



Investor Presentation - Social SP Bond

14 January 2025



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Agenda

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ESG at Banco BPM – Highlights



Our path towards a sound sustainability strategy: the recent history

2018 - 2020

- **Internal Control and Risk Committee** in charge of overseeing sustainability topics
- **Energy Manager & Mobility Manager** appointed
- Published the **rules for the environmental policy**, the **Workplace health and safety guidelines** and the **Guidelines on the integration of sustainable risks in the provision of investment services**
- **100% of electricity consumption from certified renewable sources**
- Extraordinary **measures for local communities and social projects** in response to Covid-19 pandemic
- **First ESG lending product** (Plafond for ESG investments)
- ISO 45001 **Occupational Health and Safety**, ISO 50001 **Energy** and ISO 14001 **Environmental certifications** obtained



2021 - 2022

2021

- Activation of the first **"ESG Action Plan"** to fully integrate ESG into our operating model
- **ESG targets** included within **ST & LT incentive plans** for CEO & Top Management
- **Green, Social and Sustainability Bonds Framework** published, and **first bond (social)** issued under the framework
- **Integration of lending policies and Risk Management** with ESG factors started
- **Enlarged ESG products offering and integration of ESG risk in Advisory and Wealth Management**
- 2021-2024 Strategic Plan: **ESG as key foundation stone**
- Banco BPM joined the **UNGC** and became a supporter of the **TCFD**



2022

- First **ECB Climate Stress test** performed
- **Fundraising and other support measures** for **people from Ukraine**, in cooperation with **Caritas**
- **Update of the Code of Ethics** in 2022
- 2022 CNFS wins **"Oscar di Bilancio"**
- Banco BPM **#1 Green bond issuer** among Italian banks in 2022

2023 - August 2024

2023

- **Banco BPM joins the NZBA and identifies 5 priority sectors identification** (Oil & Gas, Power generation, Cement, Automotive and Coal) in March
- **New Sustainability Committee** established at Board level in April
- **New ESG Action Plan** reshaped in Q3
- **Fundraising and other support measures** for **people from Emilia Romagna**
- **NEW GS&S Bonds Framework aligned with Taxonomy** published in November
- Banco BPM **#2 Green bond issuer** among Italian banks in 2023
- Banco Bpm wins in 2023 the prestigious **Award for Impact Reporting** by **Environmental Finance**
- 2023-2026 Strategic Plan: **Sustainability strategy ambitions fully integrated**

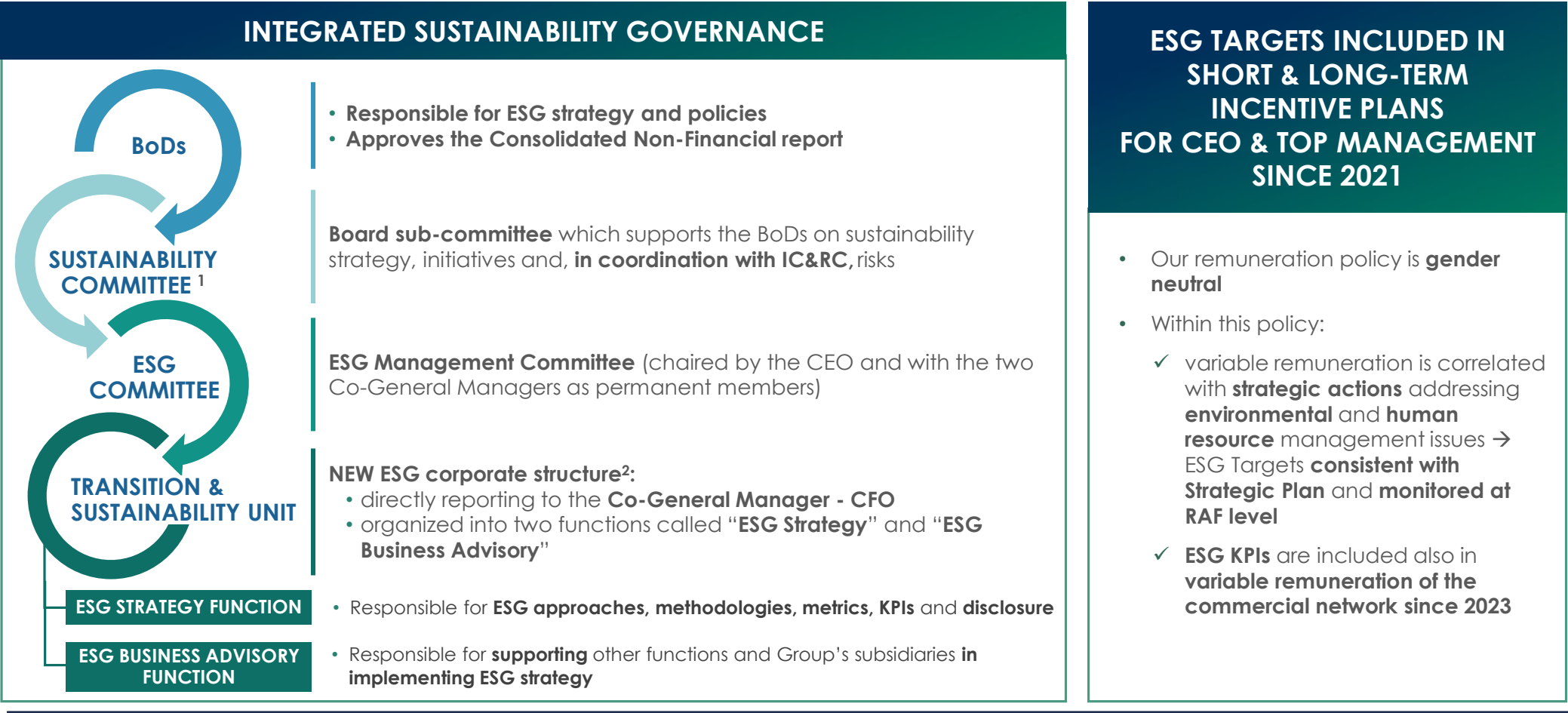


Jan.-Aug. 2024

- **New "Transition & Sustainability" unit** officially started in July 2024, directly reporting to the **Co-General Manager - CFO**
- **NZBA: targets approved** in terms of **intensity emission reduction by 2030** for the **5 priority sectors**



