the scope of IFRS 16, no discount on lease payments was granted. Therefore, the rules under the ESMA amendment of 28 October 2020 were not applied.

Quantitative disclosure

In 2023, lease liabilities with a term of 12 months or less were recognised for 1,127 thousand euro. There are no lease liabilities related to low-value assets.

The specific notes to the balance sheet and the income statement provide information about right-of-use assets.

Maturity profile of lease liabilities:

Financial assets / liabilities at amortised cost	Up to 6 months	Up to 1 year	Between 1 and 3 years	Between 3 and 5 years	Over 5 years	Total
Assets						
Assets for real estate subleases	-	-	-	-	801	**801**
Liabilities						
Lease liabilities - Buildings	12	87	19,541	1,724	18,253	**39,617**
Lease liabilities - Cars	5	10	51	361	-	**427**
Lease liabilities - Other	16	20	7	125	30	**198**

Section 8 – Other information

8.1 Average number of financial advisors

In 2023, the average number of financial advisors amounted to 1,844.

8.2 Dividends paid

The unit dividend for 2023 amounted to 1.3 euro per ordinary share and was paid in May 2023 in cash.

8.3 Significant non-recurring events and transactions

In 2023, the Azimut Group did not carry out non-recurring transactions which have not already been disclosed in these notes.

There were no atypical and/or unusual transactions.

8.4 Audit and non-audit service fees

Pursuant to article 149-*duodecies* of Consob Regulation no. 11971/99 and subsequent amendments and supplements, the breakdown of fees (net of VAT and expenses) due to the independent auditors and companies within its network for audit and non-audit services provided in 2023 is as follows:

Service	Service provider	Recipient	Fees
Audit (*)	EY SpA	Parent Company Azimut Holding S.p.A.	167
	EY S.p.A. and EY Network	Subsidiaries	2,148
Certification services	EY SpA	Parent Company Azimut Holding S.p.A.	4
	EY S.p.A. and EY Network	Subsidiaries	214
Other services	EY SpA	Parent Company Azimut Holding S.p.A.	42
	EY S.p.A. and EY Network	Subsidiaries	181
TOTAL GROUP		***in thousands of euro***	**2,756**

(*) Including the audit of funds

CERTIFICATION OF THE CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO ARTICLE 81-TER OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999 AND SUBSEQUENT AMENDMENTS AND SUPPLEMENTS

Certification of the consolidated financial statements pursuant to article 81-ter of Consob regulation no. 11971 of 14 May 1999 and subsequent amendments and supplements

1. The undersigned, Gabriele Blei, Chief Executive Officer, and Alessandro Zambotti, manager in charge of financial reporting of Azimut Holding S.p.A., hereby represent, having also taken into account the provisions of article 154-bis, paragraphs 3 and 4 of Legislative decree no. 58 of 24 February 1998:
   - the adequacy in view of the nature of the business and
   - the effective application

   of the administrative and accounting procedures used for the preparation of the 2023 consolidated financial statements.

2. The evaluation of the adequacy of the administrative and accounting procedures for the preparation of the consolidated financial statements at 31 December 2023 is based on a process designed by Azimut Holding S.p.A. in line with the Internal Control – Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), an internationally accepted reference framework.

3. The undersigned also represent that:

3.1. the consolidated financial statements at 31 December 2023:

- were prepared in accordance with the International Financial Reporting Standards endorsed by the European Commission pursuant to Regulation (EC) 1606/2002 of the European Parliament and Council, of 19 July 2002;
- are consistent with the accounting books and records;
- and provide a true and fair view of the financial position and results of operations of the issuer and the companies included in its scope of consolidation;

3.2. the management report contains a reliable analysis of the consolidated operating performance and results, in addition to the position of the issuer and the consolidated companies and a description of the main risks and uncertainties to which they are exposed.

Milan, 7 March 2024

Chief Executive Officer	*The Manager in charge of financial reporting*
(Gabriele Blei)	(Alessandro Zambotti)

MANAGEMENT REPORT AND SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2023
Azimut Holding S.p.A.

AZIMUT HOLDING S.p.A.
2023 Annual report

COMPANY BODIES

Board of Directors

Pietro Giuliani	Chairman
Gabriele Blei	Chief Executive Officer
Massimo Guiati	Chief Executive Officer
Paolo Martini	Chief Executive Officer
Giorgio Medda	Chief Executive Officer
Alessandro Zambotti	Chief Executive Officer
Daniela Pavan (*)	Director
Monica De Pau (*)	Director
Anna Maria Bortolotti	Director
Fiorenza Dalla Rizza	Director
Marcello Foa	Director
Silvia Priori	Director
Vittoria Scandroglio	Director
Costanza Bonelli	Director
Nicola Colavito	Director
Marco Galbiati	Director

Board of Statutory Auditors

Marco Lori	Chairman
Stefano Fiorini	Standing auditor
Maria Catalano	Standing auditor
Chiara Segala	Alternate auditor
Francesca Asquasciati	Alternate auditor

Independent Auditors

EY SpA

Manager in charge of financial reporting

Alessandro Zambotti

(*) in office for one year (2023)

MANAGEMENT REPORT

Dear Shareholders,
the financial statements of Azimut Holding S.p.A. at 31 December 2023 are submitted to your examination and approval. They show a net profit for the year of 364,085,549 euro (384,396,054 euro at 31 December 2022).

FINANCIAL MARKETS AND THE GLOBAL ECONOMY

2023 ended with the perception that both the FED and the ECB are finally ready to reverse their monetary policy course in 2024, after a year of significant rate hikes that should have put an end to one of the largest and most accelerated cycles of restrictive monetary policy of the past 50 years.
The year was characterised, inter alia, by the significant variability of the market scenarios priced in by financial operators which, in the very first days of the year, experienced macroeconomic data that did not reflect consensus expectations, with a first substantial surprise on the downside in terms of European inflation and a US ISM below the psychological threshold of 50. This indicated contraction, and the likely beginning of the expected economic slowdown. These two surprises fuelled the expectation that the restrictive monetary policies of 2022 would soon drive the economy into recession and inflation would fall back to the major central banks' 2% target. This scenario was immediately discredited by the resilience of February's actual data on both sides of the ocean. Therefore, once again, the markets revised their expectations and, in March, expected a terminal monetary policy rate of almost 6% for the FED and 4% for the ECB. At the beginning of March, the collapse of Silicon Valley Bank, a medium-sized US bank, brought back the fear triggered by the 2008-09 Global Financial Crisis. The fear of losing deposits, which had caused the collapse of SVB, hit the Swiss-based weak Credit Suisse ("CS"), even though the Fed quickly acted to safeguard the deposits by guaranteeing full repayment to all. Furthermore, a law was passed that enabled banks to use as collateral the securities measured at par and not at market value. However, before the market realised the significance of these major safeguards in terms of containing contagion, the Swiss authorities arranged the immediate merger between CS and UBS, zeroing Additional Tier 1 (AT1) bonds, reversing the natural subordination order and dragging the credit market into

severe stress. Therefore, after this episode, it took one year to the AT1 market to start restoring confidence.

Several weeks of continued surprises to upside on the resilience of the major developed countries' economies, widespread strength in the services sector in contrast to the weakness affecting the manufacturing sector, and several more upside surprises, net of base effects, on the inflation figures, along with the gradual fading of the negative news on US mid-sized banks, were necessary to convince market participants, once again, that neither recession nor then end to restrictive monetary policies were around the corner.

Therefore, the first half of the year ended with the new tightening of the central banks' restrictive stance, indicating unanimously that they did not consider the monetary policy cycle yet to be over and that rates would remain at terminal rates for a long time after the end. Indeed, although the Fed hold off on the rate hike in June (5.25%), it only indicated a change of pace of hikes every two meetings. On the other hand, the ECB ended the six-month period raising rates to 3.5%, leaving the door open to a hike up to 4% at its September meeting.

Therefore, at the end of the first half of the year, the perception was of a re-acceleration of the US business cycle, thanks to improved disposable incomes as a result of falling inflation and a still very robust labour market. The situation was completely different in Europe, where the manufacturing sector continued to show signs of a slowdown, suffering both from the prolonged war between Russia and Ukraine, the outbreak of the conflict in the Middle East, and disappointing growth in China. However, the European economic slowdown was mitigated by the recovery in tourism, especially in the Mediterranean countries. Indeed, on average, the first half of the year was characterised by the resilience of the service sector compared to manufacturing on the one hand, and the greater weakness of the Nordic countries compared to those in southern Europe on the other.

The summer months confirmed the trend of the past few months with a recovery of the US economic cycle and the progressive weakening of the European one. At the same time, both the Fed and the ECB raised rates again to 5.5% and 3.75%, respectively. Finally, the autumn saw the last hike by the ECB, which set the deposit rate at 4% and the refinancing rate at 4.5%, up to levels never seen in previous cycles.

In the third quarter, the US growth showed signs of acceleration with annualised growth close to 5%, in stark contrast to the European stagnation. The US economy as a whole will grow by 2.5% in 2023, far from the incipient recession caused by the same monetary policy cycle which was expected at the beginning of the year. Meanwhile, at the beginning of October, the outbreak of the war between Israel and Hamas renewed, if only briefly, the fears about oil prices. The markets quickly established that, apart from the terrible cost in terms of human lives, the scale of this conflict, if confined to the local level, was not likely to generate significant economic consequences.

Finally, 2023 failed to mark the turning point of Japan’s expansionary monetary policy. In fact, the BoJ only marginally loosened its NIRP (negative interest rate policy) by moving out of control of the yield curve through fixed bond purchases up to 10-year maturity. The operators have repeatedly tried to anticipate the actions of the BoJ, underestimating its prudence. Indeed, the BoJ is firmly determined to avoid the risk of squandering the chance to get out of decades of deflation for good. In 2024, the BoJ might be able to implement a rate hike to symbolically indicate the end of the negative rate policy.

2. GENERAL INFORMATION ABOUT THE COMPANY

Azimut Holding S.p.A. (the “Company”) is the Parent Company of the Azimut Group which is Italy’s main independent holding company, with assets under management of approximately 91 billion euro at 31 December 2023. The Group is specialised in asset management and provides financial advisory services, mainly through its network of financial advisors.

The Company has been listed on the Milan stock exchange since July 2004 and is included, inter alia, in the FTSE MIB and the Euro Stoxx 600 indices. Its shareholding structure is comprised of over 2,000 investment managers, financial advisors and employees who signed a shareholders’ agreement which ensures the stability and quality of performance and represents a unique example of commitment and independence.

The Company carries out management and coordination activities and, at 31 December 2023, had 9 managers and 5 other resources, including middle managers and office staff. For additional information about workforce figures, reference should be made to Part C, section 9 of the Notes.

The Company has not set up any secondary offices in Italy, nor is it engaged in any activity through branch offices.

In its role as consolidating entity, the Company participates in the tax consolidation scheme pursuant to article 117 and subsequent articles of the Income Tax Consolidation Act, together with the subsidiaries Azimut Capital Management SGR S.p.A., Azimut Financial Insurance S.p.A., Azimut Libera Impresa SGR S.p.A., Azimut Enterprises S.r.l., Azimut Capital Tech S.r.l. and AZ Venture Tech S.r.l.. The relationships arising from this tax scheme are regulated by a specific contract.

3. AZIMUT SHARES

The stock price (reference price) of the Azimut shares rose from 23.64 euro at 30 December 2023 to 20.93 euro at 31 December 2022.

At 31 December 2023, outstanding shares numbered 143,254,497. On the same date, the capitalisation was approximately 3.4 billion euro.

In 2023, the Company continued to develop its relations with institutional investors, which account for the majority of the shareholding structure. Following approval of annual financial statements and interim reports, the Company organised conference calls and road shows on the main European markets and in the U.S. In March 2024, the Azimut Holding S.p.A. share was covered by the analysts of 15 Italian and foreign investment firms.

4. PERFORMANCE

Financial performance

In euro	2023	2022
Fee and commission income	2,000,000	2,000,000
Net fee and commission income	**2,000,000**	**2,000,000**
Dividends and similar income	387,600,755	429,151,367
Interest income and similar income	1,195,020	102,620
Interest expense and similar charges	(17,270,386)	(12,368,357)
Net gains (losses) on financial assets and financial liabilities at fair value through profit or loss	13,523,346	(16,583,657)
Total income	**387,048,735**	**402,301,973**
Administrative costs	(11,102,801)	(12,182,971)
a) personnel costs	(5,913,100)	(5,847,210)
b) other administrative costs	(5,189,701)	(6,335,761)
Impairment losses on property, plant and equipment and intangible assets	(700,882)	(1,079,659)
Other operating income and costs	1,169,446	1,125,190
Operating profit	**376,414,498**	**390,164,533**
Income tax	(12,328,949)	(5,768,479)
Profit for the year	**364,085,549**	**384,396,054**

Operating profit came to 376 million euro in 2023 (390 million euro in 2022) mainly due to 2023 dividends amounting to 388 million euro (429 million euro in 2022). Dividends from Azimut Holding S.p.A. group companies include an interim dividend on the net profit for 2023 from the subsidiary Azimut Investments Sa of 102 million euro paid in December 2023 (102 million euro in December 2022).

Interest expense amounted to 17 million euro at 31 December 2023, up on the previous year. In addition to the interest expense accrued on the bond, interest expense also includes the cash pooling liability with the subsidiary Azimut Investments Sa which bears interest at market rates.

At the reporting date, administrative costs amounted to 11 million euro, slightly down on the previous year.

In accordance with IFRS 16, amortisation and depreciation also include the right-of-use assets acquired as part of operating leases.

Balance sheet figures

The Company’s key balance sheet figures are shown in the reclassified table below.

Assets	31.12.2023	31.12.2022	Changes Absolute	%
Cash and cash equivalents	59,585,584	17,147,486	42,438,098	*247%*
Financial assets at fair value through profit or loss	170,353,445	291,096,581	-120,743,136	*-41%*
Financial assets at amortised cost	464,712	337,321	127,391	*38%*
Equity investments	1,279,735,087	1,224,735,087	55,000,000	*4%*
Property, plant and equipment and intangible assets	186,275,141	186,921,822	-646,681	*0%*
Tax assets	2,946,834	21,826,371	-18,879,537	*-86%*
Other assets	11,835,864	8,019,345	3,816,519	*48%*
Total assets	**1,711,196,667**	**1,750,084,013**	**-38,887,346**	***-2%***

Cash and cash equivalents comprise cash deposited in bank current accounts and cash. The Company has in place a cash pooling arrangement with some of its subsidiaries.

Financial assets at fair value through profit or loss decreased on 31 December 2021 as a result of the divestments of UCI units held by the Company as part of its liquidity management.

Equity investments rose by approximately 55 million euro on the 2022 year-end balance as a consequence of (i) capital injections to increase the capital of AZ International Holdings SA of about 22 million euro, (ii) capital injections to increase the capital of Azimut Enterprises S.r.l. of 27.4 million euro, (iii) capital injections and grants related to assets to the Irish-based Nova Investment Limited of 3 million euro, (iv) payment of the third and last tranche of the residual amount of the consideration due to acquire the residual 49% of Augustum Opus SIM S.p.A. (now merged into Azimut Capital Management SGR S.p.A.) from non-controlling interests (the company's former shareholders) for approximately 2 million euro, (v) grants related to assets to the Irish-based subsidiary Azimut Investments Limited of 0,6 million euro.

Property, plant and equipment include, inter alia, the right-of-use assets recognised in accordance with IFRS 16, amounting to 0.76 million euro at 31 December 2023, while **intangible assets** include goodwill (approximately 150 million euro) and software and trademarks (roughly 36 million euro). They are substantially unchanged compared to the previous year.

The decrease in **tax assets** is due to the use of IRES and IRAP tax credits paid in advance offset against the provision for current taxes.

The increase in **other assets** relates to the change in group company balances as a result of the IRES credit transferred to the company as part of the tax consolidation scheme.

Liabilities and shareholders' equity	31.12.2023	31.12.2022	Changes	
			Absolute	%
Financial liabilities at amortised cost	620,243,610	774,994,964	-154,751,354	*-20%*
Tax liabilities	40,147,149	39,774,204	372,945	*1%*
Other liability items	19,994,284	26,322,780	-6,328,496	*-24%*
Share capital	32,324,092	32,324,092	0	*0%*
Treasury shares	-55,069,326	-56,485,383	1,416,057	*-3%*
Equity instruments	36,000,000	36,000,000	0	*0%*
Reserves and share premium reserve	653,471,309	512,757,302	140,714,007	*27%*
Profit for the year	364,085,549	384,396,054	-20,310,505	*-5%*
Total liabilities and shareholders' equity	**1,711,196,667**	**1,750,084,013**	**-38,887,346**	***-2%***

Financial liabilities at amortised cost include the liability to the subsidiary Azimut Investments Sa related to the cash pooling arrangement (120 million euro) which decreased on the previous year following the progressive repayments and the lease liabilities arising from the application of IFRS 16 (0.6 million euro) and **Outstanding securities** which refer to the "Azimut 2019-2024 1.625%" bond issued by the Parent Company.

The decrease in **Treasury shares** is due to the sale transaction described in the section on "Treasury shares", to which reference should be made.

Net financial position

With respect to the methods used to assess the net financial position, reference was made to the ESMA (European Securities and Markets Authority) Guidelines dated 4 March 2021.

The Company's net financial position may be analysed as follows:

	Euro/000	31.12.2023	31.12.2022
A	Cash	59,585,584	17,147,486
B	Cash equivalents	464,712	11,990,559
C	Other current financial assets	145,566,377	198,874,220
D	**Liquidity (A + B + C)**	**205,616,673**	**228,012,265**
E	Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	- 119,706,049	- 274,842,209
F	Current portion of non-current financial debt	- 499,933,365	- 422,945
G	Current financial indebtedness (E + F)	- 619,639,414	- 275,265,154
H	**Net current financial indebtedness (G - D)**	**- 414,022,741**	**- 47,252,889**
I	Non-current financial debt (excluding current portion and debt instruments)		
J	Debt instruments	-	- 499,002,281
K	Non-current trade and other payables	- 604,196	- 727,528
L	**Non-current financial indebtedness (I + J + K)**	**- 604,196**	**- 499,729,809**
M	**Total financial indebtedness (H + L)**	**- 414,626,937**	**- 546,982,698**

At 31 December 2023, the net financial indebtedness amounted to 415 million euro, improving on 31 December 2022 (547 million euro).

The main transactions of the year were as follows:

- a capital injection of 22 million euro in favour of AZ International Holdings Sa to finance the Group's international development;
- a cash capital injection of 27.4 million euro to increase the quota capital of Azimut Enterprises S.r.l. and finance investments in Italy;
- a 3 million euro injection to increase the capital of the newco Nova Investment Limited;
- the payment of share capital and subsequent capital injections to increase the capital of Azimut Investments Limited for 0.6 million euro.

For additional information about the above transactions, reference should be made to section 5 "Capitalisation transactions carried out by Azimut Holding S.p.A." of this report.

The balance was impacted by the cash payment of dividends to shareholders, profit-participating financial instruments and the contribution to Fondazione Azimut Onlus, totalling 239 million.
During the year, the company received dividend income from its investees for 388 million euro.
As mentioned earlier, the company entered into a cash-pooling arrangement with its subsidiaries Azimut Investments Sa, Azimut Capital Management SGR S.p.A. and Azimut Financial Insurance S.p.A., to centralise treasury with Azimut Holding S.p.A. and increase the efficiency of the Group’s liquidity management, while maintaining legal and operational independence. The service provided refers solely to the organisation and management of non-bank current account items and offsetting intercompany commercial transactions. The service provides for a one-month Euribor plus a 10bp spread.

Shareholders’ equity, own funds and minimum capital requirements

The development of shareholders’ equity at 31 December 2023 primarily reflects the decisions regarding the allocation of the net profit for the year made when approving the 2022 financial statements which entailed the cash payment of dividends of 239 million euro and the payment of profit-participating financial instruments held by top key people, in addition to a donation to Fondazione Azimut Onlus. For additional information, reference should be made to the relevant section of these notes.

