

# **BPL MORTGAGES S.r.l.**

A single member company

*Via V. Alfieri no. 1 - 31015 Conegliano (TV), Italy*

*Quota Capital Euro 12,000.00, fully paid up*

*Treviso-Belluno Register of Companies no. 04078130269, Econ. Admin. Index (REA) no. 321099*

*Tax code and VAT no. 04078130269*

*Registered on the List of Special Purpose Vehicles with no. 33259.3 pursuant to the Bank of Italy Instructions of 7 June 2017 (in force since 30 June 2017)*

## **FINANCIAL STATEMENTS AS AT 31 DECEMBER 2022**

*The present document is the English translation of the Italian Financial Statements, prepared for and used in Italy, and have been translated only for the convenience of international readers. The Financial Statements were prepared using International Reporting Standards (IAS/IFRS). In the event of any incongruity the Italian text will prevail.*

*Contents*

REPORT ON OPERATIONS.....	4
INDEPENDENT AUDITORS' REPORT.....	16
BALANCE SHEET.....	21
INCOME STATEMENT.....	21
STATEMENT OF COMPREHENSIVE INCOME.....	22
STATEMENT OF CHANGES IN QUOTAHOLDERS' EQUITY AS AT 31 DECEMBER 2022.....	23
STATEMENT OF CHANGES IN QUOTAHOLDERS' EQUITY AS AT 31 DECEMBER 2021.....	24
STATEMENT OF CASH FLOWS (DIRECT METHOD).....	25
se TO THE FINANCIAL STATEMENTS.....	26
PART A – ACCOUNTING POLICIES.....	26
A.1 - General Part.....	26
Section 1 - Statement of compliance with the international accounting standards.....	26
Section 2 - General preparation principles.....	26
Section 3 - Subsequent events after the date of the financial statements.....	28
Section 4 - Other aspects.....	28
A.2 - Information on the main accounting items.....	30
A.3 - Information on transfers of financial assets among portfolios.....	31
A.4 - Information on fair value.....	31
A.5 - Information on “day one profit/loss”.....	31
PART B - INFORMATION ON THE BALANCE SHEET.....	32
ASSETS.....	32
Section 1 - Cash and cash equivalents – Item 10.....	32
Section 10 - Tax assets and liabilities - Item 100 of the assets and Item 60 of the liabilities.....	32
Section 12 - Other assets - Item 120.....	32
LIABILITIES.....	32
Section 6 - Tax liabilities - Item 60.....	32
Section 8 - Other liabilities - Item 80.....	33
Section 11 - Quotaholders' equity - Items 110 and 150.....	33
PART C - INFORMATION ON THE INCOME STATEMENT.....	35
Section 2 - Fees and commissions - Items 40 and 50.....	35
Section 10 - Administrative expenses - Item 160.....	35
Section 14 - Other operating income and expenses - Item 200.....	36
PART D - OTHER INFORMATION.....	37
Section 1 - Specific business activities.....	37
F.1) Summary statement of securitised assets and notes issued.....	40
F.2) Description and performance of the securitisation.....	42
F.3) Information on the entities involved.....	44
F.4) Characteristics of the Notes issued.....	45
F.5) Ancillary financial transactions.....	47
F.6) Operating rights of the transferee Company.....	48
F.7) Cash flows relating to the loans.....	49
F.8) Changes in past due loans.....	49
F.9) Cash flows.....	50
F.10) Situation of the guarantees and liquidity lines.....	50
F.11) Distribution by residual life.....	50
F.12) Distribution by territory.....	51
F.13) Risk concentration.....	51
F.1) Summary statement of securitised assets and notes issued.....	52
F.2) Description and performance of the securitisation.....	54
F.3) Information on the entities involved.....	57
F.4) Characteristics of the Notes issued.....	58
F.5) Ancillary financial transactions.....	59
F.6) Operating rights of the transferee Company.....	60
F.7) Cash flows relating to the loans.....	61
F.8) Changes in past due loans.....	61
F.9) Cash flows.....	62
F.10) Situation of the guarantees and liquidity lines.....	62
F.11) Distribution by residual life.....	63
F.12) Distribution by territory.....	63
F.13) Risk concentration.....	63

Section 3 - Information on risks and related hedging policies.....	64
3.1 CREDIT RISK.....	64
3.2 MARKET RISKS .....	65
3.3 OPERATIONAL RISKS.....	65
3.4 LIQUIDITY RISK.....	66
Section 4 - Information on equity .....	66
Section 5 - Analytical statement of comprehensive income.....	67
Section 6 - Transactions with related parties .....	67
Section 8 - Other information.....	68

**CORPORATE OFFICERS**

**SOLE DIRECTOR**

Igor Rizzetto

**BOARD OF STATUTORY AUDITORS**

Marco Bronzato

Marco Favini

Claudia Clementina Oddi

Chairman

Standing Auditor

Standing Auditor

**INDEPENDENT AUDITORS**

PRICEWATERHOUSECOOPERS S.P.A.

## REPORT ON OPERATIONS

Dear Quotaholder,

The Financial Statements as at 31 December 2022, comprising the Balance Sheet, the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Quotaholders' Equity, the Statement of Cash Flows, the Notes to the Financial Statements and this accompanying Report on Operations, are hereby submitted for your approval.

These financial statements were prepared in application of the international accounting standards issued by the International Accounting Standards Board (IASB) and related interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), endorsed by the European Union, in force at 31 December 2022. They also comply with the Instructions set forth in the Bank of Italy Circular of 29 October 2021 "The financial statements of IFRS intermediaries other than banking intermediaries" and the update of the amendments with the letter dated 21 December 2021 regarding the impacts of COVID-19 and of the measures to support the economy as well as amendments to IAS/IFRS.

Note that the Bank of Italy Circular of 29 October 2021 replaced the Circular of 30 November 2018, which in turn had replaced the Circular of 22 December 2017, although the previous Circular of 9 December 2016 had already removed from its application scope any reference to securitisation SPVs, as these are entities no longer classifiable as non-banking financial intermediaries, pursuant to Italian Legislative Decree no. 141/2010 and subsequent corrective decrees.

As IAS 1 does not envisage a rigid format of the financial statements and pending the issuance of a new regulatory source to replace the previous one and regulate the financial statements of securitisation SPVs, these financial statements were prepared using the formats - which incorporate the changes introduced by the new international accounting standards - envisaged by the 7th update of the "Instructions on the preparation of financial statements of IFRS intermediaries other than banking intermediaries" issued by the Bank of Italy on 29 October 2021. In relation to the segregated assets reference was instead made to the Bank of Italy Circular of 15 December 2015 (3rd update), given that the subsequent measures mentioned above say nothing about the disclosure to be made for securitisations.

### 1. Business operations

BPL Mortgages S.r.l. is a company established pursuant to art. 3 of Italian Law no. 130/1999.

Following the entry into force on 30 June 2017 of the Bank of Italy Circular of 7 June 2017 (which fully replaces the previous Circular of 30 September 2014, which had in turn replaced the previous one of 29 April 2011) on "Reporting and statistical obligations of special purpose vehicles involved in securitisation transactions" (implementing Italian Legislative Decree 141/2010, which amends art. 3, paragraph 3, of Italian Law no. 130 of 30 April 1999), securitisation companies, registered in the General List pursuant to art. 106 of the Consolidated Banking Law, already following the Circular of 2011, were cancelled from said List and registered automatically in the List of SPVs, provided for in art. 4 of the aforementioned Circular, again held by the Bank of Italy.

The quota capital of Euro 12,000 is held by SVM Securitisation Vehicles Management S.r.l., 100% owner of the nominal value of the quota capital. As envisaged in the "Agency and Accounts Agreements" of the two outstanding securitisation transactions signed, respectively, on 20 December 2012 as part of the fifth securitisation and on 26 April 2022, as part of the eighth transaction, with effect from completion of each securitisation, all costs incurred by the Company are covered by equal amounts taken from the segregated assets for each securitisation with a view to guaranteeing regular corporate operations.

In compliance with the Articles of Association and the provisions of the aforementioned law, the sole purpose of the Company is the implementation of one or more loan securitisations pursuant to Italian Law no. 130 of 30 April 1999, as amended, and subsequent implementing rules ("Law 130/1999"), by the purchase against payment by the Company, or other company established pursuant to Law 130/1999, of monetary receivables, both existing and future, identified en bloc if referring to multiple loans, financed through the issue by the Company, or other company established pursuant to Law 130/99, of securities as referred to in art. 1 paragraph 1, letter b), and art. 5 of Law 130/1999.

The Company can also implement securitisations in accordance with art. 7, of Law 130/1999 and in the form of a series of note issue programmes as part of a given securitisation. The Company can also perform transactions with a revolving structure, i.e., involving the use of collections deriving from the management of loans purchased before or at the time of issue of notes for the purchase of additional loans. Pursuant to art. 3 of Law 130/1999, these additional loans also constitute segregated assets on which no action is permitted by creditors other than the holders of notes issued as part of the securitisation.

Pursuant to the provisions of Law 130/1999, the loans related to each securitisation constitute segregated assets to all effects and purposes from those of the Company and those of other securitisations performed by the Company. The sole purpose of these segregated assets is to satisfy the rights incorporated in the notes issued, by the Company or other company, to finance the purchase of the loans of which the aforementioned assets form part, and to pay the costs of the related securitisation. Therefore, no action is permitted on the segregated assets by creditors other than the holders of notes issued to finance the purchase of the loans in question.

To the extent permitted by the provisions of Law 130/1999, the Company may conclude ancillary financial transactions, entered into exclusively with a view to the success of its securitisations, or in any event instrumental to the corporate purpose, including reinvestment in other financial assets of funds raised through management of the acquired loans but which cannot immediately be utilised to satisfy rights deriving from the aforementioned notes issued as part of the securitisation. Within the context of its securitisations, the Company may appoint third parties to collect the loans purchased, to provide cash and payment services, perform disposal transactions on the loans purchased and reinvest funds deriving from management in other financial assets (including receivables with characteristics similar to those securitised) not immediately utilised to satisfy rights deriving from the aforementioned notes, as well as any other activity permitted by Law 130/1999.

We can inform you that by resolution of the Quotaholders' Meeting of 12 December 2008, art. 4 of the Articles of Association was amended, extending the expiry date of the Company to 31 December 2060.

At 31 December 2022, there are two securitisations in progress. Specifically: one securitisation of residential mortgage loans ("BPL Mortgages 5") implemented following transfer of a loan portfolio in November 2012, and one securitisation of mortgage, land, agricultural and other loans disbursed to SMEs ("BPL Mortgages 8") through the transfer of a loan portfolio in March 2022.

## 2. The economic scenario

In 2022, the fragile recovery from the international emergency due to the Coronavirus pandemic was heavily impacted by the conflict in Ukraine which, from the end of February, generated harsh repercussions on the international and national economic system and on business operations.

After the global recession of 2020, the global economic recovery that started from 2021, albeit in an uneven manner between the various geographical areas thanks to the measures to combat the pandemic and substantial repressed demand, was then interrupted by the outbreak of the Russia-Ukraine conflict in late February 2022.

The Eurozone economy, heavily dependent on Russian gas supplies, suffered from the impact of the Russia-Ukraine conflict in different periods. The adoption of trade sanctions against Russia has led to a new series of supply bottlenecks (especially of energy products) and to a deterioration in economic prospects. The exponential increases in the cost of energy caused by the energy crisis and the consequent high trend in prices, weighed on businesses and consumers, pushing the Eurozone on a path of lower growth and higher consumption inflation. The inflationary trend had an impact on the real disposable income of households, further reducing consumption, while on the business side it led to a sharp increase in input costs.

However, the Eurozone showed strengths and good resilience and there were signs of a still high propensity to invest from companies. In 2021, about 40% of gas and one-fifth of crude oil imports came from Russia; in the second quarter of 2022, thanks to the diversification of supply, the dependence on Russian energy was reduced by about half. Towards the autumn, gas prices began a phase of moderation, while a favourable climate postponed the use of accumulated stock and made it less intensive, considerably reducing tensions. In 2022, the labour market held up well. The number of employees increased by 0.3% in the Eurozone in the third quarter of 2022, well above pre-pandemic

levels. Public spending skyrocketed due to measures to limit the socio-economic impact of high energy costs, for security, defence and humanitarian assistance to the displaced from Ukraine, which burdened public finances. The full and timely implementation of the recovery and resilience plans remained fundamental to reach higher levels of investment, while the budgetary policies therefore sought to preserve debt sustainability.

The Eurozone economy therefore continued to grow during the year. This growth was largely driven by domestic demand after an unexpectedly good tourist season, especially in Italy, France and Spain. After an encouraging start, the Eurozone economy ended the year with positive but weaker growth: in the fourth quarter, in the end, GDP growth slowed down to +0.1% on the previous quarter and to 1.9% yoy, which enabled the year to close with a pre-final increase for 2022 as a whole of +3.5% (+5.3% in 2021). The annual inflation rate of the Eurozone therefore rose sharply during the year, only to show a slight slowdown in the last quarter.

Also in the Eurozone, as in the USA, the inflation rate pushed the European Central Bank to adjust the ultra-expansionary monetary policy implemented up to that moment, from the second half of 2022, announcing its intention to interrupt net purchases as part of the APP programme from July 2022 and to tighten official rates, for the first time in eleven years, which materialised with a first 50 bps reference rate hike at the meeting on 21 July. At the same time, the Governing Council of the ECB announced its intention to continue with gradual rate hikes, which materialised at different times over the following months. In fact, after the 50-bps hike in July, the European Central Bank followed up with another 3: in September and October, of 75 bps, and in December of another 50 bps, bringing the overall tightening in the second half of 2022 to 250 basis points. Despite the numerous interventions already carried out, in the face of inflation that only timidly began to ease off towards the end of the year, the rhetoric of the central banks remains solidly restrictive. The markets are therefore expecting further interest rate hikes by the Fed and the ECB at least until mid-2023.

In 2022, the Italian economy suffered, to a relatively greater extent than other economies in the Eurozone, the energy shock linked to the Russian-Ukrainian conflict and the consequences of the sharp rise in the prices of energy raw materials, given the high dependence on gas supplied - up until the crisis - mainly from Russia. The shock, on the supply side, was reflected along the entire production chain, with a marked acceleration in production and consumer prices.

After sustained growth in the central quarters of 2022, household consumption decreased in the final part of the year, reflecting the impact of the marked increase in consumer prices on disposable income. Resilient employment figures helped to limit the damage: in November, in a context of economic slowdown, employment confirmed its peak at pre-pandemic levels. The unemployment rate stood at a long-term low of 7.8%. The high levels of gas storage, thanks to the unusually mild weather, further reduced the likelihood of energy rationing and limited the extent of possible short-term supply shocks.

On the business side, investments in machinery and equipment were held back in the final part of the year by the deterioration of demand prospects and greater uncertainty. The significant stimulus given by the NRRP interventions and the support measures partially offset the above-cited negative factors: considering the budget law and the extraordinary mitigation measures launched from the beginning of the year, more than 57 billion was allocated to interventions on energy for the current year. In particular, after the previous three measures, with the "Aiuti-quater" Decree Law of 18 November 2022, additional expansionary measures were introduced for an amount equal to 0.5% of GDP, containing the extension until the end of the year of the cut in excise duties on fuels and tax credits for electricity and gas companies.

In the first half of the year, GDP accelerated. In fact, in the spring months, the surprising performance of household consumption in many ways, accompanied by good growth in investments - especially in the sector of capital goods and construction - boosted GDP growth, reversing the prevailing negative forecasts. Growth then continued during the summer. Towards the end of the year, the worsening of financial conditions and the increase in financial charges linked to interest rates impacted investment in construction, which also slowed down due to the easing of incentives for the upgrading of building stock. Therefore, the year-end results were substantially stable: -0.1% growth in GDP in the fourth quarter compared to the previous one and +1.7% yoy.

### **3. Banco BPM initiatives to address the international COVID-19 emergency and the effects of the Russia-Ukraine conflict**

With particular reference to the impacts on credit quality due to the repercussions on the economic system and on business operations resulting from the Russia-Ukraine conflict, to ensure proper risk control, in 2022 Banco BPM Group implemented customer contact initiatives (Contact and support campaigns) to monitor customers particularly exposed to rising energy prices and to the procurement of raw materials, to identify potential signs of impairment of exposures in advance and also to identify the customers who need interventions, in terms of new liquidity or restructuring.

In 2022, Banco BPM Group maintained “smart-working” for its employees and continued to boost digital operations for customers as part of the “Digital and Omnichannel Transformation” programme.

### **4. Impacts of the COVID-19 pandemic and the Russia-Ukraine conflict on economic results for the year**

The crisis caused by the COVID-19 epidemic and, from the first quarter of 2022, by the effects of the Russia-Ukraine conflict, taking into consideration the items presented under assets and liabilities in the Company's Balance Sheet, did not have any impact on the financial and economic situation of the Company itself.

With regard to the outstanding securitisations, which constitute the Company's segregated assets, the Originator Banco BPM maintains the risks and benefits associated with the securitised portfolios, albeit transferred without recourse.

Given the above, even though international accounting standards are not applied in drafting the summary statements for securitisations, the measurement of "Securitised assets" referring solely to non-performing loans by the Servicer Banco BPM reflects the application of IFRS 9, which requires companies to consider not only historical and current information, but also forecast information (known as forward-looking factors) that could affect the recoverability of the securitised assets.

The global health emergency, which began in early 2020, and the outbreak of the Russia-Ukraine conflict in early 2022, had an impact on the calculation of the Originator's impairments.

The highly asymmetrical nature of the macroeconomic shock generated due to COVID-19 and the resulting mitigation measures implemented by the various Competent Authorities required, in line with that envisaged by IFRS 9, an ad-hoc model change and fine-tuning in order to properly measure the real level of risk of Banco BPM Group's portfolio.

This model change and fine-tuning, which involved estimating expected losses and the stage assignment criterion, led Banco BPM to adopt a methodology based on forecast impairment rates from 2020 (differentiated by the various production sectors of the Italian economic system) that consider the mitigation measures and, in particular, the various liquidity decrees issued by the Italian government.

In addition, the current general scenario, while continuing to benefit from the use of Next Generation EU funds, is conditioned by the tensions generated by the continuation of the Russian invasion of Ukraine, with inevitable effects on growth prospects and inflation expectations triggered by the increase in the cost of raw materials, particularly energy, and with the consequent general rise in interest rates as a result of the measures taken by central banks to combat inflation.

In 2022, with the aim to more accurately reflect the expected losses due not only to the economic disruption caused by COVID-19, but also by the negative effects on the global and Italian economies directly or indirectly related to developments in the Russia-Ukraine conflict, the process of reviewing and fine-tuning the models used by Banco BPM continued, also through a series of managerial adjustments applied to the results generated by the model (post model adjustments).

For additional details regarding the disclosure of the main risks, uncertainties and impacts caused by the COVID-19 pandemic, please refer to the Notes to the Financial Statements, "Part A - Accounting Policies - A.1 General Part - Section 4 - Other aspects" and "Part D - Other information - Information on risks and related hedging policies".



## 5. Significant events during the year

### New securitisation “BPL Mortgages 8”

In execution of the resolutions of the Board of Directors of Banco BPM on 14 December 2021 and of the Quotaholders' Meeting of BPL Mortgages S.r.l. on 25 March 2022, a new securitisation was performed called “BPL Mortgages 8”. More specifically, on 29 March 2022, Banco BPM sold the SPV a portfolio of receivables deriving from mortgage, landed, agricultural and other loans, disbursed to small and medium-sized enterprises for a total residual debt (excluding accruals) of Euro 2,456,526,681 and a price (excluding accruals) of Euro 2,456,397,257, through the signature of the transfer agreement (economic effect from the valuation date of 14 March inclusive) and the publication of the loan transfer notice in Part II, Official Journal of the Italian Republic no. 38 of 2 April 2022.

The total residual debt (excluding accruals) relating to the Banco BPM portfolio on the valuation date (excluded) is as follows:

<b>Banco Originator</b>	<b>Residual debt as at 13/03/2022 (*)</b>
Banco BPM	2,456,526,681

(\*) the residual debt includes principal up to maturity of Euro 2,419,376,741, plus principal and interest past due of Euro 37,149,940.

To finance the purchase of the loans, on 27 April 2022 the Company issued two classes of limited recourse Asset Backed securities for a total of Euro 2,456,397,000. The notes have the following characteristics:

- Class A Notes (“Senior Notes”), legal maturity 25 October 2064, with ratings (“A2” by the rating agency Moody’s Investors Services and “A” by the rating agency DBRS) and listed on the ExtraMOT PRO segment of Borsa Italiana for a nominal value of Euro 1,800,000,000;
- Class J Notes (“Junior Notes”), legal maturity 25 October 2064, not rated and unlisted, issued for a total nominal value of Euro 656,397,000.

All of the classes of notes were subscribed by Banco BPM. The payment of the purchase price by the SPV to Banco BPM as Originator was offset by the amount due from Banco BPM to the SPV for the subscription of the Notes.

The Senior Notes class envisages a remuneration corresponding to the 3-month Euribor plus 0.70% (and, in any event, said interest rate cannot exceed 1.7%), while the Junior Notes class has a remuneration represented by the excess spread generated by the transaction. On 20 May 2022, the Senior Class A Notes issued by the Company were deemed eligible by the ECB and are used by Banco BPM, based on the Group’s liquidity needs, for monetary policy transactions with the Eurosystem.

In addition to the purchase price, the SPV will have to pay the Originator, starting from the first Interest Payment Date of the transaction, within the limits of available funds and in accordance with the priority order of payments, an amount equal to the interest accrued at the valuation date (excluded), which amounts to Euro 3,090,083.

The structure of the transaction envisages, inter alia, the establishment of a Cash Reserve that corresponds, at the date of issue of the notes, to Euro 72 million (“Cash Reserve Initial Amount”) and the establishment of an Expenses Account equal to Euro 50 thousand. Subsequent to the issue date, the Target Cash Reserve Amount will represent 4% of the outstanding amount of the Class A Notes, with a minimum amount of Euro 7.2 million.

The Cash Reserve was established in part through the issue of a subordinated loan disbursed by Banco BPM for an amount of Euro 67 million, and for the remainder, like the Expenses Account, through the use of part of the collections of interest in the period between the date of economic effectiveness of the portfolio transfer (14 March 2022) included and the date of issue of the notes (27 April 2022) excluded. The Company will have to pay interest on the aforementioned loan at the 3-month Euribor rate plus 2.5%, and this payment will be made in accordance with the payment waterfall established contractually. The Cash Reserve is deposited in a specific current account in the Company’s name (Cash Reserve Account) opened with Banco BPM.

