Shareholders' Meeting of 18 April 2025
Report of the Board of Directors
on the first item on the agenda of the extraordinary session

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BPER Banca S.p.A.

Shareholders' Meeting of 18 April 2025

Report of the Board of Directors

on the first item on the agenda of the extraordinary session

Proposal to grant the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, with the power, to be exercised by December 31, 2025, to increase the share capital in one or more tranches, in a divisible form, without pre-emption rights pursuant to Article 2441, fourth paragraph, first sentence, of the Italian Civil Code, and with the issuance of a maximum number of 657,409,377 ordinary shares with no par value, with regular entitlement and identical characteristics to those of the outstanding shares, the issue price of which will be determined by the Board of Directors in accordance with applicable laws, to be paid up by contribution in kind as part of a voluntary public exchange offer concerning all the ordinary shares of Banca Popolare di Sondrio S.p.A., with the consequent amendment of Article 5 of the Articles of Association; related and consequent resolutions.

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Dear Shareholders,

the Board of Directors of BPER Banca S.p.A. ("**BPER**" or the "**Offeror**") has called you to attend an Extraordinary Shareholders' Meeting, in accordance with current regulations and the Articles of Association, to submit to your attention the proposal to vest the Board of Directors, pursuant to art. 2443 of the Italian civil code, with the power, to be exercised by 31 December 2025, to increase - in one or more tranches, in divisible form, with the exclusion of the pre-emption right pursuant to art. 2441, para. 4, first indent of the Italian Civil Code - the share capital of BPER through the issuance of a maximum number of 657,409,377 ordinary shares, with no par value, with regular dividend entitlement and the same characteristics as the BPER shares outstanding on the issuance date.

This explanatory report (the "**Report**"), prepared in compliance with art. 2441, para. 6 of the Italian Civil Code, art. 70, para. 4, of the Regulation adopted by Consob resolution no. 11971 of 14 May 1999, as later amended and supplemented (the "**Issuers' Regulation**"), and art. 125-*ter* of Legislative Decree 58 of 24 February 1998 (the "**Consolidated Law on Finance**") is intended to illustrate the aforementioned proposal under item no. 1 on the Agenda of the Extraordinary Shareholders' Meeting.

1. DESCRIPTION OF THE TRANSACTION, RATIONALE OF THE PROPOSED DELEGATION OF POWER AND PURPOSE OF THE CAPITAL INCREASE

The proposal to vest the Board of Directors with the delegated power pursuant to art. 2443 of the Italian Civil Code, to increase - in one or more tranches, in a divisible form, with the exclusion of the pre-emption right pursuant to art. 2441, para. 4, first indent, of the Italian Civil Code - the share capital of BPER (the "**Delegated Power**") by issuing a maximum number of 657,409,377 ordinary shares with no par value, with regular dividend entitlement and the same characteristics as the shares outstanding on the issuance date (the "**Capital Increase to Service the Offer**") is functional for the voluntary public exchange offer (the "**Offer**"), pursuant to and for the purposes of articles 102 and 106, para. 4, of the Consolidated Law on Finance, on all the ordinary shares of Banca Popolare di Sondrio S.p.A. ("**BP Sondrio**" or the "**Issuer**").

The Offer was announced by BPER with a notice on 6 February 2025 (the "**Announcement Date**") pursuant to art. 102, para. 1 of the Consolidated Law on Finance and art. 37 of the Issuers' Regulation (the "**Offeror's Notice**") and promoted by filing the offer document (the "**Offer Document**") with Consob, as per the subsequent press release published on 26 February 2025, pursuant to art. 37-*ter*, para. 3, of the Issuers' Regulation.

The reasons for the payment in kind of all the Issuer's ordinary shares involved in the Offer and thus for the exclusion of the pre-emption right are associated with the objective of consolidating BPER's competitive position in the Italian banking sector, where it operates successfully in all market segments.

In particular, the completion of the Offer would allow BPER to consolidate its position in Northern Italy, one of the most economically dynamic areas in Europe, presenting itself as the bank of choice *("go-to-bank")* for businesses and households. Specifically, the Offeror aims to combine the solidity, innovation capabilities and breadth of offer of a leading national bank with the direct relationship with the customer and deep roots in the footprint areas that are typical of a proximity bank. In this regard, the Offeror intends to preserve the BP Sondrio brand in its historical areas, recognising it as an integral part of the strong territorial identity of the Issuer, which boasts a long-standing tradition of closeness to households, local businesses and communities.

The integration between the Offeror and the Issuer is a strategic lever to accelerate growth and maximise value creation for all stakeholders. The transaction would enable BPER to accelerate and further strengthen the path to sustainable growth and value generation on a stand-alone basis, as outlined in the Business Plan "*B:Dynamic|Full Value 2027*". The increased scale of operations would allow the new group to (i) fully capture economies of scale, (ii) increase productivity, (iii) improve operational efficiency and (iv) optimise investments. Furthermore, the transaction would favour dimensional growth through combination with a player that has similar characteristics and traditions, as well as a highly complementary franchise, suitable for minimising execution risks and creating value for all stakeholders.

For further information on the rationale and the strategic and business aspects of the transaction, please refer to Paragraphs 1.2 and 1.3 of the Offeror's Notice.

As stated in the Offeror's Notice, BPER will recognise, for each BP Sondrio share tendered to the Offer, a consideration per share (the "**Consideration**") of 1.450 newly issued BPER ordinary shares, with no par value, regular dividend entitlement and the same characteristics as BPER ordinary shares outstanding on the issuance date, which will be listed on Euronext Milan. For further information on the exchange ratio, please refer to Paragraph 6 below.

The Offer may only be initiated following: (i) approval by BPER's Extraordinary Shareholders' Meeting of vesting the Board of Directors with delegated powers to implement the Capital Increase to Service the Offer, with the subsequent amendment to art. 5 of the Articles of Association and (ii) approval of the Capital Increase by the Board of Directors. These approvals are subject to obtaining the regulatory authorisations required by the applicable regulations as set forth in Paragraph 1.4 of the Offeror's Notice (see also Paragraph 10 of this Report).

The proposal to vest the Board of Directors with the Delegated Power for the Capital Increase to Service the Offer is justified by the fact that this instrument, compared to a capital increase resolution adopted directly by the Shareholders' Meeting, is better suited to guarantee flexibility in defining the terms and conditions of the capital increase transaction for a public exchange offer. The Delegation instrument also allows for more efficient coordination of the obligations - required to be fulfilled according to the civil code for executing the capital increase to be paid in kind - with the provisions of the Consolidated Law on Finance and Consob regulations regarding the promotion, development and finalisation of a voluntary public exchange offer. Delegation is also more suitable in relation to its possible use for compliance with the purchase obligation under art. 108, paragraphs 1 and 2 of the Consolidated Law on Finance and/or the potential exercise of the purchase right on the Issuer's remaining shares under art. 111 of the Consolidated Law on Finance, where applicable.

Under the proposed Delegated Power, the Capital Increase to Service the Offer may be resolved upon by the Board of Directors by 31 December 2025, including in multiple tranches, in a divisible form, for an amount allocated to share capital of Euro 1.49 for each newly issued share (equal to the implied nominal value, rounded up or down to the second decimal of BPER currently issued shares) and, therefore, for a share capital increase maximum amount of Euro 981,120,051.74, in addition to a share premium. The proposed Delegated Power provides for the exclusion of the pre-emption right under art. 2441, para. 4, first indent of the Italian Civil Code as BPER newly issued shares to be offered in exchange are reserved for the subscribers to the Offer and will be subscribed for and paid via the transfer to BPER of the BP Sondrio shares tendered to the Offer.