Performance of direct subsidiaries

		Registered office	2023 profit (loss)	2022 profit (loss)
1	**Azimut Investments Sa**	Luxembourg	225,530,570	248,524,890
2	**Azimut Life Dac**	Ireland	54,133,604	38,553,569
3	**Azimut Capital Management SGR SpA**	Italy	104,010,626	151,256,235
4	**Azimut Enterprises Srl**	Italy	8,887,500	4,020,388
5	**AZ International Holdings SA**	Luxembourg	- 157,881	- 14,307,074
6	**Azimut Financial Insurance SpA**	Italy	41,116,232	80,847,667
7	**Azimut Libera Impresa SGR SpA**	Italy	4,793,947	3,680,622
8	**Azimut Investments Limited**	Ireland	25,265,371	- 1,569,742
9	**Azimut UK Holdings Limited**	England	14,514,421	37,185,734

Azimut Investments Sa, wholly owned, manages the umbrella funds AZ Fund 1 and AZ Multi Asset, a closed-end non-reserved umbrella European long-term investment fund named AZ ELTIF and some reserved alternative investment funds for professional customers, including the umbrella fund Reserved Alternative Investment Funds (RAIF) called AZ RAIF I and AZ RAIF II. In 2023, the subsidiary achieved a net profit of 226 million euro compared to a net profit of 249 million euro in 2022.

Azimut Life Dac is Azimut Group's Irish-based company authorised to provide life insurance services in Ireland as per the Central Bank of Ireland's measure of 13 January 2004. Azimut Life Dac, which also operates through the Milan branch, provides customers with personalised assistance designed specifically for them. In fact, it offers solutions differentiated based on customer type through different Unit-Linked policies, including based on the customer's investment strategies. In 2023, the subsidiary achieved a net profit of 54 million euro compared to a net profit of approximately 39 million euro in 2022.

Azimut Capital Management SGR S.p.A. is an independent asset management company that manages 9 Italian funds harmonised with Directive 2009/65/EC, an Italian hedge fund, two pension funds and four non-reserved private debt alternative closed-end investment funds.
The company also provides individual portfolio management services on behalf of third parties, including on a discretionary basis, and fee-based advisory services. The net profit of the

subsidiary for 2023 amounts to 104 million euro compared to a profit of 151 million euro in 2022.

Azimut Financial Insurance S.p.A. carries out insurance mediation, except for reinsurance mediation, and bank products' placement and distribution activities. In 2023, the subsidiary achieved a net profit of 41 million euro compared to a net profit of 81 million euro in 2022.

Azimut Libera Impresa SGR S.p.A. specialisesin the management of alternative funds for businesses and SMEs, and an Italian alternative real estate investment fund dedicated to social infrastructure with an investment approach that focuses on the creation of measurable social impacts. In 2023, the subsidiary achieved a net profit of 4.8 million euro compared to a net profit of 3.7 million euro in 2022.

Azimut Enterprises S.r.l. is a service company which carries out corporate finance activities on behalf of SMEs and invests in unlisted companies which contribute to diversifying the Group's business. The most significant investments relate to the following companies: (i) Programma 101 Sicaf S.p.A., a venture capital company specialised in early stage investments in the digital sector, (ii) Siamosoci S.r.l. which acts as a start-up incubator and manages the Mamacrowd crowdfunding platform, (iii) Cofircont Compagnia Fiduciaria S.r.l., a trust company, (iv) Gellify, which specialises in the B2B innovation platform, (iv) Azimut Capital Tech S.r.l. which specialises in data analysis services, (v) Azimut Direct S.p.A., wholly owned, the Group's fintech specialising in minibonds, direct lending, private and public equity and which supports the growth and development of Italian SMEs, (vi) Electa Venture S.r.l., wholly owned, which manages equity investments and (vii) Azimut Capital Alternative Limited, based in Ireland and wholly owned, set up to acquire a 20% investment in RoundShield via a Luxembourg investment fund.

During the year, the subsidiary made additional investments as described in section 5 "Capitalisation transactions carried out by Azimut Holding S.p.A." of this Management Report, to which reference should be made.

In 2023, the subsidiary achieved a net profit of 9 million euro compared to a net profit of 4 million euro in 2022.

AZ International Holdings SA is a Luxembourg-based holding company through which the Group continued its research, development, acquisition and management of foreign partnerships. Through this company, the Group is present in Luxembourg, Ireland, China (Hong

Kong and Shanghai), Monaco, Switzerland, Singapore, Brazil, Mexico, Taiwan, Chile, Turkey and Egypt.

In 2023, the subsidiary incurred a loss of 0.2 million euro compared to a loss of 14 million euro in 2022.

Azimut UK Holdings Limited is an investment holding company based in England. The company assists AZ International Holdings Sa in the research, development, acquisition and management of foreign partnerships and holds the investments in Australia, United States and United Arab Emirates.

In 2023, the subsidiary achieved a profit of 15 million euro compared to a profit of 37 million euro in 2022.

Azimut Investments Limited is an asset management company based in Ireland. In 2023, it achieved a profit of 25 million euro compared to a loss of 1.6 million euro in 2022.

5. COMPANY TRANSACTIONS AND OTHER SIGNIFICANT EVENTS OF THE YEAR

Azimut Holding SpA

Capitalisation transactions carried out by Azimut Holding S.p.A.

In 2023, following the Board of Directors’ resolutions of 10 March 2022, 28 July 2022 and 10 November 2022, the parent company made capital injections of 27.4 million euro to increase the quota capital of Azimut Enterprises S.r.l..

In 2023, following the Board of Directors’ resolutions of 28 July 2022 and 10 November 2022, Azimut Holding S.p.A. made cash capital injections totalling 22 million euro to increase the share capital of the subsidiary AZ International Holdings SA and finance the Group’s international development.

During the year, following the Board of Directors’ resolution of 9 March 2023, Azimut Holding S.p.A. made a capital injection of 0.6 million euro to increase the share capital of Azimut Investments Limited.

During the year, following the Board of Directors’ resolution of 9 March 2023, Azimut Holding S.p.A. made capital injections to increase the share capital and grants related to assets in favour of Nova Investments Limited, totalling 3 million euro.

Purchases of treasury shares by Azimut Holding S.p.A.

On 11 October 2023, 68,774 treasury shares were transferred to the US subsidiary Azimut Alternative Capital Partners for a total of 1.4 million euro which, on the same date, were used to purchase an additional 2.5% of the share capital of the US associate High Post Capital LCC. The purchase price of 5 million euro was paid partly in shares and partly in cash.

Acquisitions carried out in 2023 by Azimut Holding S.p.A. and its subsidiaries

Italy

The main investments carried out through the subsidiary Azimut Enterprises S.r.l. are as follows:

- on 2 January 2023, Azimut Enterprises S.r.l. acquired 49.19% of Virtual B S.p.A. (now Wealthype S.p.A.) for a consideration of 3.9 million euro and concurrently subscribed a 2.5 million euro capital increase;
- on 23 January 2023, Azimut Enterprises S.r.l. acquired 22.47% of Alps Blockchain S.p.A. by subscribing a capital increase amounting to a total of 4.2 million euro;
- on 27 June 2023, Azimut Enterprises S.r.l. made a second capital injection of 1.9 million euro in favour of Siamosoci S.r.l.;
- the subscription of a bond issued by Azimut Financing I Sarl worth 16 million euro;
- minor equity investments totalling 2 million euro;
- capital contributions to AZ Venture Tech S.r.l. (4.3 million euro) and Azimut Capital Alternative Limited (7.1 million euro).

On 24 March 2023, Azimut Enterprises S.r.l. sold approximately 42% of ValueBiotech S.r.l. for a total of 5.4 million euro to third parties. Therefore, it no longer controls this company which is now an associate.

Partnership to support UniCredit's asset management development

In 2022, Azimut Holding S.p.A. had signed a letter of intent with UniCredit S.p.A. ("UniCredit"), which defined essential elements for the distribution of asset management products in Italy. Azimut set up an asset management company in Ireland, Nova Investment Limited, wholly owned by Azimut Holding S.p.A., in order to develop and manage investment products, particularly mutual funds, for non-exclusive distribution through UniCredit's network. In

December 2023, after obtaining the necessary authorisations from the competent authorities, Azimut launched its first range of funds dedicated to distribution in Italy.
The agreement also entails the right for UniCredit to exercise after the fifth year, or earlier subject to specific customary conditions for this type of transactions, a call option to acquire a majority stake in the Irish management company, initially wholly owned by Azimut. For additional information, reference should be made to Sections 4 and 5 of the notes to the consolidated financial statements.

Azimut Holding S.p.A. General Shareholders' Meeting of 27 April 2023

The shareholders' meeting (both ordinary and extraordinary) of 27 April 2023 resolved the following:

Ordinary part

Approval of 2022 financial statements

The shareholders' meeting approved the 2022 financial statements, which included a Parent Company net profit of 384 million euro. The shareholders concurrently resolved to pay a dividend of 1.30 euro per ordinary share, pre-tax, which was paid as of 24 May 2023, 22 May 2023 ex-dividend payment date and 23 May 2023 as the record date. The shareholders also approved the payment of 5.5 million euro to Fondazione Azimut Onlus, equal to 1% of pre-tax consolidated profit, and the payment of 40.24 euro for each profit-participating financial instrument held by Top Key People at the time of approval of payment of the dividend.

Proposal for purchase and allocation of treasury shares and consequent resolutions

The shareholders approved the purchase of up to 14,000,000 Azimut Holding S.p.A. ordinary shares, or 9.77% of the current share capital, including in several tranches, (provided that in this maximum overall amount, a maximum of 7,000,000 Azimut Holding S.p.A. ordinary shares equal to 4.89% of the current share capital may be allocated to the funds necessary to implement any stock option plans), considering the shares already in portfolio upon purchase. The purchase price will be a minimum unit price equal to at least the carrying amount of Azimut Holding S.p.A. ordinary shares and a maximum unit price of 35 euro. The shareholders also approved the whitewash mechanism that exempts the shareholders from the obligation of a full public tender offer in case it exceeds the relevant threshold (over 25%) as a consequence of the purchase of treasury shares.

Resolution on remuneration policies. Remuneration Report and resolution pursuant to article 123-ter, paragraph 6 of Legislative decree no. 58/98

The shareholders approved the first and second section of the point of the company policy concerning the remuneration of members of the management boards, general managers and key managers, as well as the procedures used to adopt and implement said policy.

Furthermore, with respect to that already resolved by the shareholders in their meeting on 27 April 2023, the new directors Daniela Pavan and Monica de Pau took office, replacing the directors Michela Morando and Elisabetta Castellazzi, again representing the Group's financial advisors.

Impacts of the geopolitical crisis on the Group

As a result of Russia's military invasion of Ukraine, in compliance with the recommendations of the European Securities and Markets Autority ("ESMA"), the company continued to monitor - using the safeguards and measured implemented last year - the European Union's provisions relating to economic restrictions and sanctions imposed on the Russian Federation. The conflict in Ukraine does not entail significant effects (direct and indirect - current and foreseeable) on the company's business activities, financial position and financial performance.

6. ORGANISATIONAL STRUCTURE AND CORPORATE GOVERNANCE

Azimut Holding S.p.A. complies with corporate governance regulations in force in Italy. Moreover, the corporate governance structure partially reflects the recommendations contained in the Corporate Code of Conduct for Listed Companies published by Borsa Italiana.

Azimut Holding S.p.A. has established a risk management and internal control system over financial reporting, using as a reference the "COSO Report", under which the Internal Control in the broadest sense is "a process effected by an entity's Board of Directors, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives", specifically, the objective of reliable financial reporting.

For more information about the corporate governance structure, reference should be made to the "Report on corporate governance and ownership structure" prepared pursuant to Article 123-bis of the Consolidated Law on Finance available on the Company's website (www.azimut-group.com), Azimut Governance section, and attached to the financial statements.

7. OTHER INFORMATION

Risk management and control

With respect to the main risks to which Azimut Holding S.p.A. and its Group are exposed, the following risks were identified:

- Strategic risk
- Sales network risks
- Operational risk
- Outsourcing risk
- Reputational risk
- Compliance risk
- Financial risks
- Liquidity risk
- Operational risk
- Technological risk

Azimut Holding S.p.A. mainly manages and coordinates direct and indirect equity investments. Consequently, the exposure to operational risks is not significant. The Group's operating companies monitor the operational risks inherent to the specific business of asset management companies. Monitoring of operational risks is comprised of the following activities: risk mapping, risk event analysis, risk assessment, risk management and reporting.

For additional information about the risks and uncertainty to which the Company and the Group are exposed, reference should be made to that set out in the "Consolidated financial statements of Azimut Holding S.p.A. at 31 December 2023 – Management Report" and "Part D – Other information, Section 3 – Information on risk management and hedging policies" of the "Notes to the Separate financial statements of Azimut Holding S.p.A. at 31 December 2023", and the "Report on corporate governance and ownership structure" pursuant to article 123-bis of the Consolidated Law on Finance available on the company's website (www.azimut-group.com), Azimut Governance section.

Related-party disclosures

Pursuant to Consob Regulation on Related parties (Resolution No. 17221 of 12 March 2010, as amended by Resolution No. 21624 of 10 December 2020 which became effective on 1 July 2021), the Board of Directors of Azimut Holding S.p.A. approved the procedures that ensure transparency and substantial and procedural fairness of related party transactions ("Related Party Transaction Procedure" available on Azimut's website at www.azimut-group.com).

With reference to paragraph 8 of article 5 of the Consob Regulation on periodic disclosure of related-party transactions, the parent company did not engage in any "significant" transactions during 2023.

No other atypical or unusual transactions were performed.

Disclosures on other related-party transactions and minor transactions carried out as part of ordinary business activities are provided in the relevant paragraph in the notes to the financial statements.

Intra-group relations

For information on relations with Group companies, reference should be made to Part D, Section 5 of the Notes to the financial statements on related-party transactions.

Research and development

The Company is not engaged in any research and development activities.

Secondary and branch offices

The Company has not set up any secondary offices in Italy, nor is it engaged in any activity through branch offices.

Marketing activities

In 2023, marketing activities included strategic and operational initiatives carried out both online and offline. In January, the Group launched a rebranding process that led to the definition and implementation of a new visual identity. The dissemination of the new guidelines continued until May when the new brand book and design system were distributed to all Group companies operating in the various countries. This process generated a number of initiatives with a high commercial impact and brand awareness programmes. These include the creation of a new digital ecosystem with new websites for Italy and the Group, and the first local websites (Principality of Monaco and Switzerland), which feature coordinated content and a consistent image. The dissemination of the new corporate image guidelines on various Group properties (materials, systems and reporting) was launched during the year. Furthermore, a major trade marketing initiative was organised with a roadshow focusing on “Real Economy and Fintech”, involving more than 2,000 customers and prospects.

The training activities for Azimut Capital Management SGR S.p.A.’s financial advisors, with more than 93,800 hours provided in 2023, confirmed the strong focus on the development and strengthening of corporate technical skills, with an additional focus on private markets and fintech. During the year, more than 400 financial advisors participated in one of the four expert training sessions (Corporate Fintech Consultant ®, Corporate, Private Asset, Wealth Planning) conducted by Azimut Academy in collaboration with leading training companies. The commitment to the professional development of young under-35 financial advisors continued, with about 4,500 hours dedicated to the development of organisational, relational and technical skills. With respect to Environmental and Social Governance issues - one of the pillars of the Group’s philosophy - approximately 5,000 hours of training were provided, and more than 230 advisors have so far obtained the EFPA ESG Advisor Certification. Most training activities took place remotely through the Azimut Academy LMS (learning management system) platform.

Treasury shares

At 31 December 2023, Azimut Holding S.p.A. subsidiaries did not hold any treasury shares or shares of the Parent Company, either directly or via trust companies or third parties.

On 11 October 2023, 68,774 treasury shares were transferred to the US subsidiary Azimut Alternative Capital Partners for a total of 1.4 million euro which, on the same date, were used to purchase an additional 2.5% of the share capital of the US associate High Post Capital LCC. The purchase price of 5 million euro was paid partly in shares and partly in cash.

At 31 December 2023, Azimut Holding S.p.A.’s treasury share portfolio stood at 4,800,213 shares, or 3.351% of share capital.

After the reporting date, in February 2024, 131,884 treasury shares were transferred to AZ International Holdings Sa for a total of 3.3 million euro as capital contribution.

8. SIGNIFICANT EVENTS AFTER THE REPORTING DATE

No significant events occurred after 31 December 2023, the reporting date of the separate financial statements, until 7 March 2024, the date on which the Board of Directors approved and authorised the publication of the separate financial statements.

9. BUSINESS OUTLOOK

Based on the satisfactory results of the main subsidiaries for 2023 and considering the dividends proposed by their boards of directors at the respective shareholders' meetings, the Company is expected to generate a profit for 2024.

The Company's operating and financial performance will also be affected by the performance of the financial markets, whose volatility has grown considerably following the current market situation, particularly with respect to inflation and the rise in interest rates, and the geopolitical crisis triggered by Russia's military invasion of Ukraine and the outbreak of the conflict in the Middle East.

Although the economic outlook remains uncertain, an overall valuation of the past and current financial position and results of operations of the Company and the Group's business model, lead us to believe that it will continue to generate profits for the foreseeable future.

PROPOSED ALLOCATION OF THE NET PROFIT FOR THE YEAR

Dear Shareholders,

The Board of Directors of Azimut Holding S.p.A. submits to your approval the separate financial statements at 31 December 2023.

The financial statements show a net profit for the year of 364,085,549 euro, which we propose to allocate as follows:

- 6,250,615 euro, or 1% of pre-tax consolidated profit, to be paid to the charitable organisation Fondazione Azimut ONLUS pursuant to article 32 of the By-laws;
- 1 euro gross in cash for each share held, excluding any treasury shares in the Company's portfolio on the day prior to the ex-dividend date;
- a total of 2,029,823 treasury shares held in the Company's portfolio to be assigned free of charge to those entitled thereto (for example, on 6 March 2024 - the day before the date of the proposed distribution - the distributable profit through the granting of treasury shares amounts to 0.40 euro per share, excluding any shares held in the Company's portfolio on the day before the ex-dividend date). Should the market price of these shares at the ex-dividend date be higher or lower than the price on the day preceding the date of the proposed distribution (6 March 2024), there will be no change in the number of allocated shares (and in the event of a lower price, there will be no cash compensation), except for that specified below. Since the total distributable profit (to be paid in cash and in the form of shares) shall not exceed 558,098,013 euro, only if the total amount of the shares on the ex-dividend date is higher than the aforesaid value, will the number of shares to be allocated be proportionally reduced. The fractional rights arising from the share allocation will be converted into cash based on the official price resulting from the transactions carried out on the last trading day prior to the ex-dividend date, without expenses, fees or other charges for the shareholders;
- 43.46 euro for each participating financial instrument held by Top Key People at the time of approval of payment of the dividend, equal to 0.00001% of consolidated profit, under Art. 32 of the By-laws;
- any residual profit for the year to be allocated to income-related reserves.

We propose that the dividend be paid as of 22 May 2024, 20 May 2024 as the ex-dividend payment date and 21 May 2024 as the record date.

Milan, 7 March 2024

On behalf of the Board of Directors
Chief Executive Officer
(Gabriele Blei)

AZIMUT HOLDING S.P.A.

SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2023

BALANCE SHEET AS AT 31 DECEMBER 2023

Figures in euro

	Assets	31.12.2023	31.12.2022
10.	Cash and cash equivalents	59,585,584	17,147,486
20.	Financial assets at fair value through profit or loss	170,353,445	291,096,581
	c) other financial assets mandatorily measured at fair value	170,353,445	291,096,581
40.	Financial assets at amortised cost	464,712	337,321
70.	Equity investments	1,279,735,087	1,224,735,087
80.	Property, plant and equipment	1,057,354	1,347,337
90.	Intangible assets	185,217,787	185,574,485
	of which:		
	- goodwill	149,829,432	149,829,432
100.	Tax assets	2,946,834	21,826,371
	a) current	*2,608,893*	*21,649,321*
	b) deferred	*337,941*	*177,050*
120.	Other assets	11,835,864	8,019,345
	TOTAL ASSETS	**1,711,196,667**	**1,750,084,013**

	Liabilities and Shareholders' Equity	31.12.2023	31.12.2022
10.	Financial liabilities at amortised cost	620,243,610	774,994,964
	a) Liabilities	120,310,245	275,569,737
	b) Outstanding securities	499,933,365	499,425,227
60.	Tax liabilities	40,147,149	39,774,204
	a) current	-	*352,660*
	b) deferred	*40,147,149*	*39,421,544*
80.	Other liabilities	19,644,525	26,009,662
90.	Staff severance pay (TFR)	349,759	313,118
110.	Share capital	32,324,092	32,324,092
120.	Treasury shares (-)	- 55,069,326	- 56,485,383
130.	Equity instruments	36,000,000	36,000,000
140.	Share premium reserve	173,986,915	173,986,915
150.	Reserves	479,366,360	338,634,062
160.	Valuation reserves	118,034	136,325
170.	Profit for the year	364,085,549	384,396,054
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**1,711,196,667**	**1,750,084,013**

On behalf of the Board of Directors
Chief Executive Officer
(Gabriele Blei)

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

Figures in euro

	Items	2023	2022
10.	Fee and commission income	2,000,000	2,000,000
30.	**NET FEE AND COMMISSION INCOME**	**2,000,000**	**2,000,000**
40.	Dividends and similar income	387,600,755	429,151,367
50.	Interest income and similar income	1,195,020	102,620
60.	Interest expense and similar charges	(17,270,386)	(12,368,357)
100.	Net gains (losses) on financial assets and financial liabilities at fair value through profit or loss	13,523,346	(16,583,657)
	b) other financial assets mandatorily measured at fair value	13,523,346	(16,583,657)
110.	**TOTAL INCOME**	**387,048,735**	**402,301,973**
140.	Administrative costs:	(11,102,801)	(12,182,971)
	a) personnel costs	*(5,913,100)*	*(5,847,210)*
	b) other administrative costs	*(5,189,701)*	*(6,335,761)*
160.	Net impairment losses/reversals of impairment losses on property, plant and equipment	(295,383)	(278,222)
170.	Net impairment losses/reversals of impairment losses on intangible assets	(405,499)	(801,437)
180.	Other operating income and costs	1,169,446	1,125,190
190.	**OPERATING EXPENSE**	**(10,634,237)**	**(12,137,440)**
240.	**PRE-TAX PROFIT (LOSS) FROM CONTINUING OPERATIONS**	**376,414,498**	**390,164,533**
250.	Income tax on profit from continuing operations	(12,328,949)	(5,768,479)
260.	**NET PROFIT (LOSS) FROM CONTINUING OPERATIONS**	**364,085,549**	**384,396,054**
280.	**PROFIT FOR THE YEAR**	**364,085,549**	**384,396,054**

On behalf of the Board of Directors
Chief Executive Officer
(Gabriele Blei)

STATEMENT OF COMPREHENSIVE INCOME

Figures in euro

	Items	2023	2022
10.	**Profit for the year**	**364,085,549**	**384,396,054**
	Other comprehensive income, net of taxes, not transferred to profit or loss	**(18,291)**	**116,005**
70.	Defined benefit plans	(18,291)	116,005
130.	**Total other comprehensive income (expense), net of taxes**	**(18,291)**	**116,005**
140.	**Comprehensive income (Items 10+130)**	**364,067,258**	**384,512,059**

On behalf of the Board of Directors

Chief Executive Officer
(Gabriele Blei)

STATEMENT OF CHANGES IN SHAREHOLDERS’ EQUITY AT 31 DECEMBER 2023

Figures in euro

Items	Balance at 31/12/22	Changes in opening balance	Balance at 01/01/23	Allocation of prior year profit (loss)		Changes during the year						Comprehensive income for 2023	Shareholders’ equity at 31 December 2023
							Shareholders’ equity transactions						
				Reserves	Dividends and other distributions	Changes in reserves	Issue of new shares	Treasury share purchases	Extraordinary dividend distribution	Changes in equity instruments	Other changes		
Share capital	**32,324,092**		**32,324,092**										**32,324,092**
Share premium reserve	**173,986,915**		**173,986,915**										**173,986,915**
Other reserves:													
a) income-related	**339,120,965**		**339,120,965**	145,167,723							(4,435,425.00)		**479,853,263**
b) other	**(486,903)**		**(486,903)**										**(486,903)**
Equity instruments	**36,000,000**		**36,000,000**										**36,000,000**
Valuation reserves	**136,325**		**136,325**									(18,291)	**118,034**
Treasury shares	**(56,485,383)**		**(56,485,383)**								1,416,057		**(55,069,326)**
Profit for the year	**384,396,054**		**384,396,054**	(145,167,723)	(239,228,331)							364,085,549	**364,085,549**
Shareholders’ equity	**908,992,065**		**908,992,065**		**(239,228,331)**						**(3,019,368)**	**364,067,258**	**1,030,811,624**

On behalf of the Board of Directors

Chief Executive Officer

(Gabriele Blei)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT 31 DECEMBER 2022

Figures in euro

Items	Balance at 31/12/21	Changes in opening balance	Balance at 01/01/22	Allocation of prior year profit (loss)		Changes during the year						Comprehensive income for 2022	Shareholders' equity at 31 December
							Shareholders' equity transactions						
				Reserves	Dividends and other distributions	Changes in reserves	Issue of new shares	Treasury share purchases	Extraordinary dividend distribution	Changes in equity instruments	Other changes		
Share capital	**32,324,092**		**32,324,092**										**32,324,092**
Share premium reserve	**173,986,915**		**173,986,915**										**173,986,915**
Other reserves:													
a) income-related	**302,226,440**		**302,226,440**	34,596,150							2,298,375		**339,120,965**
b) other	**(486,903)**		**(486,903)**										**(486,903)**
Equity instruments	**36,000,000**		**36,000,000**										**36,000,000**
Valuation reserves	**20,320**		**20,320**									116,005	**136,325**
Treasury shares	**(40,834,291)**		**(40,834,291)**					(29,651,092)			14,000,000		**(56,485,383)**
Profit (loss) for the year	**307,497,330**		**307,497,330**	(34,596,150)	(272,901,180)							384,396,054	**384,396,054**
Shareholders' equity	**810,733,903**		**810,733,903**		**(272,901,180)**			**(29,651,092)**			**16,298,375**	**384,512,059**	**908,992,065**

On behalf of the Board of Directors

Chief Executive Officer

(Gabriele Blei)

CASH FLOW STATEMENT

Figures in euro

Indirect method		
A. OPERATING ACTIVITIES		
	2023	**2022**
1. Operations	**387,607,181**	**427,170,196**
- profit for the year (+/-)	364,085,549	384,396,054
- net impairment losses on property, plant and equipment and intangible assets (+/-)	700,882	1,079,659
- taxes and tax credits still to be paid (+)	22,820,750	42,117,428
- other changes (+/-)	0	(422,945)
2. Cash generated from or used by financial assets	**70,845,073**	**62,307,381**
- other financial assets mandatorily measured at fair value	55,782,055	14,309,386
- other assets	15,063,018	47,997,995
3. Cash generated from or used by financial liabilities	**(183,527,655)**	**(137,477,738)**
- financial liabilities at amortised cost	(154,751,354)	(79,586,667)
- other liabilities	(28,776,301)	(57,891,071)
Net cash generated from or used by operating activities	**274,924,599**	**351,999,839**
B. INVESTMENT ACTIVITIES		
2. Cash used by	**(55,054,201)**	**(180,503,845)**
- purchase of equity investments	(55,000,000)	(180,321,374)
- purchase of property, plant and equipment	(5,400)	(182,471)
- purchase of intangible assets	(48,801)	0
Net cash used by investment activities	**(55,054,201)**	**(180,503,845)**
C. FINANCING ACTIVITIES		
- issue/purchase of treasury shares	1,416,057	(15,651,092)
- change in other reserves	(4,453,716)	2,414,380
- issue/purchase of equity instruments		
- dividends and other distributions	(239,228,331)	(272,901,180)
Net cash generated used by financing activities	**(242,265,990)**	**(286,137,892)**
NET CASH GENERATED OR USED FOR THE YEAR	**(22,395,592)**	**(114,641,898)**

RECONCILIATION		
	2023	**2022**
Opening cash and cash equivalents	**228,012,265**	**342,654,163**
Total net cash generated/(used) during the year	(22,395,592)	(114,641,898)
Closing cash and cash equivalents	**205,616,673**	**228,012,265**

Reference should be made to the paragraph “Net financial position” of the Management Report for a breakdown of “Cash and cash equivalents”.

On behalf of the Board of Directors
Chief Executive Officer
(Gabriele Blei)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

PART A – ACCOUNTING POLICIES

A.1 General information

Section 1 – Statement of compliance with IAS/IFRS

The separate financial statements comply with the International Accounting Standards (IAS) / International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the related interpretations of the IFRS Interpretations Committee (IFRIC), endorsed by the European Commission and in force on 31 December 2022, implementing Legislative Decree No. 38/2005 and Regulation (EC) No. 1606/2002. There were no departures from IAS/IFRS.

The separate financial statements were prepared in accordance with the IAS/IFRS endorsed by the EU and applicable to the financial statements at 31 December 2023.

The new standards or amendments to existing standards, endorsed by the EU, and applicable as of 1 January 2023, are as follows:

- IFRS 17 "Insurance Contracts" endorsed on 19 November 2021 under Regulation (EU) 2036/2021. IFRS 17 replaces IFRS 4 and applies to all insurance contracts, irrespective of whether the entity that issues them qualifies as an insurance company, and introduces a single accounting treatment. Regulation (EU) 2022/1491 dated 8 September 2022 introduced certain amendments to IFRS 17 in relation to the transition requirements of the standard, allowing companies to avoid temporary accounting mismatches between insurance contract assets and liabilities and overcome one-time classification differences of comparative information of the previous reporting period upon initial application of IFRS 17 and IFRS 9 Financial instruments;
- Amendments to IAS 1 "Presentation of financial statements", IFRS "Practice statement 2: disclosure of accounting policies" and Amendments to IAS 8 "Accounting policies, changes in accounting estimates and errors: definition of accounting estimate", endorsed on 2 March 2022 under Regulation (UE) 357/2022, which provide guidelines and examples that assist entities in making materiality judgements concerning the disclosure about accounting standards and/or introduce a definition of "accounting estimates", in addition to clarifying the differences between changes in accounting estimates and changes in accounting policies and correction of errors.

- Amendments to IAS 12 "Income taxes: deferred tax related to assets and liabilities arising from a single transaction", endorsed on 11 August 2022 under Regulation (EU) 1392/2022, which clarify the interpretation concerning the recognition of deferred tax on single transactions, such as leases and decommissioning obligations, which, upon initial recognition, entail the recognition of an asset and a liability;
- Amendments to IAS 12: "Income taxes: international tax reform – Pillar two model rules", endorsed by Regulation (EU) 2468/2023 dated 8 November 2023, which introduce a temporary relief from accounting for deferred taxes arising from the application of the OECD's Pillar Two rules and additional information for the companies involved.

The adoption of the above standards and amendments had no effect on the Company's separate financial statements.

Section 2 – General reporting criteria

The separate financial statements have been drawn up voluntarily in accordance with the instructions issued by the Bank of Italy about the financial statements of asset management companies, within the Measure "IFRS financial statements of intermediaries other than banking intermediaries" of 17 November 2022. This was due also to ensure consistency between the separate and consolidated financial statements. The instructions lay down the mandatory financial statements schedules and how they must be filled in, and the content of the notes thereto for asset management companies. For the purposes of preparing the separate financial statements, where applicable, reference was made to the interpretative documents issued by international and Italian supervisory bodies. Specifically:

- the Public Statement published by the European Securities and Markets Authority ("ESMA") on 25 October 2023 "European common enforcement priorities for 2023 annual financial reports", which reaffirms, inter alia, certain recommendations already included in its previous Public Statement published in October 2022. The preparation of financial statements requires special attention, inter alia, to climate issues and consistency between the information included in the financial statements and non-financial information, the climate-related impairment test and the preparation of the financial statements in ESEF format;

- Discussion paper no. 1/2022 "Impairment testing of non-financial assets (IAS 36) following the war in Ukraine" published by the Italian valuation body ("OIV") on 29 June 2022, incorporating the content of ESMA's Public Statement of 13 May 2022 (covered by Consob's call for attention dated 19 May 2022), which provides operational guidance on the uncertainty caused by the current scenario when conducting impairment tests;

These financial statements comprise the balance sheet, the income statement, the statement of comprehensive income, the statement of changes in shareholders' equity, the cash flow statement (prepared using the indirect method) and these notes. They are accompanied by the management report on the performance of the Company.

These notes are comprised of four parts:

Part A – Accounting policies

Part B – Notes to the balance sheet

Part C – Notes to the income statement

Part D – Other information

The following annexes are included in these notes and represent an integral part thereof:

- list of equity investments held (Annex A);
- list of significant equity investments, pursuant to Article 125 of Consob (Italian Securities and Exchange Commission) Regulation No. 11971/99 as amended (Annex B).

These financial statements are denominated in euro.

The balance sheet, income statement and statement of comprehensive income comprise items and sub-items.

Unlike the formats defined by the Bank of Italy, these schedules and the notes thereto do not include items and sections with a nil balance in either the year to which these financial statements refer or the previous year.

They have been prepared based on the going concern assumption. Financial, operating and other indicators [62]have been considered which, as also shown in the document issued on 6 February 2009 by the supervisory authorities Bank of Italy, Consob and IVASS, may highlight problems that could compromise the stability and going concern assumption of the company if not taken into proper consideration.

[62] Examples of which are shown in audit standard no. 570 on "Going Concerns".

Although the economic outlook remains uncertain, also in the light of the contingent market situation with particular reference to inflation and the rise in interest rates, as well as the geopolitical crisis arising from Russia's military invasion in Ukraine and the conflict in the Middle East, an overall valuation of the past and current financial position and financial performance of the Company, its operating guidelines, the business model of the group and the risks to which the business activity is exposed[63], lead us to believe that the Company will continue to operate on a going concern basis for the foreseeable future. For information about the impact of the Ukraine-Russia conflict on the Company's financial position and results of operations, reference should be made to the "Other significant events" section of this report.

The separate financial statements have been prepared clearly and give a true and fair view of the Company's financial position, results of operations, changes in shareholders' equity and cash flows.

The separate financial statements have been prepared in accordance with IAS 1 "Presentation of financial statements" and in line with the general assumptions of the "Framework for the preparation and presentation of financial statements" (the framework) prepared by the IASB, specifically with respect to the fundamental principle of substance over form[64], the relevance and materiality of financial information, the accruals basis of accounting and the going concern assumption. Except for that provided for or permitted by IAS/IFRS or one of their interpretations or Bank of Italy's provisions on the financial statements of asset management companies, assets and liabilities and costs and revenue are not offset.

[63] As described in the Management Report accompanying the financial statements at 31 December 2023 to which reference should be made.
[64] Transactions and other corporate events have been recognised and presented in accordance with the principle of substance over form.

Accounting standards, amendments and interpretations in force from 1 January 2023.

Amendments	IASB publication date	Date of coming into force
Deferred tax related to assets and liabilities arising from a single transaction [Amendments to IAS 12]	May 2021	1 ° January 2023
Disclosure of accounting policies [Amendments to IAS 1 and IFRS Practice Statement 2]	February 2021	1 ° January 2023
Definition of accounting estimates [Amendments to IAS 8]	February 2021	1 ° January 2023
IFRS 17 - Insurance Contracts, including amendments issued in June 2020	May 2018	1 ° January 2023
Initial application of IFRS 17 and IFRS 9 - comparative information [Amendments to IFRS 17 and IFRS 9]	December 2021	1 ° January 2023
International Tax Reform – Pillar Two Model Rules – [Amendments to IAS 12]	May 2023	1 ° January 2023

The adoption of the above amendments has had no impact on the company' financial position and financial performance.

Forthcoming standards, amendments and interpretations endorsed by the EU

Amendments	IASB publication date	Date of coming into force
Lease liability in a sale and leaseback [Amendments to IFRS 16]	September 2022	1 ° January 2024
Classification of liabilities as current or non-current - deferral of effective date [Amendment to IAS 1] Non-current liabilities with covenants [Amendments to IAS 1]	January 2020 July 2020 October 2022	1 ° January 2024

Standards, amendments and interpretations not yet endorsed by the European Union

Amendments	IASB publication date	Date of coming into force
Amendments to IAS 7 Statement of cash flows and IFRS 7 Financial instruments: disclosures: reverse factoring agreements	May 2023	1 ° January 2024
The effects of changes in foreign exchange rates: lack of exchangeability [Amendments to IAS 21]	August 2023	1 ° January 2024

The company will adopt the above new standards based on the expected application date and will assess the potential impact once they have been endorsed by the European Union.

Section 3 – Significant events after the reporting date

No significant events occurred after 31 December 2023, the reporting date of the separate financial statements, until 7 March 2024, the date on which the Board of Directors approved and authorised the publication of the separate financial statements.

Section 4 – Other information

Risks and uncertainties related to estimates

The preparation of the separate financial statements also entails the use of estimates and assumptions that may have a significant impact on the carrying amounts recognised in the balance sheet and the income statement, and on the disclosure about contingent assets and liabilities. The computation of such estimates is based on the use of available information and the adoption of subjective assessments, also based on historical experience, used to develop reasonable assumptions underlying the recognition of operations. Because of their nature, the estimates and assumptions used may change from year to year. Consequently, it cannot be excluded that the currently reported amounts may differ, also significantly, in the next few years following the change in the subjective assessments used. These estimates mainly relate to:

- the estimates and assumptions underlying the valuation models for the fair value recognition of financial instruments not listed on active markets (level 2 and 3 of the fair value hierarchy);
- the recoverability of deferred tax assets;
- the assumptions used to identify impairment losses, if any, on intangible assets and reported equity investments (IAS 36).

The overall impacts of the Russia-Ukraine conflict on the Company's operations, its financial position and results of operations, are discussed in a specific section of the Management Report.

Also as required by the regulators, the Company carefully checked the fairness of the carrying amount of goodwill and other intangible assets with an indefinite useful life. For additional information about the assessments made, reference should be made to the notes to "Intangible assets".

There is no other relevant information to be disclosed for reporting purposes.

A.2 Key financial statements items

This section describes the accounting standards used to prepare the financial statements at 31 December 2023, specifically the classification, recognition, measurement and derecognition of assets and liabilities items, and the recognition of income and expense. The accounting policies have been applied consistently in the current and previous years.

1 – Cash and cash equivalents

This item includes legal tender, including foreign banknotes and coins ("cash in hand") and current account balances and on-demand deposits with banks.

2 -Financial assets at fair value through profit or loss

Classification—This item comprises financial assets other than those classified under financial assets at fair value through other comprehensive income and financial assets at amortised cost. Specifically, this item includes:

- financial assets mandatorily measured at fair value, which did not meet the requirements necessary for application of the amortised cost method;

- financial assets not held as part of a hold to collect ("HTC") business model or a mixed business model whose objective is achieved by collecting the contractual cash flows of the financial assets in portfolio or through a sale transaction which is an integral part of the strategy ("Hold to Collect and Sell" business model).

Reclassifications of financial assets, except for equity instruments for which no reclassification is allowed, are not allowed between other categories of financial assets unless an entity's business model objective for its financial assets changes. In such cases, which must not be frequent, the financial assets may be reclassified from the fair value through profit or loss category to one of the two other categories introduced by IFRS 9 (Financial assets at amortised cost and Financial assets fair value through other comprehensive income). The amount of the reclassification is the fair value upon reclassification and the effects of the reclassification are applied prospectively as of the reclassification date. In this case, the effective interest rate of the reclassified financial asset is calculated based on its fair value at the reclassification date and this date is considered as the initial recognition date for credit risk stage assignment for impairment purposes.

