



**BPER Banca S.p.A.**  
**SHAREHOLDERS' MEETING OF 21 APRIL 2021**  
**ANSWERS TO QUESTIONS SUBMITTED PRIOR TO THE SHAREHOLDERS' MEETING**  
**BY THE SHAREHOLDER BIAGIO PICCOLO**

Question no. 1

*What is involved in the new programme launched by BPER BANCA "Lombardy Relaunch" and what measures are there so that SMEs can recover competitiveness and start making productive investments again? What are the advantages of starting this programme for the Group?*

Response

"Lombardy Relaunch" is BPER Banca's new strategic programme of loans and initiatives in support of the economic system to encourage a new phase of growth for small and medium-sized enterprises in the region.

Funding of 2 billion Euro has been set aside which BPER intends to use to expand the liquidity support already provided in 2020, while at the same time anticipating the next round of public interventions. This new tool provides flexible solutions for extending the duration of existing loans, as well as other interventions that will allow SMEs to recover competitiveness and restart making productive investments.

The programme can be implemented through various lines of intervention and specific agreements, including:

- Loans backed by SACE's Central Guarantee Fund, as part of the Temporary Framework measures, to meet the immediate liquidity needs of companies and professionals who are facing the consequences of the epidemic, with simplified access procedures.
- The "Care" initiative aimed at private individuals and businesses to develop liquidity support measures through pro-active contact with customers and a review of positions with State measures that are expiring (e.g. moratoria on loans), assessing the possibility of a rescheduling of the residual debt or an extension of the moratorium in order to facilitate resumption of the repayment plan.
- New medium-term instruments guaranteed by the EIF. This is a comprehensive package of measures agreed by the Eurogroup to respond to the economic impact of the pandemic and ensure that companies in participating Member States have

sufficient liquidity to overcome the crisis and are able to continue to grow and develop in the medium-to-long term.

- Agreement with Finlombarda, which will make it possible to support the relaunch of investments by Lombard SMEs in the restart-up phase through the granting of medium/long-term loans, backed by a free regional guarantee and combined with a non-refundable capital grant.

This programme of interventions represents a distinctive element of BPER Banca's strategy in Lombardy, as the ideal partner to support SMEs in their path of growth and recovery of competitiveness. The Bank will benefit from these interventions thanks to the guarantees that will be provided and will share this advantage by being able to offer better terms and conditions to customers.

## Question no. 2

*What are the most innovative services that "DOTS", BPER's new app, offers? What was the cost that the Group incurred for its implementation by collaborating with Fabrick, an Italian company that also operates internationally to promote Open Finance?*

## Response

DOTS wants to position itself on the market as the app for day-to-day banking, especially for those who are approaching this world for the first time (e.g. generation Z, millennials) or those who have "basic" needs.

In addition to the typical functions of everyday banking, we have developed distinctive solutions specifically for these targets. The main ones include:

- a personal financial management system that warns when the budget for a particular spending category is approaching or has been exceeded;
- a piggy bank for fixed small amounts of money or by rounding up expenses;
- an "advanced" section that transforms the beneficiary into the starting point from which to arrange money transfers, superseding the traditional method of starting from the type of operation (e.g. bank transfer);
- an "evolved" balance which provides not only the current amount that is available on the account, but also makes a projection of what the balance will be at the end of the month, deducting those expenses that the system has learnt to be recurring or planned.

This has been developed on an open banking technology platform, which permits a greater chance of evolving by continuously integrating features developed by other players in the world of finance.

As regards the costs incurred, it is worth pointing out that the scope of what was designed and developed together with Fabrick in 2020 and 2021 does not only include the iOS and Android applications, but also the distinctive features listed above, to which the following have been added: full digital onboarding, a chatbot, access to a dedicated website ([www.dots.it](http://www.dots.it)) and others. The total cost of these activities over the 2 years is approximately Euro 700,000.

In addition, we should also take into consideration the element of "Electronic Money" (a prepaid card with an IBAN), which mainly concerns the costs of the circuit set-up (Mastercard), the projects for Apple and Google Pay, the design and implementation of the physical card and other expenses that relate to the Processor. These activities had a total cost of approximately Euro 400,000 over the 2 years.

### Question no. 3

*On 19 February 2021, final contracts were signed for the purchase from the Intesa Sanpaolo Group of a business complex split into three business units. What economic advantages and what new business prospects does this acquisition give the Group? Given that the geographical distribution of the branches and operating points of the Complex has a high concentration in Northern Italy, particularly in Lombardy, why hasn't the Group preferred to increase its presence in Southern Italy where the number of branches is a lot lower?*

### Response

Strategically, the acquisition of this Complex from the Intesa Sanpaolo Group is consistent with the objectives of the BPER Banca Group: growth in size, higher profitability and better asset quality, while still maintaining a strong capital position. The most important benefits include:

- growth in size and a more competitive position in Italy;
- increasing the customer base by over 40% with significant market shares in regions of great economic importance such as Lombardy and Piedmont, where the Group has a limited presence;
- acquiring a distribution network consisting exclusively of bank branches, essentially without central or middle/back office structures, which will increase the operational efficiency of the Bank;
- achieving revenue synergies - coming, among other things, from more cross-selling of products of BPER Group companies to a wider customer base (with no constraints about pre-existing distribution agreements) - as well as cost synergies, also thanks to rationalisation measures.

As regards the geographical distribution of the branches involved the Complex, it should be borne in mind that:

- at 31.12.2020 more than 60% of the BPER Group's commercial network was concentrated in the regions of Central-Southern Italy and the Islands (the largest market shares in terms of branches were in Abruzzo, Basilicata and Calabria, as well as Emilia Romagna and Sardinia);
- the acquisition of the Complex is to strengthen our presence in those Regions of Northern Italy that are not yet covered adequately, with particular reference to Lombardy (which will go from 57 to 365 branches) and Piedmont (which will go from

58 to 95 branches). It will also help achieve a better balance for the entire network throughout Italy;

- in any case, the Complex also includes a significant number of branches in Central Italy (especially in the Marche with 117 branches) and in Southern Italy (in Campania, Apulia and Calabria, in particular).

#### Question no. 4.

*What are the reasons that led the Group to continue the process of rationalising the branches, going from 1,349 at 31 December 2019 to 1,237 at 31 December 2020?*

#### Response

The process of rationalising the branches continued in 2020 in line with the Business Plan, in order to make our territorial presence more efficient, generating savings on operating costs and a potential pool of resources to be recovered and reallocated to strategic initiatives foreseen in the Business Plan (e.g. Business Centres). The rationales used to identify the perimeter were in fact: cost/income, distance, potential of the territory, effective coverage of urban basins in multi-branch municipalities. The dynamics of these rationalisations were accompanied by an evolving distribution model, particularly for the creation of Business Centres.

#### Question no. 5.

*“Assurbanca”, the distribution agreement between the BPER Banca Group and UnipolSai Assicurazioni for UnipolSai agencies to present customers to branches of BPER Banca, became operational from 4 May 2020. What results has this agreement generated to date? What is the number of new customers that this operation has brought to the Group?*

#### Response

Despite the persistence of operational limitations linked to the pandemic, which strongly conditioned the start of these activities as planned, to date the results of the agreement show an encouraging growth trend, having led to the opening of approximately 3,600 current accounts and loans with instalment payments of almost Euro 66 million.

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Modena, 16 April 2021