



PRESS RELEASE

Banco BPM finalises with success a new Social Covered Bond issue for 750 million euro

The first Social Covered Bond issued by the Group under the Green, Social and Sustainability Bonds Framework.

This is the first European Covered Bond (Premium) issued by the Group in 2025

Orders over € 2 MLD

Milan, 27 February 2025 – Banco BPM has finalised the placement of its first Social Covered Bond issue intended for institutional investors for an amount of 750 million euro and a maturity of 4.5 years under the 10-billion-euro Obbligazioni Bancarie Garantite (BPM Covered Bond 2) Programme.

The bond is the first European Covered Bond (Premium) of 2025; the Social Covered Bond, issued under the Green, Social and Sustainability Bonds Framework, increases the total amount of Banco BPM ESG bonds issued to 7 billion euros.

The proceeds will be used to refinance Eligible Social Loans, as defined in the Bank's Framework, published on 7 November 2023. In particular, the proceeds shall be used mainly to refinance residential mortgages granted to disadvantaged people with a government guarantee covering from 80% to 100% of the loan disbursed.

The bond that will be listed on the Luxembourg Stock Exchange, has an expected rating of Aa3 from Moody's. This social covered bond issuance has a yield equal to reference mid-swap rate + 48 basis points, a fixed rate coupon of 2.625% and a maturity date on 6 September 2029.

Confirming the strong interest for the Group coming from Italian and foreign investors, the transaction collected orders for more than 2 billion euros. Allocations are as follows: Italy 32%, Germany 15%, Nordics 14%, Austria and Switzerland 11%, Spain and Portugal 10%, UK 7%, France 7%, BeNeLux 4%. The investors who have participated in the deal, of which more than 40% with remarkable ESG focus, are mainly banks (39%), Funds/Asset Managers (35%) and Official Institutions (19%).

Banca Akros (issuer's related party¹), Barclays, IMI-Intesa Sanpaolo, ING, LBBW, Natixis and Raiffeisen Bank International AG acted as Joint Bookrunners for the issue.

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[1] The transaction in question is configured as a related party transaction pursuant to Consob Regulation no. 17221 of 12 March 2010 and subsequent amendments (the "Consob RPT Regulation") and the related corporate regulations adopted by the Bank (the "Banco BPM Procedure", available on the website www.bancobpm.it, Corporate Governance section, Company documents) and it qualifies in particular as a "non relevant amount" - in consideration of the controlling interest held by Banco BPM SpA in Banca Akros S.p.A. - thus benefiting from the exemptions provided for in the Consob OPC Regulation and the Banco BPM procedure, having been noted that there are no significant interests of other related parties.