Recognition—Financial assets are initially recognised at the settlement date for debt instruments and equity instruments, at the disbursement date for loans and at the signing date for derivatives.

Upon initial recognition, financial assets at fair value through profit or loss are recognised at fair value, without considering transaction costs or proceeds that are directly attributable to the instrument.

Recognition of income components—Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. The effects of the application of this measurement criteria are taken to profit or loss.

The fair value of financial instruments quoted in an active market is calculated using market prices. When no active market exists, commonly-used estimate methods and valuation models are applied which consider all risk factors related to the instruments and which are based on market data, such as: valuation of quoted instruments with similar characteristics, calculation of discounted cash flows, models to recalculate option prices, amounts recognised in recent similar transactions, etc.. The cost criterion is used to estimate the fair value of equity instruments and derivatives related to equity instruments, not quoted in an active market, only on a residual basis and limited to few circumstances, i.e., when none of the above methods can be used or in the case of a large range of fair value measurement possibilities, when cost is the most significant estimate.

Derecognition—Financial assets are derecognised when the contractual rights to the cash flows generated by the assets expire or when the asset is sold and all the risks and rewards of ownership have been transferred.

3 - Financial assets at amortised cost

Classification—This item includes the amounts due from banks, from financial institutions, from customers or all receivables involving fixed payments or in any case payments which are definable and are not listed on an active market.

Recognition—Financial assets are initially recognised at the settlement date for debt instruments and at the disbursement date for receivables. Upon initial recognition, financial assets are measured at fair value, including transaction costs or proceeds that are directly attributable to the instrument.

Specifically, with respect to receivables, the disbursement date normally coincides with the date the contract is signed. When this is not the case, upon signing of the contract, a loan commitment is recognised which ceases when the relevant amount is disbursed. Receivables are initially recognised at fair value, equal to the amount granted, or the subscription price, including the cost/income directly referable to the individual receivable and determinable from the beginning of the operation, even when settled at a later date.

The costs which, despite having the above characteristics, are repaid by the counterparty or fall under administrative internal ordinary costs, are excluded.

Recognition of income components—Subsequent to initial recognition, receivables are measured at amortised cost, equal to the initially recognised amount decreased/increased by the repayment of principal, net impairment losses/reversals of impairment losses and amortisation - calculated using the effective interest method - of the difference between the amount disbursed and the repayable one upon maturity, which usually refers to the costs/income directly allocated to individual receivables.

The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the receivable to obtain exactly the carrying amount upon

initial recognition, which includes both directly attributable transaction revenues/costs and all fees paid or received by the parties to the contract. This method is based on a financial logic and enables entities to allocate the economic effect of income/expense over the residual life of the loan.
The measurement criteria are closely related to the stage to which the loan is assigned, where stage 1 comprises performing loans, stage 2 under-performing loans, i.e., those loans where the credit risk rose significantly compared to initial recognition and stage 3 non-performing loans, i.e., those loans which show a significant impairment loss.
Derecognition—Receivables are derecognised when they are no longer recoverable or when they are transferred, when all risks and rewards incidental to the receivables are substantially transferred.

4 - Equity investments

Classification—This item includes investments in subsidiaries, jointly-controlled entities, associates or companies subject to significant influence. A subsidiary is an entity in which the investor holds, directly or indirectly through its subsidiaries, more than half the voting rights (51%). Control exists when the investor holds half, or a smaller percentage, of votes at shareholders' meetings provided that it has:
a) control over more than one half of the voting rights by virtue of an agreement with other investors;
b) the power to govern the financial and operating policies of the investee under a statute or an agreement;
c) the power to appoint or remove the majority of the members of the Board of Directors or equivalent governing Body and control over the investee is held by such Board or Body;
d) the power to cast the majority of votes at meetings of the Board of Directors or equivalent governing Body and control over the investee is held by such Board or Body.
A jointly-controlled entity is a company subject to contractual, shareholders or other arrangements for the joint management of the business and the appointment of directors.
An associate is a company in which an entity holds 20% or more of the voting power or the investor has significant influence, including due to specific legal relationships, such as the participation in shareholders' agreements. Significant influence is the power to

participate in the financial and operating policy decisions of the investee without having control or joint control over those policies.

Recognition and measurement—Equity investments are recognised at purchase cost, net of impairment losses, if any. If there is evidence that an equity investment may be impaired, its recoverable amount is estimated, considering the present value of the future cash flows that the equity investment may generate, including the final disposal amount. Should the recoverable amount be lower than the carrying amount, the related difference is taken to the income statement.

Recognition of income components—Dividends received from investees are recognised as income when the right to receive them arises, i.e., when their distribution is approved.

Derecognition—Equity investments are derecognised when the contractual rights to the cash flows arising therefrom expire or when they are sold substantially transferring all risks and rewards incidental to ownership.

5 - Property, plant and equipment

Classification—They include technical plant, furniture and fixtures, vehicles and office machinery and equipment of any kind and leasehold improvements.

The right-of-use assets acquired as part of the leases and related to the use of an asset (for lessees) and the assets under operating lease (for lessors) are also included.

Recognition and measurement – They are initially recognised at cost, including the additional costs directly attributable to the acquisition and start-up of the asset. They are subsequently measured at cost, less depreciation and impairment losses. Depreciation is charged annually on a straight-line basis over the remaining useful life.

Leasehold improvements are recognised under assets since the lessee essentially has control over the assets and may receive economic benefits therefrom. Therefore, they are depreciated over a period corresponding to the remaining duration of the lease.

Under IFRS 16, leases are recognised using the right-of-use asset model, whereby, at the commencement date, the lessee has a financial obligation to make payments to the lessor to offset its right to use the underlying asset during the lease term.

When the asset is made available to the lessee for use (commencement date), the lessee recognises both the lease liability and the right-of-use asset.

Right-of-use assets, recognised using IFRS 16, are measured using the cost model in accordance with IAS 16 Property, plant and equipment. In this case, the asset is subsequently depreciated and tested for impairment, whenever an impairment indicator is identified.

Derecognition – Property, plant and equipment are derecognised upon disposal or when the asset has been retired and future benefits are not expected from its disposal.

6 - Intangible assets

Classification—Intangible assets include goodwill, the "Azimut" trademark (purchased at the end of the finance lease) and the application software for long-term use.

Recognition and measurement—Software is recognised at cost, net of amortisation and impairment losses. Such assets are amortised based on their estimated residual useful life. Goodwill is not amortised, but is periodically tested for impairment. Impairment tests are carried out every year (or whenever there is evidence of impairment). To this end, the cash generating unit to which goodwill is to be allocated is identified. The amount of the impairment is determined on the basis of the difference between the carrying amount of goodwill and its recoverable amount, if lower. Recoverable amount is the higher of a cash generating unit's fair value less costs of disposal and its value in use. The related adjustments are taken to the income statement.

Derecognition – Intangible assets are derecognised at the date of disposal and when no future economic benefits are expected.

7 - Tax assets and liabilities

Current taxes are calculated in accordance with ruling tax rates and legislation. When they are not paid, they are recognised under liabilities. Income taxes are recognised in the income statement, except for those related to items directly credited or debited to equity. The provision for taxes is recognised based on a prudent estimate of the current and deferred tax charge.

The balance sheet liability method is applied to deferred taxes. Specifically, deferred tax assets and liabilities are calculated in respect of the temporary differences – without time limits – arising between the carrying amount of assets and liabilities and their value for tax purposes. Deferred tax assets are recognised to the extent their recovery is probable, based on the Company's ability to generate ongoing positive taxable income.

8 - Other assets

This item includes assets which are not ascribable to other assets items.

9 - Financial liabilities at amortised cost

Classification - This item comprises Due to banks, Due to financial institutions, Due to customers, Lease liabilities under IFRS 16 and Outstanding securities.

9.1-Payables

Recognition and measurement—Short-term trade payables (due within one year) are recognised at their par value. Payables in the form of medium/long-term loans, initially recognised at the amount collected, net of transaction costs if any, are subsequently measured at amortised cost using the effective interest method.

Lease liabilities under IFRS 16 at initial recognition are equal to the present value of the residual future lease payments at the date of transition, discounted at their incremental borrowing rate ruling at the date of transition;

After the initial measurement, the carrying amount is increased by interest and decreased as payments are made and/or restated to reflect any new measurements or changes in the lease.

Derecognition—Payables are derecognised once settled.

9.2 Outstanding securities

This item includes the bonds issued by Azimut Holding S.p.A..

Recognition—Outstanding securities are recognised when issued or when a new placement takes place based on the "settlement date" principle. They are initially recognised at fair value which usually corresponds with the collected amount or the issue price, adjusted to reflect any additional cost and income directly attributable to funding or issue transactions. Internal administrative costs are not included. The fair value of outstanding securities issued at below-the-market conditions is subject to a specific estimate and the difference with respect to market value is taken directly to the income statement. In the case of convertible debt instruments, the costs borne for the bond issue are allocated proportionally to the debt component and the equity component.

Measurement and recognition of income and expense-Subsequent to initial recognition, the debt component is measured at amortised cost, using the effective interest method.

Interest expense is recognised under Interest expense and similar charges in the income statement, using the effective interest rate method.

Derecognition-Outstanding securities are derecognised after expiry or settlement. They are derecognised also when previously issued securities are repurchased. The difference between the carrying amount of the security and the amount paid to repurchase it is taken to the income statement. A new placement of own securities subsequent to their repurchase is considered a new issue with the recognition of the new placement price, with no impact on the income statement.

10 – Other liabilities

Classification—This item includes liabilities that are not ascribable to other liability items.

Recognition–Short-term liabilities (due within 12 months) and trade payables are recognised at their par value.

Derecognition—Other liabilities are derecognised once settled.

11 - Costs and income

Cost are recognised on an accrual basis. Those incurred to obtain and fulfil contracts with customers are recognised in profit or loss when the related income is recognised.

Income is recognised when received, or when it is probable the future benefits will be received and when such benefits can be reliably calculated. Specifically:

>> interest is recognised on an accruals basis using the contractual interest rate or the effective interest rate when the amortised cost method is applied;

>> dividends are recognised in the income statement on the date their distribution is approved.

>> fee and commission income from services is recognised based on the relevant contractual agreements at the time the services are provided.

Fees for portfolio management, consultancy and management of mutual funds are recognised over the term of the service.

12 - Treasury shares

They are recognised as a decrease in shareholders' equity. Profits or losses arising from the purchase, sale, issue or elimination of treasury shares are not recognised in the income statement, but in shareholders' equity.

13 - Profit-participating financial instruments

The profit-participating financial instruments issued by Azimut Holding S.p.A. as per the Shareholders' resolution of 29 April 2010 and subsequent resolutions of the Company's Board of Directors are recognised under Equity instruments at the subscription amount, equal to their fair value, increasing shareholders' equity. Indeed, under the By-laws, they have an indefinite life, are issued with no obligation for the Company to repay the amount paid by investors, participate in the allocation of the Company's residual assets in case of liquidation, in subordination to the Company's creditors and shareholders. These instruments are not transferable, except to the Parent Company (at their fair value and subject to specific conditions). In this case, the relevant equity rights are suspended. Furthermore, these instruments entitle their holders to receive a part of the Company's profit as per the By-laws subject to, inter alia, the Shareholders' approval of dividend distribution.

A.3 Disclosure about financial asset transfers between portfolios

During the year, the Company did not transfer any financial assets between portfolios as a consequence of changes in business model.

A.4. Fair value disclosure

Qualitative information

In accordance with the provisions of IFRS 7 and IFRS 13, the company classifies fair value measurement of financial assets and financial liabilities based on a hierarchy that conveys the nature of inputs used. The levels are as follows:

- level 1: (unadjusted) quoted prices in active markets for assets and liabilities identical to those subject to measurement;
- level 2: inputs other than unadjusted quoted prices (as per level 1) that are directly (as in the case of prices) or indirectly (deriving from prices) observable market data;
- level 3: inputs based on unobservable market data.

Specifically, the fair value of a financial instrument measured at level 1 corresponds to the unadjusted price, at which the instrument – or an identical instrument – is sold on an active market on the measurement date. For classification at level 1, prices are measured together with all other characteristics of the financial asset or financial liability: if the quoted price is adjusted in order to take account of specific conditions that require adjustment, the financial instrument is classified under a level other than level 1.

Analyses for classification at other levels within the fair value hierarchy are performed analytically for each individual financial asset or liability held/issued; these analyses and measurement criteria are applied consistently over time.

With respect to the financial instruments held as part of liquidity management policies and financial liabilities issued, according to the Company's main policies:

- open-ended mutual funds, whose fair value is designated as level 1 if represented by the Net Asset Value (NAV) provided by the fund manager at the measurement date, are classified as level 1; conversely, with respect to listed funds and Exchange Trade Funds (ETF), level 1 fair value is equal to the closing price of the relevant stock market.
- Level 2 alternative closed-end investment funds measured at the most recently approved Net Asset Value (NAV).

Quantitative information

A.4.5 Fair value hierarchy

A.4.5.1 Financial assets and liabilities measured at fair value on a recurring basis: breakdown by fair value level

	31.12.2023			31.12.2022		
Financial assets/liabilities measured at fair value	**Level 1**	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
1. Financial assets at fair value through profit or loss						
a) held-for-trading financial assets						
b) financial assets designated at fair value						
c) financial assets mandatorily measured at fair value	145,566,377	24,787,068		210,527,458	80,569,123	
2. Financial assets at fair value through other comprehensive income						
3. Hedging derivatives						
4. Property, plant and equipment						
5. Intangible assets						
Total	**145,566,377**	**24,787,068**		**210,527,458**	**80,569,123**	
1. Held-for-trading financial liabilities						
2. Financial liabilities designated at fair value						
3. Hedging derivatives						
Total						

A.4.5.2 Annual change in assets measured at Level 3 fair value on a recurring basis

At the reporting date, the Company does not hold financial assets measured at level 3 fair value on a recurring basis.

A.4.5.4 Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis: breakdown by fair value level

Assets/liabilities not measured at fair value or measured at fair value on a non-recurring basis	31.12.2023				31.12.2022			
	CA	L1	L2	L3	CA	L1	L2	L3
1. Financial assets at amortised cost 2. Property, plant and equipment held for investment purposes 3. Non-current assets held for sale and discontinued operations	464,712			464,712	337,321			337,321
Total	**464,712**			**464,712**	**337,321**			**337,321**
1. Financial liabilities at amortised cost 2. Liabilities related to discontinued operations	620,243,610	489,690,000		119,706,049	774,994,964	474,615,000		275,569,737
Total	**620,243,610**	**489,690,000**		**119,706,049**	**774,994,964**	**474,615,000**		**275,569,737**

A.5 - Disclosure about the "Day one profit/loss"

The Company did not carry out transactions which entailed recognition of the so-called day one profit/loss.

PART B – NOTES TO THE BALANCE SHEET

ASSETS

Section 1 - Cash and cash equivalents – Item 10

This item amounts to 59,585,584 euro, up by 42,438,098 euro on 17,147,486 euro at 31 December 2022.

1.1 Breakdown of "Cash and cash equivalents"

This item includes cash on hand in euro and foreign currencies, as well as cash on hand held in bank accounts.

Section 2 - Financial assets measured at fair value through profit or loss – Item 20

This item amounts to 170353445 euro, down by 120743136 euro on 291096581 euro at 31 December 2022.

2.5 "Other financial assets mandatorily measured at fair value: breakdown"

Items/Value	Total 31/12/2023			Total 31/12/2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Debt instruments						
1.1 Structured securities						
1.2 Other debt instruments						
2. Equity instruments						
3. UCI units	145,566,377	24,787,068		210,527,458	80,569,123	
4. Loans						
4.1 Repurchase agreements						
4.2 Other						
Total	**145,566,377**	**24,787,068**		**210,527,458**	**80,569,123**	

"UCI units" (Level 1) refers to the units in mutual funds managed by the Azimut Group as part of the Company's liquidity management policies.

"UCI units" (Level 2) refer to the investment in the Luxembourg-based vehicle Azimut Private Equity I SCSp through which the Company made a single indirect investment in the listed company INWIT, in addition to investments in alternative closed-end investment funds managed by Group companies.

For a breakdown of investments and information about the nature of the risks arising from the above financial assets, reference should be made to section 3 – Part D "Other information – Information on risk management and hedging policies".

2.6 Other financial assets mandatorily measured at fair value: breakdown by debtor/issuer

Items/Value	Total 31/12/2023	Total 31/12/2022
1. Equity instruments	-	-
of which: banks		
of which: other financial companies		
of which: non-financial companies		
of which: insurance companies		
3. Debt instruments	-	-
a) Public administrations		
b) Banks		
c) Other financial companies		
of which: insurance companies		
d) Non-financial companies		
3. UCI units	**170,353,445**	**291,096,581**
4. Loans		
a) Public administrations		
b) Banks		
c) Other financial companies		
of which: insurance companies		
d) Non-financial companies		
e) Households		

Section 4 - Financial assets at amortised cost – Item 40

This item amounts to 464.712 euro, up by 127.391 euro on the previous year (337.321 euro at 31 December 2022).

4.1 "Financial assets at amortised cost: breakdown"

L1 = Level 1
L2 = Level 2
L3 = Level 3

Breakdown	Total 31/12/2023						Total 31/12/2022					
	Carrying amount			Fair value			Carrying amount			Fair value		
	First and second stage	Third stage	Impaired acquired or originated	L1	L2	L3	First and second stage	Third stage	Impaired acquired or originated	L1	L2	L3
1. Receivables for portfolio management services				X	X	X				X	X	X
1.1. UCI units				X	X	X				X	X	X
1.2 individual portfolio management				X	X	X				X	X	X
1.3 pension fund management				X	X	X						
2. Receivables for other services												
2.1 advisory services				X	X	X				X	X	X
2.2 outsourced corporate functions				X	X	X				X	X	X
2.3 other				X	X	X				X	X	X
3. Other receivables	464,712						**337,321**					
3.1 repurchase agreements				X	X	X				X	X	X
of which: government securities				X	X	X				X	X	X
of which: for other debt instruments				X	X	X				X	X	X
of which: for equity instruments and units				X	X	X				X	X	X
3.2 term deposits and current accounts	464,712			X	X	X	337,321			X	X	X
3.3 other				X	X	X				X	X	X
4. Debt instruments												
Total	464,712						**337,321**					

4.2 Financial assets at amortised cost: breakdown by debtor/issuer

Breakdown/Counterparty	Banks		Financial institutions		Customers	
		of which: Group		of which: Group		of which: Group
1. Receivables for portfolio management services						
1.1. UCI units						
1.2 individual portfolio management						
1.3 pension fund management						
2. Receivables for other services						
2.1 advisory services						
2.2 outsourced corporate functions						
2.3 other						
3. Other receivables	**209,769**		**254,943**			
3.1 repurchase agreements						
of which: government securities						
of which: for other debt instruments						
of which: for equity instruments and units						
3.2 deposits and current accounts	209,769		254,943			
3.3 other						
4. Debt instruments						
Total 31/12/2023	**209,769**		**254,943**			
Total 31/12/2022			**337,321**			

Section 7 - Equity investments – Item 70

This item amounts to 1,279,735,087 euro, up by 55000000 euro on 1224735087 euro at 31 December 2022.