As part of the transaction, pursuant to the servicing contract signed on 29 March 2022, Banco BPM acts as “Servicer”, i.e. the party responsible for the collection service of the transferred loans as well as the cash and payment services. In addition, Banco BPM also acts as “Account Bank” and transfers the interest and principal instalments - paid by the respective assigned debtors - on a daily basis to the “Collection Account” in the name of the SPV and opened with Banco BPM, where the Cash Reserve Account, Expenses Account and Equity Capital Account have also been opened.

Banco BPM also acts as “Administrative Servicer”, namely it provides accounting and administrative services and fulfils tax-related requirements on behalf of the SPV.

### **Interest Payment Date**

#### *“BPL Mortgages 8” - Interest Payment Date 25 July 2022*

On 25 July 2022, the first Interest Payment Date of the transaction, the cash flows resulting from the collections of the securitisation for the period from 14 March 2022 included (date of economic effectiveness of the portfolio transfer) to 30 June 2022, were settled, with the exclusion of part of the interest collected for an amount of Euro 5,050,000 used at the date of issue of the notes (27 April 2022) to establish the Expenses Account and part of the Cash Reserve Initial Amount.

More specifically, at the Interest Payment Date of 25 July 2022, the Total Issuer Available Funds amounted to Euro 379,493,725 represented by collections on the portfolio of Euro 307,493,725 and the Cash Reserve of Euro 72,000,000. The available funds enabled payment of the items envisaged in the order of priority established in the payments waterfall; specifically, inter alia, interest of Euro 1,254,900 was paid on the Class A Notes, the Target Cash Reserve Amount was restored to Euro 72,000,000 and the principal was repaid on the Class A Notes (Senior Notes) for Euro 305,711,136.

At the Interest Payment Date of 25 July 2022, interest accrued and not yet paid on the subordinate loan amounted to Euro 343,369. This amount will not accrue further interest and will be paid on the next Payment Dates thereafter, in compliance with the priority order of payments established contractually.

#### *“BPL Mortgages 8” - Interest Payment Date 25 October 2022*

The cash flows generated from the securitisation proceeds for the period 1 July to 30 September 2022 were settled on 25 October 2022; more specifically, on the Interest Payment Date of 25 October 2022, the Total Issuer Available Funds amounted to Euro 265,325,773 represented by collections on the portfolio of Euro 193,325,773 and the Cash Reserve of Euro 72,000,000. The available funds enabled payment of the items envisaged in the order of priority established in the payments waterfall; specifically, inter alia, interest of Euro 3,226,834 was paid on the Class A Notes, the Target Cash Reserve Amount was restored to Euro 59,771,555, the principal was repaid on the Class A Notes (Senior Notes) for Euro 194,789,538 and the subordinated loan was partially repaid in the amount of Euro 7,246,541 (of which Euro 6,856,823 as principal and Euro 389,718 as interest), bringing the principal amount of the subordinated loan to Euro 60,143,177.

The interest accrued on the subordinated loan for the period from 1 July 2022 to 30 September 2022 amounted to Euro 452,883 and the unpaid interest resulting from the previous IPD of 25 July 2022 amounted to € 343,369, for a total of Euro 796,252. On the Interest Payment Date of 25 October 2022, interest was paid on the subordinated loan in the amount of Euro 389,718, therefore leaving residual accrued and unpaid interest of Euro 406,534.

#### *“BPL Mortgages 8” - Collections October 2022 - December 2022*

The total collections on the securitisation for the period 1 October 2022 to 31 December 2022, as indicated in the Servicer Report, amounted to Euro 198,794,949, of which Euro 15,551,437 collections of interest and Euro 183,243,512 collections of principal. The following Interest Payment Date is 25 January 2023.

### **Performance of “BPL Mortgages 8” securitisation**

As at 31 December 2022, the total mortgage loan portfolio (excluding accruals) amounted to Euro 1,790,219,928, divided between (i) performing, unlikely-to-pay and non-performing past due loans (as defined in Bank of Italy’s instructions) for Euro 1,788,975,020 net of the related provisions for write-

downs, and (ii) bad loans for Euro 1,244,908 net of the related provision for write-downs. Note that the classification indicated for bad loans, unlikely-to-pay loans and non-performing past due loans is that recorded in the accounting records and IT system of the Servicer.

#### Total loan portfolio

Originator	Amount as at	% Portfolio as at	Amount as at	% Portfolio as at
BANCO BPM	31/12/2022	31/12/2022	13/03/2022 (*)	13/03/2022
Performing, unlikely-to-pay and non-performing past due loans	1,788,975,020	99.93%	2,456,397,257	100.00%
Bad loans	1,244,908	0.07%	-	-
<b>Total loan portfolio</b>	<b>1,790,219,928</b>	<b>100.00%</b>	<b>2,456,397,257</b>	<b>100.00%</b>

(\*) The amount includes the outstanding principal debt of Euro 2,419,376,741 plus principal and past due interest for a total net amount of Euro 37,020,516 and does not include the interest accrued at that date.

As described above, the value of the loans is net of related provisions for write-downs, which as at 31 December 2022 totalled, respectively: Euro 346,691 provision for write-down of bad loans, Euro 1,453,287 provision for write-down of unlikely-to-pay loans and Euro 269,129 provision for write-down of non-performing past due loans.

#### “BPL Mortgages 5” securitisation

##### Interest Payment Date

##### *BPL Mortgages 5 - Interest Payment Date 31 January 2022*

The cash flows generated from the securitisation proceeds for the period 1 October 2021 to 31 December 2021 were settled on 31 January 2022; more specifically, the Total Issuer Available Funds amounted to Euro 158,970,853, of which Euro 102,200,088 in Total Collections (of which, inter alia, Euro 87,117,878 collections of principal on mortgage loans, Euro 10,650,855 collections of interest on mortgage loans and Euro 4,387,675 collections of defaulted loans) and the Cash Reserve amounted to Euro 56,770,765. The available funds enabled payment of all items envisaged in the order of priority established in the payments waterfall; specifically, the Cash Reserve was restored to Euro 53,851,467 (target level) and the principal was repaid on the Class A1 Senior Notes for Euro 27,506,969, on the Class A2 Senior Notes for Euro 23,882,400 and on the Class A3 Senior Notes for Euro 53,380,236.

##### *“BPL Mortgages 5” - Interest Payment Date 29 April 2022*

The cash flows generated from the securitisation proceeds for the period 1 January 2022 to 31 March 2022 were settled on 29 April 2022; more specifically, the Total Issuer Available Funds amounted to Euro 142,171,304, of which Euro 88,319,839 in Total Collections (of which, inter alia, Euro 73,724,303 collections of principal on mortgage loans, Euro 10,531,374 collections of interest on mortgage loans and Euro 4,032,494 collections of defaulted loans) and the Cash Reserve amounted to Euro 53,851,465. The available funds enabled payment of all items envisaged in the order of priority established in the payments waterfall; specifically, the Cash Reserve was restored to Euro 50,708,379 (target level) and the principal was repaid on the Class A1 Senior Notes for Euro 23,944,229, on the Class A2 Senior Notes for Euro 20,789,032 and on the Class A3 Senior Notes for Euro 46,466,172.

##### *“BPL Mortgages 5” - Interest Payment Date 29 July 2022*

The cash flows generated from the securitisation proceeds for the period 1 April 2022 to 30 June 2022 were settled on 29 July 2022; more specifically, the Total Issuer Available Funds amounted to Euro 143,968,094, of which Euro 93,259,717 in Total Collections (of which, inter alia, Euro 79,888,922 collections of principal on mortgage loans, Euro 10,157,856 collections of interest on mortgage loans and Euro 3,172,807 collections of defaulted loans) and the Cash Reserve amounted to Euro 50,708,377. The available funds enabled payment of all items envisaged in the order of priority established in the payments waterfall; specifically, inter alia, the Cash Reserve was restored to Euro 47,972,396 (target level) and the principal was repaid on the Class A1 Senior Notes for Euro 25,133,680, on the Class A2 Senior Notes for Euro 21,821,747 - and on the Class A3 Senior Notes for Euro 48,774,370.

*“BPL Mortgages 5” - Interest Payment Date 31 October 2022*

The cash flows generated from the securitisation proceeds for the period 1 July 2022 to 30 September 2022 were settled on 31 October 2022; more specifically, the Total Issuer Available Funds amounted to Euro 129,533,802, of which Euro 81,561,408 in Total Collections (of which, inter alia, Euro 67,114,901 collections of principal on mortgage loans, Euro 10,676,539 collections of interest on mortgage loans and Euro 3,703,712 collections of defaulted loans) and the Cash Reserve amounted to Euro 47,972,394. The available funds enabled payment of all items envisaged in the order of priority established in the payments waterfall; specifically, (due to the increase in the Euribor reference rate) interest of Euro 245,285 was paid on the Class A1 Senior Notes, Euro 168,223 on the Class A2 Senior Notes, Euro 376,000 on the Class A3 Senior Notes, the Cash Reserve was restored to Euro 45,100,502 (target level) and the principal was repaid on the Class A1 Senior Notes for Euro 21,906,007, on the Class A2 Senior Notes for 19,019,446 and on the Class A3 Senior Notes for Euro 42,510,916.

*“BPL Mortgages 5” - Collections October - December 2022*

The total collections on the securitisation for the period 1 October 2022 to 31 December 2022, as indicated in the Servicer Report, amounted to Euro 92,113,828, of which Euro 18,109,938 collections of interest and Euro 74,003,890 collections of principal. The following Interest Payment Date is 31 January 2023.

**Performance of “BPL Mortgages 5” securitisation**

As at 31 December 2022, the total mortgage loan portfolio (excluding accruals) amounted to Euro 2,342,034,525, divided between (i) performing, unlikely-to-pay and non-performing past due loans (as defined in Bank of Italy’s instructions) for Euro 2,326,524,192 net of the related provisions for write-downs, and (ii) bad loans for Euro 15,510,333 net of the related provision for write-downs.

**Total loan portfolio**

Originator	Amount as at	% Portfolio as at	Amount as at	% Portfolio as at
BANCO BPM	31/12/2022	31/12/2022	31/12/2021	31/12/2021
Performing, unlikely-to-pay and non-performing past due loans	2,326,524,192	99.34%	2,644,265,391	99.67%
Bad loans	15,510,333	0.66%	8,680,454	0.33%
<b>Total loan portfolio</b>	<b>2,342,034,525</b>	<b>100.00%</b>	<b>2,652,945,845</b>	<b>100.00%</b>

As described above, the amount of the loans is net of related provisions for write-downs, which as at 31 December 2022 totalled, respectively: Euro 3,842,789 provision for write-down of bad loans, Euro 5,088,761 provision for write-down of unlikely-to-pay loans and Euro 448,853 provision for write-down of non-performing past due loans. Note that the classification indicated for bad loans, unlikely-to-pay loans and non-performing past due loans is that recorded in the accounting records and IT system of the Servicer.

*“BPL Mortgages 5” - Rating*

On 24 February 2022, the rating agency DBRS upgraded the rating of the Class A1, Class A2 and Class A3 Senior Notes from "AH" to "AA".

**Other events in the period***Changes in company officers*

The Quotaholders' Meeting of 6 April 2022, having acknowledged the resignation of the statutory auditor Andrea Praga with effect from the date of the Quotaholders' Meeting, supplemented the Board of Statutory Auditors until its expiry, namely until the date of the Quotaholders' Meeting that will approve the financial statements as at 31 December 2022, by appointing Marco Favini as Standing Auditor.

The Quotaholders' Meeting of 29 July 2022 (i) pursuant to art. 2401 of the Italian Civil Code, following the designation of the Alternate Auditor Nicola Fiameni as Standing Auditor due to the resignation, from

1 July 2022, of the previous Standing Auditor Dorino Mario Agliardi, supplemented the Board of Statutory Auditors in office, by appointing Claudia Clementina Oddi as Standing Auditor and establishing that Statutory Auditor Nicola Fiameni, with effect from 29 July 2022, will once again hold the office of Alternate Auditor and (ii) having acknowledged the resignation of the Sole Director Pamela Stival, appointed Igor Rizzetto as the new Sole Director of the Company, with effect from 29 July 2022 and for an indefinite period.

## 6. Report on corporate governance and ownership structure

As part of its corporate purpose, the Company arranged eight securitisations through the purchase of performing loans and by issuing notes listed on regulated markets. Consequently, pursuant to art. 123-bis, Italian Legislative Decree no. 58 of 24 February 1998, the report on operations of issuers with notes listed on regulated markets must contain a specific section, the “Report on corporate governance and ownership structure”, which, in accordance with paragraph 2, letter b) of that article, must provide information on the “main characteristics of the risk management and internal control systems for separate or consolidated financial reporting processes, as appropriate”.

The Company has no employees. To pursue the Company purpose and therefore also in relation to risk management and internal control systems for the financial reporting process, the Company makes use of agents appointed ad hoc. The contractual documentation of the securitisation defines the criteria that must be followed for the appointment of agents and specifies the activities each agent is expected to perform for the Company. This information is also provided in “Part D, Section F.3) of the Notes to the Financial Statements”.

The agents are appointed from among persons who perform the duties assigned by the Company in a professional manner. Agents must complete their assignments in compliance with governing regulations and in such a way as to allow the Company to promptly comply with all securitisation-related and legal obligations.

The main roles covered by such agents are as follows:

- (i) the Servicer, which amongst other things is responsible for management of the loans purchased;
- (ii) the Administrative Servicer, responsible for the Company’s administrative and accounting management;
- (iii) the Cash Manager, Calculation Agent and Paying Agent, which provide cash management, calculation and payment services;
- (iv) the Corporate Servicer, responsible for corporate affairs.

Specifically, the Servicer is the “party appointed to collect the transferred loans and to perform collection and payment services” pursuant to art. 2, paragraph 3, letter c), of Law 130/1999. In accordance with art. 2, paragraph 6 of Law 130/1999, the role of Servicer may be performed by banks or by intermediaries entered on the Single List of financial intermediaries under the terms of art. 106 of the Italian Legislative Decree no. 385 of 1 September 1993, which are responsible for verifying that securitisations are performed in compliance with the law and the prospectus. Also pursuant to the Bank of Italy Circular of 23 August 2000, Servicer is responsible for operational tasks and for ensuring the correct implementation of securitisations in the interest of investors and, in general, of the market. Lastly, with regard to the financial data, it should be mentioned that these are prepared by the Servicer based mainly on data provided by the entity appointed to manage the loans acquired.

## 7. Information on the Company’s situation, performance and operating result

With reference to corporate assets, given the business performed by the Company, no additional information with respect to that provided in the Notes to the Financial Statements is considered necessary.

More specifically, as regards performance indicators, it is deemed that the same are not significant with regard to corporate assets, while as regards the performance of segregated assets, see the content of Part D – Section F of the Notes to the Financial Statements.

## 8. Significant events occurring after the end of the financial year

At today’s date, there were no significant subsequent events after the end of the financial year.

For the sake of completeness of information, the breakdown relating to the IPDs of January 2023 and the upgrades made in February 2023, is provided below.

*BPL Mortgages 8 - Interest Payment Date 25 January 2023*

The cash flows generated from the securitisation proceeds for the period 1 October 2022 to 31 December 2022 were settled on 25 January 2023; more specifically, on the Interest Payment Date of 25 January 2023, the Total Issuer Available Funds amounted to Euro 258,577,443 represented, inter alia, by collections on the portfolio of Euro 198,794,949 and the Cash Reserve of Euro 59,771,555. The available funds enabled payment of the items envisaged in the order of priority established in the payments waterfall; specifically, inter alia, interest of Euro 5,645,603 was paid on the Class A Notes, the Target Cash Reserve Amount was restored to Euro 51,979,973, the principal was repaid on the Class A Notes ("Senior Notes") for Euro 184,112,730 and the subordinated loan was partially repaid in the amount of Euro 16,554,330 (of which Euro 15,982,661 as principal and Euro 571,669 as interest), bringing the principal amount of the subordinated loan to Euro 44,160,516.

The interest accrued on the subordinated loan for the period from 1 October 2022 to 31 December 2022 amounted to Euro 621,406 and the unpaid interest resulting from the previous IPD of 25 October 2022 amounted to Euro 406,534, for a total of Euro 1,027,940. On the Interest Payment Date of 25 January 2023, interest was paid on the subordinated loan in the amount of Euro 571,669, therefore leaving residual accrued and unpaid interest of Euro 456,271.

*BPL Mortgages 5 - Interest Payment Date 31 January 2023*

The cash flows generated from the securitisation proceeds for the period 1 October 2022 to 31 December 2022 were settled on 31 January 2023; more specifically, the Total Issuer Available Funds amounted to Euro 137,406,534, of which Euro 92,306,034 in Total Collections (of which, inter alia, Euro 74,003,890 collections of principal on mortgage loans, Euro 14,888,484 collections of interest on mortgage loans, Euro 3,221,454 collections of defaulted loans and Euro 156,918 interest income on current accounts) and the Cash Reserve amounted to Euro 45,100,500.

The available funds enabled payment of all items envisaged in the order of priority established in the payments waterfall; specifically, total interest of Euro 5,066,083 was paid on Class A Senior Notes (of which interest on Class A1 Notes for Euro 1,365,219, interest on Class A2 Notes for Euro 1,143,962 and interest on Class A3 Notes for Euro 2,556,902), the Cash Reserve was restored to Euro 42,597,411 (target level) and the principal was repaid on the Class A1 Senior Notes for Euro 23,502,516, on the Class A2 Senior Notes for 20,405,521 and on the Class A3 Senior Notes for Euro 45,609,022.

*"BPL Mortgages 5" - Rating*

On 24 February 2023, the rating agency DBRS upgraded the rating of the Class A1, Class A2 and Class A3 Senior Notes from "AA" to "AAA".

*"BPL Mortgages 8" - Rating*

On 17 February 2023, the rating agency Moody's upgraded the rating of Class A Notes ("Senior Notes") from "A2" to "Aa3".

**9. Business outlook**

Future business will focus on the regular continuation of the existing securitisations.

**10. Going concern**

With regard to the going concern assumption, the Company's Sole Director expects reasonably that the Company will continue its operations for the foreseeable future. Consequently the 2022 Financial Statements were prepared on a going concern basis.

The Sole Director states also that no situations have arisen in the equity and financial structure or in the operating performance that would cast doubt on the ability of the Company to continue operating normally.

Given the Company's type of business, the Sole Director believes also that the risks and uncertainties that the Company could encounter in carrying out its activities are not significant, also considering the

effects of COVID-19 and of the Russia-Ukraine conflict, and are therefore not such as to generate doubts about business continuity.

## **11. Other information**

### **A. Research and development**

Given the specific nature of the Company, no specific research and development activities were performed.

### **B. Relations with subsidiaries, affiliates, parent companies and companies subject to control of the latter**

The Company is 100% owned by SVM Securitisation Vehicles Management S.r.l. with which it has no intercompany relations.

With regard to transactions with related parties, reference should be made to Part D – Other information, Section 6 – Transactions with Related Parties, in the Notes to the Financial Statements.

### **C. Treasury shares and/or quotas or shares of parent companies**

The Company does not hold, and has not held during the year, any treasury shares and/or shares or quotas of the parent company, either directly or through trusts or third parties, nor it has purchased and/or sold said shares or quotas during the year.

### **D. Risk management**

With regard to the description of the main risks and uncertainties to which the Company is exposed, there is no significant information to report in relation to the Company's own assets. In particular, we can note that, as mentioned above, the Company was established with the purpose of implementing one or more securitisations and this purpose is achieved through implementation of eight securitisation transactions, of which two existing as at 31 December 2022.

The securitisations were structured by a leading international bank and the activities necessary for the related operations were assigned by the Company to professional operators specialised in providing financial and regulatory services in the context of such transactions.

With regard to the securitisations, which constitute the Company's segregated assets, reference should be made to Section 1, Part D of the Notes to the Financial Statements.

In the context of the coronavirus pandemic and of the Russia-Ukraine conflict, both with reference to ordinary operations and the securitisations, taking into account the nature of the items presented in the Company's Balance Sheet, the structure of the securitisations, and the activities carried out by the individual operators involved in the securitisations, no elements were found that require reporting as regards the measurement and control of the risks deriving from the coronavirus pandemic and from the Russia-Ukraine conflict.

### **E. Secondary offices**

The Company has no secondary offices.

### **F. Transactions with related parties**

With regard to transactions with related parties, reference should be made to Part D – Other information, Section 6 – Transactions with Related Parties, in the Notes to the Financial Statements.

## **G. Other information**

### *G.1 Financial instruments*

Pursuant to art. 2428, paragraph 6-bis, of the Italian Civil Code, with regard to information on the Company's use of financial instruments and the data required for assessment of the equity and financial position and the result for the period, it is hereby specified that the Company did not use financial instruments for its ordinary operations during 2022.

### *G.2 Other information*

The Company has no employees, nor does it have secondary offices, branches or local offices. Given the specific nature of the business, and due to the absence of personnel (i) the Company has outsourced all of the core functions of an organisational structure, as well as the internal control systems to third parties appointed for these purposes and (ii) there is no information to provide on the environment and personnel.

### **Proposed allocation of the result for the year**

The Financial Statements as at 31 December 2022 closed with a loss of Euro 136, which it is proposed to cover with the retained earnings from previous years.

Conegliano (TV), 3 February 2023

**BPL Mortgages S.r.l.**  
*A single member company*  
*The Sole Director*  
Igor Rizzetto





**BPL MORTGAGES SRL**

**INDEPENDENT AUDITOR'S REPORT  
IN ACCORDANCE WITH ARTICLE 14 OF LEGISLATIVE DECREE  
NO. 39 OF 27 JANUARY 2010 AND ARTICLE 10 OF REGULATION  
(EU) NO. 537/2014**

**FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022**



## **Independent auditor's report**

*in accordance with article 14 of Legislative Decree No. 39 of 27 January 2010 and article 10 of Regulation (EU) No. 537/2014*

To the quotaholder of BPL Mortgages Srl

---

## **Report on the audit of the financial statements**

---

### **Opinion**

We have audited the financial statements of BPL Mortgages Srl (the Company), which comprise balance sheet as of 31 December 2022, the income statement, statement of comprehensive income, statement of changes in quotaholder's equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31 December 2022, and of the result of its operations and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/05.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of this report. We are independent of the Company pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of matter**

We draw attention to "section 2 – general preparation principles" of the notes to the financial statements where the sole director states that the Company's sole business is the securitisation of receivables pursuant to Law No. 130 of 30 April 1999 and that the Company recognises receivables purchased, notes issued and other transactions performed as part of securitisation in the notes to the financial statements in accordance with Law No. 130 of 30 April 1999 and the regulations previously in force issued by Banca d'Italia under which receivables relating to each transaction are segregated to all intents and purposes from the Company's assets and from those relating to other transactions. Our opinion is not qualified for this matter.