Based on the content of the Offer, the Board of Directors has determined 657,409,377 BPER shares as the maximum number of shares to be issued to service the Offer.

When exercising the Delegated Power, if any, the Board of Directors will determine the unit issue price of BPER new shares under art. 2441, para. 6, of the Italian Civil Code. Please refer to Paragraph 6 below for further information.

It is hereby acknowledged that the number of new shares which will be issued under the Delegated Power will depend upon the level of subscription actually achieved during the Offer, and may possibly vary, without prejudice to the above-mentioned maximum amount, including as a result of any changes made to the Offer under the applicable regulations.

This is without prejudice to the Board of Directors’ powers and prerogatives for this transaction (including, for the sake of clarity, the possibility of adjusting and/or modifying the content and/or structure of the Offer and/or identifying different/additional terms for its execution) in compliance with the applicable regulations.

During the exercise of the Delegated Power for the Capital Increase to Service the Offer, the company responsible for auditing the accounts of BPER, Deloitte & Touche S.p.A. (“**Deloitte**”), will issue its opinion pursuant to art. 2441, para. 6, of the Italian Civil Code and art. 158 of the Consolidated Law on Finance on the fairness of the issue price of the BPER shares to be offered in exchange under the Offer. Moreover, engaged by BPER's Board of Directors and on a voluntary basis, Deloitte has drafted a report in view of the Shareholders’ Meeting on the reasonableness and non-arbitrariness of the methods used by the BoD to determine the Offer exchange ratio, in accordance with ISAE “3000 revised”. Please refer to Paragraphs 6 and 7 below for further information.

As provided for in the applicable provisions of the Italian Civil Code for cases of contributions in kind, the value of BP Sondrio shares that will be contributed to BPER shall be assessed by an expert. Please see Paragraph 8 of this Report for further information.

2. FINANCIAL DEBT STRUCTURE FOLLOWING THE TRANSACTION

The capital increase execution through the transfer of BP Sondrio shares tendered to the Offer will not result in an increase in BPER financial debt.

3. DETAILS ON LAST YEAR RESULTS, OVERVIEW OF CURRENT OPERATIONS AND YEAR-END FORECASTS

On 12 March 2025, BPER's Board of Directors approved the draft separate financial report for 2024, which will be made available to the public according to the terms and deadlines set by regulations in force, and confirmed the preliminary separate and consolidated results for 2024, as approved and announced on 6 February 2025.

On the same day, as a supplement and amendment to the notice of call published on 26 February 2025 to convene the Extraordinary Shareholders' Meeting of BPER Banca for 18 April 2025, BPER's Board of Directors also resolved to convene the ordinary Shareholders' Meeting on the same date to approve the Financial Statements for the year ended 31 December 2024. It should be noted that the consolidated adjusted net profit amounted to Euro 1,406.9 million as at 31 December 2024 (Euro 1,351.1 million as at 31 December 2023).

3.1 Overview of the most significant trends in funding, lending and financial services, including by technical form

As at 31 December 2024, direct deposits from customers settled at Euro 118.1 billion (Euro 118.7 billion as at 31 December 2023), while Assets under Management amounted to Euro 71.5 billion and Assets under Custody stood at Euro 95.7 billion. Life insurance policies totalled Euro 21.0 billion.

Net loans to customers amounted to Euro 90.1 billion (Euro 88.2 billion as at 31 December 2023), while the share of gross non-performing loans to customers (gross NPE ratio) was 2.4%, stable year on year, and the share of net non-performing loans to customers (net NPE ratio) was 1.1% (1.2% as at the end of 2023). The coverage ratio for total non-performing loans rose to 54.3% (52.5% as at 31 December 2023); performing loan coverage was 0.69% (0.74% as at 31 December 2023) and Stage 2 loan coverage was 4.75%, (5.05% as at 31 December 2023).

Financial assets totalled Euro 29 billion (vs Euro 28.6 billion as at 31 December 2023), accounting for 20.7% of total assets. Within the aggregate, debt securities amounted to Euro 27 billion (93.1% of the total portfolio) with a duration of 2.1 years including hedging. Debt securities included Euro 16.4 billion worth of bonds issued by governments and other supranational public entities, including Euro 11.3 billion of Italian government bonds.

3.2 Overview of recent trends in costs and revenues, with particular reference to interest rate spreads and commissions

As at 31 December 2024, net interest income totalled Euro 3,376.9 million (Euro 3,251.8 million as at 31 December 2023), while net commission income amounted to Euro 2,058.4 million (Euro 1,969.3 million as at 31 December 2023).

Operating costs amounted to Euro 3,034.2 million as at 31 December 2024 (Euro 3,036.2 million as at 31 December 2023). In particular:

a) staff costs amounted to Euro 1,915.5 million and include (i) Euro 173.8 million in costs relating to the extension of the workforce optimisation manoeuvre as a complement to the agreement signed on 23 December 2023, and (ii) Euro 19.8 million in cost relating to regulatory changes that have altered the retirement rules by extending the average redundancy fund membership length;

b) other administrative expenses amounted to Euro 784.2 million (Euro 771.2 million as at 31 December 2023);

c) net adjustments to property, plant, equipment and intangible assets totalled Euro 334.6 million (vs. Euro 263.6 million as at 31 December 2023) and are inclusive of Euro 34.3 million in depreciation of software.

The adjusted cost/income ratio for 2024 was 50.3%.

The cost of risk stood at 36 bps (48 bps as at 31 December 2023), while net impairment losses for credit risk amounted to Euro 333.3 million (Euro 433.3 million at 31 December 2023).

Finally, the overall spread between the average annual rate of return on interest-bearing assets and the average annual cost of interest-bearing liabilities amounts to 3.7% (it was 3.9% at 31 December 2023).

3.3 Outlook for operations

With reference to the macro-economic environment, as highlighted by most recent data ([1]), GDP in the United Sates continued to expand in 2024 while it slowed in the UK and Japan, respectively affected by weaker domestic and foreign demand. China reached its set growth target of 5%, but economic activity still reflected the slump in consumption and the persistent crisis in the real estate sector.

Economic growth in the euro area weakened due to the ongoing geopolitical tensions and negative cycle in manufacturing, combined with lacklustre consumption and investment and declining exports. According to recent projections by the European Central Bank ([2]), after a 0.7% growth in 2024, GDP growth for the euro area is projected to be 1.1% in 2025, 1.4% in 2026, and 1.3% in 2027, with differences across regions. Germany's economy contracted for the second consecutive year, with just a slightly positive growth expected for 2025. Expectations for Italy and France are for more sustained growth, and a rather significant growth is expected for Spain.

Geopolitical tensions will continue to weigh on the macroeconomic scenario as will the emerging risks associated with protectionist policies in the form of a new wave of tariffs, that could distort trade flows, disrupt supply chains and raise concerns over possible inflationary impacts. Following the interest rate cut in 2024, the ECB Governing Council lowered its deposit facility rate again this year by 50 basis points to 2.5%.