7.1 Equity investments: information

The details of the Company's equity investments and the accounting information required by IAS 12 are provided in annex A to these notes. They relate to the financial statements of the wholly-owned subsidiaries at 31 December 2023.
Pursuant to IAS 36, at each reporting date, the Company must check for indicators (trigger events) of impairment. At 31 December 2023, the Company did not identify any relevant trigger events for direct investments.
Specifically, the losses incurred by AZ International Holding SA that led to a reduction in the subsidiary's shareholders' equity were not considered an indicator of impairment as they are non-recurring and, in any case, not significant in relation to the subsidiary's shareholders' equity.
With respect to the investments included in the Azimut Italia CGU[65], given the significance of the carrying amount and although no trigger event occurred, the Company estimated their recoverable amount ("impairment test") on 31 December 2023. In order to test these investments for impairment, the Company used the value in use to check the recoverability of the carrying amount of the investment, also based on the recommendations of the Supervisory Authorities.
Reference should be made to section 9.1, paragraph "Impairment test" for information on the methodology applied.
With respect to foreign holding companies (AZ International Holdings Sa and Azimut UK Holdings Limited), which only manage foreign operations, these are not individually relevant for impairment testing purposes in the separate financial statements. In fact, they are divided into CGUs consistent with those identified in the consolidated financial statements. Goodwill relating to foreign holding companies and their subsidiaries is

[65] For a definition of the Azimut/Italia CGU and information about its composition, reference should be made to the note to "Intangible Assets", "Impairment Test" section, of the notes to the consolidated financial statements.

implicit in the carrying amounts of the investments in the separate financial statements and is shown in the consolidated financial statements following the consolidation process at the acquisition-date amount determined in accordance with IFRS 3.

As described in Part B – Notes to the Consolidated Balance Sheet - Assets, the impairment tests performed on the CGUs in the consolidated financial statements did not result in the need to impair goodwill. Consequently, no impairment losses were recognised in the separate financial statements of Azimut Holding S.p.A..

7.2 Annual changes in equity investments

	Group equity investments	Non-group equity investments	Total
A. Opening balance	**1,224,735,087**		**1,224,735,087**
B. Increases	**52,000,000**	**3,000,000**	**55,000,000**
B.1 Purchases			0
B.2 Reversals of impairment losses			
B.3 Revaluations			
B.4 Other changes	52,000,000	3,000,000	55,000,000
C. Decreases	**-**		**-**
C.1 Sales			-
C.2 Impairment losses			
C.3 Other changes	-		-
D. Closing balance	**1,276,735,087**	**3,000,000**	**1,279,735,087**

“Increases - other changes” refer to:

- capital injection to increase the capital of AZ International Holdings SA, with registered office in Luxembourg (22 million euro);
- capital injection of 27.4 million euro to increase the capital of Azimut Enterprises S.r.l.;
- capital injection to increase the capital of Azimut Investments Limited, based in Ireland (0.6 million euro);
- payment of the last instalment of the residual consideration to be paid to purchase the remaining 49% of Augustum Opus SIM S.p.A. (now merged into Azimut Capital Management SGR S.p.A.) to minority investors (the company’s former shareholders) for 2 million euro.

"Increases" *other changes,* non-group equity investments refer to the 3 million euro capital injection to set up Nova Investments Limited, based in Ireland, over which the Company exercises significant influence.

Section 8 - Property, plant and equipment – Item 80

8.1 "Property, plant and equipment - business purposes: breakdown of assets at cost"

This item amounts to 1,057,354 euro, down by 289,983 euro on 1,347,337 euro at 31 December 2022.

Items/Value	31/12/2023	31/12/2022
1. Owned	**299,272**	**428,340**
a) land		
b) buildings		
c) furniture & fixtures	17,432	22,394
d) electronic systems		
e) other	281,840	405,946
2. Right-of-use assets: leases	**758,082**	**918,997**
a) land		
b) buildings	730,586	859,513
c) furniture & fixtures		
d) electronic systems		
e) other	27,496	59,484
Total	**1,057,354**	**1,347,337**

"Owned" includes property, plant and equipment used for business purposes owned by the company. The sub-item "Other" includes electronic office equipment (personal computers, printers and monitors) and the telephone system.

"Right-of-use assets" include those related to leases and rentals which fall in the scope of IFRS 16. The additional disclosure required by IFRS 16 is provided in "Part D - Other information - Section 7 - Leases" of these notes, to which reference should be made for additional information.

At 31 December 2023, the Company did not hold items of property, plant and equipment for investment purposes nor did it revalue them.

8.5 Property, plant and equipment – business purposes: annual changes

	Land	Buildings	Furniture & fixtures	Electronic systems	Other	**Total**
A. Opening gross balances		**1,871,420**	**209,387**		**3,004,621**	**5,085,428**
A.1 Total net impairment losses		-1,011,907	-186,993		-2,539,191	-3,738,091
A. 2 Opening net balances		**859,513**	**22,394**		**465,430**	**1,347,337**
B. Increases					**5,400**	**5,400**
B.1 Purchases					5,400	5,400
B.2 Leasehold improvements						
B.3 Reversals of impairment losses						
B.4 Increases in fair value taken to:						
a) shareholders' equity						
b) profit or loss						
B.5 Exchange rate gains						
B.6 Transfers from investment property			X	X	X	
B.7 Other changes						
C. Decreases		**- 128,927**	**- 4,962**		**- 161,494**	**- 295,383**
C.1 Sales						
C.2 Depreciation		- 128,927	- 4,962		- 161,494	- 295,383
C.3 Impairment losses charged to:						
a) shareholders' equity						
b) profit or loss						
C.4 Decreases in fair value:						
Charged to:						
a) shareholders' equity						
b) profit or loss						
C.5 Exchange rate losses						
C.6 Transfers to:						
a) property, plant and equipment held for investment purposes						
b) non-current assets held for sale and discontinued operations						
C.7 Other changes						
D. Gross closing balance		**1,871,420**	**209,387**		**3,010,021**	**5,090,828**
D.1 Total net impairment losses		- 1,140,834	- 191,955		- 2,700,685	- 4,033,474
D.2 Net closing balance		**730,586**	**17,432**		**309,336**	**1,057,354**
E. Measurement at cost		730,586	17,432		309,336	1,057,354

Depreciation is calculated based on the following rates:

Description	**% rate**
Owned	
Furniture & fixtures	12%
Other:	
Electronic office equipment	*20%*
Telephone system	*20%*
Other assets	*25%*
Right-of-use assets: leases	
Buildings	Over the lease term
Leasehold improvements	Over the lease term
Other:	
Printers	Over the lease term
Cars	Over the lease term

Section 9 - Intangible assets – Item 90

This item amounts to 185,217,787 euro, down by 356.698 euro on 185,574,485 euro at 31 December 2022. This item is broken down as follows:

9.1 "Intangible assets": breakdown by type

	31/12/2023		**31/12/2022**	
	Assets at cost	**Assets at fair value**	**Assets at cost**	**Assets at fair value**
1. Goodwill	**149,829,432**		**149,829,431**	
2. Other intangible assets	**35,388,355**		**35,745,054**	
2.1 generated internally				
2.2 other	35,388,355		35,745,054	
Total	**185,217,787**		**185,574,485**	

"Goodwill" of an original amount of 176.3 million euro, of which 26.4 million euro amortised prior to the adoption of the IFRS, relates to the goodwill paid by Azimut Holding S.p.A. (formerly Tumiza S.p.A.) to purchase the Group in 2002 by acquiring the entire share capital of Azimut Holding S.p.A., incorporated in December of the same year and not allocated to equity investments.

"Other intangible assets – other" refer to the cost of software (50,136 euro) and the Azimut trademark (35,338,224 euro).

Impairment test

The impairment test was conducted based on several documents, calls for attention and recommendations issued by supervisory authorities (e.g., Consob, ESMA, Bank of Italy, etc.) as well as those resulting from the current reference framework which may have an impact on the company's ability to continue as a going concern and on asset measurement ("impairment test").

Introduction

With respect to "goodwill" and "trademarks" (recognised as an intangible asset with an indefinite useful life), IAS 36 "Impairment of assets" stipulates that the Company must perform annual impairment tests to check the adequacy of the amounts recognised during the drafting of the financial statements. The aim of the impairment test is to identify any impairment losses: if the analysis indicates the existence of such losses, the Company recognises them as a decrease against the relevant asset.

The Azimut/Italia CGU[66], which includes the company goodwill, reflects the activity carried out by Azimut Holding S.p.A.'s direct subsidiaries, each specialising in the distribution, promotion and management of financial and insurance products (basically unit-linked products) and operating as a single structure, dedicated entirely to asset management and the sale of investment instruments, in which the contributions made by the individual companies appear to be indistinguishable and operating results are revised periodically by management for the purpose of decisions regarding allocation of resources and measurement of results and company performance. For this reason, this area also includes the foreign product companies Azimut Investments Sa, Azimut Life Dac and Azimut Investments Limited.

Calculation of the value in use of the Azimut/Italia CGU

The value in use is calculated using the discounted cash flow method, based on the following assumptions:

1) Discount rate calculated using 31 December 2023 as the reference date and determined using the weighted average cost of capital (WACC) approach:

[66] For a definition of the Azimut/Italia CGU and information about its composition, reference should be made to the note to "Intangible Assets", "Impairment Test" section, of the notes to the consolidated financial statements.

- Risk free: 10-year Italian government bonds, average 2023;
- Cost of capital (Ke) calculated using the CAPM (unlevered) method;
- Cost of debt calculated using the cost of debt net of Azimut Holding's ordinary taxation of 1.30%;
- Beta levered: calculated on a 5-year timescale with daily readings (source: Bloomberg);
- Market risk premium: additional return for investments in equities rather than in risk-free securities and calculated at 6.0%, in line with the most common professional practice.

2) Cash flows

In order to calculate the unlevered cash flow, the expected cash flow is an approximate estimate based on the profit for the year, gross of interest expense on the parent company's liability.

Profits were calculated based on the strategic guidelines to be used to develop the long-term plans for the 2024 - 2027 period, starting from the budgets prepared and approved or being approved for 2024 and, if available, from the approved long-term business plans. The growth of the year for the observation periods not subject to approval is deemed equal to the average "g" growth rate of the Azimut/Italia CGU.

3) Terminal values

To calculate Terminal values, the net profit for the last forecast period was considered, assuming an average "g" growth rate for the relevant CGU.

The "g" growth rate is 2%.

Results of the impairment test on the Azimut/Italia CGU

A.1) Impairment test

A.2) Sensitivity: Azimut/Italia CGU

Differenza tra Valore d'uso e Valore contabile della CGU								
	WACC							
	8,1%	8,6%	9,1%	9,59%	10,1%	10,6%	11,1%	11,6%
G 0,0%	€ 3.576.624.711	€ 3.338.727.175	€ 3.127.025.244	€ 2.937.422.255	€ 2.766.633.315	€ 2.611.993.723	€ 2.471.319.209	€ 2.342.802.329
G 0,5%	€ 3.790.118.803	€ 3.524.783.608	€ 3.290.354.716	€ 3.081.733.286	€ 2.894.883.478	€ 2.726.569.167	€ 2.574.165.210	€ 2.435.519.759
G 1,0%	€ 4.033.710.253	€ 3.735.342.266	€ 3.473.864.639	€ 3.242.837.459	€ 3.037.237.218	€ 2.853.087.702	€ 2.687.200.592	€ 2.536.989.525
G 1,5%	€ 4.314.246.162	€ 3.975.584.458	€ 3.681.541.432	€ 3.423.847.133	€ 3.196.156.334	€ 2.993.519.386	€ 2.812.018.532	€ 2.648.512.323
G 2,0%	€ 4.640.820.999	€ 4.252.263.143	€ 3.918.495.488	€ 3.628.694.413	€ 3.374.710.973	€ 3.150.292.783	€ 2.950.562.608	€ 2.771.660.009
G 2,5%	€ 5.025.781.062	€ 4.574.347.745	€ 4.191.387.338	€ 3.862.420.064	€ 3.576.779.909	€ 3.326.436.583	€ 3.105.228.740	€ 2.908.350.157
G 3,0%	€ 5.486.320.558	€ 4.954.014.805	€ 4.509.063.646	€ 4.131.593.872	€ 3.807.335.538	€ 3.525.777.192	€ 3.279.004.909	€ 3.060.946.622
G 3,5%	€ 6.047.120.097	€ 5.408.222.119	€ 4.883.534.294	€ 4.444.941.967	€ 4.072.858.540	€ 3.753.219.867	€ 3.475.666.087	€ 3.232.397.403

Differenza tra Valore d'uso e Valore contabile della CGU - Diminuzione dei Flussi							
-17,5%	-15,0%	-12,5%	-10,0%	-7,5%	-5,0%	-2,5%	
€ 2.908.460.621	€ 3.011.351.163	€ 3.114.241.704	€ 3.217.132.246	€ 3.320.022.788	€ 3.422.913.329	€ 3.525.803.871	€ 3.628.694.413

Stress Test Azimut/Italy CGU

The stress test checked, for each CGU, the difference between the value in use and the carrying amount of each CGU, considering the decrease in the expected cash flows and the discount rate as the variable parameter (where methodologically significant) until the deviation between the above values was zero.

The outcome of the analysis is summarised below:

CGU	%Stress Flussi Cassa	%stress Tasso WACC
Italia	88,17%	>20%

Conclusions:

The above analyses did not identify any impairment indicators: the balance sheet figures used are the most recently available figures that can be extracted from the reporting system at 31 December 2023.

Furthermore, the market cap has not once fallen below shareholders' equity since the company was listed.

9.2 Intangible assets: annual changes

	Total
A. Opening balance	**185,574,485**
B. Increases	**48,801**
B.1 Purchases	48,801
B.2 Reversals of impairment losses	
B.3 Increases in fair value taken to:	
- shareholders' equity	
- profit or loss	
B.4 Other changes	
C. Decreases	**405,499**
C.1 Sales	
C.2 Depreciation	405,499
C.3 Impairment losses charged to:	
- shareholders' equity	
- profit or loss	
C.4 Decreases in fair value charged to:	
- shareholders' equity	
- profit or loss	
C.5 Other changes	
D. Closing balance	**185,217,787**

The above purchases refer exclusively to software packages, which are amortised using the following rates:

Description	% rate
Application software	33%

Section 10 - Tax assets and tax liabilities – Item 100 – Item 60

Tax assets (item 100)

This item amounts to 2946834 euro, down by 18879537 euro on 21826371 euro at 31 December 2022.

10.1 "Breakdown of tax assets: current and deferred"

Breakdown	31.12.2023	31.12.2022
Current	2,608,893	21,649,321
Deferred	337,941	177,050
Total	**2,946,834**	**21,826,371**

"Current tax assets" refer to IRES and IRAP receivables, net of the IRAP payable for the year and the IRES payable arising from the taxable income transferred by the companies participating in the national tax consolidation scheme.

Deferred tax assets relate to temporary differences resulting from the different timing of the IRES tax deductibility for some cost items compared to that recognised in the income statement.

Tax liabilities (item 60)

This item amounts to 40,147,149 euro, up by 372,945 euro on 39,774,204 euro at 31 December 2022.

10. "Breakdown of Tax liabilities: current and deferred"

Breakdown	31.12.2023	31.12.2022
Current	-	352,660
Deferred	40,147,149	39,421,544
Total	**40,147,149**	**39,774,204**

"Current tax liabilities", which included the residual liability for the 3% IRES and IRAP substitute tax recognised in connection with the realignment of taxation pursuant to Law

Decree 104/2020 of the "Azimut" brand, shows a nil balance as the third and final instalment was paid on 30 June 2023.

"Deferred tax liabilities" include those relating to the temporary difference between the carrying and tax amounts of goodwill (36,400,735 euro) and the trademark (3,746,414).

10.3 Changes in deferred tax assets (balancing entry in income statement)

	Total 31/12/2023	Total 31/12/2022
1. Opening balance	**148,872**	**5,786**
2. Increases	**159,987**	**148,872**
2.1 Deferred tax assets recognised in the year	159,987	148,872
a) from previous years		
b) due to changes in accounting policies		
c) write-backs		
d) other	159,987	148,872
2.2 New taxes or increased tax rates		
2.3 Other increases		-
3. Decreases	**(4,872)**	**(5,786)**
3.1 Deferred tax assets eliminated during the year	(4,872)	(5,786)
a) reversals	(4,872)	(5,786)
b) write-off of irrecoverable tax		
c) changes in accounting policies		
d) other		
3.2 Decreases in tax rates		
3.3 Other decreases		
4. Closing balance	**313,731**	**148,872**

10.4 Changes in deferred tax liabilities (balancing entry in income statement)

	Total 31/12/2023	Total 31/12/2022
1. Opening balance	**39,421,544**	**38,374,069**
2. Increases	**746,293**	**1,047,475**
2.1 Deferred tax liabilities recognised in the year	746,293	1,047,475
a) from previous years		
b) due to changes in accounting policies		
c) other	746,293	1,047,475
2.2 New taxes or increased tax rates		
2.3 Other increases		
3. Decreases	**(20,688)**	
3.1 Deferred tax liabilities eliminated during the year	(20,688)	
a) reversals	(20,688)	
b) due to changes in accounting policies		
c) other		
3.2 Decreases in tax rates		
3.3 Other decreases		
4. Closing balance	**40,147,149**	**39,421,544**

10.5 Changes in deferred tax assets (balancing entry in shareholders' equity)

	Total 31/12/2023	Total 31/12/2022
1. Opening balance	**28,178**	**28,180**
2. Increases	**5,776**	
2.1 Deferred tax assets recognised in the year		
a) from previous years		
b) due to changes in accounting policies		
c) other	5,776	
2.2 New taxes or increased tax rates		
2.3 Other increases		
3. Decreases		**(2)**
3.1 Deferred tax assets eliminated during the year		
a) reversals		
b) write-off of irrecoverable tax		
c) due to changes in accounting policies		
d) other		
3.2 Decreases in tax rates		
3.3 Other decreases		(2)
4. Closing balance	**33,954**	**28,178**

Section 12 – Other assets – Item 120

This item amounts to 11,835,864 euro, down by 3,816,519 euro on 8,019,345 euro at 31 December 2022.

12.1 "Other assets": breakdown

Breakdown	**31.12.2023**	**31.12.2022**
VAT receivables	-	103,185
Other receivables	160,356	2,649,393
Due from Group companies	11,459,136	4,784,589
Prepayments	216,372	482,178
Total	**11,835,864**	**8,019,345**

"Due from subsidiaries" mainly includes:

- the 2 million euro receivable from the subsidiary Azimut Capital Management SGR S.p.A. in the form of royalties on the Azimut trademark due for 2023;
- the amounts due from the subsidiaries Azimut Financial Insurance S.p.A., Azimut Libera Impresa SGR S.r.l. and Azimut Capital Tech S.r.l. for direct taxes (IRES) transferred to the company, net of 2023 advances and transferred as part of the national tax consolidation scheme.

LIABILITIES

Section 1 – Financial liabilities at amortised cost – Item 10

This item amounts to 620,243,610 euro, down by 154,751,354 euro on 774,994,964 euro at 31 December 2022.

1.1 Financial liabilities at amortised cost: breakdown

Breakdown/Value	**31/12/2023**	**31/12/2022**
1. Due to sales networks:		
1.1 for UCI sales		
1.2 for individual portfolio management sales		
1.3 for pension fund sales		
2. Payables for asset management services:		
2.1 for proprietary portfolio management		
2.2 for discretionary portfolio management		
2.3 for other		
3. Payables for other services:		
3.1 advisory services		
3.2 outsourced corporate functions		
3.3 other		
4. Other payables		
4.1 repurchase agreements		
of which: government securities		
of which: for other debt instruments		
of which: for equity instruments and units		
4.2 Lease liabilities	604,196	727,528
4.3 Other payables	119,706,049	274,842,209
Total	**120,310,245**	**275,569,737**
Fair value – Level 1		
Fair value – Level 2		
Fair value – Level 3	120,310,245	275,569,737
Total fair value	**120,310,245**	**275,569,737**

Item “4.2 Lease liabilities” consists of the residual amount due in relation to the right-of-use assets recognised in accordance with IFRS 16. For additional information, reference should be made to “Part D – Other information – Section 7 – Leases” of these notes.

“4.3 Other payables” refer to the amount due to the subsidiary Azimut Investments SA as part of the cash pooling arrangement and includes the portion of interest accrued at 31 December 2023, calculated on the basis of contractual agreements.