---

### **PricewaterhouseCoopers SpA**

Sede legale: **Milano** 20145 Piazza Tre Torri 2 Tel. 02 77851 Fax 02 7785240 Capitale Sociale Euro 6.890.000,00 i.v. C.F. e P.IVA e Reg. Imprese Milano Monza Brianza Lodi 12979880155 Iscritta al n° 119644 del Registro dei Revisori Legali - Altri Uffici: **Ancona** 60131 Via Sandro Totti 1 Tel. 071 2132311 - **Bari** 70122 Via Abate Gimma 72 Tel. 080 5640211 - **Bergamo** 24121 Largo Belotti 5 Tel. 035 229691 - **Bologna** 40126 Via Angelo Finelli 8 Tel. 051 6186211 - **Brescia** 25121 Viale Duca d'Aosta 28 Tel. 030 3697501 - **Catania** 95129 Corso Italia 302 Tel. 095 7532311 - **Firenze** 50121 Viale Gramsci 15 Tel. 055 2482811 - **Genova** 16121 Piazza Piccapietra 9 Tel. 010 29041 - **Napoli** 80121 Via dei Mille 16 Tel. 081 36181 - **Padova** 35138 Via Vicenza 4 Tel. 049 873481 - **Palermo** 90141 Via Marchese Ugo 60 Tel. 091 349737 - **Parma** 43121 Viale Tanara 20/A Tel. 0521 275911 - **Pescara** 65127 Piazza Ettore Troilo 8 Tel. 085 4545711 - **Roma** 00154 Largo Fochetti 29 Tel. 06 570251 - **Torino** 10122 Corso Palestro 10 Tel. 011 556771 - **Trento** 38122 Viale della Costituzione 33 Tel. 0461 237004 - **Treviso** 31100 Viale Felissent 90 Tel. 0422 696911 - **Trieste** 34125 Via Cesare Battisti 18 Tel. 040 3480781 - **Udine** 33100 Via Poscolle 43 Tel. 0432 25789 - **Varese** 21100 Via Albuzzi 43 Tel. 0332 285039 - **Verona** 37135 Via Francia 11



### ***Key Audit Matters***

There are no key audit matters to be reported in this auditor's report.

### ***Responsibilities of the sole director and the board of statutory auditors for the financial statements***

The sole director is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/05 and, in the terms prescribed by law, for such internal control as he determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The sole director is responsible for assessing the Company's ability to continue as a going concern and, in preparing the financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the financial statements, the sole director uses the going concern basis of accounting unless he either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Company's financial reporting process.

### ***Auditor's responsibilities for the audit of the financial statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised our professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- we identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;



- we evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the sole director;
- we concluded on the appropriateness of the sole director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- we evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

#### ***Additional disclosures required by article 10 of Regulation (EU) No 537/2014***

On 29 March 2017, the quotaholder of BPL Mortgages Srl in general meeting engaged us to perform the statutory audit of the Company's financial statements for the years ending 31 december 2017 to 31 december 2025.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) No. 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.



---

## ***Report on Compliance with other Laws and Regulations***

---

### ***Opinion in accordance with article 14, paragraph 2, letter e), of Legislative Decree No. 39/10 and Article 123-bis, paragraph 4, of Legislative Decree No. 58/98***

The sole director of BPL Mortgages Srl is responsible for preparing a report on operations and a report on the corporate governance and ownership structure of BPL Mortgages Srl as of 31 December 2022, including their consistency with the relevant financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) No.720B in order to express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No.58/98, with the financial statements of BPL Mortgages Srl as of 31 December 2022 and on their compliance with the law, as well as to issue a statement on material misstatements, if any.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure mentioned above are consistent with the financial statements as of 31 December 2022 and are prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e), of Legislative Decree No.39/10, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Milan, 17 March 2023

PricewaterhouseCoopers SpA

*Signed by*

Corrado Aprico  
(Partner)

***This report has been translated into English from the Italian original solely for the convenience of international readers***

**BALANCE SHEET**

	<b>Assets</b>	<b>31/12/2022</b>	<b>31/12/2021</b>
<b>10.</b>	Cash and cash equivalents	10,451	10,587
<b>100.</b>	Tax assets	52,399	57,437
	a) current	52,399	57,437
<b>120.</b>	Other assets	39,876	21,459
	<b>Total assets</b>	<b>102,726</b>	<b>89,483</b>

	<b>Liabilities and quotaholders' equity</b>	<b>31/12/2022</b>	<b>31/12/2021</b>
<b>60.</b>	Tax liabilities	55	55
	a) current	55	55
<b>80.</b>	Other liabilities	87,990	74,611
<b>110.</b>	Quota Capital	12,000	12,000
<b>150.</b>	Reserves	2,817	2,953
<b>170.</b>	Net profit (loss) for the year	(136)	(136)
	<b>Total Liabilities and Quotaholders' Equity</b>	<b>102,726</b>	<b>89,483</b>

**INCOME STATEMENT**

		<b>31/12/2022</b>	<b>31/12/2021</b>
<b>40.</b>	Fee and commission income	-	-
<b>50.</b>	Fee and commission expense	(128)	(128)
<b>60.</b>	<b>Net fee and commission income</b>	<b>(128)</b>	<b>(128)</b>
<b>120.</b>	<b>Net interest and other banking income</b>	<b>(128)</b>	<b>(128)</b>
<b>160.</b>	Administrative expenses:	(55,168)	(50,623)
	a) personnel expenses	(16,958)	(18,706)
	b) other administrative expenses	(38,210)	(31,917)
<b>200.</b>	Other operating income and expenses	55,160	50,615
<b>210.</b>	<b>Operating expenses</b>	<b>(8)</b>	<b>(8)</b>
<b>260.</b>	<b>Profit (Loss) before tax from continuing operations</b>	<b>(136)</b>	<b>(136)</b>
<b>270.</b>	Taxes on income from continuing operations	-	-
<b>280.</b>	<b>Profit (Loss) after tax from continuing operations</b>	<b>(136)</b>	<b>(136)</b>
<b>300.</b>	<b>Net profit (loss) for the year</b>	<b>(136)</b>	<b>(136)</b>

**STATEMENT OF COMPREHENSIVE INCOME**

	Item	31/12/2022	31/12/2021
10.	Net profit (loss) for the year	(136)	(136)
170.	Total other comprehensive income after tax	-	-
180.	Comprehensive income (Items 10+170)	(136)	(136)

## STATEMENT OF CHANGES IN QUOTAHOLDERS' EQUITY AS AT 31 DECEMBER 2022

	Balance as at 31/12/2021	Changes in opening balances	Balance as at 01/01/2022	Allocation of profit/loss of the previous year		Changes in the year						Comprehensive income for 2022	Quotaholders' equity as at 31/12/2022
						Change in reserves	Operations on quotaholders' equity						
							Reserves	Dividends and other allocations	Issuance of new shares	Purchase of own shares	Extraordinary distribution of dividends		
Quota Capital	12,000		12,000										12,000
Quota premium reserve													
Reserves:	2,953		2,953	(136)									2,817
a) retained earnings	3,806		3,806	(136)									3,670
b) other	(853)		(853)										(853)
Valuation reserves													
Equity instruments													
Own shares													
Net profit (loss) for the year	(136)		(136)	136								(136)	(136)
<b>Quotaholders' equity</b>	<b>14,817</b>		<b>14,817</b>	<b>-</b>								<b>(136)</b>	<b>14,681</b>



**STATEMENT OF CHANGES IN QUOTAHOLDERS' EQUITY AS AT 31 DECEMBER 2021**

	Balance as at 31/12/2020	Changes in opening balances	Balance as at 01/01/2021	Allocation of profit/loss of the previous year		Changes in the year						Comprehensive income 2021	Quotaholders' equity as at 31/12/2021
						Reserves	Dividends and other allocations	Change in reserves	Operations on quotaholders' equity				
				Issuance of new shares	Purchase of own shares				Extraordinary distribution of dividends	Change in equity instruments	Other changes		
Quota Capital	12,000		12,000										12,000
Quota premium reserve													
Reserves:	3,089		3,089	(136)									2,953
a) retained earnings	3,942		3,942	(136)									3,806
b) other	(853)		(853)										(853)
Valuation reserves													
Equity instruments													
Own shares													
Net profit (loss) for the year	(136)		(136)	136								(136)	(136)
<b>Quotaholders' equity</b>	<b>14,953</b>		<b>14,953</b>	-								<b>(136)</b>	<b>14,817</b>

**STATEMENT OF CASH FLOWS (DIRECT METHOD)**

	31/12/2022	31/12/2021
<b>A. OPERATING ACTIVITIES</b>		
<b>1. Cash flow from operations</b>	<b>(6,576)</b>	<b>(120)</b>
interest income received (+)		
interest expenses paid (-)		
dividends and similar income (+)		
net fee and commission income (+/-)	(128)	(128)
personnel expenses (-)	(13,196)	(28,064)
other expenses (-)	(29,980)	(22,147)
other revenues (+)	36,728	50,219
taxes and duties (-)		
costs/revenues related to discontinued operations net of the tax effect (+/-)		
<b>2. Cash flows from/used in financial assets</b>	<b>5,054</b>	<b>6,356</b>
financial assets held for trading		
financial assets designated at fair value		
other assets obligatorily designated at fair value		
financial assets designated at fair value through other comprehensive income		
financial assets designated at amortised cost		
other assets	5,054	6,356
<b>3. Cash flows from/used in financial liabilities</b>	<b>1,386</b>	<b>(6,372)</b>
financial liabilities designated at amortised cost		
financial liabilities held for trading		
financial liabilities designated at fair value		
other liabilities	1,386	(6,372)
<b>Net cash flow from/used in operating activities</b>	<b>(136)</b>	<b>(136)</b>
<b>B. INVESTING ACTIVITIES</b>		
<b>1. Cash flows from</b>		
sales of equity investments		
dividends collected on equity investments		
sales of tangible assets		
sales of intangible assets		
sales of business units		
<b>2. Cash flows used in</b>		
purchase of equity investments		
purchase of tangible assets		
purchase of intangible assets		
purchase of business units		
<b>Net cash flows from/used in investing activities</b>		
<b>C. FINANCING ACTIVITIES</b>		
issue/purchase of own shares		
issue/purchase of equity instruments		
dividend distribution and other allocations		
<b>Net cash flows from/used in financing activities</b>		
<b>NET CASH FLOW PROVIDED/USED DURING THE YEAR</b>	<b>(136)</b>	<b>(136)</b>
<b>RECONCILIATION</b>		
	<b>31/12/2022</b>	<b>31/12/2021</b>
Cash and cash equivalents at the beginning of the year	10,587	10,723
Net cash flows from/used in activities during the year	(136)	(136)
Cash and cash equivalents: foreign exchange effect	-	-
<b>Cash and cash equivalents at the end of the year</b>	<b>10,451</b>	<b>10,587</b>

## NOTES TO THE FINANCIAL STATEMENTS

### INTRODUCTION

The Notes to the Financial Statements are divided into the following parts:

- 1) Part A – Accounting policies
- 2) Part B – Information on the Balance Sheet
- 3) Part C – Information on the income statement
- 4) Part D – Other information

### PART A – ACCOUNTING POLICIES

#### A.1 - General Part

##### Section 1 - Statement of compliance with the international accounting standards

In compliance with art. 2 of Italian Legislative Decree no. 38/2005, as an issuer of financial instruments admitted to trading on regulated markets in the European Union, the Company prepared its financial statements according to the international accounting standards IAS/IFRS (International Accounting Standards/International Financial Reporting Standards) issued by the International Accounting Standards Board (IASB) and related interpretations of the International Financial Reporting Interpretations Committee (IFRIC), endorsed by the European Commission and introduced into Italian law by the aforementioned Italian Legislative Decree no. 38/2005. The IAS/IFRS standards and related interpretations (SIC/IFRIC) applied are those endorsed by the European Union and in force as at 31 December 2022.

##### Section 2 - General preparation principles

These financial statements were prepared in application of the international accounting standards issued by the International Accounting Standards Board (IASB) and related interpretations issued by the IFRIC, all endorsed by the European Union. The accounting standards applied in the preparation of these financial statements are those in force at 31 December 2022.

These financial statements were prepared using the formats envisaged by the 7th update of the “Instructions on the preparation of financial statements and reports of IFRS Intermediaries other than banking intermediaries” of 29 October 2021 issued by the Bank of Italy and the update of the amendments with the letter dated 21 December 2021 (which replaces the previous one of 27 January 2021) regarding the COVID-19 impacts and of the measures to support the economy as well as amendments to IAS/IFRS, where applicable. In relation to the temporary nature of the COVID-19 emergency and the relative support measures, the additions to the relevant financial statements provisions will remain in force until otherwise communicated by the Bank of Italy.

Note that the Bank of Italy Circular of 29 October 2021 replaced the Circular of 30 November 2018, which in turn had replaced the Circular of 22 December 2017, although the previous Circular of 9 December 2016 had already removed from its application scope any reference to securitisation SPVs, as these are entities no longer classifiable as non-banking financial intermediaries, pursuant to Italian Legislative Decree no. 141/2010 and subsequent corrective decrees.

As IAS 1 does not envisage a rigid format of the financial statements and pending the issuance of a new regulatory source to replace the previous one and regulate the financial statements of securitisation SPVs, these financial statements were prepared using the formats of the Bank of Italy Circular, which, from the 5th update dated 22 December 2017, incorporated the changes introduced by the new IFRS 9 accounting standard, which came into force on 1 January 2018. These formats were considered best suited to providing information on the Company’s financial position, economic result and cash flows, more useful to users when making decisions of an economic nature and at the same time more significant, reliable, comparable and understandable with regard to the company’s operations. In relation to the segregated assets reference was instead made to the Bank of Italy Circular of 15 December 2015 (3rd update), given that the subsequent measures mentioned above say nothing about the disclosure to be made for securitisations.

The Financial Statements comprise - in accordance with the provisions of IAS 1 - the Balance Sheet, the Income Statement, the Statement of Comprehensive Income, the Statement of Cash Flows, the Statement of

Changes in Quotaholders' Equity and the Notes to the Financial Statements, accompanied by the Report on Operations and position of the Company.

The Company only conducts loan securitisation activities pursuant to Italian Law no. 130 of 30 April 1999 and, in compliance with the Instructions of the Bank of Italy of 15 December 2015, reported the financial assets purchased, the securities issued and other transactions carried out within the scope of the securitisations in the Notes to the Financial Statements and not in the Balance Sheet, in line with the terms of Italian Law no. 130 of 30 April 1999 according to which the loans relating to each securitisation constitute assets completely segregated from those of the Company and from those relating to other transactions.

In addition to figures for the year in question, the formats also provide corresponding comparative data as at 31 December 2021. In compliance with art. 5, of Italian Legislative Decree no. 38 of 28 February 2005 and IAS 1/46, the financial statements use the Euro as the functional currency. Unless indicated otherwise, all amounts are in euro units.

The financial statements are drafted with the intent of providing a truthful and fair representation of the economic and financial position, the net profit (loss) for the year and the cash flows.

In the preparation of these financial statements, no estimates were used that could result, in the following year, to significant changes in the book values of assets and liabilities reported in the same.

These financial statements are based on application of the following presentation principles:

*Going concern (IAS 1 Revised, para. 25)*

Assets and liabilities are measured according to their operating value, as they are expected to have a long useful life.

*Accrual basis of accounting (IAS 1 Revised, paras. 27 and 28)*

Costs and revenues are recognised, regardless of the time they are settled in monetary terms, by period of economic accrual and according to the matching principle.

*Consistency of presentation and classification (IAS 1 Revised, para. 45)*

The presentation and classification of items are maintained constant over time with a view to guaranteeing the comparability of information, unless a change in the same is required by an International Accounting Standard or by an Interpretation or it makes the representation of the amounts more appropriate in terms of significance and reliability. If a presentation or classification criterion is changed, the new one is applied - where possible - retroactively; in this case, the nature of and the reason for the change are indicated, as well as the items affected. In the presentation and classification of the items, the financial statement formats envisaged by the Bank of Italy Circular of 29 October 2021 are adopted.

*Aggregation and materiality (IAS 1 Revised, para. 29)*

All significant aggregations of items with similar nature or function are presented separately. Items with a dissimilar nature or function, if significant, are presented separately.

*Offsetting prohibition (IAS 1 Revised, para. 32)*

Assets and liabilities, and costs and income may not be offset, unless required or permitted by an International Accounting Standard or by an Interpretation or by the formats or instructions provided by the Bank of Italy.

*Comparative information*

Comparative information of the previous year is disclosed for all amounts reported in the financial statements, unless an International Accounting Standard or an Interpretation requires or permits otherwise. Descriptive information is also provided when considered useful in better understanding the figures. In the Notes to the Financial Statements do not include sections and/or tables without values of the two financial years compared. These financial statements include the compulsory statements required under IAS 1, i.e. the Balance Sheet, the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Quotaholders' Equity, the Statement of Cash Flows and these Notes.

## **Securitisations**

As at 31 December 2022, there are two securitisations, implemented pursuant to Law 130/1999. Accounting of the securitisations was performed in line with the "Instructions on the preparation of financial statements and reports of financial intermediaries, payment institutes, electronic money institutions (IMEL), asset management companies (SGR) and securities trading companies (SIM)" issued on 15 December 2015 by the

Bank of Italy, though these have since been replaced by the Circular of 9 December 2016 in turn replaced by the Circular of 22 December 2017, subsequently replaced by the Circular of 30 November 2018 and then by the Circular of 29 October 2021, given that these latter say nothing about the disclosure to be made for securitisations. In particular, the Bank of Italy requires that the Notes to the Financial Statements include at least the following in Part D "Other information": total amount of loans purchased (nominal and disposal value) and the total amount of securities issued with a breakdown by class of securities and related level of subordination.

The provision requiring that all information, even where not specifically requested, is included to provide a full picture of the situation remains in force, whilst information, which by its nature or excessive content reduces the clarity and immediate understanding of the information documented, must be omitted. For each securitisation a special section ("F") should be included, illustrating at least the related qualitative and quantitative information.

Information on the securitisations is provided in Section F of the Notes to the Financial Statements and does not form part of the actual Financial Statements. With reference to this type of transaction, Bank of Italy instructions state specifically that:

- the accounting information relating to each securitisation should be provided separately in the Notes;
- the information must contain all the qualitative and quantitative data required for a clear and complete representation of each securitisation.

### **Section 3 - Subsequent events after the date of the financial statements**

At today's date, there were no significant subsequent events after the end of the financial year.

The Sole Director examined the Financial Statements and, in accordance with IAS 10, authorised their disclosure on 3 February 2023. A copy of these Financial Statements will be disclosed to the Board of Statutory Auditors and to the Independent Auditors pursuant to art. 2429 of the Italian Civil Code for the preparation of their respective reports.

### **Section 4 - Other aspects**

#### **Risks, uncertainties and impacts of the COVID-19 pandemic and of the Russia-Ukraine conflict**

##### *Going concern*

Given the Company's type of business, the Sole Director believes also that the risks and uncertainties that the Company could encounter in carrying out its activities are not significant, also considering the effects of COVID-19 and of the Russia-Ukraine conflict, and are therefore not such as to generate doubts about business continuity.

##### *Changes in estimates*

The crisis caused by the COVID-19 epidemic and, from the first quarter of 2022, by the effects of the Russia-Ukraine conflict, taking into consideration the items presented under assets and liabilities in the Company's Balance Sheet, did not have any impact on the financial and economic situation of the Company itself.

With regard to the securitisations, which constitute the Company's segregated assets, the Originator Banco BPM maintains the risks and benefits associated with the securitised portfolios, albeit transferred without recourse.

Given the above, even though international accounting standards are not applied in drafting the summary statements for securitisations, the measurement of "Securitized assets" referring solely to non-performing loans by the Servicer Banco BPM reflects the application of IFRS 9, which requires companies to consider not only historical and current information, but also forecast information (known as forward-looking factors) that could affect the recoverability of the securitised assets.

The global health emergency, which began in early 2020, and the outbreak of the Russia-Ukraine conflict in early 2022, had an impact on the calculation of the Originator's impairments.

The highly asymmetrical nature of the macroeconomic shock generated due to COVID-19 and the resulting mitigation measures implemented by the various Competent Authorities required, in line with that envisaged by IFRS 9, an ad-hoc model change and fine-tuning in order to properly measure the real level of risk of Banco BPM Group's portfolio.

This model change and fine-tuning, which involved estimating expected losses and the stage assignment criterion, led Banco BPM to adopt a methodology based on forecast impairment rates from 2020 (differentiated by the various production sectors of the Italian economic system) that consider the mitigation measures and, in particular, the various liquidity decrees issued by the Italian government.

In addition, the current general scenario, while continuing to benefit from the use of Next Generation EU funds, is conditioned by the tensions generated by the continuation of the Russian invasion of Ukraine, with inevitable effects on growth prospects and inflation expectations triggered by the increase in the cost of raw materials, particularly energy, and with the consequent general rise in interest rates as a result of the measures taken by central banks to combat inflation.

In 2022, with the aim to more accurately reflect the expected losses due not only to the economic disruption caused by COVID-19, but also by the negative effects on the global and Italian economies directly or indirectly related to developments in the Russia-Ukraine conflict, the process of reviewing and fine-tuning the models used by Banco BPM continued, also through a series of managerial adjustments applied to the results generated by the model (post model adjustments).

With regard to the impacts on securitisation, please refer to "Part D – Other information – Section 1 – Specific business activities" of the Notes to the Financial Statements for more details.

### *Risks*

To pursue its corporate purpose and consequently also the activities connected to the risk management and internal control systems set in place for the financial reporting process, the Company makes use of service providers appointed ad hoc.

In the context of the COVID-19 pandemic and of the Russia-Ukraine conflict, both with reference to "ordinary operations" and "securitisations", taking into account the nature of the items presented in the Company's Balance Sheet, the structure of the securitisations, and the ability of the Servicer Banco BPM and other service providers, to whom all the characteristic functions of an organisational structure are assigned as well as the internal control systems, to guarantee the regular and timely execution of their activities, in compliance with contractual obligations, there are no impacts on the measurement and control of the risks deriving from the COVID-19 pandemic and from the Russia-Ukraine conflict.

For further details, please refer to the Notes to the Financial Statements "Part D – Other information - Information on risks and related hedging policies".

### **Contractual amendments resulting from COVID-19**

With regard to ordinary operations, there were no contractual amendments to report. With regard to the securitisation, please refer to "Part D – Other information – Section 1 – Specific business activities" for more details.

### **Other aspects**

As the Company is an entity of public interest (art. 16, paragraph 1, letter a), of Italian Legislative Decree no. 39 of 27 January 2010) and, as part of the fifth securitisation, it has issued debt securities admitted to trading on the Irish Stock Exchange, the financial statements are subject to auditing by the independent auditors PricewaterhouseCoopers S.p.A., to which the task was assigned by the Quotaholders' Meeting of 29 March 2017 for the financial years from 2017 to 2025 under the terms of art. 14 of the aforementioned decree.