Compared with the previous three months, economic activity in Italy remained unchanged in the third quarter, while domestic demand showed a stable GDP performance, thanks to the rise in household consumption and the contribution of the change in inventories. Even in the fourth quarter, GDP growth was weak (+0.1% compared to the previous quarter), closing the year with an increase of 0.7%.

BPER closely follows the development of the macro-economic and geopolitical scenario and, in consideration of the several factors that are still unknown and/or undefined, the Bank deems it currently impossible to provide a quantitative estimate of their potential impact on the economic and capital situation. Nevertheless, thanks to its sound capital strength, BPER will continue to make pragmatic management choices in 2025 with the aim of providing its support to economic growth. Thanks to the contribution of NII, which is expected to shrink slightly even in a scenario of decreasing benchmark rates, combined with the ongoing positive trends in other economic aggregates, net profit is expected to be slightly in excess the net profit for 2024.

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[1] See OECD - Economic Outlook, December 2024; IMF – World Economic Outlook, January 2025.

[2] See ECB – Eurosystem staff macroeconomic projections for the euro area countries, December 2024.

4. UNDERWRITING AND/OR PLACEMENT SYNDICATES

Being a share capital increase to service a public exchange offer, it envisages no underwriting and/or placement syndicates.

5. NUMBER, CATEGORY AND DATE OF DIVIDEND ENTITLEMENT OF THE NEWLY ISSUED SHARES. ISSUANCE PRICE OF THE NEW SHARES

As illustrated in Paragraph 1 of this Report, the Capital Increase to Service the Offer - which the Board of Directors will be in a position to resolve upon by virtue of the Delegated Power, if granted - will involve the issuance of maximum 657,409,377 ordinary shares with no par value, with regular dividend entitlement and the same characteristics as the ordinary shares outstanding on the issuance date, to be paid through the contribution in kind of the BP Sondrio shares tendered to the Offer, based on an exchange ratio of 1.450 newly issued BPER ordinary shares for each BP Sondrio share. Therefore, for every 20 Issuer's Shares tendered to the Offer, 29 newly issued Offeror's ordinary shares will be paid.

Should the above mentioned exchange ratio not result in a whole number of newly issued BPER shares (e.g. if a BP Sondrio subscribing shareholder does not tender at least 20 BP Sondrio shares to the Offer, or a number of BP Sondrio shares equal to a whole multiple of 20), the intermediary in charge of coordinating the collection of Offer subscriptions - based on the communications received from the Depository Intermediaries of BP Sondrio shares tendered to the Offer through the intermediaries in charge of collecting Offer subscriptions - is expected to aggregate any BPER fractional shares and subsequently dispose of the whole number of BPER shares resulting from the aggregation on Euronext Milan, with no charges for BP Sondrio shareholders. Cash profit from the disposals will be credited to tenderers proportionally to their own fractional shares, with all details to be covered in the Offer Document.

BPER ordinary shares issued after the Delegated Power is exercised will have the same dividend entitlement as BPER ordinary shares outstanding on the issuance date.

The issue price of BPER shares under the Offer (including share premium) will be determined by BPER's Board of Directors when the Delegated Power is exercised pursuant to art. 2441, para. 6, of the Italian Civil Code.

6. CRITERIA TO DETERMINE THE EXCHANGE RATIO BETWEEN BPER SHARES AND BP SONDRIO SHARES AND SET THE MAXIMUM NUMBER OF NEWLY ISSUED BPER SHARES ACCORDINGLY

6.1 Foreword

BPER's Board of Directors, benefiting from both the advisory service and collaboration of primary standing financial advisors (Mediobanca-Banca di Credito Finanziario S.p.A., Goldman Sachs Bank Europe SE, Italian branch, and Barclays Bank Ireland PLC), performed an assessment of BP Sondrio shares in order to provide an estimate of their value based on data and details publicly available. Any considerations and valuations made shall therefore be understood in relative terms and as only referring to the Offer.

The valuation methods and ensuing economic value of BP Sondrio shares were identified to determine the maximum number of BPER shares to be issued to service the Offer. Under no circumstances shall these valuations be considered as potential guidance for their current or future market price or value, in contexts other than the case at issue.

The Consideration was determined by the Board of Directors based on the assumption that the Issuer and/or the Offeror will not pay any dividends to their own shareholders other than those based on the profits for the 2024 financial year (which will be submitted for approval to the respective Shareholders' Meetings of the Issuer and the Offeror), or that no coupons relating to dividends not yet respectively approved by the Issuer and/or the Offeror are detached, as the case may be, from the Shares of the Issuer and/or from the shares of the Offeror.

Any adjustment to the Consideration (as detailed in paragraph 3.2.1 of the Offeror's Notice) will be disclosed under the applicable terms and conditions.

6.2 Valuation criteria selected by the Directors to determine the exchange ratio

As reported in Paragraph 5 above, for each BP Sondrio share tendered to the Offer, BPER will offer a consideration per share corresponding to 1.450 BPER shares resulting from the Capital Increase to Service the Offer.

Given the nature of the Consideration, consisting in the Offeror's newly issued ordinary shares offered in exchange for the Issuer's ordinary shares tendered to the Offer, the Board of Directors' valuations to determine the exchange ratio were performed on a comparative basis and giving priority to the principle of relative consistency and comparability of the valuation methods applied.

Valuations performed by BPER's Board of Directors refer to the economic and market conditions as at 5 February 2025 (the "Reference Date"), meaning the trading day prior to the Announcement Date and the Issuer's economic, capital and financial statements published until that date.

Without prejudice to the content of the Offer Document submitted to Consob for approval, the following is noted.

The Consideration was valued independently by BPER's Board of Directors, which used the stock exchange prices method, the market multiples method, the linear regression method and the Dividend Discount Model method in its Excess Capital version.

The valuation analysis carried out by the Offeror to determine the Consideration was subject to the following limitations and difficulties:

(i) for the purposes of its analysis, the Offeror exclusively used public data and information, mainly taken from the Consolidated Financial Statements of BP Sondrio;

(ii) BP Sondrio lacks a medium/long-term stand-alone Business Plan updated as at the Reference Date. Therefore, if relevant for the application of the valuation methods, the forecasts concerning future economic and capital performance for the Issuer were based on the estimates provided by research analysts ("consensus"). With regard to consensus, (i) a limited number of estimates for BP Sondrio for the year 2027 and (ii) lack of consistency in the number of brokers available between Offeror and Issuer should be noted;

(iii) the Offeror did not perform any financial, legal, commercial, fiscal, corporate or other forms of due diligence;

(iv) the limited nature of the information necessary to precisely estimate the synergies, the time needed for their implementation and the related implementation costs.

Taking into account the aforementioned limitations and valuation difficulties, for the purposes of determining the exchange ratio, the Offeror used a valuation approach based on market and analytical methodologies, in line with the outlook emerging from the best valuation practice at a national and international level.

A summary of each methodology used to determine the Consideration is reported below.

A. Stock Market Prices Method

The stock market prices method considers market prices as the relevant information for estimating the economic value of companies, based on the stock market prices expressed in trading sessions registered over time intervals deemed significant and based on the assumption that the market in which the company is listed is efficient and that there is a degree of significance between the market prices of the shares of the companies being valued and their economic value.

For the purpose of the valuation, it was deemed appropriate to apply this method by adopting the official prices of BP Sondrio shares registered as at the Reference Date on 5 February 2025 (i.e. the last trading day prior to the Announcement Date) and the average of the official volume-weighted prices of BP Sondrio shares within a reference period of 1, 3, 6 and 12 months prior to the Reference Date (inclusive).