1.2 Breakdown of “Financial liabilities at amortised cost”: “Outstanding securities”

Breakdown	31/12/2023				31/12/2022			
	CA	Fair value			CA	Fair value		
		L1	L2	L3		L1	L2	L3
1. Securities	**499,933,365**	**489,690,000**			**499,425,226**	**474,615,000**		
- Bonds	499,933,365	489,690,000			499,425,226	474,615,000		
- Other securities								
Total	**499,933,365**	**489,690,000**			**499,425,226**	**474,615,000**		

L1 = Level 1
L2 = Level 2
L3 = Level 3

This item includes the “Azimut 2019-2024 1.625%” bond amounting to 499,933,365 euro originally composed of 5,000 bonds for a nominal amount of 100,000 euro, with a duration of five years and issued on 12 December 2019. The amount refers to total bonds sold and includes the charges incurred by the company for the issue and placement, in addition to interest expense accrued at 31 December 2023 which will be paid on the pre-established date. The bond bears annual fixed interest of 1.625%.

The company has no subordinated or structured securities.

1.5 Financial liabilities at amortised cost: breakdown by counterparty

Breakdown/Counterparty	Banks	of which: Group	Financial companies	of which: Group	Customers	of which: Group
1. Due to sales networks						
1.1 for UCI sales						
1.2 for individual portfolio management sales						
1.3 for pension fund sales						
2. Payables for asset management services:						
2.1 for proprietary portfolio management						
2.2 for discretionary portfolio management						
2.3 for other						
3. Payables for other services:						
3.1 advisory services received						
3.2 outsourced corporate functions						
3.3 other						
4. Other payables			**119,706,049**	**119,706,049**	**604,196**	
4.1 repurchase agreements						
of which: government securities						
of which: for other debt instruments						
of which: for equity instruments and units						
4.2 Lease liabilities					604,196	
4.3 Other payables			119,706,049	119,706,049		
Total 31/12/2023			**119,706,049**	**119,706,049**	**604,196**	
Total 31/12/2022			**274,842,209**	**274,842,209**	**727,528**	

Section 6 -Tax liabilities – Item 60

"Tax liabilities" are described in detail in section 10 of assets to which reference should be made.

Section 8 -Other liabilities – Item 80

This item amounts to 19,644,525 euro, down by 6,365,137 euro on 26,009,662 euro at 31 December 2022.

8.1 Breakdown of item 90 "Other liabilities":

	31.12.2023	**31.12.2022**
Due to suppliers	596,435	1,343,659
Due to Company bodies	1,601,993	844,498
Due to Inland Revenue	272,949	342,352
Due to social security bodies	114,556	123,505
Due to employees	805,382	905,553
Due to subsidiaries	7,431,801	20,641,597
Other payables	8,821,410	1,808,498
Total	**19,644,525**	**26,009,662**

"Due to subsidiaries" comprises the IRES payable transferred by the subsidiaries Azimut Capital Management Sgr S.p.A., Azimut Enterprises S.p.A. and AZ Venture Tech S.r.l. as part of the national tax consolidation scheme.

Section 9 - Staff severance pay (TFR) – Item 90

This item amounts to 349,759 euro, up by 36,641 euro on 313,118 euro at 31 December 2022.

9.1 "Staff severance pay (TFR)": annual changes

	31/12/2023	31/12/2022
A. Opening balance	**313,118**	**396,388**
B. Increases	**71,593**	**48,494**
B1. Provisions for the year	47,526	48,494
B2. Other increases	24,067	
C. Decreases	**34,952**	**131,764**
C1. Payments made	33,757	
C2. Other decreases	1,196	131,764
D. Closing balance	**349,759**	**313,118**

9.2 "Other information"

In accordance with that set out in the Part A - Section A.2 on the accounting standards applied to individual financial statements items, staff severance pay was calculated pursuant to IAS 19, based on the following specific technical, demographic and financial assumptions:

Demographic assumptions

In order to determine the probabilities of removal of personnel in service due to death, the SIM/F 2000 table was used (ISTAT – Italian National Institute of Statistics – mortality table by gender), prudentially reduced by 20%. Decreases due to disability were calculated using the relevant INPS (the Italian social security institution) tables, reduced by 20%. Pension, which is considered the main reason for outgoing employees, was subject to a timescale equal to meeting the minimum requirement (contribution period or seniority), calculated in accordance with ruling legislation. The following parameters were used for other technical, non-financial factors:

- Turnover: 1.5% unchanged;
- Advance: 2% unchanged;
- Amount paid in advance: 70%.

Finally, assessment of the allocation of TFR to private pension funds was carried out based on the behaviour observed on assessment (lack or partial adherence to private pension funds), without making any assumption on the future decisions of the personnel different from the current ones.

Financial assumptions

IAS 19 requires utilisation of financial techniques. These assumptions reflect their influence on the prospective trend of flows (following remuneration increases and forecast inflation scenarios) and on discounting of the Company's estimated liability at the measurement date. Indeed, the discount rate is the main financial assumption on which the analysis results depend.

- Inflation: a constant rate of 2.00% was used with respect to the future inflation scenario to be used for remuneration and TFR revaluation.
- Interest rates: the future liability to employees was discounted using the yield curve of debt instruments at 31 December 2013.
- Interest cost: in line with the Note of the National register of actuaries "Calculation of interest cost in accordance with IAS 19", Method 3 of the Note was used, which provides for the calculation of the interest cost using the rate of the curve corresponding to the average duration of the liability.

The calculation of the TFR liability considered all employees in force at 31 December 2023 who do not allocate 100% of their TFR to supplementary pensions or who, if they do, have a previously accrued TFR provision with the company.

Section 11 – Shareholders' Equity – Items 110, 120, 130, 140, 150 and 160

The breakdown of shareholders' equity is as follows:

11.1 Breakdown of "Share capital"

Types of shares	Amount
1. Share capital	**32,324,092**
1.1 Ordinary shares	32,324,092
1.2 Other shares	-

At 31 December 2023, the fully paid up and subscribed share capital was composed of 143,254,497 ordinary shares, with a total value of 32,324,092 euro.

11.2 Breakdown of "Treasury Shares"

Types of shares	Amount
1. Treasury shares	**55,069,326**
1.1 Ordinary shares	55,069,326
1.2 Other shares	-

At 31 December 2023, Azimut Holding S.p.A. held 4,800,213 treasury shares at an average carrying amount of 11.47 euro per share.

11.3 Breakdown of "Equity instruments"

This item amounts to 36,000,000 euro and relates to the issue amount, as per the shareholders' resolution of 29 April 2010, of 1,500,000 profit-participating financial instruments (equal to their fair value calculated by an independent leading company).

11.4 Breakdown of "Share premium"

The share premium amounts to 173,986,915 euro at 31 December 2023 (unchanged from the balance at 31 December 2022).

11.5 Other information

Breakdown of "Reserves"

	Legal reserve	Other reserves	Total
A. Opening balance	**6,464,818**	**332,169,244**	**338,634,062**
B. Increases		**145,167,723**	**145,167,723**
B.1 Profit appropriations		145,167,723	145,167,723
B.2 Other changes			
C. Decreases		**-4,435,426**	**-4,435,426**
C.1 Allocations			
- loss account reserve			
- dividends			
- transfers to share capital			
C.2 Other changes		-4,435,426	-4,435,426
D. Closing balance	**6,464,818**	**472,901,542**	**479,366,360**

The following gives a breakdown of shareholders' equity, showing the origin and level of availability and distributability of the items, in accordance with article 2427 paragraph 7-bis of the Italian Civil Code.

BREAKDOWN OF SHAREHOLDERS' EQUITY (Article 2427 No. 7-bis)

Type/Description	Amount	Possible use	Available amount	Summary of uses over past three years	
				Loss account reserve	Other
Share capital	32,324,092				
Share capital reserve:					
Treasury share reserve	-55,069,326		-55,069,326		
Parent Company share or quota reserve					
Share premium reserve	173,986,915	A,B,C	173,986,915		
Other reserves	-486,903				
Equity instruments	36,000,000				
Income-related reserve:					
Legal reserve	6,464,818	B	6,464,818		
Unallocated earnings	473,388,445	A,B,C	473,388,445		
Reserve taxable on distribution	34,208,021				
Total	**700,816,062**		**598,770,852**		
Undistributable portion			**40,672,839**		
Distributable portion			**558,098,013**		

A: share capital increase B: to cover losses C: dividends

Breakdown of "Valuation reserves"

	Defined benefit plans	Total
A. Opening balance	**136,325**	**136,325**
B. Increases	**5,776**	**5,776**
B.1 Increases in fair value		
B.2 Other changes	5,776	5,776
C. Decreases	**- 24,068**	**- 24,068**
C.1 Decreases in fair value	- 24,068	- 24,068
C.2 Other changes		
D. Closing balance	**118,034**	**118,034**

PART C – NOTES TO THE INCOME STATEMENT

Section 1 – Fee and commission income and expense – Items 10 and 20

This item amounts to 2,000,000 euro (unchanged from last year) and include royalties on the "Azimut" trademark for the year, charged to Azimut Capital Management SGR S.p.A.

1.1 "Fee and commission income and expense"

SERVICES	2023			2022		
	Fee and comm. income	Fee and comm. expense	Net fees and comm.	Fee and comm. income	Fee and comm. expense	Net fees and comm.
A. ASSET MANAGEMENT						
1. Proprietary portfolio management						
1.1 Mutual funds						
- Management fees						
- Incentive fees						
- Entry / redemption fees						
- Switch fees						
- Other fees						
Total mutual fund fees						
1.2 Individual portfolio management						
- Management fees						
- Incentive fees						
- Entry / redemption fees						
- Other fees						
Total individual portfolio management fees						
1.3 Open-ended pension funds						
- Management fees						
- Incentive fees						
- Entry / redemption fees						
- Other fees						
Total open-ended pension fund fees						
2. Discretionary portfolio management						
- Management fees						
- Incentive fees						
- Other fees						
Total discretionary portfolio management fees						
TOTAL ASSET MANAGEMENT FEES (A)						
B. OTHER SERVICES						
- Advisory services						

- Royalties	2,000,000		2,000,000	2,000,000		2,000,000
TOTAL FEES FOR OTHER SERVICES (B)	**2,000,000**		**2,000,000**	**2,000,000**		**2,000,000**
TOTAL FEES AND COMMISSIONS (A+B)	**2,000,000**		**2,000,000**	**2,000,000**		**2,000,000**

Section 2 - Dividends and similar income – Item 40

This item amounts to 387,600,755 euro, down by 41,550,612 euro on 429,151,367 euro at 31 December 2022.

2.1 Breakdown of "Dividends and similar income"

Items/Income	2023		2022	
	Dividends	Similar income	Dividends	Similar income
A. Held-for-trading financial assets				
B. Other financial assets mandatorily measured at fair value				
C. Financial assets at fair value through other comprehensive income				
D. Equity investments	387,600,755		429,151,367	
Total	**387,600,755**		**429,151,367**	

"Dividends" may be analysed as follows:

Description	2023	2022
Azimut Capital Management SGR SpA	130,009,200	102,000,000
Azimut Investments Sa	119,902,222	198,986,667
Azimut Financial Insurance SpA	80,847,500	63,760,500
Azimut Life Dac	53,501,500	62,400,000
Azimut Libera Impresa Sgr S.p.A.	3,340,333	2,004,200
Total	**387,600,755**	**429,151,367**

The amount related to the subsidiary Azimut Investments Sa also includes the 2023 interim dividend of 102 million euro whose distribution was approved in December 2023.

Section 3 – Interest – Items 50 and 60

Interest income

This item amounts to 1,195,020 euro, up by 1,092,400 euro on the previous year (102.620 euro at 31 December 2022). It is entirely comprised of gross interest income on current accounts.

3.1 Breakdown of "Interest income and similar income"

Items/Technical forms	Debt instruments	Repurchase agreements	Deposits and current accounts	Other	**2023**	**2022**
1. Financial assets at fair value through profit or loss: 1.1. Held-for-trading financial assets 1.2. Financial assets designated at fair value 1.3 Other financial assets mandatorily measured at fair value						
2. Financial assets at fair value through other comprehensive income				X		
3. Financial assets at amortised cost:						
3.1. Due from banks			1,195,020	X	1,195,020	102,620
3.2. Due from financial companies				X		
3.3 Due from customers				X		
4. Hedging derivatives	X	X	X			
5. Other assets	X	X	X			
6. Financial liabilities	X	X	X	X		
Total			**1,195,020**		**1,195,020**	**102,620**
of which: interest income on impaired financial assets						

Interest expense

This item amounts to 17,270,386 euro, up by 4902029 euro on 12368357 euro at 31 December 2022.

3.2 Breakdown of "Interest expense and similar charges"

Items/Technical forms	Loans	Repurchase agreements	Securities	Other	**2023**	**2022**
1. Financial liabilities at amortised cost						
1.1. Payables	8,637,075			X	8,637,075	2,003,854
1.2. Outstanding securities	8,633,139			X	8,633,139	10,364,370
2. Held-for-trading financial liabilities					-	-
2. Financial liabilities measured at fair value					-	-
4. Other liabilities	X	X	X	172	172	133
5. Hedging derivatives	X	X	X		-	-
6. Financial assets	X	X	X	X	-	-
Total	**17,270,214**	**-**	**-**	**172**	**17,270,386**	**12,368,357**
of which: interest expense on lease liabilities	13,193	X	X	X	13,193	15,387

Section 7 – Net gains (losses) on financial assets and financial liabilities at fair value through profit or loss Item 100

This item is a gain of 13,523,346 euro, with a net change of 30,107,003 euro on the 2022 loss of 16,583,657 euro. It includes the gains and losses arising from the divestment of UCI units held by the Company as part of the Group's liquidity management policy and the early repayment of the Luxembourg fund Azimut Private Equity I SCSp. It also includes fair value measurements at 31 December 2023.

7.2 Breakdown of "Net gains (losses) on financial assets and financial liabilities at fair value through profit or loss": other financial assets mandatorily measured at fair value

Items/Income items	Gains	Profits on disposal	Losses	Losses on disposal	Net result
1. Financial assets					
1.1 Debt instruments					
of which: government securities					
1.2. Equity instruments					
1.3. UCI units	16,226,064	4,777,377	- 7,405,425	- 74,670	13,523,346
of which: owned UCI	16,226,064	4,777,377	- 7,405,425	- 74,670	13,523,346
1.4 Loans					
2. Financial assets and financial liabilities in foreign currency: exchange rate differences	X	X	X	X	
Total	**16,226,064**	**4,777,377**	**- 7,405,425**	**- 74,670**	**13,523,346**

Section 9 - Administrative costs – Item 140

This item amounts to 11,102,801 euro, down by 1,080,170 euro on 12,182,971 euro at 31 December 2022.

9.1 "Personnel costs": breakdown

Items/Sectors	2023	2022
1. Employees	**3,880,152**	**3,678,063**
a) wages and salaries	2,489,803	2,745,904
b) social security	595,615	638,959
c) staff severance pay (TFR)		
d) pension contributions		
e) TFR provisions	157,938	171,022
f) accrual to the pension provision and similar obligations:		
- defined contribution		
- defined benefit		
g) private pension plans:		
- defined contribution		
- defined benefit		
h) other expenses	636,796	122,178
2. Other personnel	**-**	**-**
3. Directors and Statutory Auditors	**2,032,948**	**2,169,147**
4. Early retirement costs	**-**	**-**
5. Cost recoveries for employees seconded to other companies	**-**	**-**
6. Reimbursed costs for employees seconded to the company	**-**	**-**
Total	**5,913,100**	**5,847,210**

9.2 Average number of employees by category

Position	**31.12.2023**	**31.12.2022**
Managers	9	10
Middle managers	4	4
Office staff	2	2
Total	**15**	**16**

9.3 Breakdown of “Other administrative costs”

	2023	2022
Professional services rendered	2,146,683	2,262,098
Insurance premiums	153,391	172,579
Indirect taxes	63,141	59,625
Advertising, promotion and marketing expenses	79,339	345,734
Outsourcing and sundry IT services	1,339,546	1,933,926
Expenses for acquisition of non-professional goods and services	1,407,600	1,561,799
Total	**5,189,700**	**6,335,761**

“Other administrative costs” are down on the previous year, mainly as a result of the revision of contracts signed with strategic partners for the provision of outsourcing and IT services.

Section 11 – Net impairment losses/reversals of impairment losses on property, plant and equipment – Item 160

11.1 Breakdown of "Net impairment losses/reversals of impairment losses on property, plant and equipment"

Items/Impairment losses and reversals	**Amortisation**	**Impairment losses**	**Reversals of impairment losses**	**Net result**
1. Business purposes	295,383			295,383
- Owned	134,467			134,467
- Right-of-use assets	160,916			160,916
2. Held for investment purposes				
- Owned				
- Right-of-use assets				
Total	**295,383**			**295,383**

Section 12 – Net impairment losses/reversals of impairment losses on intangible assets – Item 170

12.1 Breakdown of "Net impairment losses/reversals of impairment losses on intangible assets"

Items/Impairment losses and reversals	Amortisation	Impairment losses	Reversals of impairment losses	**Net result**
1. Goodwill				
2. Other intangible assets	**405,499**			**405,499**
2.1 owned	405,499			405,499
- generated internally				
- other (software packages)	405,499			405,499
2.2 under finance lease				
Total	**405,499**			**405,499**

Section 13 – Other operating income and costs – Item 180

This item amounts to a net 1,169,446 euro, up by 44,256 euro on 1,125,190 euro in 2022. It mainly includes the amounts recharged for coordination activities by the parent company.

Section 18 – Income tax on profit from continuing operations – Item 250

This item amounts to 12,328,949 euro, up by 6560470 euro on 5768479 euro at 31 December 2022.

18.1 Breakdown of "Income tax on profit from continuing operations"

Breakdown	**2023**		**2022**	
1. Current taxes	-	11,758,458	-	4,864,090
2. Changes in current taxes of previous years				
3. Decrease in current taxes for the year				
3.bis Decrease in current taxes for the year due to tax credits pursuant to Italian Law No. 214/2011				
4. Change in deferred tax assets		155,115		143,086
5. Change in deferred tax liabilities	-	725,605	-	1,047,475
Total	**-**	**12,328,949**	**-**	**5,768,479**

Current income taxes for the year mainly refer to IRAP of the year, calculated in accordance with ruling legislation and income from tax consolidation amounting to the taxes receivable and due on taxable income transferred to the parent company by the Italian subsidiaries that have adopted the tax consolidation scheme pursuant to article 117 of Presidential Decree 917/86.

18.2 Reconciliation of theoretical and effective tax charge

2023			
	Taxable income	**Tax**	**% rate**
IRES			
Pre-tax profit	376,414,498		
Theoretical IRES tax burden		90,339,480	24.00%
Effect of increases	1,024,009	245,762	24.07%
Effect of decreases	370,883,449	-89,012,028	
Of which:			
Dividends	368,220,717	-88,372,972	0.59%
Trademark amortisation	2,523,817	-605,716	0.43%
Other	138,914	-33,339	0.42%
Change in deferred tax assets	- 646,311	-155,115	0.38%
Change in deferred tax liabilities	- 2,437,618	585,028	0.53%
IRES tax for the year		**2,003,128**	**0.53%**
IRES effective tax rate			**0.53%**
IRAP taxable income	182,685,364	10,175,575	5.57%
Change in deferred tax liabilities	2,523,817	140,577	5.57%
Other changes		9,670	5.56%
IRAP tax for the year		**10,325,821**	**5.65%**
Total income tax for the year		**12,328,949**	

PART D – OTHER INFORMATION

Section 1 – Specific references to business activities

1.1. Information on commitments, guarantees and third party assets

1.1.1 Commitments and guarantees issued to third parties

At 31 December 2023, the Company had commitments relating to sureties issued on leases amounting to 25,624 euro.

As regards the business activities of Azimut Life Dac, for as long as there is no change in its shareholding structure, Azimut Holding S.p.A. has made a commitment to the IFSRA (Irish Financial Services Regulatory Authority) to provide the insurance company with the necessary capital in the event that it is unable to meet an adequate solvency margin, in accordance with the relevant regulations.