## A.2 - Information on the main accounting items

The main accounting standards adopted for preparation of the Financial Statements as at 31 December 2022, with reference to items of the balance sheet and income statement only, are described below. The recognition, classification, measurement, income item identification and derecognition criteria are indicated for each item.

### ASSETS

#### Tax assets and liabilities

##### *Recognition criteria*

Taxes are recognised at the time the various types of withholdings and taxes can be ascertained.

##### *Classification criteria*

This item includes current and deferred tax assets and current and deferred tax liabilities, respectively. Current tax assets and liabilities in the Balance Sheet are shown as net balances, as they will be settled based on the net balance, due to the legal right of offsetting.

##### *Measurement criteria*

Current tax assets are recognised at the nominal value of the tax prepayments made and tax withholdings applied. Current tax liabilities are recognised at nominal value based on withholdings applied, whilst income tax allocations are calculated on a prudential forecast of the current and deferred tax charges in accordance with current tax regulations. Income taxes are recognised in the income statement except for those relating to items credited or debited directly to quotaholders' equity.

Deferred tax assets and liabilities are calculated on the temporary differences, without time limits, between the book values and tax values of each asset or liability.

Deferred tax assets are recognised in the financial statements if their recovery, assessed on the basis of the Company's ability to generate taxable income with continuity in future years, is probable. Deferred tax liabilities are recognised in the financial statements regardless of the current or prospective tax loss position.

Deferred taxes assets and liabilities recognised are systematically measured to take into account any changes in the tax regulations or tax rates.

##### *Derecognition criteria*

Current taxes (assets and liabilities) are derecognised when the various taxes levied as substitute taxes are paid by the legal deadline. Deferred taxes are derecognised when their recovery can no longer be expected.

#### Cash and cash equivalents

This item is represented by "demand" amounts due from banks resulting from the Company's cash and cash equivalents for deposits in current accounts. Cash and cash equivalents are measured at nominal value.

#### Other assets

This item includes assets not attributable to other asset items in the Balance Sheet. Specifically, the item is represented by securitisation receivables for the charge-back of costs recognised by the segregated assets as payable to the Company for normal business operations.

### LIABILITIES

#### Other liabilities

This item includes liabilities not attributable to other liability items in the Balance Sheet. It includes amounts due to suppliers and to the Originators, now Banco BPM, for the (i) "Residential March 2009" and (ii) "Residential and Commercial July 2009" and (iii) "SME June 2014" securitisations, as a debt to be recognised to the same in relation to the credit for withholdings on current account interest income from the securitisations.

#### Criteria for the recognition of income components

Costs are recognised in the income statement when there is a decline in the future economic benefits, resulting in a decrease in assets or an increase in liabilities, which can be reliably measured. Costs are recognised in

the income statement according to the criterion of direct association between the costs incurred and the achievement of specific revenue items (correlation of costs and revenues). All costs relating to securitisation processes are charged directly to the related operations.

Revenues are recognised in the income statement when there is an increase in future economic benefits, which results in an increase in assets or a decrease in liabilities, the value of which can be reliably determined. The main revenue item in the Company's financial statements derives from the chargeback of expenses relating to the securitisation process referred to previously.

Costs and revenues are recognised on an accruals basis.

Given the exclusive nature of the Company's business operations, operating costs incurred are charged to the segregated assets to the extent necessary to guarantee the Company's economic and financial balance, as also contractually envisaged. This amount is classified under "Other operating income and expenses".

### **A.3 - Information on transfers of financial assets among portfolios**

With regard to information required under IFRS 7, we can note that no reclassification of financial assets among the various portfolios was performed.

### **A.4 - Information on fair value**

#### QUALITATIVE INFORMATION

No assets or liabilities measured at fair value are presented in the financial statements.

### **A.5 - Information on "day one profit/loss"**

As the Company made no use of financial instruments during 2022 as part of its ordinary operations, there is no information on "day one profit/loss" to report.



**PART B - INFORMATION ON THE BALANCE SHEET****ASSETS****Section 1 - Cash and cash equivalents – Item 10**

This item is represented by “demand” amounts due from banks resulting from the Company’s cash and cash equivalents for deposits in current accounts. “Demand” amounts due from banks amounted to Euro 10,451 and related to the current account held with Banco BPM, where the Company’s quota capital is deposited.

**Cash and cash equivalents**

	31/12/2022	31/12/2021
Demand amounts due from banks – current account	10,451	10,587
<b>Total</b>	<b>10,451</b>	<b>10,587</b>

**Section 10 - Tax assets and liabilities - Item 100 of the assets and Item 60 of the liabilities****10.1 Tax assets: current and deferred: breakdown**

	31/12/2022	31/12/2021
<i>Current tax assets:</i>		
IRES credits	50,245	55,283
IRAP credits	2,154	2,154
<b>Total</b>	<b>52,399</b>	<b>57,437</b>

IRES credits include the advances paid to the tax authority for withholdings on interest income accrued on current accounts that the Company has recognised, following the winding-up of three securitisations in 2011, 2013 and 2021 respectively, and for which the Company chose to offset in the related tax return.

During 2022, a portion of the IRES credits from Ordinary Operations, equal to Euro 5,720, was used to offset the payment of a VAT due for the segregated assets “BPL Mortgages 8”. IRAP credits are represented by IRAP to be retained.

**10.2 Tax liabilities: current and deferred: breakdown**

	31/12/2022	31/12/2021
<i>Current tax liabilities:</i>		
IRES	55	55
IRAP	-	-
<b>Total</b>	<b>55</b>	<b>55</b>

**Section 12 - Other assets - Item 120****12.1 Other assets: breakdown**

	31/12/2022	31/12/2021
Securitisation receivables for maintenance expense	39,704	21,272
Other receivables	-	187
Prepaid expenses	172	-
<b>Total</b>	<b>39,876</b>	<b>21,459</b>

“Securitisation receivables for maintenance expense” represents the amount receivable from the Segregated Assets as chargebacks required to maintain Company business operations.

**LIABILITIES****Section 6 - Tax liabilities - Item 60**

See section 10 of the assets.

**Section 8 - Other liabilities - Item 80****8.1 Other liabilities: breakdown**

	31/12/2022	31/12/2021
Due to suppliers for invoices to be received or paid	37,745	19,328
Other payables	50,245	55,283
<b>Total</b>	<b>87,990</b>	<b>74,611</b>

Amounts due to suppliers for invoices to be received are represented by provisions allocated as at 31 December 2022 for costs for the period or for which the invoices were received after the closing date of the financial statements.

“Other payables” amounting to Euro 50,245 represent the amount due from the Company to the Originator Banco BPM, for the securitisations wound up in 2011, 2013 and 2021, which the Company must pay to the same.

Against the reduction of Euro 5,720 of the credit for withholding taxes of Ordinary Operations, due not to the direct collection of the credit by the Italian Revenue Agency, but to its use to offset the settlement of a VAT payable by the segregated assets of BPL Mortgages 8, the Company’s debt to Banco BPM was reduced.

**Section 11 - Quotaholders’ equity - Items 110 and 150****11.1 Quota Capital: breakdown**

Type	31/12/2022
1. Quota capital	12,000
1.1 Ordinary shares/equity investments	
1.2 Other shares (quotas)	12,000

The quota capital is comprised by a single equity investment fully paid up and held entirely by SVM Securitisation Vehicles Management S.r.l., a single-member company incorporated in Italy, with registered office in Conegliano (TV), at Via V. Alfieri no. 1.

**11.5 Other information****Reserves: breakdown and change in item 150 Reserves**

	Legal	Retained Earnings/(Losses)	Other Reserves Reserve for capital account payments	Other Reserves First Time Adoption IAS/IFRS	Total
<b>A. Opening balance</b>	<b>2,400</b>	<b>1,406</b>	<b>611</b>	<b>(1,464)</b>	<b>2,953</b>
<b>B. Increases</b>	-	-	-	-	-
B.1 Profit allocation					
B.2 Other changes					
<b>C. Decreases</b>	-	<b>(136)</b>	-	-	<b>(136)</b>
C.1 Uses					
- coverage of loss		(136)			(136)
- distribution					
- transfer to capital					
C.2 Other changes					
<b>D. Closing balance</b>	<b>2,400</b>	<b>1,270</b>	<b>611</b>	<b>(1,464)</b>	<b>2,817</b>

The “Other Reserves” item includes the FTA Reserve - calculated according to the application of IAS/IFRS to intangible assets - and totalled Euro (1,464).

Pursuant to art. 2427, paragraph 7 bis of the Italian Civil Code, the Quotaholders' Equity items are summarised below, broken down according to their source and with an indication of use and distribution possibilities and their actual use in the past three years.

Nature/description	Amount	Possibility of use	Available portion	Uses in the last three years	
				To cover losses	For other uses
<b>Quota Capital</b>	<b>12,000</b>				
<b>Capital Reserves</b>	<b>611</b>				
Reserve for capital account payments	611	B			
<b>Profit reserves:</b>	<b>3,670</b>				
Legal reserve	2,400	B			
Other profit reserves	-				
- Retained earnings	1,270	A, B, C	1,270	592	
<b>Other reserves</b>	<b>(1,464)</b>				
<b>TOTAL</b>	<b>14,817</b>		<b>1,270</b>	<b>592</b>	
Restricted portion			1,270		
Unrestricted portion					

Key: A for capital increases - B to cover losses - C for distribution to quotaholders

On the basis of the provisions of art. 2427, paragraph 22 septies, of the Italian Civil Code, the disclosure relating to the proposed allocation of profit or the coverage of losses for the year is provided below.

The Sole Director of the Company proposes to the Quotaholders' Meeting to cover the loss for the year of Euro 136, with the profits carried forward from previous years.

## OTHER INFORMATION

### 1. Commitments and financial guarantees given (other than those designated at fair value)

The company has not issued guarantees in favour of third parties.  
There are no commitments to report.

**PART C - INFORMATION ON THE INCOME STATEMENT****Section 2 - Fees and commissions - Items 40 and 50****2.2 Fee and commission expense: breakdown**

Details/Segment	31/12/2022	31/12/2021
a) guarantees received	-	-
b) distribution of third-party services	-	-
c) collection and payment services	-	-
d) other fees and commissions	128	128
<b>Total</b>	<b>128</b>	<b>128</b>

Fee and commission expense refers to bank charges on current accounts held with Banco BPM S.p.A.

**Section 10 - Administrative expenses - Item 160****10.1 Personnel expenses: breakdown**

Item/Segment	31/12/2022	31/12/2021
<b>1. Employees</b>		
a) salaries and wages		
b) social security contributions		
c) termination indemnities		
d) pension expenses		
e) provisions for employee termination indemnities		
f) provisions for pension fund and similar commitments:		
- defined contribution		
- defined benefit		
g) payments to external complementary pension funds:		
- defined contribution		
- defined benefit		
h) other employee benefits		
<b>2. Other personnel in service</b>		
<b>3. Directors and Statutory Auditors</b>	16,958	18,706
<b>4. Retired personnel</b>		
<b>5. Recovery of expenses for employees seconded to other companies</b>		
<b>6. Charge-back of expenses for employees seconded to the Company</b>		
<b>Total</b>	<b>16,958</b>	<b>18,706</b>

“Directors and Statutory Auditors” item includes the remuneration to the Sole Director of Euro 8,443 and the remuneration to the Board of Statutory Auditors of Euro 8,515.

**10.3 Other administrative expenses: breakdown**

Description	31/12/2022	31/12/2021
- Auditing expenses	35,326	27,803
- Other indirect taxes and duties	318	318
- Corporate expenses	2,566	3,796
<b>Total</b>	<b>38,210</b>	<b>31,917</b>

**Section 14 - Other operating income and expenses - Item 200****14.2 Other operating income: breakdown**

Item	31/12/2022	31/12/2021
Recovery of maintenance expenses in favour of the issuer	55,160	49,941
Contingent assets	-	674
<b>Total</b>	<b>55,160</b>	<b>50,615</b>

“Other operating income” item refers to the charge-back of costs incurred by the company and recognised by the Segregated Assets as payable for normal business operations.

## PART D - OTHER INFORMATION

### Section 1 - Specific business activities

#### F. SECURITISATION OF LOANS

*Structure, format and measurement criteria adopted in preparing the summary statement of assets securitised and notes issued*

With regard to the contents of Part A.1 - Sections 1 and 2, the structure and format of the Summary Statement are in line with the Bank of Italy Circular of 15 December 2015, in the absence of an updated circular governing the scope of application for SPVs, given in fact that the subsequent Circular of 9 December 2016, in turn replaced first by the Circular of 22 December 2017, then by the Circular of 30 November 2018, and subsequently by the Circular of 29 October 2021, say nothing about the disclosure to be made for securitisations.

The measurement criteria adopted for the most significant items are presented below, which are consistent with the measurement criteria applied in the previous year. The items associated with the securitised loans correspond to values taken from accounting records and the IT systems of the Servicer.

#### *Measurement criteria*

##### *A. Securitised assets - Mortgages*

Based on information received from the Originators in their role as Servicers and on their adopted measurement procedures, loans are initially recognised at their disposal value, are subsequently assessed at their estimated realisable value and are all backed by mortgages on property available to the borrower.

Although international accounting standards are not applied to the preparation of summary statements of securitisations, the measurement of "Securitised assets" referring only to non-performing loans by Banco BPM as Servicer reflects the application, obligatory starting from 1 January 2018, of the international accounting standard IFRS 9 "Financial Instruments", which governs the steps of classification and measurement, impairment and hedge accounting related to financial instruments, replacing the accounting standard IAS 39 "Financial Instruments: Recognition and Measurement".

The new impairment model introduced by the standard has led to profound changes both in the scope and in the calculation of value adjustments for non-performing loans.

According to IFRS 9, all financial assets not measured at fair value through profit or loss, represented by debt securities and loans, must be subject to the new impairment model based on expected losses (ECL – Expected Credit Losses). The new approach aims to ensure a more timely recognition of losses than the previous IAS 39 model, according to which losses were to be recognised if there was objective evidence that emerged after initial recognition of the asset (incurred losses model). In detail, the impairment model introduced by the IFRS 9 accounting standard is based on the concept of forward-looking measurement, i.e., on the concept of Expected Credit Losses. According to the Expected Credit Losses calculation model, losses must be recorded not only with reference to objective evidence of impairment losses that had already occurred at the reporting date, but also on the basis of expectations of future impairment that is not yet manifest, which must reflect (i) the likelihood of different scenarios occurring (ii) the effect of discounting using the effective interest rate and (iii) historical experience and current and future valuations.

At each annual or interim reporting date, loans are subject to impairment tests to estimate the expected value losses associated with credit risk (ECL – Expected Credit Losses) and these losses are recognised in the income statement (item H.2 – Losses on loans). The impairment model provides for the classification of loans into three distinct stages (Stage 1, Stage 2, Stage 3), based on changes to the debtor's creditworthiness, corresponding to different criteria for measuring expected losses.

In summary statements of securitisations, impairment losses (item H.2 - Losses on loans) relate only to non-performing loans (Stage 3) and are quantified on the basis of a measurement process – analytical or at a flat rate on the basis of uniform risk categories – aimed at determining the present value of the expected future recoverable flows, which, for bad loans, includes the prospective sale scenario. The perimeter of non-performing loans is in line with that determined according to the definitions contained in the current supervisory

regulations (bad loans, unlikely-to-pay loans, non-performing past due exposures), since they are deemed consistent with the accounting rules provided for in IFRS 9 in terms of objective evidence of impairment. Expected cash flows consider expected recovery times and the estimated net realisable value of any guarantees.

The value of loans is reinstated in subsequent years if there is an improvement in the credit quality of the exposure compared to that which had led to the previous impairment and this reversal is recognised in the income statement. Default interest, if provided for by contract, is recognised in the income statement only when actually collected.

The calculation of accruals and deferrals is performed according to the accrual principle, to define the effective amount of expenses and revenues for the year.

### ***“COVID-19: relevant accounting issues”***

#### Moratorium interventions

With the intention of providing support to the counterparties affected by the suspension or restriction of economic activities due to the COVID-19 crisis, in previous years the Servicer Banco BPM provided support measures to borrowers, both by virtue of that envisaged by legislative provisions, and on the basis of voluntary initiatives, which include payment suspensions and/or extending the terms of active loans (moratoria). These moratorium interventions were designed to regulate and mitigate systemic risks and not the specific needs of a single borrower, therefore they did not necessarily denote a significant increase in credit risk. From an accounting perspective, the moratoria in question entailed a mere postponement of payments and the operating mechanism of the suspensions granted by Banco BPM was neutral from an actuarial point of view.

As regards the monitoring by the Servicer Banco BPM of the portfolio relating to support measures for households and businesses resulting from the COVID-19 crisis, granted by Banco BPM Group in previous years, it should be noted that in 2022 it was not necessary to implement additional specific initiatives with respect to that envisaged by ordinary monitoring processes, applicable without exception to the exposures in question.

#### Measurement model for expected credit losses

As explained above, the measurement of "Securitised assets" referring solely to non-performing loans by the Servicer Banco BPM reflects the application of IFRS 9, which requires companies to consider not only historical and current information, but also forecast information (known as forward-looking factors), believed capable of affecting the recoverability of the securitised assets.

The global health emergency, which began in early 2020, and the outbreak of the Russia-Ukraine conflict in early 2022, had an impact on the calculation of the Originator's impairments.

The highly asymmetrical nature of the macroeconomic shock generated due to COVID-19 and the resulting mitigation measures implemented by the various Competent Authorities required, in line with that envisaged by IFRS 9, an ad-hoc model change and fine-tuning in order to properly measure the real level of risk of Banco BPM Group's portfolio.

This model change and fine-tuning, which involved estimating expected losses and the stage assignment criterion, led Banco BPM to adopt a methodology based on forecast impairment rates from 2020 (differentiated by the various production sectors of the Italian economic system) that consider the mitigation measures and, in particular, the various liquidity decrees issued by the Italian government.

In addition, the current general scenario, while continuing to benefit from the use of Next Generation EU funds, is conditioned by the tensions generated by the continuation of the Russian invasion of Ukraine, with inevitable effects on growth prospects and inflation expectations triggered by the increase in the cost of raw materials, particularly energy, and with the consequent general rise in interest rates as a result of the measures taken by central banks to combat inflation.

In 2022, with the aim to more accurately reflect the expected losses due not only to the economic disruption caused by COVID-19, but also by the negative effects on the global and Italian economies directly or indirectly related to developments in the Russia-Ukraine conflict, the process of reviewing and fine-tuning the models

used by Banco BPM continued, also through a series of managerial adjustments applied to the results generated by the model (post model adjustments).

*B. Use of cash and cash equivalents*

Amounts due from banks are recognised at their nominal value, which corresponds to their estimated realisable value, including any accruing interest.

*C. Notes issued*

Notes issued and still outstanding are recognised at their respective nominal issue value.

*D. Loans Received*

Loans received are recognised at the nominal value.

*E. Other liabilities*

Liabilities forming this item are recognised at their nominal value. The calculation of accruals and deferrals is performed according to the accrual principle, to define the effective amount of expenses and revenues for the year.

*Interest, fees and commissions, income and expenses*

Costs and revenues are recognised on an accrual basis, including the recognition of accruals and deferrals as appropriate. Where technically appropriate, accruals and deferrals adjust directly their related asset or liability items. There are no derivatives. All securitisation-related costs are charged directly to the segregated assets.

*Tax treatment*

Note that as regards the results for the period of the segregated assets, the following effects were not recognised:

- a) current taxation, as far as on the basis of the Circular of the Italian Revenue Agency no. 8 of 6 February 2003, the taxation of segregated assets is deferred to the expiry of the securitisation;
- b) deferred tax assets/liabilities, as far as the segregated assets do not hold any "junior" interest to be received on expiry of the transaction.

Circular 8/E of 6 February 2003 issued by the Italian Revenue Agency defined the tax treatment of segregated assets of companies incorporated for securitisation and confirmed that the economic results deriving from management of the securitised assets, during execution of the transactions in question, do not qualify as cash and cash equivalents of the SPV and, consequently, as the latter is separate to the same, any spreads are not taxable. Essentially the restriction on the destination of "segregated" assets excludes the possession of taxable income. This assumption is in line with Bank of Italy Circular no. 14890 of 29 March 2000, on the basis of which the income statement of the SPV is not influenced by the income and expense flows relating to the receivables connected to the segregated assets, both as regards the principal and interest income, nor by the expenses incurred by the Company to manage each transaction. Nevertheless, it is understood that any operating result from the securitised portfolio which remains once all creditors of the segregated assets - for which the SPV is recipient - have been paid, must be taxed from the moment it enters into the possession of the beneficiary, therefore on expiry of each securitisation. Only at that time, in the case in question, there is the certainty on the timing and extent required by art. 75 of the Italian Consolidated Income Tax Law (TUIR), so that a given component may be included the taxable income.

With Resolution no. 77 of 4 August 2010, the Italian Revenue Agency clarified the tax treatment of the withholdings (recognised in the assets of the segregated assets) applied to the interest income accrued in the bank accounts of securitisation SPVs; the deduction of said withholdings is permitted in the tax period in which the securitisation expired, namely in the tax period in which the interest resulting from current bank accounts contribute to forming the comprehensive taxable income of the SPV, against the tax credits relating to the above-cited withholdings.