B. Market multiples and linear regression method

Under the market multiples and linear regression method, the economic value of a company may be estimated on the basis of the stock market indications for a sample of comparable listed companies.

For these methods, a sample of listed European banks (excluding the United Kingdom) was selected which, although not directly comparable to the Offeror and the Issuer, may be considered similar to the Offeror and the Issuer in terms of type of business conducted or business model.

In particular, the stock market multiples method is based on calculating multiples as the ratio between stock market values and the profit and loss, balance sheet and financial figures of the selected sample of listed companies. The multipliers thus determined are applied, with the appropriate additions and adjustments, to the corresponding figures of the company being valued. For the purposes of the Offer and on the basis of the banking sector specific characteristics and market practice, the Price/Projected 2025 and 2026 Earnings multiple and the price/latest Tangible Book Value multiple were selected. In this specific case, the CET1 capital surplus with respect to the SREP level of both the Offeror and the Issuer was taken into account in the application of both methodologies. Therefore, it was deemed appropriate to adjust the aforementioned multiples according to market practice in order to take into account the different levels of capitalisation of the banks in question. The economic value of the companies being valued was determined by adjusting the valuation obtained through the aforementioned market multiples based on the level of capitalisation of the respective companies.

Under the linear regression method, the economic value of a company may be estimated on the basis of parameters identified through the correlation (if statistically relevant) between the price/Tangible Book Value multiples of the same sample of listed companies and their respective levels of expected profitability expressed as average Return On Tangible Equity (RoTE) for the period.

Specifically, a linear regression analysis of the price/latest Tangible Book Value with respect to the expected 2025 and 2026 RoTE was performed to define the parameters required for the valuation of the companies. As in the case of trading multiples, the capitalisation levels of the banks included in the analysis were adjusted for the CET1 capital surplus with respect to the SREP requirement, according to market practice.

The level of reliability of the assessment of the linear regression and market multiples methods depends on an adequate adjustment of the method to the specific valuation in question and, in particular, to the operational and financial similarity between the companies included in the sample and the companies being valued. For the purposes of the analysis, the following sample of medium and large Italian and European listed companies has been taken into consideration, as they are similar in business model, geographic footprint and/or scale, to the companies being valued:

(i) among comparable Italian listed companies, the following sample was considered: Banca Monte dei Paschi di Siena, BPER, BP Sondrio, Credem, Intesa Sanpaolo, UniCredit;

(ii) among comparable European listed companies, the following sample was considered ABN Amro, Alpha Bank, Bankinter, BBVA, BNP Paribas, Caixabank, Commerzbank, Credit Agricole, Deutsche Bank, Erste Bank, Eurobank, ING, KBC, National Bank of Greece, Piraeus Bank, Santander, Société Générale, Unicaja.

C. Dividend Discount Model in the Excess Capital version

The Dividend Discount Model in the Excess Capital version is based on the assumption that the economic value of a company is equal to the sum of the present value of:

- the cash flows of potential future dividends distributable to shareholders and generated over the selected time horizon without affecting the level of capitalisation required to maintain a predetermined long-term regulatory capital target level. Accordingly, these cash flows are independent of the dividend policy actually envisaged or adopted by management. Based on the consensus estimates made available by research analysts, the selected time horizon was 2025–2027.
- long-term value of the company (also known as “Terminal Value”) calculated as the current value of an estimated perpetual annuity based on a normalised, economically sustainable distributable cash flow consistent with a long-term growth rate.

The valuation methods described above were applied on a stand-alone and going concern basis for both the Offeror and the Issuer, while also taking into account the specificity of the Offer.

In consideration of the above and based on the valuation approach used, the Offeror's Board of Directors has identified - within the range identified by applying the previously highlighted methodologies - an exchange ratio (BPER shares for each BP Sondrio share) of 1.450, and, thus, has identified **657,409,377** as the maximum number of BPER ordinary shares to be issued for the purposes of the public exchange offer.

It should be emphasized that, in determining the exchange ratio, the Offeror's Board of Directors took into account an additional set of elements other than those that can be inferred from the application of the aforementioned valuation methodologies, and in particular: (i) lack of any due diligence activity by the Offeror on the Issuer, (ii) payout of dividends on 2024 profits; (iii) the specific characteristics of the transaction as a whole, (iv) the premium implied in the share exchange ratio which was decided to be awarded on top of the official price of the shares of the Issuer as at the Reference Date, (v) value creation, including the synergies that can be obtained and the estimated integration charges related thereto, (vi) qualitative and strategic elements of the banking sector in general and of the Issuer in particular, such as, inter alia, the risk profiles of the business in terms of asset quality, growth and potential earnings, forward-looking sustainability of the business model and ability to preserve capital strength and shareholder remuneration even under unfavourable or exceptional macroeconomic circumstances and (vii) the possibility of creating value for the shareholders of both the Offeror and the Issuer.

The monetary value per share implied in the Consideration, taking into account the BPER Shares' official price of Euro 6.570 as at the Reference Date, corresponds to Euro 9.527 for each BP Sondrio share tendered to the Offer.

According to the official price of BPER shares of Euro 6.570 by close of business on 5 February 2025, the exchange ratio identified by the Board of Directors reflects a valuation of Euro 9.527

(rounded up or down to the third decimal) for each BP Sondrio Share and, therefore, incorporates the following premiums with respect to the arithmetic average weighted by the traded volumes, of the official prices of BP Sondrio shares in the periods indicated below:

Reference date	***Weighted average price Share of the Issuer*** (3)	***Weighted average price Share of the Offeror*** (4)	***Premium***
5 February 2025 (Reference Date)	*Euro 8.934*	*Euro 6.570*	*6.6%*
1 month prior to the Reference Date (inclusive)	*Euro 8.622*	*Euro 6.421*	*8.0%*
3 months prior to the Reference Date (inclusive)	*Euro 7.997*	*Euro 6.085*	*10.3%*
6 months prior to the Reference Date (inclusive)	*Euro 7.532*	*Euro 5.699*	*9.7%*
12 months prior to the Reference Date (inclusive)	*Euro 7.288*	*Euro 5.057*	*0.6%*

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It should be noted that the Board of Directors appointed Deloitte to prepare, on a voluntary basis, a report on the reasonableness and non-arbitrariness of the methods used by the Board of Directors for the determination of the exchange ratio, as described above, in accordance with ISAE “3000 Revised”.

At the time when this Report is published, the aforementioned report by Deloitte is also being made available to the public on a voluntary basis, using the same methods.

7. DETERMINATION OF THE ISSUE PRICE OF NEW SHARES

The issue price of BPER shares to be issued as part of the Capital Increase to Service the Offer will be determined by the Board of Directors in exercise of the Delegated Power, if granted, pursuant to article 2441, paragraph 6 of the Italian Civil Code.

Furthermore, in the exercise of the Delegated Power, if granted, the portion of the issue price to be allocated to the share premium reserve will be determined, it being specified that: (i) with respect to the portion of the share price to be allocated to the share capital, it shall be equal to Euro 1.49 per share, which corresponds to the implied nominal value (rounded to the second decimal) of the currently issued BPER shares, as recorded on the date of this Report and (ii) the remaining portion of the issue price shall be allocated to the share premium reserve.

