



PRESS RELEASE

BANCO BPM: EU-WIDE STRESS TEST 2023

IMPROVED RESULTS COMPARED TO PREVIOUS EXERCISES - +2 P.P VS. 2021 - DESPITE AN EVEN MORE SEVERE MACROECONOMIC SCENARIO

THE BANK'S ABILITY TO GENERATE VALUE IN THE BASELINE SCENARIO AND WITHSTAND SIGNIFICANT SHOCKS IN THE ADVERSE SCENARIO IS CONFIRMED

CET 1 ratio fully loaded post impact of the Stress Test Baseline scenario at 17.4% in 2025

CET 1 ratio fully loaded post impact of the Stress Test Adverse scenario at 9.0% in 2025

Both outcomes far exceed the minimum capital requirements

Milan, 28 July 2023 – Banco BPM Group was subjected to the 2023 EU-wide stress test conducted by the European Banking Authority (EBA), in cooperation with the Bank of Italy, the European Central Bank (ECB) and the European Systemic Risk Board (ESRB).

The Adverse stress test scenario was set by the ECB/ESRB and covers a three-year time horizon (2023-2025).

The stress test has been carried out applying a static balance sheet assumption as of 31 December 2022 and, therefore, does not take into account already implemented and/or future business strategies and management actions.

The outcomes of this simulation exercise are not a forecast of the Group's future financial performance, nor of its prospective capital ratios. The solidity evidenced in the Baseline scenario, reflecting Banco BPM's ability to generate value through its core business, and the resilience manifested in the Adverse scenario, have been confirmed by the following results, that are compared with a starting point of 12.8%¹ in terms of fully loaded CET 1 ratio as of 31/12/2022:

- CET 1 ratio fully loaded post impact of the Stress Test Baseline scenario at 14.6% in 2023 (16.5% in 2024 and 17.4% in 2025);
- CET 1 ratio fully loaded post impact of the Stress Test Adverse scenario at 8.5% in 2023 (8.7% in 2024 and 9.0% in 2025).

Both outcomes are far above the minimum capital requirements, both in the Baseline² and in the Adverse³ scenarios.

Even in the Adverse scenario, which was particularly severe in comparison with the 2021 Stress Test exercise, the Group achieved better results, over a homogeneous time horizon: in particular, in the

¹ Starting point figure as of 31 December 2022, stated, which does not consider the effects of the Danish Compromise which could raise the CET1 ratio to 13.3%.

² Compared to Overall Capital Requirement (OCR) composed of Pillar 1 regulatory minimum, Pillar 2 Requirement (P2R), Capital Conservation Buffer, OSII Buffer and Countercyclical Capital Buffer. For Banco BPM, the OCR is equal to 8.712%.

³ Compared to Total SREP Capital Requirement (TSCR), composed of Pillar 1 regulatory minimum and Pillar 2 Requirement (P2R). For Banco BPM, the TSCR is equal to 5.95%.



previous stress test exercise, the Adverse scenario had led to a fully loaded CET 1 ratio of 7.0% post impacts at the end of the three-year period (9.0% at the end of 3 years in the 2023 exercise, +2 p.p.).

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