**F.1) Summary statement of securitised assets and notes issued**  
**“BPL Mortgages 5” securitisation**  
**RESIDENTIAL DECEMBER 2012**

	Situation as at 31/12/2022	Situation as at 31/12/2021	Annual change
<b>A. Securitised Assets</b>	<b>2,342,034,525</b>	<b>2,652,945,845</b>	<b>(310,911,320)</b>
A.1) Mortgages	2,326,524,192	2,644,265,391	(317,741,199)
A.2) Securities	-	-	-
A.3) Other (bad loans)	15,510,333	8,680,454	6,829,879
<b>B. Use of cash and cash equivalents from management of the securitised assets</b>	<b>137,924,874</b>	<b>159,275,622</b>	<b>(21,350,748)</b>
B.1) Debt securities	-	-	-
B.2) Equity securities	-	-	-
B.3) Liquidity	137,421,271	158,874,210	(21,452,939)
B.4) Repurchase Agreements	-	-	-
B.5) Other receivables	503,603	401,412	102,191
<b>C. Notes Issued</b>	<b>1,882,348,702</b>	<b>2,257,483,905</b>	<b>(375,135,203)</b>
C.1 Class A notes	1,419,913,702	1,795,048,905	(375,135,203)
C.2 Class B notes	462,435,000	462,435,000	-
C.3 Class C notes	-	-	-
C.4 Class D notes	-	-	-
<b>D. Loans Received</b>	<b>84,600,000</b>	<b>84,600,000</b>	<b>-</b>
D.1) Securities Lending	-	-	-
D.2) Subordinated Loan	84,600,000	84,600,000	-
<b>E. Other Liabilities</b>	<b>513,010,697</b>	<b>470,137,562</b>	<b>42,873,135</b>
E.1) Payables to the Company	23,205	19,141	4,064
E.2) Other Payables	509,628,458	470,118,421	39,510,037
E.3) Accrued Expenses	3,359,034	-	3,359,034
<b>F. Interest expense on notes issued</b>	<b>42,522,412</b>	<b>41,732,502</b>	<b>789,910</b>
<b>G. Commissions and fees charged to the transaction</b>	<b>576,403</b>	<b>630,909</b>	<b>(54,506)</b>
G.1) for the Servicing	459,306	519,004	(59,698)
G.2) for other services	117,097	111,905	5,192
G.2a) Placement and Rating Commissions on Notes Issued	915	915	-
G.2b) Bank Commissions	387	401	(14)
G.2c) Cash Manager	-	-	-
G.2d) Issuer	37,381	35,138	2,243
G.2e) Paying Agent, RoN and others	78,414	75,451	2,963
G.2f) Loss Margins on Swaps	-	-	-
<b>H. Other expenses</b>	<b>6,004,373</b>	<b>5,344,825</b>	<b>659,548</b>
H.1) Legal, Professional and Administrative Expenses	33,112	28,378	4,734
H.2) Losses on Loans	4,614,828	3,954,243	660,585
H.3) Non-deductible VAT	-	-	-
H.4) Interest Expense on Loans	1,356,075	1,362,160	(6,085)
H.5) Contingent Liabilities	358	44	314
<b>I. Interest generated by Securitised assets</b>	<b>46,341,508</b>	<b>44,523,922</b>	<b>1,817,586</b>
<b>L. Other revenues</b>	<b>2,761,680</b>	<b>3,184,314</b>	<b>(422,634)</b>
L.1) Interest Income	177,676	171	177,505
L.2) Commission Income	798,345	792,601	5,744
L.3) Profit Margins on Swaps	-	-	-
L.4) Write-backs on loans	1,782,560	2,391,159	(608,599)
L.5) Contingent Assets	3,099	383	2,716

A breakdown of the main items of F.1) statement is provided below.

#### B. Use of cash and cash equivalents from management of the securitised assets

	Value as at 31/12/2022	Value as at 31/12/2021
B.3) Liquidity	137,421,271	158,874,210
B.5) Other receivables	503,603	401,412
<b>Total</b>	<b>137,924,874</b>	<b>159,275,622</b>

Item B.3) "Liquidity" refers to liquidity deposited in current accounts held with Banco BPM and BNP Paribas Securities Services, represented by the amounts collected as principal and interest on the assets underlying the securitisation, and by the Cash Reserve deposited with Banco BPM to guarantee the transaction.

The breakdown of item B.3) is shown in the following table:

	Value as at 31/12/2022	Value as at 31/12/2021
Liquidity with Banco BPM - Interim Account	17,172,420	17,229,093
Liquidity with Banco BPM - Cash Reserve Account	45,100,502	56,770,767
Liquidity with Banco BPM - Expenses Account	49,750	43,549
Liquidity with BNP Paribas - Collection Account	75,098,247	84,830,636
Liquidity with BNP Paribas - Payment Account	352	165
<b>Total</b>	<b>137,421,271</b>	<b>158,874,210</b>

The item B.5) "Other receivables" includes Euro 316,393 of accrued income on loan interest and Euro 187,210 of other miscellaneous receivables.

#### E. Other liabilities

	Value at 31/12/2022	Value at 31/12/2021
E.1) Payables to the Company	23,205	19,141
E.2) Other payables	509,628,458	470,118,421
E.3) Accrued expenses	3,359,034	-
<b>Total</b>	<b>513,010,697</b>	<b>470,137,562</b>

The spread between Revenues and Costs from the start of the securitisation to 31 December 2022, amounting to Euro 490,282,364 recognised under item "E.2) Other payables", represents the total amount accrued, which will be distributed to subscribers of the Junior Notes on closure of the securitisation in the priority order of payments established contractually.

"E.2) Other payables", as well as the Additional Return accrued as at 31 December 2022, includes, inter alia, (i) accruals on the original loans and interest expense matured on the debt triggered by the temporary gap between purchase of the loans and issue of the notes, necessary to fund the purchase of the assets and still due to the Originators, now Banco BPM, for a total of Euro 8,990,520 and (ii) the interest accrued and not paid on the Subordinated Loan for Euro 10,151,786.

"E.3) Accrued expenses" amounting to Euro 3,359,034 is represented by accrued interest expense on the Senior Notes issued, accrued following the increase of the reference Euribor rates, specifically (i) Euro 905,200 accrued interest on the Class A Senior notes (ii) Euro 758,497 accrued interest on the Class A2 Senior notes and (iii) Euro 1,695,337 accrued interest on the Class A3 Senior notes.

#### F. Interest expense on notes issued

The positive difference between Revenues and Costs for the year, amounting to Euro 38,373,870, is the result of the securitisation and represents remuneration of the Junior Notes (Additional Return or Excess Spread), recognised as an increase of item "F. Interest expense on notes issued".

This item is therefore equal to the sum of interest expense on notes issued accrued during the year, equal to a total amount of Euro 4,148,542, plus the positive Additional Return for the year.

**H. Other expenses**

“H.4) Interest expense on loans” amounted to Euro 220,642 from interest expense on current accounts and Euro 1,135,433 from interest expense on the subordinated loan issued by Banco BPM.

**L. Other revenues**

“L.1) Interest income” amounting to Euro 177,676 is represented by interest income on current accounts.

**QUALITATIVE INFORMATION****F.2) Description and performance of the securitisation**

*Status of the transaction* (i) On 17 November 2012, the Company purchased *without recourse* an initial portfolio of loans disbursed as residential mortgage loans. The related transfer agreement was signed on 7 December 2012, effective from the date of signing and with coupons maturing from and including the assessment date of 19 November 2012. Subsequently, on 21 December 2012, limited recourse Asset-Backed Securities (ABSs) were issued with a “Partly Paid” structure, and were used to finance the purchase of the loans; (ii) on 9 March 2013, the Company purchased an additional portfolio of residential mortgage loans. The related transfer agreement was signed on 14 March 2013, effective from the date of signing and with coupons maturing from and including the assessment date of 11 March 2013. On 28 March 2013, the amount of the notes subscribed by the Originators was increased. (iii) On 8 October 2016 the Company purchased an additional portfolio of loans, without recourse, deriving from residential mortgage and land loans. The related transfer agreement was signed on 13 October 2016, effective from the date of signing and with coupons maturing from and including the assessment date of 10 October 2016. Then on 28 October 2016 a Second Series of Asset-Backed Securities was issued, Class A2 only, which financed the purchase of the additional portfolio. (iv) On 13 October 2016, on signing the related agreement, the Company also sold back to Banco Popolare, now Banco BPM, the non-performing loans included in the underlying portfolio and loans with characteristics suitable for Banco’s Residential CB Programme. (v) In March 2018, the Company sold back to Banco BPM a portfolio of loans originating from mortgages classified as bad loans up to 31 January 2018, while in December 2018, it sold back the positions classified as bad loans at 30 November 2018. (vi) On 26 January 2019, the Company purchased without recourse a new portfolio of loans originating from residential mortgage and loan loans. The related transfer agreement was signed on 8 February 2019, effective from the date of signing and with coupons maturing from and including the assessment date of 28 January 2019. Later, on 14 March 2019, a Third Series of Asset-Backed Securities was issued, with the same characteristics of the previously issued notes, which financed the purchase of the subsequent portfolio. (iv) On 26 February 2019, with the signing of the related contracts, the Company also repaid to Banco BPM the loans that were classified as non-performing pursuant to the applicable ECB regulations, or that did not have the characteristics required pursuant to the applicable ECB regulations to obtain and maintain eligibility of Class A asset-backed securities (as instruments eligible for Eurosystem monetary policy transactions) and those loans that had eligibility characteristics for the BPM CB 2 Programme.

*Originators* Banco BPM S.p.A., with registered office at Piazza Filippo Meda 4, Milan.

*Loans transferred* The loans transferred consisted of a portfolio of performing monetary loans, classified according to the classification criteria adopted by the Originator in compliance with regulations issued by the Bank of Italy, deriving from residential land loans and residential loans backed by voluntary first mortgages on properties or loan agreements signed pursuant to real estate financing regulations under arts. 38 et seq., Italian Legislative Decree no. 385 of 1 September 1993 (the Consolidated Banking Law).

### Characteristics of the loans transferred

The detailed characteristics of the mortgage loans transferred were published in the Official Journal to inform borrowers of the transfer.

Under the transfer agreement signed on 7 December 2012, the loans disbursed by the Originator were transferred to the Company (including principal, interest, default interest accrued and accruing, ancillary charges, expenses, damages, indemnities, etc.), with economic effect from 19 November 2012 (included), deriving from mortgage loan agreements or loans agreed pursuant to real estate financing regulations under arts. 38 et seq. of the Consolidated Banking Law (the "Loan Agreements"), which at that date had the characteristics listed in the loan transfer notice published in Part II, Official Journal of the Italian Republic no. 145 of 13 December 2012.

In 2013, under the transfer agreement signed on 14 March 2013, the loans disbursed by the Originator were transferred to the Company (including principal, interest, default interest accrued and accruing, ancillary charges, expenses, damages, indemnities, etc.), with economic effect from 11 March 2013 (included), deriving from land or residential mortgage loan agreements secured by voluntary mortgages ("Loan Agreements"), which, on 11 March 2013 at 00.01 a.m., inclusive (the "Assessment Date"), (or at a date different from that indicated in relation to the related criterion), presented the characteristics (to be understood as cumulative unless otherwise stipulated, the "Criteria") listed in the loan transfer notice published in Part II, Official Journal of the Italian Republic no. 34 of 21 March 2013.

In 2016, under the loan agreement signed on 13 October 2016, the loans held by the Originator were transferred to the Company (including principal, interest, default interest accrued and accruing, ancillary charges, expenses, damages, indemnities, etc.), with economic effect from 10 October 2016 (included), deriving from mortgage loan agreements or loans agreed pursuant to real estate financing regulations under arts. 38 et seq. of the Consolidated Banking Law (the "Loan Agreements"), which at that date had the characteristics listed in the loan transfer notice published in Part II, Official Journal of the Italian Republic no. 125 of 20 October 2016.

In 2019, following the signature of the transfer agreement on 8 February 2019, the loans held by the Originator Banco BPM were transferred to the Company (including principal, interest, default interest accrued and accruing, ancillary charges, expenses, damages, indemnities, etc.), effective from the transfer date of 8 February 2019 (included) and with coupons maturing from the assessment date of 28 January 2019 (included), deriving from mortgage loan agreements or loans agreed pursuant to real estate financing regulations under arts. 38 et seq. of the Consolidated Banking Law (the "Loan Agreements"), which at the assessment date (included) had the characteristics listed in the loan transfer notice published in Part II, Official Journal of the Italian Republic no. 20 of 16 February 2019.

### Securitisation performance

As at 31 December 2022, the total mortgage loan portfolio (excluding accruals) amounted to Euro 2,342,034,525, divided between performing, unlikely-to-pay and non-performing past due loans (as defined in Bank of Italy's instructions) for Euro 2,326,524,192 net of the related provisions for write-downs, and bad loans for Euro 15,510,333 net of the related provision for write-downs. Note that the classification indicated for bad loans, unlikely-to-pay loans and non-performing past due loans is that recorded in the accounting records and IT system of the Servicer.

#### Total loan portfolio

Originator BANCO BPM	Amount as at 31/12/2022	% Portfolio as at 31/12/2022	Amount as at 31/12/2021	% Portfolio as at 31/12/2021
Performing, unlikely-to-pay and non-performing past due loans	2,326,524,192	99.34%	2,644,265,391	99.67%
Bad loans	15,510,333	0.66%	8,680,454	0.33%
<b>Total loan portfolio</b>	<b>2,342,034,525</b>	<b>100.00%</b>	<b>2,652,945,845</b>	<b>100.00%</b>

As described above, the amount of the loans is net of related provisions for write-downs, which as at 31 December 2022 totalled, respectively: Euro 3,842,789 provision for write-down of bad loans, Euro 5,088,761 provision for write-down of unlikely-to-pay loans and Euro 448,853 provision for write-down of non-performing past due loans.

The table below summarises the non-performing loans as indicated in the accounting records and IT system of the Servicer, which include bad loans, unlikely-to-pay loans and non-performing past due loans, net of related provisions for write-downs.

### Total non-performing loans

Originator BANCO BPM	Non-performing loans	% non-performing loans	Non-performing loans	% non-performing loans
	as at 31/12/2022	as at 31/12/2022	as at 31/12/2021	as at 31/12/2021
Bad loans	15,510,333	21.08%	8,680,454	10.26%
Unlikely-to-pay loans	53,693,593	72.96%	71,380,954	84.34%
Non-performing past due loans	4,387,659	5.96%	4,575,765	5.40%
<b>Total non-performing loans</b>	<b>73,591,585</b>	<b>100.00%</b>	<b>84,637,173</b>	<b>100.00%</b>

Non-performing loans are shown also on the Servicer Report as at 31 December 2022 (even if gross of the related provisions for write-downs) as it is now prepared incorporating the loan classifications in line with those applied by the Originator for its own loans.

### F.3) Information on the entities involved

<i>Acquirer of the loans</i>	BPL Mortgages S.r.l., a company established on 30 June 2006, pursuant to art. 3, Italian Law no. 130 of 30 April 1999, under the name Giano Finance S.r.l., later renamed BPL Mortgages S.r.l. on 11 May 2007, with registered office at Via V. Alfieri 1, Conegliano (TV), Italy, registration no. 04078130269 in the Treviso-Belluno Register of Companies and registered on the List of SPVs pursuant to Bank of Italy Circular of 7 June 2017.
<i>Originators Obligations of the Originator</i>	Banco BPM S.p.A., with registered office at Piazza Filippo Meda 4, in Milan. At the date of transfer, the Originators issued a guarantee statement confirming the existence of the loans transferred and any contingent mortgage or collateral security. In addition, the Originators agreed to indemnify the Company from all losses, costs, charges, expense and liabilities incurred in the event of default of Originator obligations under the terms of the transfer agreement or if Originator statements should prove incorrect with respect to said agreement and related attachments. In this Statement, the Originators guaranteed the following: a) the Originator's status and general issues relating to the Transfer Agreement and Servicing Contract; b) statements and guarantees regarding the Receivables, Loan Agreements and related Mortgages and Collateral Security; c) statements and guarantees regarding the Properties; d) statements and guarantees regarding the truthfulness of data disclosed; e) statements and guarantees regarding insurance policies linked to the loan agreements.
<i>Servicers</i>	Banco BPM S.p.A. Under the terms of the Servicing Contract signed on 7 December 2012, as subsequently amended, the Servicers are empowered to act in the name and on behalf of the SPV with reference to the entire loan portfolio in administrative tasks, collection and recovery of loan-related debts, related recovery action in enforcement and insolvency proceedings, and any related legal investigations. In addition, the Servicers are required to transfer to the Acquirer all sums collected on the Company's behalf in relation to the loans, including amounts deriving from the recovery of sums due as principal, interest and default interest on positions reclassified as UTP and bad loans.
<i>Arranger</i>	Banco BPM S.p.A.
<i>Quotaholder</i>	SVM Securitisation Vehicles Management S.r.l.

<i>Representative of Noteholders</i>	BNP Paribas Securities Services, Milan Branch
<i>Computation Agent</i>	BNP Paribas Securities Services, Milan Branch
<i>Principal Paying Agent and Agent Bank</i>	BNP Paribas Securities Services, Milan Branch
<i>Transaction Bank</i>	Banco BPM S.p.A.
<i>Additional Transaction Bank</i>	BNP Paribas Securities Services London Branch
<i>Interim Account Bank</i>	Banco BPM S.p.A.
<i>Corporate Servicer</i>	Banca Finanziaria Internazionale S.p.A. (former Securitisation Services S.p.A.)
<i>Administrative Servicer</i>	Banco BPM S.p.A.
<i>Back-up Servicer</i>	Banca Finanziaria Internazionale S.p.A. (former Securitisation Services S.p.A.)
<i>Facilitator</i>	S.p.A.)

#### F.4) Characteristics of the Notes issued

On 21 December 2012 BPL Mortgages S.r.l. issued Senior Notes (Class A1), subscribed by the Originators, for a nominal amount of Euro 1,701,300,000 and Junior Notes (Class B1) for a nominal amount of Euro 800,618,000. On the Notes Increase Date of 28 March 2013, the amount of the notes subscribed by the Originators was increased by Euro 739,100,000 for the Senior Notes and Euro 347,837,000 for the Junior Notes. The issued Asset-Backed Notes offer limited recourse and a “partly paid” structure. Both Classes of Notes were entirely subscribed by Banco BPM.

On 28 October 2016, the restructuring of the securitisation was finalised through: (i) the issue by the SPV of a Second Series of asset-backed notes with just one class, Class A2 (“Senior Notes”), for a nominal value of Euro 995,100,000, subscribed entirely by Banco Popolare, now Banco BPM, and (ii) partial early settlement of the Junior Notes (issued in December 2012 and subscribed by the former Banco Popolare) for a nominal amount of Euro 755,690,000.

To finance the purchase of the subsequent second portfolio, which took place in February 2019, the SPV issued additional series of asset-backed securities (“Third Series”) on 14 March 2019 (“Subsequent Second Issue Date”) having the same characteristics as the respective classes of “Initial Notes” (issued on 21 December 2012) and “Subsequent Notes” (issued on 28 October 2016). More specifically, the SPV issued Senior Notes (Class A3), subscribed entirely by Banco BPM, for a nominal amount of Euro 1,504,300,000 and Junior Notes (Class B3) for a nominal amount of Euro 69,670,000.

The Senior Notes are used by Banco BPM for Eurosystem monetary policy operations.

<i>Class A1 Senior</i>	ISIN	IT0004883051
	Currency	EURO
	Amount issued	Euro 2,440,400,000
	Rate	Floating
	Benchmark	1M Euribor + 0.30% per year spread
	Coupon	Quarterly
	Legal maturity	31 October 2058
	Redemption	Amortisation linked to collection performance of the loans
	Initial rating	Moody’s Investors Services “A2”, DBRS “A”
	Ratings at 31/12/2022	Moody’s Investors Services “Aa3”, DBRS “AA”
	Listing	Irish Stock Exchange
	Governing law	Italian

<i>Class A2 Senior</i>	ISIN	IT0005218414
	Currency	EURO
	Amount issued	Euro 995,100,000
	Rate	Floating
	Benchmark	1M Euribor + 0.25% per year spread
	Coupon	Quarterly
	Legal maturity	30 October 2058
	Redemption	Amortisation linked to collection performance of the loans
	Initial rating	Moody's Investors Services "A1", DBRS "A high"
	Ratings at 31/12/2022	Moody's Investors Services "Aa3", DBRS "AA"
	Listing	Irish Stock Exchange
	Governing law	Italian
<i>Class A3 Senior</i>	ISIN	IT0005364549
	Currency	EURO
	Amount issued	Euro 1,504,300,000
	Rate	Floating
	Benchmark	1M Euribor + 0.25% per year spread
	Coupon	Quarterly
	Legal maturity	30 October 2058
	Redemption	Amortisation linked to collection performance of the loans
	Initial rating	Moody's Investors Services "A1", DBRS "A"
	Ratings at 31/12/2022	Moody's Investors Services "Aa3", DBRS "AA"
	Listing	Irish Stock Exchange
	Governing law	Italian
<i>Class B1 Junior</i>	ISIN	IT0004883374
	Currency	EURO
	Amount issued	Euro 1,148,455,000
	Rate	n/a
	Benchmark	n/a
	Coupon	n/a
	Additional return	<i>Additional Return</i>
	Legal maturity	30 October 2058
	Redemption	Amortisation linked to collection performance of the loans
	Rating	Unrated
	Governing law	Italian
<i>Class B3 Junior</i>	ISIN	IT0005364556
	Currency	EURO
	Amount issued	Euro 69,670,000
	Rate	n/a
	Benchmark	n/a
	Coupon	n/a
	Additional return	<i>Additional Return</i>
	Legal maturity	30 October 2058
	Redemption	Amortisation linked to collection performance of the loans
	Rating	Unrated
	Governing law	Italian

The Issuer has the right to redeem in advance completely, but not in part, the residual capital of notes issued and still outstanding, provided that the Company has sufficient funds to complete the redemption of at least the Senior Class (if consent has been obtained from the Junior Notes holders). The Issuer also has the right to dispose of the loans in order to finance the optional redemption of the notes.

Summary table of outstanding notes as at 31 December 2022:

Notes	Nominal value issued 21/12/2012	Nominal value issued 28/03/2013	Nominal value issued 28/10/2016	Nominal value issued 14/03/2019	Total nominal value issued	Subscribed notes - residual value 31/12/2021	Redemptions 2022	Residual value 31/12/2022
Class A1 Senior Notes	1,701,300,000	739,100,000			2,440,400,000	471,286,632	(98,490,884)	372,795,748
Class B1 Junior Notes	800,618,000	347,837,000			1,148,455,000	392,765,000		392,765,000
Class A2 Senior Notes			995,100,000		995,100,000	409,183,826	(85,512,624)	323,671,202
Class A3 Senior Notes				1,504,300,000	1,504,300,000	914,578,447	(191,131,695)	723,446,752
Class B3 Junior Notes				69,670,000	69,670,000	69,670,000		69,670,000
<b>Total</b>	<b>2,501,918,000</b>	<b>1,086,937,000</b>	<b>995,100,000</b>	<b>1,573,970,000</b>	<b>6,157,925,000</b>	<b>2,257,483,905</b>	<b>(375,135,203)</b>	<b>1,882,348,702</b>

All Classes of Notes were entirely subscribed by Banco BPM; the Senior Notes are used by Banco BPM for Eurosystem monetary policy operations.

### Rating

On 24 February 2022, the rating agency DBRS upgraded the rating of the Class A1, Class A2 and Class A3 Senior Notes from "AH" to "AA".

### Allocation of cash flows from the portfolio

The allocation of cash flows from the loans transferred aims to ensure, as priority, the payment of third parties involved in the securitisation, first subject to payments of the interest and principal on the Senior Class Notes, repayment of the Subordinated Loan and then the Junior Notes, with the allocation to these of any residual amount.