It should be noted that, in compliance with the applicable international accounting standards, the increase in BPER's Shareholders’ equity, to be registered for accounting purposes, will

[3] Arithmetic average weighted by the traded volumes of the official prices (Source: FactSet).

[4] Arithmetic average weighted by the traded volumes of the official prices (Source: FactSet).

correspond to the fair value of the BPER shares which will be assigned to the subscribers to the Offer. Such fair value will correspond to the market price of BPER's share as at the date of the exchange for BP Sondrio shares tendered to the Offer.

This is without prejudice to the limit represented by the value that the Independent Expert, in his/her valuation report or in its updates, has attributed or will attribute to the shares to be tendered to the Offer pursuant to Articles 2440, paragraph 2, and 2343-ter of the Italian Civil Code.

It should also be noted that Deloitte, the company responsible for auditing BPER's accounts, was appointed to issue an opinion on the fairness of the issue price of BPER shares to be tendered as part of the Offer, pursuant to article 2441, paragraph 6 of the Italian Civil Code and article 158 of the Consolidated Law on Finance. Such opinion, which will be issued in connection with the resolution by the Board of Directors of BPER to exercise the Delegated Power, if granted, will be made available to the public.

8. VALUATION OF ASSETS TO BE TRANSFERRED UNDER THE VALUATION REPORT PURSUANT TO ARTICLES 2440, PARAGRAPH 2, 2343-TER, PARAGRAPH 2, LETTER B), AND 2343-QUATER OF THE ITALIAN CIVIL CODE

The applicable provisions of the Italian Civil Code governing in-kind contribution require that the value of the assets to be contributed (in this case BP Sondrio shares) be subject to a specific valuation by an independent expert.

As already reported in the Offeror's Notice, BPER's Board of Directors resolved, pursuant to art. 2440, para. 2, of the Italian Civil Code, to make use of the regulations referred to in art. 2343-*ter* (including for the purposes of articles 2343-*quater* and 2443, para. 4) of the Italian Civil Code. These regulations make it possible not to require the sworn appraisal of the transferred assets by an expert appointed by the Court in whose jurisdiction the transferee company is based, if - for the purposes of determining the share capital and any share premium - the value assigned to the assets in kind being transferred is equal to or lower than the value resulting from an assessment performed by an expert who is independent from the transferor, or the company or the shareholders who individually or jointly exercise control over the transferor or the company, and who has adequate and proven professional qualifications. The Offeror's Board of Directors has appointed the independent expert pursuant to art. 2343-*ter*, para. 2, letter b), of the Italian Civil Code, entrusting PricewaterhouseCoopers Business Services S.r.l. with the relevant assignment. (the "**Independent Expert**").

The Report by the Independent Expert - appointed by BPER on 27 February 2025 - will be published alongside this Report according to the regulations in force, in order to provide BPER shareholders with more complete and timely information in view of the Shareholders' Meeting. In its report (to which reference should be made for any additional information), the Independent Expert concluded that, as at 14 March 2025 and based on the financial position at 31 December 2024, the fair value of each share of BP Sondrio is not less than Euro 10.285 (ex-dividend and including the control premium).

Notwithstanding the above, BPER's Board of Directors may consider (for instance, to ensure that the Independent Expert report refers to a more recent date or for any other reason related to the execution or timing of the Offer) whether to request an update of the Expert report closer to the date of the resolution to be adopted for the exercise of the Delegated Power for the Capital Increase to Service the Offer.

For any further information regarding the procedures for contributions in kind and the Independent Expert report, reference is made to the applicable legal framework and, in particular, to Articles 2343-te, 2343-quater and 2443, paragraph 4, of the Italian civil code.

9. SHAREHOLDERS WILLING TO SUBSCRIBE PRO-RATA BPER SHARES TO SERVICE THE OFFER; ANY PRE-EMPTIVE RIGHTS NOT EXERCISED

The subscription of the Capital Increase to Service the Offer will exclusively be possible by tendering to the Offer, once the subscription period has started; as this is a capital increase to be paid in kind, no pre-emptive rights are provided by law to BPER's current shareholders.

As at the date of this Report, no BP Sondrio shareholders have expressed their willingness to subscribe for BPER shares as a result of accepting the Offer.

10. AUTHORISATIONS

The effectiveness of the resolution that is the subject of this Report (and the consequent registration of the related amendments to the Articles of Association in the Companies' Register) is conditional on authorisation being granted by the European Central Bank, pursuant to and for the purposes of Article 56 of Legislative Decree No. 385 of 1 September 1993 (the "**Consolidated Law on Banking**"), to ascertain that the amendments to the Articles of Association referred to in this Report are not in contrast with the sound and prudent management of BPER.

On 26 February 2025, BPER submitted the relevant application to the European Central Bank, requesting the latter to also authorise that the new shares issued as part of the Capital Increase to Service the Offer be included in BPER Banca's own funds as Common Equity Tier 1 capital, pursuant to Articles 26 and 28 of Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June 2013.

It should be noted that, if the assessment measure by the European Central Bank concerning the amendments to the Articles of Association is not issued before the date on which the resolution of the Shareholders' Meeting is to be adopted, the effectiveness of the latter will be subject to the issuance of such measure, as it cannot be registered in the Companies' Register until that date.

11. PERIOD FOR THE EXECUTION OF THE CAPITAL INCREASE TO SERVICE THE OFFER

Subject to the authorisations being granted according to Paragraph 10 above (as well as to the other "Prior Authorisations" specified in paragraph 1.4 of the Offeror's Notice), the Delegated Power will be exercised by the Board of Directors before publication of the Offer Document, which was filed with the Italian Securities and Exchange Commission (Consob) on 26 February 2025. It should be noted that the Offer Document will be published following: (i) approval of the Capital Increase to Service the Offer by BPER's Board of Directors, and (ii) approval of the Offer Document by Consob, which may intervene, pursuant to Article 102, paragraph 4, of the Consolidated Law on Finance, only after the aforementioned prior authorisations are obtained.

Finally, it is noted that an exemption document will be published by the date of publication of the Offer Document, for the purpose of the exemption from the obligation to publish a prospectus referred to in art. 1, paragraphs 4, point f), and 5, point e) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017.

Taking into account the obligations under the regulations applicable to public exchange offers, the Share Capital Increase to Service the Offer is expected to be carried out by 31 December

2025, subject to the fulfilment (or waiver, if applicable) of certain conditions of effectiveness of the Offer as set out in Paragraph 1.5 of the Offeror's Notice and in the Offer Document submitted to Consob for approval.

12. ECONOMIC/FINANCIAL/CAPITAL IMPACTS OF THE CAPITAL INCREASE TO SERVICE THE OFFER AND DILUTIVE EFFECTS

As this capital increase is to be paid through a contribution in kind, no pre-emptive rights are provided by law to BPER's current shareholders. The number of new BPER shares to be issued as part of the Capital Increase to Service the Offer and, therefore, the percentage of dilution of existing shareholders in BPER share capital will depend on the outcome of the Offer.

In the event of full acceptance of the Offer, i.e. if all 453.385.777 BP Sondrio shares involved in the Offer are tendered, a maximum number of 657,409,377 BPER shares deriving from the Capital Increase to Service the Offer will be allocated to the subscribing shareholders as total consideration, based on the exchange ratio specified in the Offeror's Notice. This number corresponds to approximately 31.6% of BPER shares, calculated assuming full subscription and payment of the Capital Increase to Service the Offer (fully diluted) and based on the number of BPER shares issued to date.