1.1.4 Own securities deposited with third parties

Own securities deposited with third parties	**31.12.2023**	**31.12.2022**
UCI units deposited with BNP Paribas	160,193,868	281,166,084
UCI units deposited with Banque De Rothschild Luxembourg	10,159,577	9,930,497
Azimut Holding S.p.A. treasury shares deposited with Banco BPM S.p.A.	75,653,035	68,419,898
Azimut Holding S.p.A. treasury shares deposited with BCC Treviglio	37,824,000	33,488,000
Total	**283,830,480**	**393,004,479**

Section 3 – Information on risk management and hedging policies

Introduction

Azimut Holding S.p.A.'s internal control system is supervised by:

- the Board of Directors;
- the Board of Statutory Auditors;
- the Control and Risk Committee;
- the Supervisory Body pursuant to Legislative Decree no. 231/01;
- the Anti-bribery Officer;
- supported by the Internal Audit, Risk Management, Compliance and Anti-money laundering functions of Azimut Capital Management SGR S.p.A..

The Board of Directors approves the strategies and policies, assesses the risks assumed, sets the acceptable levels of these risks and ensures that top management takes the necessary measures to identify, monitor and control these risks; it approves the organisational structure and the structure of internal controls and ensures that top management continuously checks the effectiveness of internal controls over time.

The Board of Statutory Auditors checks the regular overall functioning of the company and assesses the degree of efficiency and adequacy of controls.

The Group's corporate control functions (Compliance, Internal Audit, Anti-Money Laundering and Risk Management) with competences and responsibilities pertain to the operating subsidiaries.

Azimut Holding S.p.A.'s internal units avail of the support of the Risk Management Function of Azimut Capital Management SGR S.p.A. for the necessary checks in this area, based on a specific service agreement.

The Risk and Control Committee periodically reports to the Board of Directors on the results of the assessments carried out during the year, as well as in the definition and formalisation of the Group's Guidelines for policies for the governance of operational and reputational risks.

3.1 Financial risks

As regards financial risks, the Company's proprietary trading is exposed to market risk. Moreover, the financial instruments in question are easily liquidated and are monitored closely, most being mutual fund units managed by the Group companies. As for credit risk, there are no specific problems given the nature of the corporate activity.

At 31 December 2023, Azimut Holding S.p.A. held funds mainly managed by group companies in its proprietary portfolio as part of liquidity management policies. Details at the reporting date:

Name	Issuer	Company	Total 31/12/2023	Type
Az Fund 1	Azimut Investments SA	Azimut Investments SA	45,825,306	Luxembourg open-ended fund
Eskatos Multistrategy	Azimut Investments SA	Azimut Investments SA	10,159,577	Luxembourg open-ended fund
Az Raif - Corporate Cash	Azimut Investments SA	Azimut Investments SA	49,449,044	Luxembourg mutual fund
Az Raif - Structure Bridge	Azimut Investments SA	Azimut Investments SA	21,198,850	Luxembourg mutual fund
Az Raif - Direct Lending	Az Raif - Direct Lending	Az Raif - Direct Lending	18,933,600	Luxembourg mutual fund
Antares fund	Azimut Libera Impresa SGR S.p.A.	Azimut Libera Impresa SGR S.p.A.	4,346,205	Italian closed-ended fund
Ipo Club fund	Azimut Libera Impresa SGR S.p.A.	Azimut Libera Impresa SGR S.p.A.	6,738,524	Italian closed-ended fund
AZ RAIF II - ABS Non-Performing	Azimut Investments SA	Azimut Investments SA	132,600	Luxembourg closed-end fund
AZ RAIF II FoF I P1001	Azimut Investments SA	Azimut Investments SA	500,000	Luxembourg closed-end fund
AZ RAIF II YHOX	Azimut Investments SA	Azimut Investments SA	239,850	Luxembourg closed-end fund
Azimut Private Equity I SCSp	Azimut Investments SA	Azimut Investments SA	12,829,889	Luxembourg closed-end fund
Total			**170,353,445**	

As regards the risks linked to the investment held in Eskatos – Multistrategy ILS Fund, (a fund of "AZ Eskatos"), this UCI is an asset that is completely uncorrelated with the normal risks that instruments usually present on the market are subject to.
Specifically, the assessment is performed by periodically checking that the management of the Eskatos – AZ Multistrategy ILS Fund (a fund of Eskatos S.C.A. SICAV-FIS) applies adequate measurement techniques in line with the specific characteristics of the portfolio and implements the processes necessary to ensure that the risks associated to the instruments invested by the fund and the relevant contributions to the portfolio total risk are identified based on sound and reliable qualitative and quantitative information, while considering the actuarial peculiarities of the insurance-linked instruments; moreover, it should carry out stress tests and scenario analyses to identify any potential risks associated to significant events related to the value of the fund portfolio or part of it.
With respect to the open-ended funds managed by the Group, the market risk is mainly monitored using the Value at Risk ("**VaR**") as the primary valuation metric, based on the provisions of the internal risk management policy, the applicable regulations and current practices. Indeed, the VaR is considered an appropriate risk measure for all open-ended funds managed by the Group, including those in which part of the Company's liquidity is invested. Specifically, a VaR limit is first set internally with the approval of the asset management company's Board of Directors. This limit is set according to the risk profile, instruments and management techniques adopted. The VaR limit is assigned when the fund is launched and updated when the fund's investment policy changes or in the event of exceptional market conditions.
With respect to controls over financial management, the risk management function controls the risk profile of the managed portfolio and provides the Investment Department with a market risk assessment system. Specifically, the assessment is performed by analysing the portfolios of the individual funds and monitoring, on an on-going basis, the significant risk factors identified, such as the average financial duration, exposure to various asset classes and financial instruments, currency exposure and the credit rating of the issuers.

Disclosure required by IFRS 7 about the Company's indebtedness:

At 31 December 2023, the Company had the following debt structure:

Type	Nominal amount	Indebtedness at 31.12.2022
Bond	500,000,000	500,000,000
Total indebtedness	**500,000,000**	**500,000,000**

The maturity profile of the nominal debt structure is as follows:

Maturity	Bond	Total
up to 6 months		
up to 1 year	500,000,000	500,000,000
between 1 and 3 years		
between 3 and 5 years		
over 5 years		
Total	**500,000,000**	**500,000,000**

The Company also has a liability with Azimut Investments Sa as part of the cash pooling arrangement, totalling 119,706,049 euro and including interest accrued at 31 December 2023 calculated on the basis of the existing contract.

3.2 Operational risks

Qualitative information

This form of risk includes those that are typical of the various business operating procedures.
In the broader framework of its own activities, the Risk Management function assesses and monitors operational risks, through specific analyses based on an internally-developed model. The operating model applied associates an index which summarises the risk level, to each type of risk identified, based on the combination of empirical findings, theoretical assessments and interviews with operators. The results of the analyses are subsequently presented, analysed and discussed with the Risk and Control Committee which analyses Group-wide risks and, in the event off significant irregularities, adopts the the necessary measures.
With respect to operational risks arising from outsourced functions, when the relevant contract was signed, the Company agreed the terms and conditions governing the provision of the outsourced services and prepared specific service level agreements whereby the outsourcer undertakes to provide its supplies at an appropriate qualitative service level, allowing the Company to take action against the supplier in the event of any economic losses arising from problems in the provision of services.

Section 4 – Information on shareholders' equity

4.1 Company shareholders' equity

4.1.1 Qualitative information

For information on the individual shareholders' equity items, please refer to Part B of these notes.

4.1.2 Quantitative information

4.1.2.1 Company shareholders' equity: breakdown

Items/Value	31/12/2023	31/12/2022
1. Share capital	**32,324,092**	**32,324,092**
2. Share premium reserve	**173,986,915**	**173,986,915**
3. Reserves	**479,366,360**	**338,634,062**
- income-related		
a) legal	*6,464,818*	*6,464,818*
b) statutory		
c) treasury shares		
d) other	*473,388,445*	*332,656,147*
- other	- *486,903*	- *486,903*
4. (Treasury shares)	**- 55,069,326**	**- 56,485,383**
5. Valuation reserves	**118,034**	**136,325**
Financial assets at fair value through other comprehensive income		
Property, plant and equipment		
Intangible assets		
Foreign investment hedge		
Cash flow hedge		
Exchange rate differences		
Non-current assets held for sale and discontinued operations		
Special revaluation laws		
Actuarial gains/losses on defined benefit plans	118,034	136,325
Share of valuation reserves for investments measured at equity		
6. Equity instruments	**36,000,000**	**36,000,000**
7. Profit for the year	**364,085,549**	**384,396,054**
Total	**1,030,811,624**	**908,992,065**

Section 5 – Statement of comprehensive income

Items	2023	2022
10. Profit for the year	**364,085,549**	**384,396,054**
Other comprehensive income not transferred to profit or loss	**(18,291)**	**116,005**
20. Equity instruments at fair value through other comprehensive income:		
a) changes in fair value		
b) transfers to other equity items		
30. Financial liabilities designated at fair value through profit or loss (change in credit rating)		
a) changes in fair value		
b) transfers to other equity items		
40. Hedges of equity instruments at fair value through other comprehensive income:		
a) changes in fair value (hedged item)		
changes in fair value (hedging instrument)		
50. Property, plant and equipment		
60. Intangible assets		
70. Defined benefit plans	(18,291)	116,005
80. Non-current assets held for sale and discontinued operations		
90. Share of valuation reserves of investments measured at equity		
100. Income taxes on other comprehensive income not transferred to profit or loss		
Other comprehensive income transferred to profit or loss		
110. Foreign investment hedge:		
a) changes in fair value		
b) transfer to profit or loss		
c) other changes		
120. Exchange rate differences:		
a) changes in fair value		
b) transfer to profit or loss		
c) other changes		
130. Cash flow hedge:		
a) changes in fair value		
b) transfer to profit or loss		
c) other changes		
140. Hedging instruments (non-designated items)		
a) changes in fair value		
b) transfer to profit or loss		
c) other changes		
150. Financial assets (other than equity instruments) at fair value through other comprehensive income:		
a) changes in carrying amount		
b) transfer to profit or loss		
- credit risk adjustments		
- profits/losses on disposal		
c) other changes		
160. Non-current assets held for sale and discontinued operations:		
a) changes in fair value		

b) transfer to profit or loss		
c) other changes		
170. Share of valuation reserves of investments measured at equity:		
measured at equity:		
a) changes in fair value		
b) transfer to profit or loss		
- impairment losses		
- profits/losses on disposal		
c) other changes		
180. Income taxes on other comprehensive income transferred to profit or loss		
190. Total other comprehensive income (expense)	**(18,291)**	**116,005**
200. Comprehensive income (Items 10+190)	**364,067,258**	**384,512,059**
200. Consolidated comprehensive income attributable to the parent company	**364,067,258**	**384,512,059**

Section 6 – Related-party transactions

6.1 Information on key management fees

At 31 December 2023, the directors' fees amounted to 1,700,509 euro and the Board of Statutory Auditors' fees stood at 208,000 euro.

The Board of Directors is composed of 16 members. The Board of Statutory Auditors has three standing members.

6.2 Related-party disclosures

Related-party transactions refer exclusively to commercial transactions carried out by Azimut Holding S.p.A. with its subsidiaries in 2023. These transactions are part of the company's ordinary operations and are conducted on an arm's length basis. The most important commercial transactions are described below:

- for the use of the trademark, the subsidiary Azimut Capital Management Sgr S.p.A. pays Azimut Holding S.p.A. contractually established annual royalties totalling 2.000,000 euro;

- Azimut Holding S.p.A., as the parent company, Azimut Capital Management Sgr S.p.A., Azimut Financial Insurance S.p.A., Azimut Enterprises S.r.l., Azimut Libera Impresa Sgr S.p.A., Azimut Capital Tech S.r.l. and AZ Venture Tech S.r.l. (from 1 January 2023) as subsidiaries, have joined the tax consolidation scheme;

- a contractually established annual fee (totalling 1,000,000 euro) is payable for the coordination activities carried out by the Company on behalf of the subsidiary Azimut Capital Management Sgr S.p.A.;

- a contractually established annual fee (totalling 300 thousand euro) is payable for the coordination activities carried out by the Company on behalf of the subsidiary Azimut Libera Impresa Sgr S.p.A.;

- with respect to Risk Management, Internal Audit and Compliance activities, carried out by Azimut Capital Management Sgr S.p.A., in 2023, the Company paid 73,246 euro. This amount was determined in accordance with contractually-agreed criteria.

	Total	Related parties	
		Absolute value	%
Assets			
Assets measured at amortised cost:	464,712	254,943	
Receivables for cash held in deposit accounts		*254,943*	*54.86%*
Other assets:	11,835,864	11,420,095	96.49%
Receivables for tax consolidation		*9,420,005*	*79.59%*
Administrative costs		*90*	*0.00%*
Invoices to be issued for royalties		*2,000,000*	*16.90%*
Liabilities			
Financial liabilities at amortised cost	620,243,610	119,706,049	19.30%
Payables for cash pooling arrangement		*119,706,049*	*19.30%*
Other liabilities:	19,644,525	9,096,011	46.30%
IRES payables		*7,393,784*	*37.64%*
Invoices to be received for administrative costs		*100,234*	*0.51%*
Due to Directors		*1,266,612*	*6.45%*
Due to the Board of Statutory Auditors		*335,381*	*1.71%*
Income statement			
Interest expense	17,270,386	8,633,139	49.99%
Administrative costs	11,102,801	2,089,732	18.82%
Professionals' fees		62,217	*0.56%*
Statutory Auditors' fees		*253,760*	*2.29%*
Directors' fees		*1,700,509*	*15.32%*
Recharging for control functions		*73,246*	*0.42%*
Commission income (royalties)	2,000,000	2,000,000	100%
Other operating income and costs	1,169,446	-1,332,000	n/a

Section 7 – Leases

Leases

This section provides the information required of lessees by IFRS 16 which has not been already included in other sections of these financial statements.

Qualitative information

This item provides the qualitative disclosure required by paragraph 60 of IFRS 16. The leases entered into by the Company and falling within the scope of IFRS 16 refer to buildings, printers and cars. Property leases are the most significant area of impact, as they account for approximately 90% of the recognised right-of-use assets. Conversely, the impact of cars and printers is marginal.

The costs of leases where the underlying asset has a low value (i.e., below 5,000 euro) and the term is 12 months or less are recognised under *"Other administrative costs"* in the income statement. These costs coincide with the invoice related to the lease payment of the period (quarterly or monthly).

With respect to the contracts falling under the scope of IFRS 16, no discount on lease payments was granted. Therefore, the rules under the ESMA amendment of 28 October 2020 were not applied.

Quantitative disclosure

In 2023, there were no costs related to short-term leases or leases for which the underlying asset is of low value.

The specific notes to the balance sheet and the income statement provide information about right-of-use assets.

Maturity profile of lease assets and liabilities:

Maturity	Reconciliation of lease liabilities related to buildings	Reconciliation of lease liabilities related to other assets - cars	Reconciliation of lease liabilities related to other assets - other	Total
up to 6 months				
up to 1 year		10,316	4,169	14,485
between 1 and 3 years		15,057		15,057
between 3 and 5 years				
over 5 years	574,654			574,654
Total	**574,654**	**25,373**	**4,169**	**604,196**

Section 8 – Other information

8.1 Dividends paid

The unit dividend for 2023 amounted to 1.3 euro per ordinary share and was paid in May 2023 in cash.

8.2 Significant non-recurring events and transactions

During the year, Azimut Holding S.p.A. did not carry out non-recurring equity transactions that were not disclosed in these notes.

There were no atypical and/or unusual transactions.

8.3 Audit and non-audit service fees

Pursuant to article 149-*duodecies* of Consob Regulation no. 11971/99 and subsequent amendments and supplements, the breakdown of fees (net of VAT and expenses) due to the independent auditors and companies within its network for audit and non-audit services during 2023 is as follows:

Service	Service provider	Fees (euro)
Audit	EY S.p.A.	166,951
Attestation services	EY S.p.A.	3,640
Other services	EY S.p.A. and EY Network	41,716
	Total	**212,307**

On behalf of the Board of Directors

Chief Executive Officer

(Gabriele Blei)

Annex A

Name Assets	Carrying amount at 31.12.2023	Stake	Voting rights [67]	Registered office	Total assets	Total income	Shareholders' equity	of which: net profit (loss) for the most recent year	Listed
A. Wholly-owned subsidiaries									
Azimut Investments Sa	3,239,925	51%		Luxembourg	411,563,280	714,769,098	76,268,054	225,530,570	NO
Mutual funds									
Azimut Life Dac	10,012,150	100%		Ireland	7,286,161,000	339,730,000	182,608,604	54,133,604	NO
Life insurance									
Azimut Capital Management SGR SpA	346,053,701	100%		Milan	589,063,039	507,686,800	387,267,213	104,010,626	NO
Mutual and speculative funds management									
AZ International Holdings SA	347,976,078	100%		Luxembourg	364,939,133	1,800,782	316,766,713	-157,881	NO
Equity investment management									
Azimut Enterprises Srl	226,047,923	100%		Milan	270,330,842	7,817,711	251,127,458	8,887,500	NO
Service provider									
Azimut Libera Impresa SGR SpA	20,541,355	100%		Milan	34,478,257	26,353,938	22,799,093	4,793,947	NO
Mutual funds									
Azimut Financial Insurance SpA	13,458,687	100%		Milan	97,750,265	140,958,547	57,267,946	41,116,232	NO
Insurance agent and distribution of bank products									
Azimut UK Holdings Limited	305,805,268	100%		England	402,519,993	16,548,637	348,217,834	14,514,421	NO
Equity investment management									
Azimut Investments Limited	3,600,000	100%		Ireland	32,245,539	32,964,121	27,302,025	25,265,371	NO
Mutual funds									

[67] The availability of votes coincides with the share

Annex B

Statement of significant equity investments pursuant to article 125 of Consob regulation no. 11971/1999

Reporting date: 31 December 2023

Name	Country	Stake		
		Shareholder	% investment (*)	Type of ownership
Azimut Capital Management Sgr SpA	Italy	Azimut Holding SpA	100	Direct
Azimut Investments SA	Luxembourg	Azimut Holding SpA	51	Direct
		Azimut Capital Management Sgr SpA	30	Indirect
		Azimut Financial Insurance SpA	19	Indirect
Azimut Life DAC	Ireland	Azimut Holding SpA	100	Direct
Azimut Enterprises Srl	Italy	Azimut Holding SpA	100	Direct
Azimut Libera Impresa Sgr Spa	Italy	Azimut Holding SpA	100	Direct
Azimut Financial Insurance SpA.	Italy	Azimut Holding SpA	100	Direct
Italian Excellence S.r.l.	Italy	Azimut Financial Insurance SpA	74.07	Indirect
Azimut Capital Tech Srl	Italy	Azimut Enterprises Srl	75	Indirect
Azimut Direct SpA	Italy	Azimut Enterprises Srl	100	Indirect
Azimut Direct Finance Srl	Italy	Azimut Direct SpA	100	Indirect
Azimut Direct Solution S.r.l.	Italy	Azimut Direct SpA	100	Indirect
Siamosoci S.r.l.	Italy	Azimut Enterprises Srl	54.37	Indirect
AZ Venture Tech Srl	Italy	Azimut Enterprises Srl	75	Indirect
Electa Ventures S.r.l.	Italy	Azimut Enterprises Srl	100	Indirect
Electa Italia Srl	Italy	Electa Ventures S.r.l.	100	Indirect
Wealthype S.p.A.	Italy	Azimut Enterprises Srl	49.19	Indirect
Digital Advisory S.r.l.	Italy	Azimut Enterprises Srl	49	Indirect
GH Investimenti S.r.l.	Italy	Azimut Enterprises Srl	100	Indirect
Azimut Fintech Holding Srl	Italy	AZ International Holdings SA	100	Indirect
Azimut Investments Limited	Ireland	Azimut Holding SpA	100	Direct
Azimut Alternative Capital Management Limited	Ireland	Azimut Enterprises Srl	100	Indirect
Nova Investment Limited	Ireland	Azimut Holding Spa	100	Direct
AZ International Holdings SA	Luxembourg	Azimut Holding SpA	100	Direct
Eskatos Capital Management Sarl	Luxembourg	Katarsis Capital Advisors SA	100	Indirect
Azimut Private Capital Management Sarl	Luxembourg	AZ International Holdings SA	100	Indirect
Azimut Private Capital Management II Sarl	Luxembourg	AZ International Holdings SA	100	Indirect
Sweetwood Ventures II GP S.a r.l	Luxembourg	AZ International Holdings SA	20	Indirect
Azimut UK Holdings Ltd	England	Azimut Holding SpA	100	Direct