The payments in relation to the more frequent items are essentially made in the following order:

- tax charges, expenses to ensure the continued operations of the Company, costs and taxes relating to the listing or rating of the notes, to the extent not covered by sufficient Expense Account funds;
- expenses payable to the Representative of Noteholders and the amount payable to the Expense Account to reach the amount of Euro 50 thousand;
- commissions payable to the Company's agents (Principal Paying Agent, Agent Bank, Computation Agent, Servicers, Corporate Servicer, Administrative Servicer, Interim Account Bank and Transaction Bank);
- interest on Class A notes;
- allocation to the Cash Reserve Account until the target level is reached, until the Class A note is fully redeemed;
- principal repayments on the Class A notes (until fully repaid);
- amounts due to the Originators in reference to accruals on the loans purchased;
- interest payments and principal repayments on the Subordinated Loan in accordance with the contractual terms;
- principal repayments on the Junior Notes;
- *Additional Return on the Junior Notes.*

## F.5) Ancillary financial transactions

### Subordinated Loan and Cash Reserve

The structure of the securitisation envisages the establishment of a Cash Reserve of Euro 64,000,000 which was set up through the disbursement on 21 December 2012 by the Originators, former Banco Popolare, now



Banco BPM, of a subordinated loan for Euro 60,000,000, and the difference from interest collections during the period between the assessment date and the contract signing date.

Interest accrues on the loans at annual rates equal to the 3M Euribor plus one spread equal to 165 bps, payable in arrears on each payment date in accordance with the “payments waterfall”. Amounts accrued as interest payments, but not paid due to lack of funds, will not accrue further interest and will be paid on the next Interest Payment Date thereafter in compliance with the Priority Order of Payments.

The Company must repay the capital on the amount loaned on the Interest Payment Dates with effect from the initial Interest Payment Date in April 2013, and repayment will be based on funds available to the Company. If on the date of settlement (contractually envisaged as the later of (i) the last business day in October 2060; (ii) the date on which the nominal value of the loans is zeroed out; and (iii) the date on which all loans payable for any reason are cancelled from the SPV) the principal has not yet been fully repaid, the amount still outstanding will be considered waived.

At the time of the restructuring of the securitisation during 2019, the “Target Cash Reserve Amount” was revised, which (i) on the Second Subsequent Issue Date (14 March 2019) is Euro 88,600,000 and (ii) on each subsequent Calculation Date, is equal to three percent of the outstanding Principal Amount of the Senior Notes, considering that this amount should never be lower than Euro 40,000,000.

Therefore, on 14 March 2019, the cash reserve was increased by Euro 24,600,000 through the disbursement by Banco BPM of a limited loan of the same amount, bringing the balance of the Cash Reserve Account to the new level of Euro 88,600,000.

As at 31 December 2022, the Cash Reserve amounted to Euro 45,100,502 (target level) and interest accrued and not yet paid on the Subordinated Loan totalled Euro 10,151,786.

#### **F.6) Operating rights of the transferee Company**

The operating powers of BPL Mortgages S.r.l. (as Transferee Company and Issuer) are limited by the Articles of Association. In particular, article 3 states:

“The sole purpose of the Company is the implementation of one or more loan securitisations pursuant to Italian Law no. 130 of 30 April 1999, as amended, and subsequent implementing rules (“Law 130/1999”), by the purchase against payment by the Company, or other company established pursuant to Law 130/1999, of monetary receivables, both existing and future, identified en bloc if referring to multiple loans, financed through the issue by the Company, or other company established pursuant to Law 130/1999, financed by means of issue (by the Company or other company established pursuant to Law 130/1999) of notes as referred to in art. 1 paragraph 1b) and art. 5, of Law 130/1999.

The Company can also implement securitisations in accordance with art. 7, of Law 130/1999 and in the form of a series of note issue programmes as part of a given securitisation. The Company can also perform transactions with a revolving structure, i.e., involving the use of collections deriving from the management of loans purchased before or at the time of issue of notes for the purchase of additional loans. Pursuant to art. 3 of Law 130/1999, these additional loans also constitute segregated assets on which no action is permitted by creditors other than the holders of notes issued as part of the securitisation.

Pursuant to the provisions of Law 130/1999, the loans related to each securitisation constitute segregated assets to all effects and purposes from those of the Company and those of other securitisations performed by the Company. The sole purpose of these segregated assets is to satisfy the rights incorporated in the notes issued, by the Company or other company, to finance the purchase of the loans of which the aforementioned assets form part, and to pay the costs of the related securitisation. Therefore, no action is permitted on the segregated assets by creditors other than the holders of notes issued to finance the purchase of the loans in question.

To the extent permitted by the provisions of Law 130/1999, the Company may conclude ancillary financial transactions, stipulated exclusively with a view to the success of its securitisations, or in any event instrumental to the corporate purpose, including reinvestment in other financial assets of funds raised through management of the acquired loans but which cannot immediately be utilised to satisfy rights deriving from the aforementioned notes issued as part of the securitisation. Within the context of its securitisations, the Company may appoint third parties to collect the loans purchased, to provide cash and payment services, perform disposal transactions on the loans purchased and reinvest funds deriving from management in other financial assets (including receivables with characteristics similar to those securitised) not immediately utilised

to satisfy rights deriving from the aforementioned notes, as well as any other activity permitted by Law 130/1999”.

All the main operations associated with management of the securitisation were assigned to third parties (see paragraph F.3).

## QUANTITATIVE INFORMATION

### F.7) Cash flows relating to the loans

<b>INITIAL SITUATION UPON TRANSFER</b>	<b>2,505,241,476</b>
<b>INCREASES</b>	
- Default interest	-
- Interest to be collected	21,794,401
- Subsequent tranche transfers	2,973,754,238
- Size Increase	1,088,063,302
<b>DECREASES</b>	
- Repurchase of Loans	1,213,530,419
- Write-downs of receivables for default interest	-
- Decrease in loans	2,675,929,169
- Decrease for loan losses and write-downs	46,447,984
- Decrease in interest to be collected	-
<b>SITUATION AS AT 31/12/2021</b>	<b>2,652,945,845</b>
<b>INCREASES</b>	
- Default Interest and Expenses	-
- Increase in interest to be collected	-
- Increase in loans purchased	-
<b>Total increases</b>	<b>-</b>
<b>DECREASES</b>	
- Write-downs of receivables for default interest	-
- Decrease in interest to be collected	1,631,533
- Decrease in loans	304,985,135
- Decrease in repurchased loans	1,695,427
<b>Total decreases</b>	<b>308,312,095</b>
<b>SITUATION AS AT 31/12/2022 (gross amount)</b>	<b>2,344,633,750</b>
Write-downs/write-backs on loans as at 31/12/2022	(2,599,225)
<b>FINAL SITUATION AS AT 31/12/2022</b>	<b>2,342,034,525</b>

### F.8) Changes in past due loans

The loans, all performing at the time of purchase, were classified into their relevant categories. The Servicer handles the recovery of past due loans on the basis of policies specified in the special Servicing Contract. In order to highlight the prospects for recovery of the past due loans, with reference to the date of this statement the Servicer arranged the analysis and assessment of the loans in question, and after appropriate write-downs these are recorded at their estimated realisable value.

The table below summarises the non-performing loans as indicated in the accounting records and IT system of the Servicer, which include bad loans, unlikely-to-pay loans and non-performing past due loans, net of related provisions for write-downs. For further details, please refer to section “F.2 - Description and performance of the securitisation”.

#### Total non-performing loans

Originator BANCO BPM	Non-performing loans as at 31/12/2022	% non-performing loans as at 31/12/2022	Non-performing loans as at 31/12/2021	% non-performing loans as at 31/12/2021
Bad loans	15,510,333	21.08%	8,680,454	10.26%
Unlikely-to-pay loans	53,693,593	72.96%	71,380,954	84.34%
Non-performing past due loans	4,387,659	5.96%	4,575,765	5.40%
<b>Total non-performing loans</b>	<b>73,591,585</b>	<b>100.00%</b>	<b>84,637,173</b>	<b>100.00%</b>

Non-performing loans are shown also on the Servicer Report as at 31 December 2022 (even if gross of the related provisions for write-downs) as it is now prepared incorporating the loan classifications in line with those applied by the Originator for its own loans.

The amounts contained in the following table originate from the Servicer Report, which was prepared as at 31 December 2022, taking into consideration the past due amounts (principal and interest) from loans “in arrears” and “Total defaulted loans”. The total for past due loans is based therefore on the loans classified as such by the servicing contracts stipulated between the SPV and the Originators, now Banco BPM.

<b>SITUATION AS AT 31/12/2021</b>	<b>10,161,966</b>
<b>INCREASES</b>	<b>10,634,447</b>
<b>DECREASES</b>	
- Collections of principal	-
- Collections of interest (including default interest)	1,085,532
- Sell-back of bad loans	-
<b>Total decreases</b>	<b>1,085,532</b>
<b>SITUATION AS AT 31/12/2022</b>	<b>19,710,881</b>

#### F.9) Cash flows

<b>LIQUIDITY AS AT 31/12/2021</b>	<b>158,874,210</b>
<b>INCREASES IN LIQUIDITY</b>	
Loans received	-
Repurchase of securitised loans	1,564,648
Collections of Principal	306,514,402
Collections of Interest	46,239,346
Fee and commission collections	798,345
Collection of interest on current account	177,676
Positive spread on IRS	-
Increase for newly issued notes	-
Contingent assets	3,099
Increase in payables	-
Decrease in receivables	4,465
<b>TOTAL INCREASES</b>	<b>355,301,981</b>
<b>USE OF LIQUIDITY</b>	
Purchase of Securitised Loans	-
Redemption of notes	375,135,203
Interest Expense on notes and loans	1,010,151
Fee and commission expense	577,867
Legal, professional and other expenses	31,313
Spread on paid IRSs	-
Contingent liabilities	358
Increases in receivables	28
Decreases in payables	-
<b>TOTAL USE OF LIQUIDITY</b>	<b>376,754,920</b>
<b>LIQUIDITY AS AT 31/12/2022</b>	<b>137,421,271</b>

As at 31 December 2022, collections show an increase compared to the repayment forecast, while early repayments are substantially in line with the previous period. For 2023, as provided by the securitisation repayment schedule, collections of principal on the portfolio, gross of prepayment rate, are estimated at approximately Euro 166 million while collections of interest are estimated at around Euro 88 million.

#### F.10) Situation of the guarantees and liquidity lines

No guarantees have been given or received in relation to the securitisation, and no recourse has been made to credit facilities.

Furthermore, to hedge against any periods of illiquidity, the Company has a Cash Reserve that totalled Euro 45,100,502 (Target Cash Reserve Amount) as at 31 December 2022.

#### F.11) Distribution by residual life

Item/residual life	up to 3 months	more than 3 months and up to 1 year	more than 1 year and up to 5 years	over 5 years	Unlimited duration
<b>A. Securitised assets</b>					
A.1) Loans	590,834	4,346,397	126,348,037	2,195,238,924	
A.3) Other (bad loans)					15,510,333

<b>B. Use of cash and cash equivalents from management of securitised assets</b>					
B.3) Liquidity	137,421,271				
B.5) Other assets	502,827			776	
<b>Total</b>	<b>138,514,932</b>	<b>4,346,397</b>	<b>126,348,037</b>	<b>2,195,239,700</b>	<b>15,510,333</b>
<b>C. Notes issued</b>					
C.1 Class A notes	89,517,059			1,330,396,643	
C.2 Class B notes				462,435,000	
<b>D. Loans Received</b>				84,600,000	
<b>E. Other liabilities</b>					
E.1) Payables to the Company	23,205				
E.2) Other Payables	203,788			509,424,670	
E.3) Accrued expenses					
<b>Total</b>	<b>89,744,052</b>			<b>2,386,856,313</b>	

#### F.12) Distribution by territory

All the loans were disbursed in Euro to borrowers resident in Italy and referring to property located in Italy.

#### F.13) Risk concentration

Loan size	no. of positions 31/12/2022	Amount as at 31/12/2022	% Portfolio as at 31/12/2022
0 - 25,000	5,793	80,067,133	3.44%
25,001 - 75,000	11,282	552,829,683	23.76%
75,001 - 250,000	12,558	1,493,981,946	64.22%
Over 250,000	509	199,645,430	8.58%
<b>Total</b>	<b>30,142</b>	<b>2,326,524,192</b>	<b>100.00%</b>

The figures in the table do not include bad loans. As envisaged in the agreement, there are no loans with an amount of more than 2% of the loan portfolio.

**F.1) Summary statement of securitised assets and notes issued  
“BPL Mortgages 8” securitisation  
SME APRIL 2022**

	<b>Situation at 31/12/2022</b>
<b>A. Securitised Assets</b>	<b>1,790,219,928</b>
A.1) Mortgages	1,788,975,020
A.2) Securities	-
A.3) Other (bad loans)	1,244,908
<b>B. Use of cash and cash equivalents from management of the securitised assets</b>	<b>258,873,840</b>
B.1) Debt securities	-
B.2) Equity securities	-
B.3) Liquidity	258,626,006
B.4) Repurchase Agreements	-
B.5) Other receivables	247,834
<b>C. Notes Issued</b>	<b>1,955,896,326</b>
C.1 Class A notes	1,299,499,326
C.2 Class B notes	656,397,000
C.3 Class C notes	-
C.4 Class D notes	-
<b>D. Loans Received</b>	<b>60,143,177</b>
D.1) Securities Lending	-
D.2) Subordinated Loan	60,143,177
<b>E. Other Liabilities</b>	<b>33,054,265</b>
E.1) Payables to the Company	14,367
E.2) Other Payables	28,928,427
E.3) Accrued Expenses	4,111,471
<b>F. Interest expense on notes issued</b>	<b>33,255,312</b>
<b>G. Commissions and fees charged to the transaction</b>	<b>1,074,476</b>
G.1) for the Servicing	989,152
G.2) for other services	85,324
G.2a) Placement and Rating Commissions on Notes Issued	3,050
G.2b) Bank Commissions	28
G.2c) Cash Manager	-
G.2d) Issuer	17,779
G.2e) Paying Agent, RoN and others	64,467
G.2f) Loss Margins on Swaps	-
<b>H. Other expenses</b>	<b>3,369,354</b>
H.1) Legal, Professional and Administrative Expenses	21,109
H.2) Losses on Loans	2,069,107
H.3) Non-deductible VAT	-
H.4) Interest Expense on Loans	1,277,869
H.5) Contingent Liabilities	1,269
<b>I. Interest generated by Securitised assets</b>	<b>36,337,307</b>
<b>L. Other revenues</b>	<b>1,361,835</b>
L.1) Interest Income	14,764
L.2) Commission Income	1,211,928
L.3) Profit Margins on Swaps	-
L.4) Write-backs on loans	129,423
L.5) Contingent Assets	5,720

A breakdown of the main items of F.1) statement is provided below.

#### B. Use of cash and cash equivalents from management of the securitised assets

	Value at 31/12/2022
B.3) Liquidity	258,626,006
B.5) Other receivables	247,834
<b>Total</b>	<b>258,873,840</b>

Item B.3) "Liquidity" refers to liquidity deposited in current accounts held with Banco BPM, represented by the amounts collected as principal and interest on the assets underlying the securitisation, and by the Cash Reserve deposited with Banco BPM to guarantee the transaction.

The breakdown of item B.3) is shown in the following table:

	Value at 31/12/2022
Liquidity with Banco BPM - Interim Account	67,634,305
Liquidity with Banco BPM - Collection Account	131,160,638
Liquidity with Banco BPM - Cash Reserve Account	59,771,555
Liquidity with Banco BPM - Expenses Account	48,567
Liquidity with Bank of New York – Payment Account	10,941
<b>Total</b>	<b>258,626,006</b>

Item B.5) "Other receivables" includes Euro 212,509 of accrued interest income on mortgage loans and Euro 35,325 of other miscellaneous receivables.

#### E. Other liabilities

	Value at 31/12/2022
E.1) Payables to the Company	14,367
E.2) Other payables	28,928,427
E.3) Accrued expenses	4,111,471
<b>Total</b>	<b>33,054,265</b>

The spread between Revenues and Costs from the start of the securitisation to 31 December 2022, amounting to Euro 24,662,107 recognised under item "E.2) Other payables", represents the total amount accrued, which will be distributed to subscribers of the Junior Note on closure of the securitisation in the priority order of payments established contractually.

In addition to the Additional Return accrued as at 31 December 2022, item E.2) includes (i) accruals on the original loans still due to the Originator Banco BPM, for Euro 3,090,341 and (ii) the interest accrued and not paid on the Subordinated Loan for Euro 859,080 and (iii) amounts due to suppliers for invoices to be received for Euro 316,899.

Item "E.3) Accrued expenses" of Euro 4,111,471 is represented by accrued interest expense as at 31 December 2022 on the Senior Notes issued.

#### F. Interest expense on notes issued

The positive difference between Revenues and Costs for the year, amounting to Euro 24,662,107, is the result of the securitisation and represents remuneration of the Junior Note (Additional Return or Excess Spread), recognised as an increase of item "F. Interest expense on notes issued".

This item is therefore equal to interest expense on Senior Notes accrued during the year, equal to Euro 8,593,205, plus the positive Additional Return for the year.

#### H. Other expenses

Item "H.4) Interest expense on loans" amounted to Euro 29,071 from interest expense on current accounts and Euro 1,248,798 from interest expense on the subordinated loan granted by Banco BPM.

## L. Other revenues

Item “L.1) Interest income” amounting to Euro 14,764 is represented by interest income on current accounts.

## QUALITATIVE INFORMATION

### F.2) Description and performance of the securitisation

<i>Status of the transaction</i>	On 12 March 2022, the Company purchased <i>without recourse</i> a portfolio of loans disbursed as residential mortgage, land, agricultural and other loans to Small and Medium-sized Enterprises. The related transfer agreement was signed on 29 March 2022, legally effective from the date of signing and with coupons maturing from and including the assessment date of 14 March 2022. Subsequently, on 27 April 2022, limited-recourse Asset-Backed Securities were issued, used to finance the purchase of the loans.
<i>Originators</i>	Banco BPM S.p.A., with registered office at Piazza Filippo Meda 4, Milan.
<i>Loans transferred</i>	The loans transferred consisted of a portfolio of performing monetary loans, according to the classification criteria adopted by the Originator in compliance with regulations issued by the Bank of Italy, deriving from loan agreements disbursed to small and medium-sized enterprises (SMEs), as defined in the Commission Recommendation of 6 May 2003, no. 2003/361/EC, which include (i) land loans disbursed pursuant to land loan agreements; (ii) mortgage loans disbursed pursuant to mortgage loan agreements; (iii) other loans disbursed pursuant to loan agreements; and (iv) agricultural loans disbursed pursuant to agricultural loan agreements.

### Characteristics of the loans transferred

Loans disbursed by the originator were transferred to the Company (including principal, interest, default interest accrued and accruing, ancillary charges, expenses, damages, indemnities, etc.), owned by Banco BPM and deriving from mortgage loan agreements or loan agreements stipulated pursuant to real estate financing regulations under arts. 38 et seq. of the Consolidated Banking Law, or loan agreements stipulated pursuant to agricultural loan regulations under arts. 43 et seq. of the Consolidated Banking Law, or agreements relating to other types of loans which, at 00.01 a.m. of 14 March 2022 (the “Assessment Date”) (or another date specified in the related criterion), had the following characteristics (considered cumulative unless otherwise envisaged):

1. loans issued by Banco BPM, or issued by other banks and subsequently taken over by Banco BPM, following merger, demerger, contribution of business unit(s) or sale of business unit(s);
2. loans for which the main borrowers (if appropriate, also after takeover and/or split) are: (a) natural persons (including sole traders) resident in Italy or (b) legal entities (including partnerships) incorporated under Italian law and with registered office in Italy;
3. loans for which the main borrowers are included in the definition of small and medium-sized enterprises, as indicated in the European Commission Recommendation no. 2003/361/EC of 6 May 2003;
4. loans for which the main borrowers are included in one of the following income categories, according to the classification criteria of Bank of Italy Circular no. 140 of 11 February 1991, as amended (Instructions for the classification of customers by segment and by group of business activities): no. 166 (Support, Recreational and Cultural Service Providers), no. 256 (Private Financial Holdings), no. 268 (Other financial companies), no. 280 (Insurance brokers, agents and advisors), no. 283 (Financial advisors), no. 284 (Other financial aid providers), no. 430 (Production companies), no. 431 (Private holdings), no. 432 (Private operating holdings), no. 450 (Non-financial business associations), no. 480 (Non-financial trading quasi-corporations - units or companies with 20 or more employees), no. 481 (Non-financial trading quasi-corporation - units or companies with more than 5 but less than 20 employees), no. 482 (Non-financial trading quasi-corporations - companies with less than 20 employees), no. 490 (Other non-financial quasi-corporations - units or companies with 20 or more employees), no. 491 (Other non-financial quasi-corporations - units or companies with more than 5 but less than 20 employees), no. 492 (Other non-financial quasi-corporations - companies with less than 20 employees), no. 614 (Small traders), no. 615 (Other family businesses). In order to assess compliance of a loan with the criterion referred to in this paragraph 4, all borrowers can find out their

category and whether the related loan has been classified as one agreed for reasons associated with the exercise of business activities by contacting the branch to which the loan repayments are made;

5. fully disbursed loans, for which there is no obligation and no option for further disbursements;
6. loans denominated in Euro (or disbursed in Italian lire and subsequently redenominated in Euro);
7. loans deriving from loan agreements governed by Italian law;
8. loans with a contractual interest rate in one of the following categories:
  - (a) "fixed-rate loans", meaning those on which the interest rate applied under contract envisages no changes for the entire residual duration of the loan;
  - (b) "floating-rate loans", meaning those on which the interest rate applied is benchmarked to an index established under contract for the entire residual duration of the loan;
  - (c) "mixed-rate loans", meaning those on which the interest rate applied is initially at a contractually agreed fixed rate,

then from a certain date becomes floating rate benchmarked to a reference index, or vice versa;

- (d) "modular loans", meaning loans that allow the borrower the option of changing, once or more during the residual term of the mortgage, the interest calculation method (A) from a floating rate to (B) a fixed rate equal to the sum of (i) the IRS rate for the reference period at the date of exercise by the borrower of the option to change the calculation method and up to the end of the period of application of the fixed-rate interest calculation method chosen by the borrower, and (ii) the contractually-agreed spread over and above the benchmark as determined in accordance with paragraph (i) above, or vice versa;

9. loans:

(i) mortgage loans other than those indicated in paragraphs (ii) and (iii) below, for which the date of signature of the relative contract was between 2 March 2001 (included) and 6 September 2021 (included); or

(ii) agreed in accordance with the real estate financing regulations pursuant to arts. 38 et seq. of the Consolidated Banking Law, for which the relative loan agreement was signed between 13 January 2000 (included) and 10 February 2022 (included); or (iii) agreed according to agricultural loan regulations pursuant to arts. 43 et seq. of the Consolidated Banking Law, for which the date of signature of the relative contract was between 2 January 1999 (included) and 25 February 2022 (included); or (iv) different to those indicated in paragraphs (i), (ii) and (iii) above, for which the date of signature of the relative contract was between 28 February 2005 (included) and 25 February 2022 (included);

10. loans:

(i) on which the first instalment falls due after 14 March 2022; or (ii) on which instalments past due at 9 February 2022 were paid in full;

11. loans for which payment by instalments envisages either a fixed instalment repayment plan or a flexible instalment repayment plan, both with monthly, quarterly, every four months, half-yearly or yearly;

12. loans for which the outstanding principal is equal to or higher than Euro 4,000;

13. loans for which the outstanding principal is equal to or less than Euro 10,500,000;

14. with reference to loans secured by mortgages on properties, loans secured by mortgages on properties located in the territory of the Italian Republic for which the ratio between (i) the outstanding principal of the loan and (ii) the estimated value of the property at the Assessment Date is equal to or less than 100%;

15. loans for which payment of the relative instalments is made (a) by automatic debit from the borrower's current account (including payments by direct debit - Direct Interbank Remittance), (b) by MAV (By Notice), or (c) on a cash basis;

16. loans that, starting from the three years prior to the Assessment Date and up to the Transfer Date, were not subject to forbearance, as defined in the Supervisory Provisions of the Bank of Italy), as can be seen from the information available at any branch of Banco BPM.