Sustainability Governance and Accountability



Strategic Plan 2023-2026: Sustainability ambitions and ESG initiatives fully embedded in the pillars of the Plan



- **Supporting our clients in their transition path** through advisory and commercial offering, paving the way for a **Net Zero Strategy**
 - **ESG Factory:** becoming a reference partner for Corporate & Enterprise clients in their sustainable transition (**ESG Training, Advisory & Offering**)
- Strengthening the **management & monitoring of Climate-related & Environmental Risk**
- Keep on **reducing our own environmental impact**



- Further enhancing our **People strategy, Generational change** and **Women empowerment**
 - Increase in the number of women in **managerial positions**
 - Targeted **growth paths** for **young talents identified in the Group**
 - **New training Academy** structure to **uphold a new standard in skills development**
- Strengthening our **leadership position** as **third sector lender**
- Confirming our position as a **top Community bank** with strong **impact on our local communities** (school and education-driven)
 - Involvement of our **employees in corporate community services**
 - Promoting activities to **spread financial education** and **ESG engagement**



- Supporting our **Digital transformation** with a strong **Privacy & Cybersecurity management**
- **Short-term and Long-term incentive plans** for **managers & employees** confirmed **aligned with ESG targets**
- **Further enhancement** of **ESG risk measurement** framework, in coherence with the evolution of **external regulation** and **risks materiality**

Growing offering of “Green” lending products

FINANCING INVESTMENTS LINKED THE EU TAXONOMY

Specific financial solutions to **support the investments** of corporate clients aimed at increasing the **alignment of their economic activities with the European Taxonomy**

FINANCING ENERGY PRODUCTION AND ENERGY EFFICIENCY

Specific financial solutions to **support SMEs** for investment projects in **energy production plants from renewable sources**

Financial solutions to **support companies** in the **process** towards an **efficient, sustainable and renewable energy model**

LOANS WITH SACE GREEN GUARANTEE

Subsidized loans covered by the **SACE guarantee** aimed at supporting corporate projects that facilitate the **transition** to an economy with a **lower environmental impact**, integrate **production cycles with low-emission technologies** for the production of sustainable goods and services, and promote **initiatives** aimed at **developing a new mobility with lower polluting emissions**

ENTERPRISES AND CORPORATE CLIENTS

GREEN RESIDENTIAL MORTGAGES

Products in line with the **principles of the European project Energy Efficient Mortgages Initiative (EEMI)**, aimed at helping individuals buying **energy-efficient real estate** and in the implementation of **energy efficiency measures for buildings**

HOUSEHOLDS

Financial Inclusion initiatives

SUBSIDISED FINANCE

- **Loans** with **SACE SUPPORTITALIA Guarantee** (subsidized loans granted until YE 2023 for financing **enterprises affected by the war in Ukraine**)
- **Funding** for **SMEs** assisted by the **Guarantee Fund for Small and Medium-Sized Enterprises (FGPMI)**
- **Funding** for **SMEs and Mid-caps** from the **EIB Synthetic Securitization plafond**

FINANCE TO THIRD SECTOR

- **Ad hoc organizational structures, products, services** and **expertise** developed for **no-profit clients**
- The funding provided is aimed at **supporting both short-term needs** and **specific investment projects, many with ESG connotations**

FINANCIAL SOLUTIONS FOR YOUNG PEOPLE & STUDENTS

- **Mortgages** for people **<36 years** with **subsidized rates, zero inquiry** and **installment collection fees**, assisted by **Consap guarantee**
- **Loans** for **helping students** to realize their educational projects, assisted by **Consap guarantee**

CLIENTS AFFECTED BY CALAMITOUS EVENTS

Measures aimed at **supporting individuals or enterprises damaged by calamitous events**:

- **Suspension of the instalments** of mortgages and loans
- **Funding** for the reconstruction of damaged buildings/ assets or for the payment of taxes

WOMEN

Measures aimed at **supporting women victims of violence** and in **temporary economic difficulty**:

- **Suspension of the payment** of the principal amount for mortgages and loans for up to 18 months

ANTI-USURY

Financial support to the **victims of usury**, in **cooperation** with several **anti-usury foundations**

Green, Social and Sustainability Bonds Framework (Nov 2023)



Banco BPM ranks in the top positions as Green & Social bonds issuers amongst the Italian banks: #1 in 2022 , #2 in 2023 and #1 in 2024

SIGNIFICANT ISSUANCE ACTIVITY OF GREEN & SOCIAL BONDS:

- **€6.05bn Social & Green bonds issued in the period 2021-Jan. 2024** (o/w **€5.75bn** under the **Green Social & Sustainability Bonds Framework**)

GREEN, SOCIAL & SUSTAINABILITY BONDS FRAMEWORK ALIGNED WITH TAXONOMY PUBLISHED ON 7 NOV. 2023:

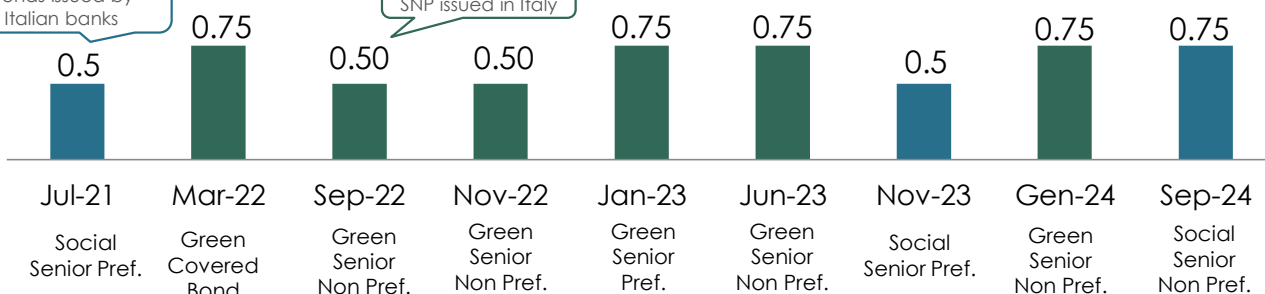
- The last Framework, published after the inaugural Framework of July 2021, is **aligned with market standards¹**, cover a broader range of activities and include **European taxonomy alignment for some eligible assets²**

Social & Green bonds issued under the framework

€ bn

One of the few Social bonds issued by Italian banks

Second Green SNP issued in Italy



The first Green Covered Bond issuance in Italy in 2022 and the second ever for an Italian bank

Additional €300m Green Senior Pref. bond issued as a private placement in July 2022

USE OF PROCEEDS:

- **Social Bond:** refinance existing **Eligible Social Loans** as defined in the GS&S Bonds Framework (such as SME loans guaranteed by the State granted in response to the Covid-19 pandemic and loans granted to SMEs in low GDP areas)
- **Green Covered bond:** refinance a portfolio of green mortgages granted to households for the purchase of houses which belong to the top 15% energy efficient buildings in Italy
- **Green SNP & Pref. bonds:** refinance existing **Eligible Green Loans** as defined in the GS&S Bonds Framework (such as green residential mortgages and loans for renewable energy)

Three Green, Social and Sustainability Bond Reports released since 2022



Note: **1.** ICMA's Green Bond Principles (June 2021 with June 2022 appendix), ICMA's Social Bond Principles (June 2023), ICMA's Sustainability Bond Guidelines (June 2021) **2.** European taxonomy alignment covers some category of assets in the the following activities: Green Buildings, Renewable Energy (Wind, Solar, Hydro an Bio energy) and Manufacture of organic basic chemicals.

GS&S Bonds Framework: Detailed description (1/2)

- On 7th November Banco BPM published its **NEW Green, Social & Sustainability Bond Framework** and **SPO** provided by ISS ESG.
- The development of a Green, Social and Sustainability Bonds Framework is fully complementary with Banco BPM commitment and strategy to **address climate change** and to **provide a positive social outcome** in its business conduct.
- The Framework is an umbrella document that enables Banco BPM to issue Green Bonds, Social Bonds and Sustainability Bonds; **either unsecured, such as Senior Unsecured Bonds, or secured instruments, such as Covered Bonds.**
- The Framework has been developed according to the following latest market standards: ICMA's **Green Bond Principles** (June 2021 with June 2022 appendix), ICMA's **Social Bond Principles** (June 2023), ICMA's **Sustainability Bond Guidelines** (June 2021) and the **EU Taxonomy** for some category of assets in the following activities: Green Buildings, Renewable Energy (Wind, Solar, Hydro and Bioenergy) and Manufacture of organic basic chemicals.



Framework update

- Banco BPM published its inaugural Green, Social & Sustainability Bond Framework in 2021.** The aim of the **2023 update** was to **be aligned with best market practices, cover a broader range of its activities** and include **EU Taxonomy alignment** for some categories of eligible assets. New eligible loans categories have also been added:

New eligible Green Loans categories	New eligible Social Loans categories
Manufacture of organic basic chemicals	Sustainability-linked loans for SMEs
Green Guarantee	Residential Mortgages
Sustainable Agriculture	

External review ISS ESG

- ✓ The Framework has received an **external verification by ISS ESG.**
- ✓ The Framework is aligned with **Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines.**
- ✓ ISS ESG confirms that Banco BPM has the processes in place to assure that **some assets are aligned with the Technical Screening Criteria of the EU Green Taxonomy.**

GS&S Bonds Framework: Detailed description (2/2)

The Green, Social and Sustainability Bond Reporting for year 2023 was published in July 2024:
https://gruppo.bancobpm.it/media/dlm_uploads/Green-Social-Sustainability-Bonds-Reporting-2024.pdf

USE OF PROCEEDS

- **Eligible Green Loan Categories:** Green Buildings, Renewable Energies, Manufacture of organic basic chemicals, Energy Efficiency, Pollution Prevention and Control, Sustainable Water Infrastructure, Low Carbon Transportation, Green Guarantee, Sustainable agriculture
- **Eligible Social Loan Categories:** Financing SMEs, Third and Public Sector, Healthcare, Sustainability-linked loans for SMEs, Residential Mortgages

PROJECT EVALUATION & SELECTION

- An appointed **Funding ESG Working Group** is in charge of reviewing, monitoring and updating the Eligible Portfolios
- Its scope includes the addition of new Eligible Categories and/or the alignment of the eligibility criteria with the latest best market practices, subject to obtaining an updated Second Party Opinion

MANAGEMENT OF PROCEEDS

- Implementations on internal systems have been made to identify Eligible Loans
- The Funding ESG Working Group will manage the **balance of the Eligible Portfolio with the net proceeds of the Green, Social and Sustainability Bonds** issued under this framework on a portfolio approach