For further information on dilution, please refer to Paragraph 15 below.

13. DESCRIPTION OF THE PRO-FORMA EFFECTS OF THE BUSINESS COMBINATION WITH THE BP SONDRIO GROUP ON THE BPER GROUP'S MAIN INCOME STATEMENT AND BALANCE SHEET INDICATORS

This paragraph illustrates the main pro-forma balance sheet and income statement figures deriving from the aggregation of data of the BPER Group and the BP Sondrio Group as at 31 December 2024, in addition to some explanatory notes.

These effects have been determined as if the potential acquisition had virtually taken place on 31 December 2024, for the purposes of determining the balance sheet indicators, and on 1 January 2024, for the purposes of determining the income statement indicators.

The pro-forma effects of the business combination with the BP Sondrio Group on the BPER Group's income statement and balance sheet have been determined on the basis of the content of CONSOB Communication n. DEM/1052803 of 5 July 2001, adjusting the values deriving from the BPER Group's Consolidated Financial Report as at 31 December 2024, approved by BPER's Board of Directors on 12 March 2025 (see the press release published by BPER on the same day), and from BP Sondrio's preliminary consolidated results as at 31 December 2024, approved by BP Sondrio's Board of Directors on 6 February 2025, prepared in compliance with the IFRS accounting standards, and assuming that, following completion of the Offer, BPER will acquire control of the BP Sondrio Group, pursuant to the IFRSs. It should be noted that these financial figures have not been audited.

For the sole purposes of this simulation, the total consideration of the acquisition was calculated by assuming a share price for each BPER share of Euro 6.570, consisting in the last available price recorded at the close of trading on 5 February 2025 (i.e. the last trading day prior to the date of the Offeror's Notice), and assuming full acceptance of the Offer by BP Sondrio shareholders. It should be noted that, pursuant to IFRS 3, the final value of the cost of the combination will be determined on the basis of the price of BPER shares as at the trading date immediately prior to each date of payment of the Offer, and on the number of BP Sondrio shares that will be tendered to the Offer.

The estimated preliminary consideration for the acquisition, equal to Euro 4.3 billion, was compared with the consolidated shareholders' equity of the BP Sondrio Group as at 31 December 2024, including profit for the period.

The provisional difference that emerged from the comparison between the preliminary consideration for the acquisition - determined by assuming a share price for each BPER share of Euro 6.570, as previously explained - and the consolidated shareholders' equity of the BP Sondrio Group was not significant.

It should be noted that, for the purpose of determining the pro-forma adjustments, no fair value measurement was carried out under IFRS3 on the BP Sondrio Group's assets acquired, including any intangible assets not previously recognised, liabilities and contingent liabilities, as their fair value will be determined on the acquisition date and after detailed information is obtained about the BP Sondrio Group's accounting items.

It should be noted that, even if the Offer is not fully subscribed, without prejudice to the conditions of effectiveness of the Offer, the amount of goodwill/badwill would be determined as the difference between the consideration paid and the percentage of fair value of the BP Sondrio Group's net assets acquired and may therefore differ from the amounts reported above.

The pro-forma figures have been prepared by also taking into account the deletion of the most significant reciprocal balance sheet and income statement items between the BPER Group and the BP Sondrio Group.

Finally, it should be noted that the pro-forma adjustments take into account ancillary costs relating to the execution of the acquisition, as available to date, which are estimated to total approximately Euro 30 million (VAT included). On the basis of the provisions of IAS 32, the main portion of these costs is directly attributable to the issuance of shares to service the Offer, while the remaining part has been charged to the income statement.

The main pro-forma balance sheet and income statement figures deriving from the aggregation of data of the BPER Group and the BP Sondrio Group as at 31 December 2024 are provided below.

	31 December 2024			
Amounts in €/bn	BPER Group	BP Sondrio Group	Pro-forma Adjustments	BPER Group – Pro-forma
Balance sheet				
Loans to customers	105.9	43.3	(1.3)	**147.9**
Goodwill	0.2	–	–	**0.2**
Due to banks	5.0	6.2	(1.3)	**9.9**
Direct deposits from customers	118.3	44.5	–	**162.8**
Income statement				
Net Interest Income	3.4	1.1	–	**4.5**
Net commission income	2.0	0.5	–	**2.5**
Net interest and other banking income	5.5	1.7	–	**7.2**
Operating costs	(3.3)	(0.6)	–	**(3.9)**
Profit for the year	1.4	0.6	–	**2.0**

It should be noted that, for the purpose of preparing the pro-forma data above, the scope of consolidation was not altered to include any equity investments held by both banking groups in the same entities, if the cumulative percentage stakes are likely to create the conditions for line-by-line consolidation or consolidation using the equity method.

In this respect, it should be highlighted that both the BPER Group and the BP Sondrio Group currently hold minority stakes in Alba Leasing so, as a result of the Offer, BPER might take control over Alba Leasing under the IFRS. At the Report date, Alba Leasing financial accounts as at 31 December 2024 are not yet available. Based on Alba Leasing data as at 31 December 2023, any line-by-line consolidation of this entity would have an incremental impact on Loans to customers by around Euro 4.9 bn and limited impact on other balance sheet and P&L figures with respect to the pro-forma data reported above. Moreover, as a result of the Offer, the BPER Group might gain control or become associated with additional companies of non-material scale.

It should be noted that pro-forma figures are a simulation, provided for illustrative purposes, of the possible effects that may result from the acquisition. In particular, since pro-forma data are designed to retroactively reflect the effects of subsequent transactions, despite compliance with commonly accepted rules and the use of reasonable assumptions, some limitations are intrinsic to pro-forma data, as, by their very nature, they are unsuitable to reflect the BPER Group's forward-looking economic and financial situation. Therefore, for a correct interpretation of the information provided in the pro-forma figures, the following aspects need to be considered:

- since these representations are based on assumptions, if the acquisition had actually occurred on the dates taken as reference for preparing the pro-forma figures, the results herewith reported would not necessarily have been obtained;
- pro-forma figures are not intended in any way to provide a forecast of future results and should therefore not be used as such; pro-forma figures do not reflect forward-looking data because they are prepared in such a way as to only reflect those effects of the acquisition that can be isolated and objectively measured, without taking into account any potential effects caused by changes in market conditions, BPER management policies and operational decisions following the transaction. Therefore, representations are not intended to reflect the current or forward-looking economic and financial situation arising from the acquisition;
- considering the different purposes of pro-forma figures and regular financial statement information, and since balance sheet and P&L indicators effects are calculated differently, the same should be read and interpreted separately, without looking for accounting interconnections.

It should be noted that pursuant to CONSOB Communication n. DEM/1052803 of 5 July 2001, the pro-forma consolidated financial statements are not reflective of either the costs or synergies that may arise from the expected business combination of the BPER Group and the BP Sondrio Group.

Pro-forma figures were not audited by the Independent Auditors.

14. TAX IMPLICATIONS OF THE TRANSACTION FOR BPER

The contribution in kind of the BP Sondrio shares involved in the Offer does not entail any tax obligations for the transferee Issuer, BPER.