Nevertheless, all receivables arising from mortgages which, at the Assessment Date, despite having the characteristics indicated above, also present on the same date (unless otherwise envisaged) one or more of the characteristics indicated in paragraphs (A) to (L), are excluded from the transfer:

A. loans which, at the Assessment Date, were transferred by Banco BPM to the SPVs BPM Covered Bond s.r.l. and BPM Covered Bond 2 s.r.l. pursuant to, respectively, two separate transfer agreements signed on 28 March 2022, as identified on the same Assessment Date according to the objective criteria included in the notices of the aforementioned transfers, published in the Official Journal of the Italian Republic no. 37 of 31 March 2022 with editorial code TX22AAB3646 and TX22AAB3647, respectively;

B. loans granted individually or in joint names to persons who, at the Assessment Date, were employees and/or directors (including by way of example, but not limited to such, executives and managers) of Banco BPM or of any other company in the Banco BPM Banking Group;

C. loans that have been stipulated with disbursement pursuant to any law (including regional and/or provincial) or legislation that envisages contributions or subsidies in capital account and/or interest (so-called subsidised loans) or in any case beneficiaries of financial contributions of any kind pursuant to law or special arrangements;

D. loans granted to public entities, public administrations or religious bodies;



E. home loans disbursed by Banca Popolare di Milano Scarl prior to 31 July 2007;  
 F. loans with one or more instalments, not yet due but fully or partially paid in advance at the Assessment Date;

G. loans in relation to which (a) the suspension of the payment of instalments has been imposed pursuant to mandatory primary or secondary regulations or a provision of the supervisory authority or (b) the relative borrower obtained the suspension of the payment of instalments pursuant to mandatory primary or secondary regulations or a provision of the supervisory authority and, in both cases, (c) such suspension is in progress at the Assessment Date;

H. loans other than those indicated in criterion 9 paragraphs (i) (ii) and (iii) which at the Assessment Date are guaranteed by sureties or other so-called omnibus guarantees in favour of Banco BPM where at least one other legal relationship between Banco BPM and the related debtor and/or guarantor is present;

I. with reference to loans secured by mortgages on properties, mortgages guaranteed exclusively by properties of cadastral categories included in groups B - F - E;

J. mortgages whose payment envisages bullet or balloon repayment in the relative contracts;

K. loans issued by Banca Italease S.p.A. and subsequently taken over by Banco BPM, following the merger, demerger, contribution of business unit(s) or sale of business unit(s);

L. loans that at the Assessment Date are registered in the so-called ABACO (Collateralised Banking Assets) procedure, managed by the Bank of Italy, with respect to which the relative borrowers, where not in possession of the information needed for the recognition of said criterion, can find the necessary references on the company website [www.gruppo.bancobpm.it/bpl-mortgages-8](http://www.gruppo.bancobpm.it/bpl-mortgages-8).

In relation to the criteria set out in the above paragraphs, "date of signature" means the original date of effective signature of the loan, regardless of any takeover subsequent to said date or, in the case of a split, the date of the split.

### Securitisation performance

As at 31 December 2022, the total mortgage loan portfolio (excluding accruals) amounted to Euro 1,790,219,928, divided between (i) performing, unlikely-to-pay and non-performing past due loans (as defined in Bank of Italy's instructions) for Euro 1,788,975,020 net of the related provisions for write-downs, and (ii) bad loans for Euro 1,244,908 net of the related provision for write-downs. Note that the classification indicated for bad loans, unlikely-to-pay loans and non-performing past due loans is that recorded in the accounting records and IT system of the Servicer.

#### Total loan portfolio

Originator BANCO BPM	Amount as at 31/12/2022	% Portfolio as at 31/12/2022	Amount as at 13/03/2022 (*)	% Portfolio as at 13/03/2022
Performing, unlikely-to-pay and non-performing past due loans	1,788,975,020	99.93%	2,456,397,257	100.00%
Bad loans	1,244,908	0.07%	-	-
<b>Total loan portfolio</b>	<b>1,790,219,928</b>	<b>100.00%</b>	<b>2,456,397,257</b>	<b>100.00%</b>

(\*) The amount includes the outstanding principal debt of Euro 2,419,376,741 plus principal and past due interest for a total net amount of Euro 37,020,516 and does not include the interest accrued at that date.

As described above, the value of the loans is net of related provisions for write-downs, which as at 31 December 2022 totalled, respectively: Euro 346,691 provision for write-down of bad loans, Euro 1,453,287 provision for write-down of unlikely-to-pay loans and Euro 269,129 provision for write-down of non-performing past due loans.

The table below summarises the non-performing loans as indicated in the accounting records and IT system of the Servicer, which include bad loans, unlikely-to-pay loans and non-performing past due loans, net of related provisions for write-downs.

#### Total non-performing loans

Originator BANCO BPM	Non-performing loans as at 31/12/2022	% non-performing loans as at 31/12/2022	Non-performing loans as at 13/03/2022	% non-performing loans as at 13/03/2022
Bad loans	1,244,908	9.78%	-	-
Unlikely-to-pay loans	9,572,424	75.23%	-	-
Non-performing past due loans	1,907,135	14.99%	-	-
<b>Total non-performing loans</b>	<b>12,724,467</b>	<b>100.00%</b>	<b>-</b>	<b>-</b>

Non-performing loans are shown also on the Servicer Report as at 31 December 2022 (even if gross of the related provisions for write-downs) as it is now prepared incorporating the loan classifications in line with those applied by the Originator for its own loans.

### F.3) Information on the entities involved

<i>Acquirer of the loans</i>	BPL Mortgages S.r.l., a company established on 30 June 2006, pursuant to art. 3, Italian Law no. 130 of 30 April 1999, under the name Giano Finance S.r.l., later renamed BPL Mortgages S.r.l. on 11 May 2007, with registered office at Via V. Alfieri 1, Conegliano (TV), Italy, registration no. 04078130269 in the Treviso-Belluno Register of Companies and registered on the List of SPVs pursuant to Bank of Italy Circular of 7 June 2017.
<i>Originator</i>	Banco BPM S.p.A., with registered office at Piazza Filippo Meda 4, in Milan.
<i>Obligations of the Originator</i>	At the date of transfer, the Originator issued a guarantee statement confirming the existence of the loans transferred and any contingent mortgage or collateral security. In addition, it agreed to indemnify the Company from all losses, costs, charges, expense and liabilities incurred in the event of default of Originator obligations under the terms of the transfer agreement or if Originator statements should prove incorrect with respect to said agreement and related attachments. In this statement, the Originator guaranteed the following: a) the Originator's status and general issues relating to the Transfer Agreement and Servicing Contract; b) statements and guarantees regarding the Receivables, Loan Agreements and related Mortgages and Collateral Security; c) statements and guarantees regarding the Properties; d) statements and guarantees regarding the truthfulness of data disclosed; e) statements and guarantees regarding insurance policies linked to the loan agreements.
<i>Servicer</i>	Banco BPM S.p.A. Under the terms of the Servicing Contract signed on 29 March 2022, the Servicer is empowered to act in the name and on behalf of the SPV, with reference to the entire loan portfolio, in administrative tasks, collection and recovery of loan-related debts, related recovery action in enforcement and insolvency proceedings, and any related legal investigations. In addition, the Servicer is required to transfer to the Acquirer all sums collected on the Company's behalf in relation to the loans, including amounts deriving from the recovery of sums due as principal, interest and default interest on positions reclassified as substandard and bad loans.
<i>Arranger</i>	Banco BPM S.p.A.
<i>Quotaholder</i>	SVM Securitisation Vehicles Management S.r.l.
<i>Representative of Noteholders</i>	Banca Finint S.p.A.
<i>Computation Agent</i>	Banca Finint S.p.A.
<i>Paying Agent</i>	BNYM Mellon N.A./SV, Milan Branch
<i>Transaction Bank</i>	Banco BPM S.p.A.
<i>Interim Account Bank</i>	Banco BPM S.p.A.
<i>Corporate Servicer</i>	Banca Finint S.p.A.
<i>Administrative Servicer</i>	Banco BPM S.p.A.
<i>Back-up Servicer Facilitator</i>	Banca Finint S.p.A.
<i>Subordinated Loan Provider</i>	Banco BPM S.p.A.

#### F.4) Characteristics of the Notes issued

On 27 April 2022 BPL Mortgages S.r.l. issued two classes of limited-recourse Asset-Backed Securities for a total of Euro 2,456,397,000: Class A Senior Notes for a nominal value of Euro 1,800,000,000 and Class J Junior Notes for a nominal value of Euro 656,397,000. Both classes of notes were entirely subscribed by Banco BPM.

On 20 May 2022, the Senior Class A Notes issued by the Company were deemed eligible by the ECB and are used by Banco BPM, based on the Group's liquidity needs, for refinancing transactions with the European Central Bank.

<i>Class A Senior</i>	ISIN	IT0005493447
	Currency	EURO
	Amount issued	Euro 1,800,000,000
	Interest rate	Floating
	Benchmark	The highest between (i) 0% and (ii) 3M Euribor + 0.70% per year spread. In any event, this interest rate cannot be higher than 1.7%.
	Coupon	Quarterly
	Legal maturity	25 October 2064
	Redemption	Amortisation linked to collection performance of the loans
	Initial rating	Moody's Investors Services "A2", DBRS "A"
	Ratings at 31/12/2022	Moody's Investors Services "A2", DBRS "A"
	Listing	ExtraMOT PRO segment of Borsa Italiana
	Governing law	Italian
	<i>Class J Junior</i>	ISIN
Currency		EURO
Amount issued		Euro 656,397,000
Interest rate		n/a
Benchmark		n/a
Coupon		n/a
Additional return		<i>Additional Return</i>
Legal maturity		25 October 2064
Redemption		Amortisation linked to collection performance of the loans
Rating		Unrated
Listing		N/A
Governing law	Italian	

The Issuer has the right to redeem in advance completely, but not in part, the residual capital of notes issued and still outstanding, provided that the Company has sufficient funds to complete the redemption of at least the Senior Class (if consent has been obtained from the Junior Notes holders). The Issuer also has the right to dispose of the loans in order to finance the optional redemption of the notes.

Summary table of outstanding notes as at 31 December 2022:

Notes	Nominal value issued 27/04/2022	Redemptions 2022	Residual value 31/12/2022
Class A Senior Notes	1,800,000,000	(500,500,674)	1,299,499,326
Class J Junior Notes	656,397,000		656,397,000
<b>Total</b>	<b>2,456,397,000</b>	<b>(500,500,674)</b>	<b>1,955,896,326</b>

All of the classes of notes were subscribed by Banco BPM. The Senior Notes are used by Banco BPM for Eurosystem monetary policy operations.

#### Allocation of cash flows from the portfolio

The allocation of cash flows from the loans transferred aims to ensure, as priority, the payment of third parties involved in the securitisation, first subject to payments of the interest and principal on the Senior Class Notes,

repayment of the Subordinated Loan and then the Junior Notes, with the allocation to these of any residual amount.

The payments in relation to the more frequent items are essentially made in the following order:

- tax charges, expenses to ensure the continued operations of the Company, costs and taxes relating to the listing or rating of the notes, to the extent not covered by sufficient Expense Account funds;
- expenses payable to the Representative of Noteholders and the amount payable to the Expense Account to reach the amount of Euro 50 thousand;
- commissions payable to the Company's agents (Paying Agent, Computation Agent, Servicer, Corporate Servicer, the Back-up Servicer Facilitator, Administrative Servicer, Interim Account Bank and Transaction Bank);
- interest on Class A notes;
- allocation to the Cash Reserve Account until the target level is reached, until the Class A Note is fully redeemed;
- principal repayments on the Class A notes (until fully repaid);
- interest payments and principal repayments on the Subordinated Loan in accordance with the contractual terms;
- amounts due to the Originator with reference to accruals on the loans purchased;
- principal repayments on the Junior Notes;
- *Additional Return on the Junior Notes.*

## F.5) Ancillary financial transactions

### Subordinated Loan and Cash Reserve

The structure of the transaction envisages, inter alia, the establishment of a Cash Reserve that corresponded, at the date of issue of the notes, to Euro 72 million ("Cash Reserve Initial Amount"). Subsequent to the issue date, the Target Cash Reserve Amount represents 4% of the outstanding amount of the Class A Notes, with a minimum amount of Euro 7.2 million.

The Cash Reserve was established on the notes' issue date in part through the issue of a subordinated loan disbursed by Banco BPM for an amount of Euro 67 million, and for the remainder through the use of part of the collections of interest in the period between the date of economic effectiveness of the portfolio transfer (14 March 2022) included and the date of issue of the notes (27 April 2022) excluded.

The Company will have to pay interest on the aforementioned loan at the 3-month Euribor rate (or in the event that the Euribor is no longer available, the ESTR average compound interest rate published by the ECB) plus 2.5%, and this payment will be made in accordance with the payment waterfall established contractually. The Cash Reserve is deposited in a specific current account in the Company's name (Cash Reserve Account) opened with Banco BPM. Amounts accrued as interest payments, but not paid due to lack of funds, will not accrue further interest and will be paid on the next Interest Payment Date thereafter in compliance with the Priority Order of Payments.

The Company must repay the principal on the amount loaned on the Interest Payment Dates with effect from the initial Interest Payment Date following the issue date of the notes and repayment will be based on funds available to the Company. On each payment date, according to the priority order of payments, the available funds will be allocated first of all to the payment of any interest accrued in the previous periods and not paid, and subsequently to the pro-rata and pari passu payment of the interest accrued in the period and the repayment of the principal.

If on the Maturity Date (namely the Interest Payment Date of October 2064) or on the date on which the Senior notes have been repaid in full or cancelled, the repayment of the principal has not yet been made in full, all the payment obligations of the Issuer pursuant to the subordinated loan agreement are considered cancelled and fully extinguished.

As at 31 December 2022, the Cash Reserve amounted to Euro 59,771,555 (target level) and interest accrued and not yet paid on the Subordinated Loan totalled Euro 859,080.

## F.6) Operating rights of the transferee Company

The operating powers of BPL Mortgages S.r.l. (as Transferee Company and Issuer) are limited by the Articles of Association. In particular, article 3 states:

“The sole purpose of the Company is the implementation of one or more loan securitisations pursuant to Italian Law no. 130 of 30 April 1999, as amended, and subsequent implementing rules (“Law 130/1999”), by the purchase against payment by the Company, or other company established pursuant to Law 130/1999, of monetary receivables, both existing and future, identified en bloc if referring to multiple loans, financed through the issue by the Company, or other company established pursuant to Law 130/1999, financed by means of issue (by the Company or other company established pursuant to Law 130/1999) of notes as referred to in art. 1 paragraph 1b) and art. 5, of Law 130/1999.

The Company can also implement securitisations in accordance with art. 7, of Law 130/1999 and in the form of a series of note issue programmes as part of a given securitisation. The Company can also perform transactions with a revolving structure, i.e., involving the use of collections deriving from the management of loans purchased before or at the time of issue of notes for the purchase of additional loans. Pursuant to art. 3 of Law 130/1999, these additional loans also constitute segregated assets on which no action is permitted by creditors other than the holders of notes issued as part of the securitisation.

Pursuant to the provisions of Law 130/1999, the loans related to each securitisation constitute segregated assets to all effects and purposes from those of the Company and those of other securitisations performed by the Company. The sole purpose of these segregated assets is to satisfy the rights incorporated in the notes issued, by the Company or other company, to finance the purchase of the loans of which the aforementioned assets form part, and to pay the costs of the related securitisation. Therefore, no action is permitted on the segregated assets by creditors other than the holders of notes issued to finance the purchase of the loans in question.

To the extent permitted by the provisions of Law 130/1999, the Company may conclude ancillary financial transactions, stipulated exclusively with a view to the success of its securitisations, or in any event instrumental to the corporate purpose, including reinvestment in other financial assets of funds raised through management of the acquired loans but which cannot immediately be utilised to satisfy rights deriving from the aforementioned notes issued as part of the securitisation. Within the context of its securitisations, the Company may appoint third parties to collect the loans purchased, to provide cash and payment services, perform disposal transactions on the loans purchased and reinvest funds deriving from management in other financial assets (including receivables with characteristics similar to those securitised) not immediately utilised to satisfy rights deriving from the aforementioned notes, as well as any other activity permitted by Law 130/1999”.

All the main operations associated with management of the securitisation were assigned to third parties (see paragraph F.3).

**QUANTITATIVE INFORMATION**
**F.7) Cash flows relating to the loans**

<b>INITIAL SITUATION UPON TRANSFER</b>	<b>2,456,397,257</b>
<b>INCREASES</b>	
- Default interest	
- Interest to be collected	
- Subsequent tranche transfers	
- Size Increase	
<b>DECREASES</b>	
- Repurchase of Loans	
- Write-downs of receivables for default interest	
- Decrease in loans	
- Decrease for loan losses and write-downs	
- Decrease in interest to be collected	
<b>SITUATION AS AT 01/01/2022</b>	<b>2,456,397,257</b>
<b>INCREASES</b>	
- Default Interest and Expenses	-
- Increase in interest to be collected	
- Increase in loans purchased	
<b>Total increases</b>	
<b>DECREASES</b>	
- Write-downs of receivables for default interest	
- Decrease in interest to be collected	5,203,969
- Decrease in loans	658,709,929
- Decrease in repurchased loans	323,747
<b>Total decreases</b>	<b>664,237,645</b>
<b>SITUATION AS AT 31/12/2022 (gross amount)</b>	<b>1,792,159,612</b>
Write-downs/write-backs on loans at 31/12/2022	(1,939,684)
<b>FINAL SITUATION AS AT 31/12/2022</b>	<b>1,790,219,928</b>

**F.8) Changes in past due loans**

The loans, all performing at the time of purchase, were classified into their relevant categories. The Servicer handles the recovery of past due loans on the basis of policies specified in the special Servicing Contract. In order to highlight the prospects for recovery of the past due loans, with reference to the date of this statement the Servicer arranged the analysis and assessment of the loans in question, and after appropriate write-downs these are recorded at their estimated realisable value.

The table below summarises the non-performing loans as indicated in the accounting records and IT system of the Servicer, which include bad loans, unlikely-to-pay loans and non-performing past due loans, net of related provisions for write-downs. For further details, please refer to section "F.2 - Description and performance of the securitisation".

**Total non-performing loans**

Originator BANCO BPM	Non-performing loans	% non-performing loans	Non-performing loans	% non-performing loans
	as at 31/12/2022	as at 31/12/2022	as at 13/03/2022	as at 13/03/2022
Bad loans	1,244,908	9.78%	-	-
Unlikely-to-pay loans	9,572,424	75.23%	-	-
Non-performing past due loans	1,907,135	14.99%	-	-
<b>Total non-performing loans</b>	<b>12,724,467</b>	<b>100.00%</b>	-	-

Non-performing loans are shown also on the Servicer Report as at 31 December 2022 (even if gross of the related provisions for write-downs) as it is now prepared incorporating the loan classifications in line with those applied by the Originator for its own loans.

The amounts contained in the following table originate from the Servicer Report, which was prepared as at 31 December 2022, taking into consideration the past due amounts (principal and interest) from loans "in arrears" and "Total defaulted loans". The total for past due loans is based therefore on the loans classified as such by the servicing contracts stipulated between the SPV and the Originators, now Banco BPM.

<b>SITUATION AT THE START OF THE TRANSACTION</b>	-
<b>INCREASES</b>	<b>2,284,544</b>
<b>DECREASES</b>	
- Collections of principal	-
- Collections of interest (including default interest)	23,677
- Sell-back of bad loans	-
<b>Total decreases</b>	<b>23,677</b>
<b>SITUATION AS AT 31/12/2022</b>	<b>2,260,867</b>

#### F.9) Cash flows

<b>LIQUIDITY AS AT 31/12/2021</b>	-
<b>INCREASES IN LIQUIDITY</b>	
Loans received	
Repurchase of securitised loans	323,747
Collections of Principal	658,744,672
Collections of Interest	44,384,108
Fee and commission collections	1,211,928
Collections of interest on current account	14,764
Increase in Subordinated Loan	67,000,000
Positive spread on IRS	
Increase for newly issued notes	
Contingent assets	5,720
Increase in payables	
Decrease in receivables	
<b>TOTAL INCREASES</b>	<b>771,684,939</b>
<b>USE OF LIQUIDITY</b>	
Purchase of Securitised Loans	
Redemption of Class A notes	500,500,674
Repayment of Subordinated Loan	6,856,823
Interest Expense on notes and loans	4,900,522
Fee and commission expense	749,722
Legal, professional and other expenses	14,595
Spread on paid IRSs	
Contingent liabilities	1,269
Increases in receivables	35,328
Decreases in payables	
<b>TOTAL USE OF LIQUIDITY</b>	<b>513,058,933</b>
<b>LIQUIDITY AS AT 31/12/2022</b>	<b>258,626,006</b>

As at 31 December 2022, collections show an increase compared to the repayment plan initially estimated. For 2023, as provided by the securitisation repayment schedule, collections of principal on the portfolio, gross of prepayment rate, are estimated at approximately Euro 394 million while collections of interest are estimated at around Euro 67 million.

#### F.10) Situation of the guarantees and liquidity lines

No guarantees have been given or received in relation to the securitisation, and no recourse has been made to credit facilities.

Furthermore, to hedge against any periods of illiquidity, the Company has a Cash Reserve that totalled Euro 59,771,555 million as at 31 December 2022.