REPORTING

- **The allocation and impact reporting (the "Report") will be published annually by Banco BPM, on a portfolio approach basis until the Bond maturity**
- Banco BPM will make its Reports available for investors on its website

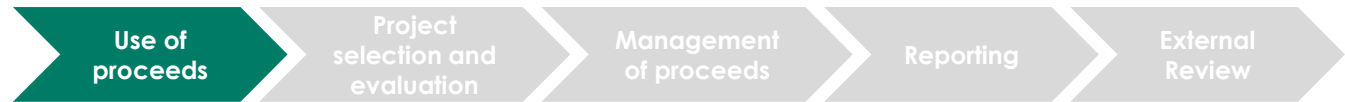
EXTERNAL REVIEW



- **ISS ESG** has reviewed and **certified the alignment** of the Framework with ICMA's Green Bond Principles, Social Bond Principles or Sustainable Bond Guidelines
- Banco BPM will mandate on annual basis an independent auditor in order **to verify the compliance of the Eligible Portfolio** with the Framework **and the reporting metrics** as published in the annual Report



Green, Social & Sustainability Bonds Framework: Use of Proceeds



Eligible Green Loans categories		Eligibility Criteria	
		For assets aligned with the Substantial Contribution Criteria of the EU Taxonomy	For assets aligned with other green Eligibility Criteria
Green Buildings	Residential	<ul style="list-style-type: none"> Renovation of existing buildings (7.2) Acquisition and ownership of buildings (7.7) 	<ul style="list-style-type: none"> Renovation of existing buildings Acquisition and ownership of buildings New construction
	Commercial	<ul style="list-style-type: none"> New construction (7.1) Renovation of existing buildings (7.2) Acquisition and ownership of buildings (7.7) 	<ul style="list-style-type: none"> New construction or acquisition, or renovation and ownership of buildings
Renewable Energies		<ul style="list-style-type: none"> Loans to finance the construction, acquisition, development, and maintenance of facilities generating and/or distributing energy from renewable sources such as: Solar energy (4.1) ; Wind energy (4.3) ; Hydro power (4.5) ; Bio energy (4.8) 	<ul style="list-style-type: none"> Loans to finance the construction, acquisition, development, and maintenance of facilities generating and/or distributing energy from renewable sources (geothermal energy & electricity transmission and distribution infrastructure)
Manufacture of organic basic chemicals		<ul style="list-style-type: none"> Manufacture of organic basic chemicals (3.14) 	-
Assets aligned with other green Eligibility Criteria			
Energy Efficiency		<ul style="list-style-type: none"> Loans to finance the development and distribution of and/or upgrades to equipment or technology such as smart grid, district heating and cooling, energy storage for low carbon energy, LED lighting 	
Pollution Prevention and Control		<ul style="list-style-type: none"> Loans to finance the development, construction, maintenance or consulting and advisory of waste management activities 	
Sustainable Water Infrastructure		<ul style="list-style-type: none"> Loans to finance the development, construction and maintenance of water infrastructures that contribute to GHG emissions savings 	
Low Carbon Transportation		<ul style="list-style-type: none"> Loans financing public land transport and clean transportation loans such as: public transport, electric vehicles, sea and coastal or inland freight or passenger water transport, vessels for port operations 	
Green Guarantee		<ul style="list-style-type: none"> SACE's green guarantee with clear eligibility criteria 	
Sustainable agriculture		<ul style="list-style-type: none"> Loans to finance sustainable agriculture project 	

Green, Social & Sustainability Bonds Framework: Use of Proceeds



Banco BPM intends to align some of the eligible green categories with **the EU Taxonomy**. **Some parts of the following Eligible Green Loans categories** will be aligned with the **Substantial Contribution Criteria (SCC)** to Climate Change Mitigation, the **Do No Significant Harm (DNSH)** criteria and the **Minimum Social Safeguards (MSS)** criteria.

- Green Residential Buildings
- Green Commercial Buildings
- Renewable Energy (wind, solar, hydropower and bioenergy)
- Manufacture of organic basic chemicals

For following activities, Banco BPM can have two types of eligible loans:

- **Loans aligned with the criteria (SCC, DNSH, MSS) of the EU Taxonomy Climate Change Mitigation** objective:
 - 3.14 Manufacture of organic basic chemicals
 - 4.1 Electricity generation using solar photovoltaic technology
 - 4.3 Electricity generation from wind power
 - 4.5 Electricity generation from hydropower
 - 4.8 Electricity generation from bioenergy
 - 7.1 Construction of new buildings
 - 7.2 Renovation of existing buildings
 - 7.7 Acquisition and ownership of buildings
- Loans aligned only with the **Substantial Contribution Criteria** of the EU taxonomy or with **Other Green Eligibility Criteria**

Green, Social & Sustainability Bonds Framework: Use of Proceeds



Eligible Social Loans category	Eligibility Criteria	Target population
SMEs	<ul style="list-style-type: none"> Loans to SMEs: <ul style="list-style-type: none"> located in provinces with a GDP per capita below the national average under the government's Covid-19 borrower guarantee 	<ul style="list-style-type: none"> Maintaining the jobs & creating new jobs for employees working in SMEs
Third and public sector	<ul style="list-style-type: none"> Loans to the third sector & partly state-owned corporates to finance projects with a positive social impact (Education, Healthcare...) 	<ul style="list-style-type: none"> People benefiting from positive socio-economic outcomes (including youth, elderly people & those with disabilities)
Healthcare	<ul style="list-style-type: none"> Loans to finance the construction/ development/ renovation of activities in the healthcare sector 	<ul style="list-style-type: none"> Aiming to benefit all
Sustainability-Linked Loans	<ul style="list-style-type: none"> Sustainability-Linked Loans to SMEs and Corporates with common guidelines 	<ul style="list-style-type: none"> Aiming to benefit all (but focus on those working in SMEs)
Residential Mortgages	<ul style="list-style-type: none"> Residential Mortgages to disadvantaged people 	<ul style="list-style-type: none"> People with an ISEE under a certain threshold; People with age under 36 years; Lone parent; People who live in a social house; Married couples (at least two years of marriage) with one of them with age under 36 years.