15. BPER's shareholding structure following the Capital Increase to Service the Offer. Effects on any shareholder agreements

The following table shows the shareholders holding a stake in the Offeror's share capital or voting rights greater than 3% of the Offeror's ordinary share capital, based on the notifications received pursuant to Article 120 of the Consolidated Law on Finance, of records in the shareholders' register, and other information available to the Offeror.

Declaring or ultimate controlling entity	Direct shareholder	% of Offeror's share capital
Unipol Assicurazioni S.p.A.	Unipol Assicurazioni S.p.A.	19.774%
Fondazione di Sardegna	Fondazione di Sardegna	10.218%

Given the nature of the Capital Increase to Service the Offer and the variables involved in the Offer's outcome, it is not possible to predict the composition of BPER shareholding structure following completion of the capital increase. The percentage dilution of existing shareholders in BPER share capital depends upon the completion of the Offer, as the quantity of new BPER shares to be issued under the Capital Increase to Service the Offer will vary according to the number of subscriptions to the Offer itself.

The following table shows BPER shareholding structure upon Offer completion based on how shareholdings are structured as at the date of this Report, assuming that all BP Sondrio shares are tendered to the Offer.

Declaring or ultimate controlling entity	Direct shareholder	% of Offeror's share capital
Unipol Assicurazioni S.p.A.	Unipol Assicurazioni S.p.A.	19.758%
Fondazione di Sardegna	Fondazione di Sardegna	6.987%

To the Offeror's knowledge, no shareholder agreements exist between BPER shareholders as at the date of this Report, nor is there any natural or legal person exercising control over the Offeror pursuant to art. 93 of the Consolidated Law on Finance.

16. Amendments to the Articles of Association

The proposal to vest the Board of Directors with the Delegated Power entails an amendment to Art. 5 of BPER's Articles of Association which, as mentioned, is conditional upon the successful completion of the authorisation procedure by the ECB pursuant to art. 56 of the Consolidated Law on Banking.

Below is a comparative presentation of art. 5 in its current version and in the proposed wording, with the text proposed for insertion highlighted in bold. The proposed new text for article 5 of the Articles of Association will be updated, under the responsibility of BPER's Board of Directors, after the Delegated Power is exercised, by repealing the transitional clause proposed for insertion herewith and – at the same time – by adjusting the share capital amount and number of shares issued, in consideration of the subscriptions gathered during the Offer.

Current wording	Amended wording
Article 5 (Share capital, shareholders and shares)	Article 5 (Share capital, shareholders and shares)
1. Share capital, fully subscribed and paid in, amounts to Euro 2,121,637,109.40 and is represented by 1,421,624,324 registered ordinary shares, with no nominal value.	*(Unchanged)*
2. If a share becomes the property of several persons, the joint ownership rights must be exercised by a common representative.	*(Unchanged)*
3. Within the limits established by current regulations, the Company, by resolution of the Extraordinary Shareholders' Meeting can issue categories of shares carrying different rights with respect to the ordinary shares, and may determine such rights, as well as financial instruments with equity or administrative rights.	*(Unchanged)*
4. All the shares belonging to the same category carry the same rights.	*(Unchanged)*
5. The Board of Directors at the meeting held on 11 July 2019, by virtue of the delegation attributed to it by the Extraordinary Shareholders' Meeting held on 4 July 2019, pursuant to Article 2420-ter of the Italian Civil Code, to be exercised by 31 December 2019, has resolved to issue an Additional Tier 1 convertible bond, for a total nominal amount equal to Euro 150,000,000.00, to be entirely offered in subscription to Fondazione di Sardegna, with the exclusion of option rights pursuant to Article 2441, paragraph 5, of the Italian Civil Code, at a subscription price higher than par value equal to Euro 180,000,000.00, and, consequently, to resolve a paid capital increase, in one or more tranches and in divisible form, for a maximum total amount equal to Euro 150,000,000.00, including a share premium equal to Euro 42,857,142, to service exclusively and irrevocably the conversion of the abovementioned Additional Tier 1 bond through the issue of a maximum of no. 35,714,286 ordinary shares of the Company,	*(Unchanged)*

without explicit par value, with regular dividend rights and the same features as the ordinary shares of the Company outstanding at the issue date. On 19 April 2024, the Extraordinary Shareholders' Meeting granted the Board of Directors the power to integrate, pursuant to Article 2420-ter of the Italian Civil Code, the share capital increase already resolved by the Board itself on 11 July 2019, by issuing, in one or more tranches, by the expiration date of the conversion period provided for by the Regulation of the aforementioned bond, up to a maximum of no. 30,000,000 additional ordinary shares of the Company to exclusively and irrevocably service the same Additional Tier 1 bond, due to the adjustment of the relevant conversion price.	
6. The Extraordinary Shareholders' Meeting held on 4 July 2019 granted the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, the power, for a period of five years from the date of the shareholders' meeting resolution, to resolve a paid capital increase, one or more time and in one or more tranches, with the exclusion of option rights pursuant to Article 2441, paragraph 4, and/or Article 2441, paragraph 5, of the Italian Civil Code, for a maximum total amount equal to Euro 13,000,000.00, including any share premium to be determined pursuant to Article 2441, paragraph 6, of the Italian Civil Code, by issue of a maximum number of 2,500,000 ordinary shares of the Company, without express par value, whose issue value may also be lower than the accounting par value existing at the relevant issue date, with regular dividend rights and the same characteristics as the ordinary shares of the Company outstanding at the issue date.	*(Unchanged)*
	7. The Extraordinary Shareholders' Meeting held on 18 April 2025 conferred to the Board of Directors, pursuant to article 2443 of the Italian Civil Code, the power, to be exercised within 31 December 2025, to resolve upon a share capital increase for a consideration, to be carried out in one or more tranches and in a divisible manner, without option rights pursuant to article

	2441, paragraph 4, first sentence, of the Italian Civil Code, up to a maximum total amount of Euro 981.120.051,74, in addition to any share premium (sovrapprezzo), for a maximum number of 657,409,377 ordinary shares of the Company, without nominal value, with regular economic rights (godimento regolare) and having the same characteristics as the ordinary shares of the Company already outstanding at the date of issuance, to be paid up through contribution in kind, being reserved to the public exchange offer on all of the ordinary shares of Banca Popolare di Sondrio S.p.A., announced by the Company on 6 February 2025 with notice pursuant to Article 102, paragraph 1, of Legislative Decree no. 58 dated 24 February 1998.

17. RIGHT OF WITHDRAWAL

The proposed amendments to the Articles of Association do not entail any right of withdrawal in accordance with the law.