**F.11) Distribution by residual life**

Item/residual life	up to 3 months	more than 3 months and up to 1 year	more than 1 year and up to 5 years	over 5 years	Unlimited duration
<b>A. Securitised assets</b>					
A.1) Loans	411,612	84,113,246	607,023,162	1,097,427,000	1,244,908
A.3) Other (bad loans)					
<b>B. Use of cash and cash equivalents from management of securitised assets</b>					
B.3) Liquidity	258,626,006				
B.5) Other assets	247,828			6	
<b>Total</b>	<b>259,285,446</b>	<b>84,113,246</b>	<b>607,023,162</b>	<b>1,097,427,006</b>	<b>1,244,908</b>
<b>C. Notes issued</b>					
C.1) Class A notes	184,112,730			1,115,386,596	
C.2) Class B notes				656,397,000	
<b>D. Loans Received</b>				60,143,177	
<b>E. Other liabilities</b>					
E.1) Payables to the Company	14,367				
E.2) Other Payables	316,899	859,080		27,752,448	
E.3) Accrued expenses	4,111,471				
<b>Total</b>	<b>188,555,467</b>	<b>859,080</b>		<b>1,859,679,221</b>	

**F.12) Distribution by territory**

All the loans were disbursed in Euro to borrowers resident in Italy and referring to property located in Italy.

**F.13) Risk concentration**

Loan size	no. of positions 31/12/2022	Amount as at 31/12/2022	% Portfolio as at 31/12/2022
0 - 25,000	13,210	131,608,871	7.36%
25,001 - 75,000	4,606	192,953,288	10.79%
75,001 - 250,000	2,648	359,887,113	20.12%
Over 250,000	1,406	1,104,525,748	61.73%
<b>Total</b>	<b>21,870</b>	<b>1,788,975,020</b>	<b>100.00%</b>

The figures in the table do not include bad loans. As envisaged in the agreement, there are no loans with an amount of more than 2% of the loan portfolio.



### Section 3 - Information on risks and related hedging policies

#### 3.1 CREDIT RISK

##### QUALITATIVE INFORMATION

The Company has solely demand amounts due from banks, represented by deposits in current accounts held with Banco BPM, for which no credit risk is deemed to exist.

There were no impacts from the COVID-19 pandemic or the Russia-Ukraine conflict.

##### QUANTITATIVE INFORMATION

#### 6. Loan exposures to customers, banks and financial companies

##### 6.1 Loan and off-balance-sheet exposures to banks and financial companies: gross and net values

Type of exposure/value	Gross exposure				Total value adjustments and total provisions				Net exposure	Total partial write-offs *
	First stage	Second stage	Third stage	Purchased or Originated Credit Impaired	First stage	Second stage	Third stage	Purchased or Originated Credit Impaired		
<b>A. On-balance sheet loan exposures</b>										
<b>A.1 On demand</b>										
a) Non-performing	X				X					
b) Performing	10,451		X				X		10,451	
<b>A.1 Other</b>										
a) Bad loans	X				X					
- of which: exposures with forbearance	X				X					
b) Unlikely-to-pay loans	X				X					
- of which: exposures with forbearance	X				X					
c) Non-performing past due exposures	X				X					
- of which: exposures with forbearance	X				X					
d) Performing past due exposures			X				X			
- of which: exposures with forbearance			X				X			
e) Other performing exposures			X				X			
- of which: exposures with forbearance			X				X			
<b>TOTAL (A)</b>	<b>10,451</b>								<b>10,451</b>	
<b>B. Off-balance sheet loan exposures</b>										
a) Non-performing	X				X					
b) Performing			X				X			
<b>TOTAL (B)</b>										
<b>TOTAL (A+B)</b>	<b>10,451</b>								<b>10,451</b>	

\* Value to be shown for disclosure purposes

### 3.2 MARKET RISKS

#### 3.2.1 Interest rate risk

##### QUALITATIVE INFORMATION

The Company is not exposed to interest rate risk.

##### QUANTITATIVE INFORMATION

###### 1. Distribution by residual maturity (repricing date) of financial assets and liabilities

Item/residual life	On demand	Up to 3 months	More than 3 months and up to 6 months	More than 6 months and up to 1 year	More than 1 year and up to 5 years	From over 5 years to 10 years	Over 10 years	Unlimited duration
<b>1. Assets</b>								
1.1 Debt securities	10,451							
1.2 Other receivables								
1.3 Other assets		39,876						
<b>2. Liabilities</b>								
2.1 Payables								
2.2 Debt securities								
2.3 Other liabilities		37,745						50,245
<b>3. Financial derivatives</b>								
<b>Options</b>								
3.1 Long positions								
3.2 Short positions								
<b>Other derivatives</b>								
3.3 Long positions								
3.4 Short positions								

#### 3.2.2 Price risk

The section has not been compiled as there are no such risk positions.

#### 3.2.3 Exchange rate risk

The table has not been compiled as there are no such risk positions.

### 3.3 OPERATIONAL RISKS

With regard to operational risk, note that the Company has no employees and has outsourced its functions and related operational risk to entities contractually appointed for this purpose. In particular, with regard to services assigned to the Group Banks, note that as part of the securitisations management model, processes have been defined for the correct execution of activities relating to securitisation management; activities regarding collection accounting management, reporting, arrears management, financial statements preparation, ordinary swap operations and support activities. These processes ensure compliance with reference regulations and execution of first and second level controls, also by means of the Risk Management performed by the Banco BPM Group Finance.

Within the context of the COVID-19 epidemic and the Russia-Ukraine conflict, the Servicer Banco BPM and other service providers, to which the characteristic functions of an organisational structure are assigned as

well as the internal control systems, ensured the regular and timely execution of their activities, in compliance with their contractual obligations. There were no impacts from the COVID-19 pandemic or from the Russia-Ukraine conflict.

### 3.4 LIQUIDITY RISK

#### QUALITATIVE INFORMATION

The Company considers it has sufficient cash and cash equivalents to meet its commitments.

A characteristic of the corporate activity, specifically ordered by Law 130/99, is the segregation of the Company's assets and liabilities from those of the securitisations and, against this segregation, corporate costs incurred for keeping the Company "in good standing" are limited and, in any case, recovered through specific contractual clauses that envisage the recharging to the securitisations.

There was no impact on ordinary operations, in terms of liquidity risk, resulting from the COVID-19 pandemic or the Russia-Ukraine conflict.

#### QUANTITATIVE INFORMATION

##### 1. Distribution of assets and liabilities by residual duration of the contracts

Item/Residual duration	On demand	From over 1 day to 7 days	From over 7 days to 15 days	More than 15 days and up to 1 month	More than 1 month and up to 3 months	More than 3 months and up to 6 months	More than 6 months and up to 1 year	More than 1 year and up to 3 years	More than 3 years and up to 5 years	Over 5 years	Unlimited duration
<b>Cash assets</b>											
A.1 Government securities											
A.2 Other debt securities											
A.3 Loans											
A.4 Other assets	10,451				39,876						
<b>Cash liabilities</b>											
B.1 Amounts due to:											
- Banks											
- Financial companies											
- Customers											
B.2 Debt securities											
B.3 Other liabilities					37,745						
<b>"Off-balance sheet" transactions</b>											
C.1 Financial derivatives with exchange of capital											
- Long positions											
- Short positions											
C.2 Financial derivatives without exchange of capital											
- Positive spreads											
- Negative spreads											
C.3 Loans to be received											
- Long positions											
- Short positions											
C.4 Irrevocable commitments to disburse funds											
- Long positions											
- Short positions											
C.5 Financial guarantees given											
C.6 Financial guarantees received											50,245

#### Section 4 - Information on equity

##### 4.1 Company equity

##### 4.1.1 Qualitative information

The Company's equity comprises the fully paid-up quota capital of Euro 12,000, Reserves amounting to Euro 2,817 and the net loss for the year. As at 31 December 2022, the quota capital of Euro 12,000 is held by SVM Securitisation Vehicles Management S.r.l., 100% owner of the nominal value of the quota capital. The Company is not subject to external minimum mandatory capital requirements or special regulations on regulatory capital.

#### 4.1.2 Quantitative information

##### 4.1.2.1 Company equity: breakdown

Items/Amounts	31/12/2022	31/12/2021
<b>1. Quota capital</b>	<b>12,000</b>	<b>12,000</b>
<b>2. Quota premium reserve</b>		
<b>3. Reserves</b>		
- of profits	3,670	3,806
a) legal	2,400	2,400
b) statutory		
c) own shares		
d) other	1,270	1,406
- other	(853)	(853)
<b>4. (Own shares)</b>		
<b>5. Valuation reserves</b>		
- Equity securities designated at fair value through other comprehensive income		
- Hedges of equity securities designated at fair value through other comprehensive income		
- Financial assets (other than equity securities) designated at fair value through other comprehensive income		
- Tangible assets		
- Intangible assets		
- Foreign investment hedges		
- Cash flow hedges		
- Hedging instruments (non-designated items)		
- Exchange rate differences		
- Non-current assets and disposal groups held for sale		
- Financial liabilities designated at fair value through profit or loss (changes to credit risk)		
- Special revaluation laws		
- Actuarial gains (losses) on defined-benefit plans		
- Share of valuation reserves related to equity investments carried at equity		
<b>6. Equity instruments</b>		
<b>7. Net profit (loss) for the year</b>	<b>(136)</b>	<b>(136)</b>
<b>Total</b>	<b>14,681</b>	<b>14,817</b>

#### 4.2 Own funds and capital ratios

The Company is not subject to external minimum mandatory capital requirements or special regulations on regulatory capital.

#### Section 5 - Analytical statement of comprehensive income

	Item	31/12/2022	31/12/2021
10.	Net profit (loss) for the year	(136)	(136)
190.	Total other comprehensive income	-	-
200.	Comprehensive income (Items 10 + 190)	(136)	(136)

On the basis of what has been reported in the Comprehensive Income Statement, the Company's profit/loss coincides with its overall profitability. Items with a zero value as at 31 December 2022 are not indicated among items in the table.

#### Section 6 - Transactions with related parties

##### 6.1 Information on remuneration of executives with strategic responsibilities

For 2022:

- (i) the total remuneration due to the Sole Director is equal to Euro 8,443;
- (ii) the remuneration agreed for the Board of Statutory Auditors totalled Euro 7,000.

## 6.2 Loans and guarantees given to Directors and Statutory Auditors

The Company has not issued guarantees in favour of the Sole Director or the Board of Statutory Auditors.

## 6.3 Information on transactions with related parties

With reference to corporate assets, no transactions with related parties have been carried out. With reference to securitisations it should be noted that the Company has no employees as the management of assets has been assigned, on the basis of the respective Servicing contracts, to the Originators, now Banco BPM. Administrative, accounting and tax-related activities are assigned to Banco BPM.

## Section 8 - Other information

### 8.1 Management and coordination activities

The Company is not subject to management and coordination by the parent company, SVM Securitisation Vehicles Management S.r.l., given the particular nature of the Company's activities and the binding contractual regulations underlying each securitisation.

### 8.2 Fees paid to independent auditors

Pursuant to art. 149-duodecies of Consob Issuers' Regulation, under the transitional rules indicated by art. 43, paragraph 2, of Italian Legislative Decree 39/2010, the table below shows the information regarding the fees of the audit company PricewaterhouseCoopers S.p.A. as per the related proposal.

*(amounts in Euro)*

<b>Type of service</b>	<b>PricewaterhouseCoopers S.p.A.</b>
Audit	19,500
Certification services	-
Other services	-
<b>Total</b>	<b>19,500</b>

Conegliano (TV), 3 February 2023

**BPL Mortgages S.r.l.**  
*A single member company*  
*The Sole Director*  
 Igor Rizzetto

**BPL MORTGAGES S.r.l. – A single member company**

Via V. Alfieri no. 1 - 31015 Conegliano (TV), Italy

Quota Capital Euro 12,000.00, fully paid up

Treviso-Belluno Register of Companies no. 04078130269, Econ. Admin. Index (REA) no. 321099

Tax code and VAT no. 04078130269

Registered on the List of Special Purpose Vehicles with no. 33259.3 pursuant to the Bank of Italy Instructions of 7 June 2017

**BOARD OF STATUTORY AUDITORS' REPORT**  
**pursuant to art. 2429, paragraph 2, Italian Civil Code**

Dear Quotaholder,

We have examined the Financial Statements relating to the accounting period for 2022, prepared by the administrative body of BPL MORTGAGES S.r.l., a single member company. The Financial Statements consist of the Balance Sheet, the Income Statement and the Notes to the Financial Statements, and accompanied by the Director's Report on Operation, the Statement of Comprehensive Income, the Statement of Changes in Quotaholders' Equity, the Cash Flow Statement and other statements containing information regarding the securitisation, were prepared in accordance with IAS/IFRS international accounting standards pursuant to the combined provisions of articles 2 and 4 of Italian Legislative Decree no. 38/2005. The instructions issued by the Bank of Italy were followed.

**1) Supervisory activities pursuant to art. 2403, Italian Civil Code.**

***Knowledge of the company, risk assessment and report on the assigned duties.***

Based on the knowledge of the company acquired by the Board of Statutory Auditors and, as regards the nature of the activities conducted and the company's organisational and accounting structure, and also taking into account the company's size and issues, we confirm that the "planning" phase of the supervisory activities – during which it was necessary to evaluate the inherent risks and the critical issues with respect to the two above mentioned parameters – was implemented based on the positive findings of the information acquired previously. We can, therefore, confirm that:

- the company's core business, as a special purpose vehicle for loan securitisations pursuant to Italian Law 130/1999, has not changed in the year under review and is consistent with the corporate purpose;
- in 2022, the company approved and launched a new securitisation ("BPL Mortgages 8") for a total amount of approximately Euro 2.5 billion through the purchase of portfolios en bloc and without recourse from Banco BPM S.p.A. of performing monetary loans deriving from land, mortgage and agricultural loans and other loans owned by Banco BPM S.p.A. and disbursed to

small and medium-sized enterprises, whose purchase price was financed through the issue of two classes of limited recourse senior and junior securities;

- during the year there were also some changes in the composition of the corporate bodies, namely the designation of a new sole director and the replacement of two standing members of the Board of Statutory Auditors; otherwise, the organisational structure remained substantially unchanged compared to the previous year;
- the company does not have any employees, this is indirectly confirmed by comparing the values recorded in the Income Statement for the last two financial years, namely the year under review at 31 December 2022 and the previous year ended 31 December 2021.

It is also possible to observe how the company operated during the year under review in comparable terms with those of the previous year and, consequently, the monitoring activities carried out by the Board of Statutory Auditors were conducted based on these assumptions, having verified the essential comparability of values and the results with those of the previous year.

This report therefore summarises the activities concerning the information required by article 2429, paragraph 2, of the Italian Civil Code and, more specifically:

- the results for the year;
- the activities carried out in compliance with the law and the articles of association;
- all comments and proposals regarding the financial statements, with particular reference to the possible exercise – by the administrative body – of the derogation provided for in article 2423, paragraph 5, of the Italian Civil Code;
- any complaints received by the quotaholders under article 2408 of the Italian Civil Code.

The Board of Statutory Auditors remains, in any case, at full disposal to further discuss any additional aspects or issues during the Quotaholders' Meetings.

#### ***Activities conducted.***

The activity carried out by the Board of Statutory Auditors covered the entire financial year 2022 and, during the year, meetings were held on a regular basis as provided for in article 2404 of the Italian Civil Code. Specific minutes of these meetings were prepared, duly signed for unanimous approval by the board members in office at the time of the respective audits.

During the periodic meetings, the Board of Statutory Auditors took note of the development of the business carried out by the company, paying particular attention to any contingent and/or extraordinary or non-recurrent problems in order to identify the economic and financial impact on the result for the year and on the financial position, as well as any risks, which are monitored constantly.

Periodic meetings to exchange technical information were also organised with the Independent Auditors PricewaterhouseCoopers S.p.A., the findings of which have proven to be positive.

The Board of Statutory Auditors also periodically assessed the suitability of the organisational and operating structure of the company and its possible variations with respect to the demands imposed by the company's performance.

Relations with the people working in the aforementioned structure – the director and outsourcer - were based on mutual cooperation, in compliance with the roles assigned to each and also having previously clarified the duties of the Board of Statutory Auditors.

In particular, during the year ended 31 December 2022, we:

- held 5 meetings of the Board of Statutory Auditors;
- attended 4 Quotaholders' Meeting and 2 meetings with the sole director, held in compliance with all applicable laws, regulations and the Articles of Association provisions governing their operation and in reference to which we can reasonably certify that the resolutions were reached in compliance with the law and the Articles of Association of the company;
- acquired information from the sole director, the outsourcer and the Independent Auditors and no relevant data or information emerged requiring mention in this report in relation to the internal control system.

Throughout the year, we noted that:

- the administrative activities concerning the recording of the company events continues to be outsourced to employees of Banco BPM S.p.A.'s administration and financial statements service, whose technical expertise proves adequate for the type of business transactions to be recorded and has a consolidated knowledge of the business issues;
- the accounting, tax and corporate advisory services continue to be assigned to the same structure, which has historical knowledge of the business and of both the ordinary and extraordinary operating issues that could affect the company's results.

Given the simplicity of the management organisational structure, the information on the general performance of the company and its outlook was supplied during the course of the regular quarterly meetings by the sole director and by the outsourcer.

Based on the exchange of information that occurred with the director of the company it has also emerged:

- that the management decisions were founded on the principle of proper information and reasonableness, comply with the principles of good business practices, and are consistent and compatible with the resources and the assets that the company enjoys;
- that the administrative body is aware of the effects of the transactions carried out, as well as of the level of risk potentially attributable to them.

As indicated in the Notes to the Financial Statements, the Company is not subject to management and coordination by the parent company, given the particular nature of the Company's activities and the binding contractual regulations underlying each securitisation.



In conclusion, based on the activities carried out during the year, the Board of Statutory Auditors conducted the supervisory activities provided for by law (articles 2403 et seq. of the Italian Civil Code), following, to the extent necessary or useful to the case in question, the "*Rules of conduct for the Board of Statutory Auditors*" recommended by the Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili (National Council of Chartered Accountants and Accounting Experts), and is therefore able to confirm that:

- the decisions adopted by the quotaholders and by the administrative body comply with the law and the articles of association and are not manifestly imprudent and do not jeopardise the integrity of the corporate assets;
- the operations of the administrative body are not manifestly hazardous or in conflict with the interest of the company;
- sufficient information on the general performance of the company and its outlook has been acquired, as well as on the most significant transactions in terms of size or nature, carried out by the company;
- the transactions carried out were also found to be in compliance with the law and the articles of association, and not in conflict with the resolutions adopted by the Quotaholders' Meeting;
- no significant critical issues emerged in terms of the adequacy of the company's organisational structure, nor with regard to the adequacy of the administrative and accounting procedures, also in terms of complete, timely and reliable accounting records and representation of the operating events for the purposes of preparing the financial statements;
- no significant critical issues emerged in terms of the adequacy of the company procedures aimed at enabling efficient monitoring of the risk factors, as well as the prompt identification and correct management of any such critical issues;
- no reports were made to the administrative body pursuant to and for the purposes of art. 15 of Italian Decree Law 118/2021;
- during the year the Board of Statutory Auditors formulated any opinions that are required by law;
- during the supervisory activities, as described above, no further significant facts emerged, which should be included in this report;
- no significant omissions and/or reprehensible actions or significant facts were encountered, which should be included in this report;
- based on the controls carried out, it does not result to the Board of Statutory Auditors that the company has assigned any other tasks to PricewaterhouseCoopers S.p.A. different from the Independent Audit, nor has it agreed the latter any additional fees other than those recorded in the financial statements for a total of Euro 35,326 including tax and non-deductible VAT;

- the Board of Statutory Auditors has received no complaints from the quotaholders pursuant to article 2408 of the Italian Civil Code.

## **2) Comments on the financial statements at 31 December 2022.**

The Financial Statements at 31 December 2022, prepared in accordance to the IAS/IFRS international accounting standards, pursuant to the combined provisions of articles 2 and 4 of Italian Legislative Decree no. 38/2005, were approved by the administrative body and comprise the Balance Sheet, the Income Statement, the Notes to the Financial Statements, the Statement of Comprehensive Income, the Statement of Changes in Quotaholders' Equity, the Cash Flow Statement and are accompanied by the Report on Operations. These documents were provided to the Board of Statutory Auditors in good time so that they could be deposited at the registered office of the company, accompanied by this report, pursuant to article 2429, paragraph 1 of the Italian Civil Code.

The Independent Audit has assigned to the company PricewaterhouseCoopers S.p.A. for the nine-year period 2017-2025; as regards the analytical audit activities, controls of compliance of the contents and the correspondence of the accounting records to the financial statements, reference should be made to the unqualified opinion in the related report issued by the independent auditors on 17 March 2023.

The Board of Statutory Auditors, however, independently examined, for its part, the financial statements at 31 December 2022, with regard to which the following additional information is provided:

- verification was made of the correspondence of the financial statements with the events and information acquired through performing the Board of Statutory Auditors' duties and, in this respect, no critical issues emerged, which should be included in this report;
- verification was made of the correspondence of the general format of the financial statements with the law, as well as the accuracy of the related preparation process and, in this respect, no critical issues emerged, which should be included in this report;
- to the best of our knowledge, in drafting the financial statements, the administrative body has not derogated from the law and has applied the IAS/IFRS international accounting standards and related measurement criteria, in continuity with what has been done in previous years;
- pursuant to article 2426, paragraph 1, no. 5, of the Italian Civil Code, the Board of Statutory Auditors notes that no start-up or expansion costs or multi-year development costs are recognised among assets in the Balance Sheet for the year;
- pursuant to article 2426, paragraph 1, no. 6, of the Italian Civil Code, the Board of Statutory Auditors notes that no goodwill is recognised among assets in the Balance Sheet for the year;

- the Board of Statutory Auditors also notes the presence in the Note to the Financial Statements of the information required by law or otherwise required by the reference accounting standards.

***Results for the financial year.***

The Company's financial year ended 31 December 2022 presented a loss for the year of Euro 136.

**3) Comments and proposals with regard to the approval of the financial statements for the year ended 31 December 2022.**

Also considering the results and outcomes of controls carried out by the Independent Auditors, as summarised in their report, the Board of Statutory Auditors expresses a favourable opinion to approve the Financial Statements at 31 December 2022, as prepared by the sole director, and expressing a favourable opinion regarding the proposal for the allocation of the result for the year.

Lastly, we remind you that, with the approval of the financial statements for 2022, the mandate of the undersigned control body expires, so it will be necessary to resolve on this matter.

We thank you for the confidence you have placed in us.

Verona, 21 March 2023

THE BOARD OF STATUTORY AUDITORS

(Mr. Marco Bronzato - Chairman)

(Mr. Marco Favini - Standing Auditor)

(Ms. Claudia Clementina Oddi - Standing Auditor)