Project Selection



Funding ESG Working Group

- Constituted of participants from **Business Departments**, the **Funding and Capital Management** team, **Risk Management** team, **Sustainability**, the **Investor relation** department and the **Energy Manager**
- Will review and approve the portfolio of loans proposed by the Business Department
- Will oversee any future updates of the current Framework including the addition of new Eligible Categories and/or the alignment of the eligibility criteria with the latest best market practices; and obtaining an updated Second Party Opinion.

Excluded Activities

Certain activities will be automatically excluded due to their potentially controversial or negative environmental and/or social impact

- | | |
|---|-----------------------------------|
| <input type="checkbox"/> fossil fuel | <input type="checkbox"/> tobacco |
| <input type="checkbox"/> nuclear power generation | <input type="checkbox"/> gambling |
| <input type="checkbox"/> armament sector | |

Second Party Opinion: ISS ESG finds that “the Process for Project Evaluation and Selection description provided by Banco BPM’s Green, Social and Sustainability Bonds Framework is aligned with the GBPs, SBPs and SBGs. [...] The project selection process is defined. ESG risks associated with the project categories are identified and managed through an appropriate process. [...] The Issuer has clearly defined stakeholders involved in the Project Evaluation and Selection process.”

Management Of Proceeds



Banco BPM Intentions

- Implementations will be made on **internal systems to identify Eligible Loans**
- Balance the Eligible Portfolio with the net proceeds of the Green, Social and Sustainability Bonds on a **portfolio approach**
- Banco BPM will make every effort to ensure that the **aggregated nominal value of Green/Social Eligible Loans exceeds the aggregated nominal value of all outstanding Green/Social/Sustainability Bonds** at any time until the maturity of all outstanding Green/Social /Sustainability Bonds
- Until full allocation, the **proceeds** of the Bonds will be **kept in Banco BPM's own treasury**, invested in the form of cash or cash equivalent and in accordance with the Treasury special policy.

Second Party Opinion: ISS ESG states that "The Management of Proceeds proposed by Banco BPM's Green, Social and Sustainability Bonds Framework is **aligned** with the Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines"

Reporting



Allocation Reporting

- Until full allocation, Banco BPM will publish an annual report on:
 - ☐ Breakdown of the Eligible Portfolio per Eligible Green/Social categories to which the outstanding Bonds are allocated
 - ☐ Share of financing and refinancing (in %) of the Eligible Portfolio as of the date of the Bonds issuance
 - ☐ Geographical split of the Eligible Portfolio
 - ☐ The share of eligible loans **aligned with the EU Taxonomy (in %)**
 - ☐ Amount of unallocated proceeds, if any

Second Party Opinion: ISS ESG states that "The allocation and impact reporting proposed by Banco BPM's Green, Social and Sustainability Bonds Framework is **aligned** with the Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines"

Impact Reporting

- Banco BPM will provide some aggregated output and impact metrics such as:
 - ☐ Breakdown per EPC level and/or external certification and/or per year of construction
 - ☐ Energy savings or energy performance level reached after refurbishment
 - ☐ Expected annual renewable energy generation (MWh/y)
 - ☐ Expected quantity of waste treated, recycled(tones/year)
 - ☐ Expected quantity of water supplied, stored (m3/year)
 - ☐ Number of hectares with an environmental certificate or with sustainable agriculture practices
 - ☐ Estimated number of beneficiaries per year
 - ☐ Estimated annual GHG emissions reduced/avoided, in tons of CO2e
 - ☐ Reporting indicators for Eligible Social Loans may include aggregated impact metrics on a portfolio basis, such as the estimated number of beneficiaries per year

External Verification

- Banco BPM will mandate on annual basis an independent auditor in order to verify the compliance of the Eligible Portfolio with the Framework and the reporting metrics as published in the annual Report.