18. RESOLUTIONS PROPOSED TO THE SHAREHOLDERS' MEETING

In consideration of the above, the Board of Directors invites the Extraordinary Shareholders' Meeting to approve the following proposed resolution:

"*The Shareholders' Meeting of BPER Banca S.p.A. ("BPER" or the "Company"):*

- having examined the explanatory report of the Board of Directors and the proposals it contains;

- having reviewed the other documents prepared with reference to this item on the agenda;

resolves to

1) *vest the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, with the power, to be exercised by 31 December 2025, to increase the share capital for consideration, in one or more tranches, in divisible form, with the exclusion of the pre-emption rights pursuant to art. 2441, paragraph 4, first indent of the Italian Civil Code, for a total maximum nominal amount of EUR 981,120,051.74, in addition to a share premium, by issuing a maximum of 657,409,377 ordinary shares of the Company, with no par value, with regular dividend entitlement and the same characteristics as the ordinary shares outstanding at the issue date to be paid through a contribution in kind to service the public exchange offer over all the shares of Banca Popolare di Sondrio S.p.A, which was announced by the Company on 6 February 2025 by means of the communication issued under art. 102, para. 1 of Legislative Decree no. 58 of 24 February 1998;*
2) *vest the Board of Directors with the power to determine, on a case by case basis, as part of the exercise of the afore-mentioned delegated power in compliance with statutory and regulatory requirements: (i) the amount of the capital increase to be resolved upon as a whole,*

including in divisible form, within the overall limits set under item 1) above; (ii) the issue price of the new shares, inclusive of share premium, in consideration of the provisions of art. 2441, para. 6, of the Italian Civil Code; (iii) the portion of the issue price to be allocated to the share premium reserve, specifying that: (a) with reference to the portion of the share price to be allocated to the share capital, it shall be equal to Euro 1.49 per share and (b) the remaining portion of the issue price shall be allocated to the share premium reserve; and (iv) any additional terms and conditions for the capital increase delegated within the limits set under the applicable regulations and this delegated power resolution, along with the power for the Board of Directors to give effect to the exercise of the delegated power – within the aforementioned limits – in line with any changes to the content of the public offer, in any case in accordance with the outcome of the valuation pursuant to article 2343-ter of the Italian Civil Code and any necessary updates; with the Board of Directors also being authorised to make any adjustments to the Articles of Association that depend on the exercise of the delegated power, as set out in the Directors' Report;

3) *amend art. 5 of the Articles of Association accordingly by adding paragraph 7 below:*

   "7. The Extraordinary Shareholders' Meeting held on 18 April 2025 conferred to the Board of Directors, pursuant to article 2443 of the Italian Civil Code, the power, to be exercised within 31 December 2025, to resolve upon a share capital increase for a consideration, to be carried out in one or more tranches and in a divisible manner, without option rights pursuant to article 2441, paragraph 4, first sentence, of the Italian Civil Code, up to a maximum total amount of Euro 981.120.051,74, in addition to any share premium (sovrapprezzo), for a maximum number of 657,409,377 ordinary shares of the Company, without nominal value, with regular economic rights (godimento regolare) and having the same characteristics as the ordinary shares of the Company already outstanding at the date of issuance, to be paid up through contribution in kind, being reserved to the public exchange offer on all of the ordinary shares of Banca Popolare di Sondrio S.p.A., announced by the Company on 6 February 2025 with notice pursuant to Article 102, paragraph 1, of Legislative Decree no. 58 dated 24 February 1998".

4) *determine that the effectiveness of the resolutions referred to under items 1) and 2) above, as well as of the amendment to the Articles of Association referred to under item 3) above, be subject to the positive outcome of the assessment procedure initiated pursuant to Article 56 of Legislative Decree no. 385 of 1 September 1993, unless such positive outcome has been obtained before the date of this resolution;*

5) *severally vest the Chair of the Board of Directors and the Chief Executive Officer with the mandate for implementing - also through designated representatives - any action that may be required, necessary or useful to execute the above resolution and fulfil the relevant and necessary formalities, including the registration of the resolutions with the Companies' Register, filing of the updated version of the Articles of Association and its update to reflect any exercise of the delegated power pursuant to art. 2443 of the Italian Civil Code by the Board of Directors, with the power to introduce any non-substantive changes that may be required for the purpose, and in general everything that is necessary for their full implementation, with any and all necessary and appropriate powers, in compliance with current regulatory provisions*".

*   *   *

Modena, 18 March 2025

BPER Banca S.p.A.
The Chair
Fabio Cerchiai

** * **

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The public voluntary exchange offer described in this document was launched by BPER Banca S.p.A. on all the ordinary shares of Banca Popolare di Sondrio S.p.A.

This document does not constitute an offer to purchase or sell the shares of Banca Popolare di Sondrio S.p.A.

Before the beginning of the acceptance period, as required by the applicable regulations, the Offeror will publish an Offer Document and an exemption document to be carefully examined by the shareholders of Banca Popolare di Sondrio S.p.A.

The Offer is promoted exclusively in Italy and will be made, on a non-discriminatory basis and on equal terms, to all the shareholders of Banca Popolare di Sondrio S.p.A. The Offer will be promoted in Italy as Banca Popolare di Sondrio S.p.A.'s shares are listed on Euronext Milan, organised and managed by Borsa Italiana S.p.A. and, without prejudice to the content below, it is subject to the obligations and procedural requirements of Italian law.

*The Offer is not promoted or marketed in the United States (nor will it be directed at U.S. Persons, as defined under the U.S. Securities Act of 1933, as subsequently amended), Canada, Japan, Australia or any other jurisdiction where to do so would constitute a violation of the laws of such jurisdiction and any such offer (or solicitation) may not be extended in any such jurisdiction (the "**Excluded Countries**"), by using either national or international instruments of communication or commerce of the Excluded Countries (including, for example, the postal network, fax, telex, e-mail, telephone and internet), or through any facility of any of the Excluded Countries' financial intermediaries or in any other way. The Offeror reserves the right to make separate offers to the holders of BP Sondrio shares who are U.S. Persons, as defined by the U.S. Securities Act of 1933, as subsequently amended.*

A copy of this document, of the Offer document, as well as any other document relating to the Offer, including the exemption document, or portions thereof, is not and shall not be sent, nor in any way transmitted, or otherwise distributed, directly or indirectly, in the Excluded Countries. Anyone receiving such documents shall not distribute, forward or send them (either by post or by any other means or instrument of communication or commerce) in the Excluded Countries.

Any subscription to the Offer resulting from solicitation activities carried out in breach of the afore restrictions will not be accepted.

This document, the Offer document, and any other document relating to the Offer, including the exemption document, do not constitute or are not part either of an offer to buy or exchange, or of a solicitation to offer to sell or exchange financial instruments in the United States or in the Excluded Countries. Financial instruments cannot be offered or sold in the United States unless they have been registered pursuant to the U.S. Securities Act of 1933, as subsequently amended, or are exempt from registration. Financial instruments offered in the context of the transaction described in this document will not be registered under the U.S. Securities Act of 1933, as subsequently amended, and BPER Banca S.p.A. does not intend to carry out a public offer of such financial instruments in the United States.

No financial instruments can be offered or transferred in the Excluded Countries without specific approval in compliance with the relevant provisions applicable in such countries or without exemption from such provisions.

*This document is accessible in or from the United Kingdom exclusively (i) by persons having professional experience in matters relating to investments who fall under section 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as subsequently amended (the "**Order**") or (ii) by high net worth companies, and other persons to whom the document may lawfully be communicated, as they fall under Article 49(2)(a) to (d) of the Order (all such persons together being referred to as the "**Relevant Persons**"). The financial Instruments described in this document are made available only to the Relevant Persons (and any solicitation, offer, agreement to subscribe, purchase or otherwise acquire such financial instruments will be directed exclusively at such persons). Any person who is not a Relevant Person should not act or rely on this document or any of its content.*

Subscription to the Offer by persons residing in countries other than Italy may be subject to specific obligations or restrictions imposed by legal or regulatory provisions. It is the sole responsibility of the recipients of the Offer to comply with such regulations and, therefore, to verify their existence and applicability by contacting their advisors before joining the Offer. The Offeror cannot be held responsible for the violation by any subject of any of the aforementioned limitations.