Azimut (DIFC) Limited	United Arab Emirates	Azimut UK Holdings Limited	100	Indirect
Azimut (ME) Limited	United Arab Emirates	Azimut UK Holdings Limited	100	Indirect
AZ Brasile Holding Ltda	Brazil	AZ International Holdings SA	100	Indirect
AZ Quest Holdings SA	Brazil	AZ Quest Participações LTDA	70.99	Indirect
AZ Quest Investimentos Ltda	Brazil	AZ Quest Holdings SA	70.99	Indirect
AZ Quest MZK Investimentos Macro e Credito Ltda	Brazil	AZ Quest Holdings SA	70.77	Indirect
Azimut Brasil Wealth Management Holding SA	Brazil	AZ Brasile Holding Ltda	96.85	Indirect
Azimut Brasil Wealth Management Ltda	Brazil	Azimut Brasil Wealth Management Holding SA	93.58	Indirect
Futurainvest Investimentos e Participações Ltda	Brazil	Azimut Brasil Wealth Management Holding SA	96.85	Indirect
M&O Consultoria, Planejamento e Análise de Valores Mobiliários Ltda	Brazil	Azimut Brasil Wealth Management Holding SA	96.85	Indirect
Gudance Gestora de Recursos Ltda	Brazil	Azimut Brasil Wealth Management Holding SA	49.39	Indirect
Futurainvest Holding SA	Brazil	AZ Brasile Holding Ltda	100	Indirect
Azimut Brasil DTVM Ltda	Brazil	Futurainvest Holding SA	100	Indirect
AZ Quest Participações LTDA	Brazil	AZ Brasile Holding Ltda	100	Indirect
AZ Quest Agro LTDA	Brazil	AZ Quest Holdings SA	70.94	Indirect
AZ Quest iNFRA LTDA	Brazil	AZ Quest Holdings SA	70.92	Indirect
AZ Panorama Capital LTDA	Brazil	AZ Quest Holdings SA	35.5	Indirect
Azimut Switzerland SA (formerly AZ Swiss & Partners SA)	Switzerland	AZ International Holdings SA	100	Indirect
Katarsis Capital Advisors SA	Switzerland	AZ International Holdings SA	100	Indirect
Azimut Investments SA AGF (formerly AZ Andes S.p.A.)	Chile	AZ International Holdings SA	100	Indirect
An Zhong Investment Management (Shanghai) Co. Ltd.	China	An Zhong (AZ) Investment Management Hong Kong Ltd	100	Indirect
An Zhong Investment Management	Hong Kong	AZ International Holdings SA	100	Indirect
An Zhong Investment Management Hong Kong Ltd	Hong Kong	An Zhong (AZ) Investment Management	100	Indirect
Shangahi Heyu Information Technology Ltd	China	An Zhong (AZ) Investment Management Hong Kong Ltd	12.5	Indirect
CGM – Azimut Monaco	Monaco	AZ International Holdings SA	100	Indirect
AZ Mexico Holdings S.A. De CV	Mexico	AZ International Holdings SA	100	Indirect
Azimut Mexico SA (formerly Mas Fondos S.A.)	Mexico	AZ Mexico Holdings S.A. De CV	100	Indirect
KAAN Capital Asesores Independientes SAPI de CV	Mexico	AZ Mexico Holdings S.A. De CV	51	Indirect
AZ Investment Management Singapore Ltd	Singapore	AZ International Holdings SA	100	Indirect
Azimut Portföy Yönetimi A.Ş.	Turkey	AZ International Holdings SA	100	Indirect
LCP Yönetim Danışmanlığı A.Ş	Turkey	Azimut Portföy Yönetimi A.Ş.	49.9	Indirect
AZ Sinopro Financial Planning Ltd	Taiwan	AZ International Holdings SA	51	Indirect
AZ Sinopro Investment Planning Ltd	Taiwan	AZ Sinopro Financial Planning Ltd	51	Indirect

AZ Sinopro Insurance Planning Ltd	Taiwan	AZ Sinopro Investment Planning Ltd	51	Indirect
Azimut US Holdings Inc. (formerly AZ US Holdings Inc.)	United States	Azimut UK Holdings Limited	100	Indirect
AZ Apice Capital Management LLC	United States	Azimut US Holdings Inc. (formerly AZ US Holdings Inc.)	83.13	Indirect
Azimut Alternative Capital Partners LLC	United States	Azimut US Holdings Inc. (formerly AZ US Holdings Inc.)	96.5	Indirect
Azimut Genesis Holdings LLC	United States	Azimut US Holdings Inc. (formerly AZ US Holdings Inc.)	51	Indirect
Azimut Genesis Advisors LLC (formerly Genesis Investment Advisors LLC)	United States	Azimut Genesis Holdings LLC	51	Indirect
AZG Capital LLC (formerly Genesis Fund Management LLC)	United States	Azimut Genesis Holdings LLC	51	Indirect
AACP PL SPV LLC	United States	Azimut Alternative Capital Partners LLC	91.25	Indirect
AACP Investments LLC - Investment Manager	United States	Azimut US Holdings Inc. (formerly AZ US Holdings Inc.)	100	Indirect
Kennedy Lewis	United States	Azimut Alternative Capital Partners LLC	19.3	Indirect
Sanctuary Wealth Group LLC	United States	Azimut US Holdings Inc. (formerly AZ US Holdings Inc.)	53.37	Indirect
Sanctuary Alternative Solutions	United States	Sanctuary Wealth Group LLC	53.37	Indirect
Sanctuary Global	United States	Sanctuary Wealth Group LLC	53.37	Indirect
Sanctuary Securities, Inc.	United States	Sanctuary Wealth Group LLC	53.37	Indirect
Sanctuary Advisors LLC	United States	Sanctuary Wealth Group LLC	53.37	Indirect
Sanctuary Tax & Accounting Services	United States	Sanctuary Wealth Group LLC	53.37	Indirect
Sanctuary Insurance Solutions	United States	Sanctuary Wealth Group LLC	53.37	Indirect
G Squared Private Wealth	United States	Sanctuary Wealth Group LLC	5.34	Indirect
Concenture Wealth Management	United States	Sanctuary Wealth Group LLC	5.34	Indirect
InnoVise Family Wealth	United States	Sanctuary Wealth Group LLC	10.62	Indirect
HighPost Capital LLC	United States	Azimut Alternative Capital Partners LLC	12.06	Indirect
Pathlight Capital	United States	AACP PL SPV LLC	21.15	Indirect
Kennedy Capital Management Inc	United States	Azimut US Holdings Inc. (formerly AZ US Holdings Inc.)	35	Indirect
Azimut Egypt Asset Management	Egypt	AZ International Holdings SA	100	Indirect
AZ Sestante Ltd	Australia	Azimut UK Holdings Limited	100	Indirect
AZ Next Generation Advisory Limited	Australia	Azimut UK Holdings Limited	54.05	Indirect
Eureka Whittaker Macnaught Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Pride Advice Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Lifestyle Financial Planning Services (No2) Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Eureka Financial Group PTY Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Pride Financial Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Wise Planners Pty Ltd	Australia	Priority Advisory Group Pty Ltd	54.05	Indirect
Financial Lifestyle Partners Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect

Blackwood Advisory Pty Ltd (formerly Onesta Advisory Pty Ltd)	A ustralia	AZ Next Generation Advisory Limited	54.05	Indirect
Harvest Wealth Pty Ltd	Australia	Blackwood Advisory Pty Ltd (formerly Onesta Advisory Pty Ltd)	54.05	Indirect
RI Toowoomba Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Wealthwise Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Priority Advisory Group Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Sterling Planners Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
On-Track Financial Solutions Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
People & Partners Pty Ltd	Australia	AZ Next Generation Accounting Pty Ltd	54.05	Indirect
Menico Tuck Parrish Financial Services Pty Ltd	Australia	Menico Tuck Parrish Pty Ltd	54.05	Indirect
AZ Next Generation Accounting Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Wealthmed Australia Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Wealthmed Accounting Pty Ltd	Australia	Wealthmed Australia Pty Ltd	54.05	Indirect
Wealthmed Property Pty Ltd	Australia	Wealthmed Australia Pty Ltd	54.05	Indirect
FHM Holdings Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Menico Tuck Parrish Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
ACN 623 166 772 Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
ACN 623 172 083 Pty Ltd	Australia	ACN 623 166 772 Pty Ltd	54.05	Indirect
ACN 623 172 387 Pty Ltd	Australia	ACN 623 166 772 Pty Ltd	54.05	Indirect
Hurwitz Geller Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Dunsford Financial Planning Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Nextstep Financial Services Pty Ltd	Australia	Sterling Planners Pty Ltd	54.05	Indirect
Next Steps Home Loans Pty Ltd	Australia	Nextstep Financial Services Pty Ltd	54.05	Indirect
RI Coastal Pty Ltd	Australia	RI Toowoomba Pty Ltd	54.05	Indirect
MP Holdings WA	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Sage Business Group Pty Ltd	Australia	Blackwood Advisory Pty Ltd (formerly Onesta Advisory Pty Ltd)	54.05	Indirect
PM Financial Services Pty Ltd	Australia	MP Holdings WA	54.05	Indirect
MP Wealth WA Pty Ltd	Australia	MP Holdings WA	54.05	Indirect
MPM Finance Pty Ltd	Australia	MP Holdings WA	54.05	Indirect
Moneycare Australia Pty Ltd	Australia	MP Holdings WA	54.05	Indirect
Ottavo Financial Group Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Kellaway Cridland Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Tempus Wealth Group Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect

Yarra Lane Tax & Accounting Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Beezewax Business Solutions	Australia	Yarra Lane Tax & Accounting Pty Ltd	54.05	Indirect
Yarra Lane Wealth Pty Ltd	Australia	Yarra Lane Tax & Accounting Pty Ltd	54.05	Indirect
Yarra Lane Finance Pty Ltd	Australia	Yarra Lane Tax & Accounting Pty Ltd	54.05	Indirect
Yarra Lane Legal Pty Ltd	Australia	Yarra Lane Tax & Accounting Pty Ltd	54.05	Indirect
Yarra Lane Insurance Pty Ltd	Australia	Yarra Lane Tax & Accounting Pty Ltd	54.05	Indirect
Certe Wealth Protection Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
People & Partners Wealth Management Pty Ltd	Australia	People & Partners Pty Ltd	54.05	Indirect
Matthews Steer Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Wealthpro Sunshine Coast Pty Ltd	Australia	Wealthmed Australia Pty Ltd	54.05	Indirect
Sterling Pts Pty Ltd	Australia	Sterling Planners Pty Ltd	27.03	Indirect
Sterling Pts Pty Ltd	Australia	MP Holdings WA	27.03	Indirect
AZ Service Co Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
HM Holdings Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Nestworth Financial Solutions Pty Ltd (formerly HM Advisory Services Pty Ltd)	Australia	HM Holdings Pty Ltd	54.05	Indirect
Logiro Unchartered Pty Ltd	Australia	Nestworth Financial Solutions Pty Ltd (formerly HM Advisory Services Pty Ltd)	54.05	Indirect
Tokim Holdings Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Cranage Financial Group Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Cranage Landing Solutions Pty Ltd	Australia	Cranage Financial Group Pty Ltd	54.05	Indirect
Cranage Private Wealth Pty Ltd	Australia	Cranage Financial Group Pty Ltd	54.05	Indirect
Cranage Superannuation Services Pty Ltd	Australia	Cranage Financial Group Pty Ltd	54.05	Indirect
Gordon Financial Services Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Genesis Financial Partners Pty Ltd	Australia	Certe Wealth Protection Pty Ltd	40.54	Indirect
KMS Accounting and Tax Pty Ltd	Australia	People & Partners Pty Ltd	54.05	Indirect
VBP Holdings Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Virtual Business Partners Pty Ltd	Australia	VBP Holdings Pty Ltd	54.05	Indirect
VBP Holdings Back Office Solutions Inc.	Philippines	VBP Holdings Pty Ltd	54.05	Indirect
Dunsford Finance Pty Ltd	Australia	Dunsford Financial Planning Pty Ltd	54.05	Indirect
SCM Financial Group Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
SCM Consultants Pty Ltd	Australia	SCM Financial Group Pty Ltd	54.05	Indirect
SCM Financial Services Pty Ltd	Australia	SCM Financial Group Pty Ltd	54.05	Indirect
SCM Finance Solutions Pty Ltd	Australia	SCM Financial Group Pty Ltd	54.05	Indirect

SCM Accounting and Advisory Pty Ltd	Australia	SCM Financial Group Pty Ltd	54.05	Indirect
SCM Wealth Management Pty Ltd	Australia	SCM Financial Group Pty Ltd	54.05	Indirect
Boutique Mortgage Solutions Pty Ltd	Australia	SCM Financial Group Pty Ltd	54.05	Indirect
Bennet & Co. Pty Ltd	Australia	SCM Financial Group Pty Ltd	54.05	Indirect
Rose Partners Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Rose Partners Holdings Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Rose Partners Management Accounting Pty Ltd	Australia	Rose Partners Holdings Pty Ltd	54.05	Indirect
AZ OpCo	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Kingsbridge Private Pty Ltd	Australia	People & Partners Pty Ltd	54.05	Indirect
Foster Raffan Iplan Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
Catalina Consultants Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
TWD Advisory Pty Ltd	Australia	AZ Next Generation Advisory Limited	54.05	Indirect
TWD Australia Pty Ltd	Australia	TWD Advisory Pty Ltd	54.05	Indirect
TWD Solutions Pty Ltd	Australia	TWD Advisory Pty Ltd	54.05	Indirect
Nestworth Financial Strategists Pty Ltd	Australia	HM Holdings Pty Ltd	54.05	Indirect
People and Partners Legacy and Succession Pty Ltd	Australia	People & Partners Pty Ltd	54.05	Indirect
Sterling Planners WA	Australia	Sterling Planners Pty Ltd	27.03	Indirect
Client Ready Pty Ltd	Australia	Yarra Lane Tax e Acconting Pty Ltd	54.05	Indirect
Pride Accounting X Numbergroup Pty Ltd	Australia	People & Partners Wealth Management Pty Ltd	21.62	Indirect
Pride Accounting X Numbersuper Pty Ltd	Australia	People & Partners Wealth Management Pty Ltd	37.84	Indirect
SCM Insurance Pty Ltd	Australia	SCM Financial Group Pty Ltd	27.03	Indirect
SW-TWD Wealth Pty Ltd	Australia	TWD Australia Pty Ltd	27.03	Indirect
EPAA Services Pty Ltd	Australia	TWD Australia Pty Ltd	27.03	Indirect
Expert Pensions Advice pty Ltd	Australia	TWD Australia Pty Ltd	27.03	Indirect
Bentley's Insurance Services (VIC) Pty Ltd	Australia	McLean Delmo & Partners Investments Pty Ltd	26.48	Indirect
McLean Delmo & Partners Investments Pty Ltd	Australia	AZ Next Generation Advisory Limited	26.48	Indirect
McLean Delmo Bentleys Audit Pty Ltd	Australia	McLean Delmo & Partners Investments Pty Ltd	26.48	Indirect
McLean Delmo Bentleys Financial Services Pty Ltd	Australia	McLean Delmo & Partners Investments Pty Ltd	26.48	Indirect
McLean Delmo Bentleys Pty Ltd	Australia	McLean Delmo & Partners Investments Pty Ltd	26.48	Indirect
Diaman Partners Limited	Malta	Azimut UK Holdings Ltd	20	Indirect
Azimut Crescimpresa S.r.l.	Italy	Azimut Enterprises Srl	21	Indirect
Cofircont Compagnia Fiduciaria S.r.l.	Italy	Azimut Enterprises Srl	30	Indirect
Programma 101 Sicaf S.p.A.	Italy	Azimut Enterprises Srl	22.62	Indirect
Gellify Group S.p.A.	Italy	Azimut Enterprises Srl	10.19	Indirect
PMI Top S.r.l.	Italy	Azimut Enterprises Srl	10	Indirect

Azimut Market Place Srl	Italy	Azimut Fintech Holding Srl	43.1	Indirect
Switcho S.r.l.	Italy	Azimut Fintech Holding Srl	10.72	Indirect
Club Acceleratori S.p.A.	Italy	Siamosoci S.r.l.	34.02	Indirect
American Startup Club S.p.A.	Italy	Siamosoci S.r.l.	41.07	Indirect
P101 SGR SpA Gestore EuVECA a Socio Unico	Italy	Azimut Enterprises Srl	30	Indirect
FDNX S.r.l.	Italy	Azimut Enterprises Srl	30	Indirect
Liftt S.p.A.	Italy	Azimut Enterprises Srl	10	Indirect
New Deal S.r.l.	Italy	Azimut Enterprises Srl	18.75	Indirect
UP2YOU S.r.l.	Italy	Azimut Enterprises Srl	10	Indirect
Programma 103	Italy	Azimut Enterprises Srl	13.74	Indirect
Fleap S.p.A.	Italy	Azimut Enterprises Srl	13.77	Indirect
Vedrai S.p.A.	Italy	Azimut Enterprises Srl	5.45	Indirect
		GH Investimenti S.r.l.	5.32	Indirect
IPOC S.r.l.	Italy	Electa Italia Srl	25.58	Indirect
IPOC 1 S.r.l.	Italy	Electa Ventures S.r.l.	35	Indirect
IPOC 6 S.r.l.	Italy	Electa Ventures S.r.l.	52.5	Indirect
Valuebiotech Srl	Italy	Azimut Enterprises Srl	24.9	Indirect
Alps Blockchain S.p.A.	Italy	Azimut Enterprises Srl	22.47	Indirect
Azimut Peninsula GP S.à r.l.	Luxembourg	AZ International Holdings Sa	50	Indirect

(*) The investment percentage refers to the direct interest held by the relevant parent companies, i.e., the participating company shown in the table.

Certification of the separate financial statements pursuant to article 81-ter of Consob regulation no. 11971 of 14 May 1999 and subsequent amendments and supplements

1. The undersigned, Gabriele Blei, Chief Executive Officer, and Alessandro Zambotti, manager in charge of financial reporting of Azimut Holding S.p.A., hereby represent, having also taken into account the provisions of article 154-bis, paragraphs 3 and 4 of Legislative decree no. 58 of 24 February 1998:

- the adequacy in view of the nature of the business and
- the effective application

of the administrative and accounting procedures used for the preparation of the 2023 separate financial statements.

2. The evaluation of the adequacy of the administrative and accounting procedures for the preparation of the separate financial statements at 31 December 2023 is based on a process designed by Azimut Holding S.p.A. in line with the Internal Control – Integrated Framework model issued by the Committee of Sponsoring Organisations of the Treadway Commission (COSO), an internationally accepted reference framework.

3. The undersigned also represent that:

3.1 the separate financial statements at 31 December 2023:

- were prepared in accordance with the International Financial Reporting Standards endorsed by the European Commission pursuant to Regulation (EC) 1606/2002 of the European Parliament and Council, of 19 July 2002;
- are consistent with the accounting books and records;
- give a true and fair view of the financial position and results of operations of the issuer;

3.2 the management report contains a reliable analysis of the operating performance and results, in addition to the position of the issuer, and a description of the main risks and uncertainties to which it is exposed.

Milan, 7 March 2024

Chief Executive Officer	The Manager in charge of financial reporting
(Gabriele Roberto Blei)	(Alessandro Zambotti)