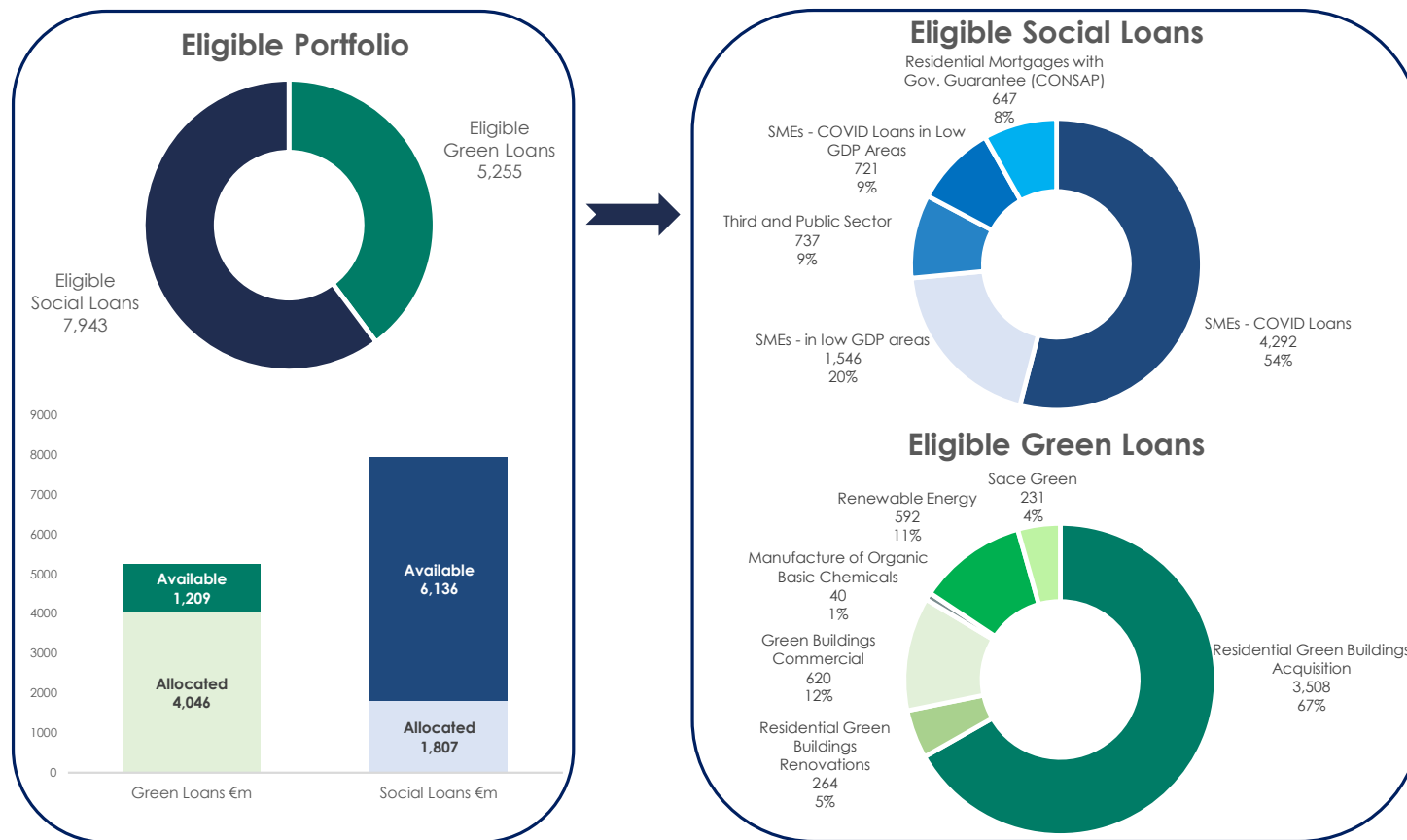
External Review



Highlights from ISS ESG’s Second Party Opinion

Obstruction	No Net impact	Contribution		
<p>ISS ESG states that “Companies can contribute to the achievement of the Sustainable Development Goals by providing specific services/products which help address global sustainability challenges, and by being responsible corporate actors, working to minimize negative externalities in their operations along the entire value chain”</p>				
			Alignment with GBP, SBP, SBG	ISS ESG confirmed that the use of proceeds, processes for project evaluation and selection, management of proceeds and reporting is in line with the Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines
			Alignment with EU Taxonomy	ISS ESG confirmed that Banco BPM's project characteristics, due diligence processes and policies have been assessed against the requirements of the EU Taxonomy (Climate Delegated Act of June 2023), on a best-efforts basis . The nominated project categories (see slide 16) located in Italy are considered to be: <ul style="list-style-type: none"> ○ Aligned with the Climate Change Mitigation Criteria ○ Aligned with the Do No Significant Harm Criteria ○ Aligned with the Minimum Safeguards requirements
			Linking the transactions to Banco BPM's ESG profile	ISS ESG confirmed that the key sustainability objectives and the rationale for issuing Green, Social, and Sustainability Bonds have been clearly described by the Issuer Furthermore, all of the project categories considered are in line with Banco BPM's sustainability objectives At the date of publication of the report and leveraging ISS ESG Research, no severe controversies have been identified

GSS Bonds Framework – Eligible Portfolios



The total amount of eligible assets under the **Green, Social & Sustainability Bonds Framework** is **~€13.2bn** as at 30/09/24, of which:

- **€5.3bn** of Eligible Green Loans
- **€7.9bn** of Eligible Social Loans

With 9 outstanding issuances, for a total amount of **€5.75bn**, proceeds allocated to Green & Social assets are **~€5.8bn**.

Data in € mln

Use of Proceeds of the Bond: loans to SMEs in low GDP areas



Social Eligible Portfolio

BBPM as of 30 September 2024 had a social loans portfolio of around €7.9bn of loans granted to Italian SMEs¹ located in Low GDP area and to SME with Covid Government Guarantee.

Portfolio selection criteria

- ② Loans to SME: granted to small business and mid corporate specifically with assets under 43 million, total revenue under 50 million and number of employees under 250
- ② Loans to SME with Covid Government Guarantee
- ② Loans granted in Euro
- ② **Loans located in Provinces with GDP under the Italian average**
- ② **SLL Social Loans to SMEs are not included**

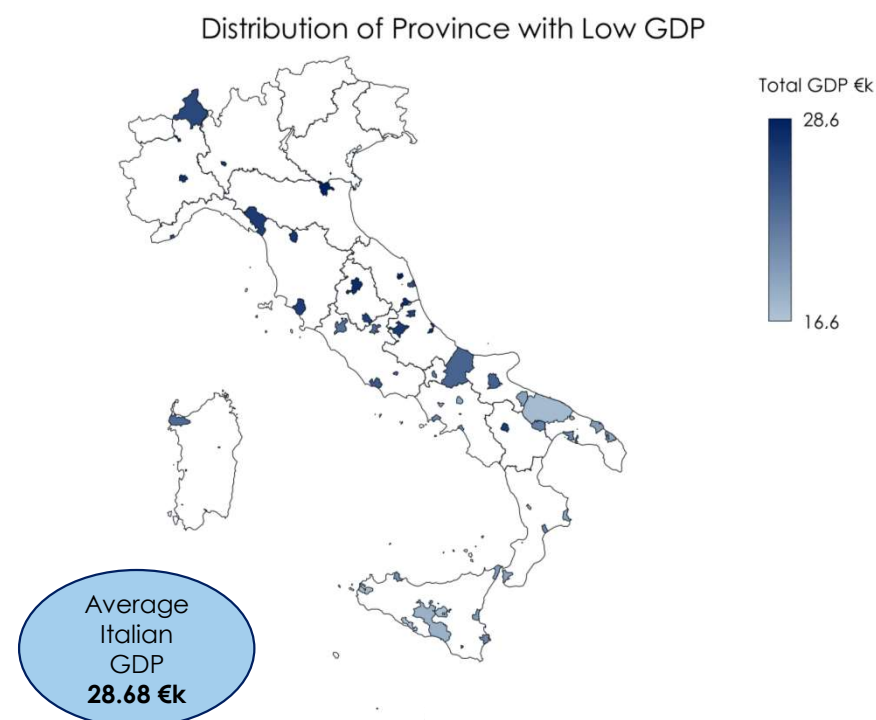
Excluded sectors (examples)

- ② Exclusion of business activities, due to their potentially controversial or negative environmental and/or social impact, such as:
 - ② Tobacco industry
 - ② Armaments
 - ② Alcoholic
 - ② Gambling and betting activities
 - ② Carbon & Gas Industry
 - ② Plastic industry

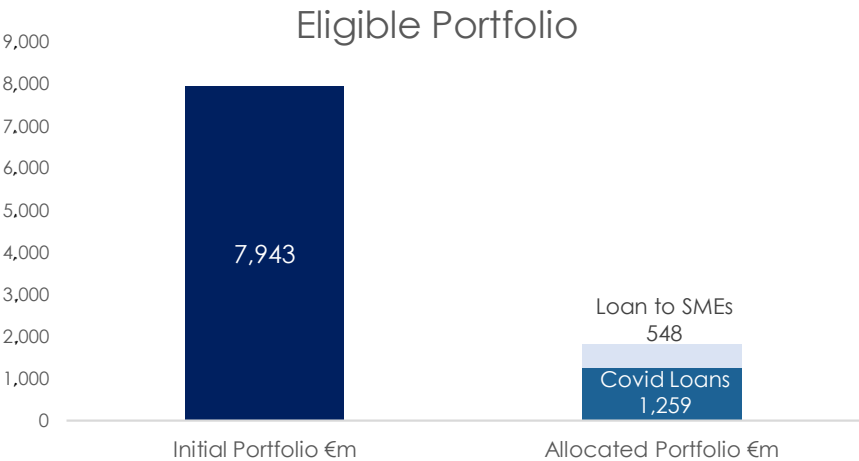
Social Eligible Portfolio

- ❖ After portfolio selection criteria **loans granted to SMEs located in Provinces with GDP under the average** were identified;
- ❖ At the end of the selection process, Social Eligible Portfolio identified amount to **€1bn**;
- ❖ To identify the Eligible Social Portfolio, the average of the Italian's Provinces GDP was calculated and the average value, that is 28.68, was compared to GDP¹ for each Provinces;
- ❖ The boxes on the right shows the Provinces with a GDP under the average and the related Region.

Region	Province	Average GDP €k	Region	Province	Average GDP €k
Abruzzo	Teramo	26.1	Piemonte	Verbania-Cusio-Ossola	25.7
Abruzzo	Pescara	26.2	Piemonte	Asti	27.4
Abruzzo	L'Aquila	26.8	Piemonte	Biella	28.6
Abruzzo	Chieti	27.6	Puglia	Bari	17.4
Basilicata	Matera	21.7	Puglia	Lecce	18.8
Basilicata	Potenza	26.8	Puglia	Barletta-Andria-Trani	19.3
Calabria	Cosenza	16.8	Puglia	Brindisi	19.6
Calabria	Vibo Valentia	17.1	Puglia	Taranto	20.9
Calabria	Reggio Calabria	19.1	Puglia	Foggia	23.9
Calabria	Crotone	19.2	Sardegna	Sud Sardegna	17.1
Calabria	Catanzaro	21.4	Sardegna	Oristano	20.3
Campania	Caserta	18.6	Sardegna	Nuoro	20.9
Campania	Benevento	18.8	Sardegna	Sassari	23.2
Campania	Avellino	19.7	Sicilia	Agrigento	16.6
Campania	Salerno	20.5	Sicilia	Enna	17.1
Campania	Napoli	20.9	Sicilia	Trapani	17.3
Emilia-Romagna	Ferrara	28.6	Sicilia	Caltanissetta	18.1
Lazio	Viterbo	22.8	Sicilia	Ragusa	19.4
Lazio	Rieti	23.2	Sicilia	Messina	19.6
Lazio	Frosinone	24.0	Sicilia	Catania	20.0
Lazio	Latina	24.5	Sicilia	Palermo	20.6
Liguria	Imperia	25.6	Sicilia	Siracusa	21.2
Lombardia	Pavia	27.1	Toscana	Grosseto	26.5
Marche	Fermo	25.1	Toscana	Massa-Carrara	26.6
Marche	Ascoli Piceno	27.7	Toscana	Pistoia	27.0
Marche	Macerata	28.6	Umbria	Terni	26.2
Molise	Isernia	21.7	Umbria	Perugia	27.8
Molise	Campobasso	23.7	Veneto	Rovigo	28.1



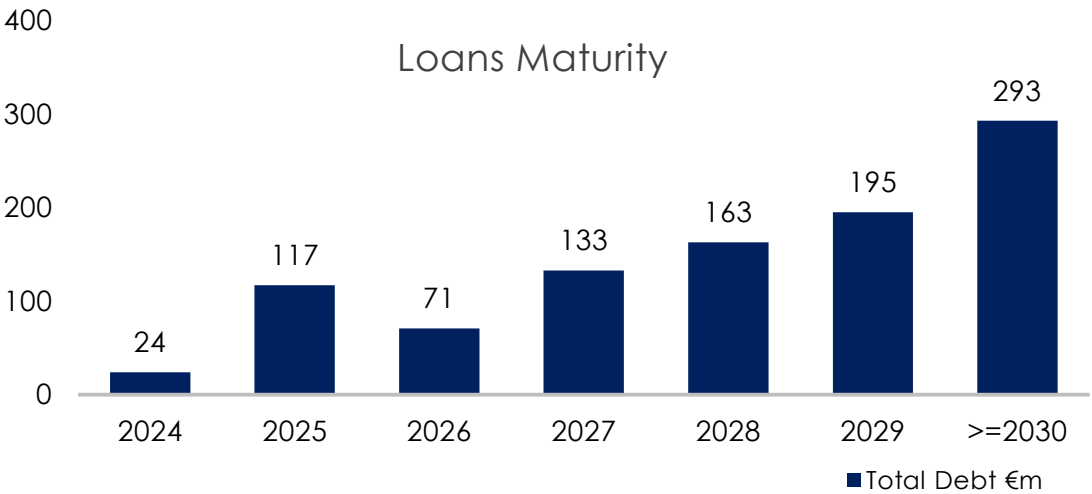
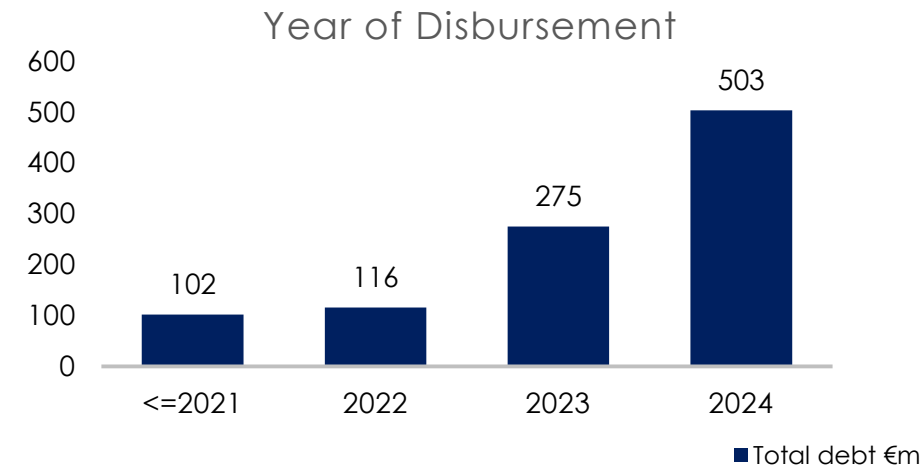
Social Eligible Portfolio



The final Social Eligible Portfolio identified amount is around **€1bn** with loans granted to SMEs (granted to small business and mid corporate specifically with assets under 43 million, total revenue under 50 million and number of employees under 250) located in Provinces with GDP under the average (28.68 €k).

The lookback period of the eligible portfolio selected is **4** years and the majority of loans were disbursed in 2024.

More than 70% of loans in the eligible portfolio have a maturity under **5** years.



Social Bond *

ELIGIBLE SOCIAL LOANS CATEGORY	ELIGIBILITY CRITERIA	TARGET POPULATION
SMEs	<ul style="list-style-type: none"> Loans to SMEs²⁰ that include SMEs located in provinces with a GDP per capita below national average, and/or in areas impacted by natural disasters. Loans granted to SMEs with the Government Guarantee to help borrowers to fight difficulties due to the emergency due to the Covid-19 global pandemic. 	People working in SMEs to maintain jobs and create capacity for new jobs.

²⁰ Small-Medium Enterprises as defined by the European Commission:
 · < 250 employees
 · ≤ €50m turnover or ≤ €43m total Balance sheet



Indicative Termsheet	
Issuer:	Banco BPM S.p.A.
Issuer Ratings	Baa2/ BBB Stable/ BBB- positive/ BBB positive (Moody's/S&P/Fitch/ DBRS)
Exp. Issue Ratings:	Baa2 / BBB / BBB / BBB positive(Moody's/S&P/Fitch/DBRS)
Format:	Senior Preferred Notes
Maturity:	[5]
Size:	[EUR 500,000,000]
Use of Proceeds:	An amount equivalent to the net proceeds of the notes will be allocated to finance or refinance, in whole or in part, Eligible Social Loans as defined within the Issuer's Green, Social & Sustainability Bond Framework dated November 2023 available on the Issuer's website at https://gruppo.bancobpm.it/sostenibilita/green-social-sustainability-bonds-framework/ SPO from ISS available at https://gruppo.bancobpm.it/media/dlm_uploads/BancoBPM_Second-Party-Opinion_ISS-ESG_2023.pdf
Listing:	Luxembourg
ESG Advisor:	Crédit Agricole CIB
Joint Bookrunners:	Banca Akros, BNP PARIBAS, Crédit Agricole CIB, Deutsche Bank, Goldman Sachs, J. P. Morgan, Santander
Docs:	The Issuer's €25bn EMTN Programme dated 4 June 2024, supplemented on 29 August 2024, 11th November 2024, 18th November 2024, 13th January 2025
Governing Law	Italian law

Main Impact Reporting Metrics

Loans to SMEs in Low GDP Area



of SMEs financed



of jobs supported

To be...



Production value generated in the financed SMEs in socio-economically disadvantaged areas



Value added generated in the financed SMEs in socio-economically disadvantaged areas

