

BPER:

**PUBLIC DISCLOSURE
AS AT 31 MARCH 2025
PILLAR 3**

2025

*This is an English translation of the original Italian document "Informativa al pubblico al 31 marzo 2025 - Pillar 3".
In case of discrepancies between the English and the Italian versions, the latter shall prevail.*

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Register of Banks no. 4932

Parent Company of the BPER Banca s.p.a. Banking Group

Registered in the Register of Banking Groups with ABI code 5387.6

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Company belonging to the BPER Banca VAT Group, VAT no. 03830780361

Tax Code and Modena Companies' Register no. 01153230360

C.C.I.A.A. Modena Chamber of Commerce 222528 Share capital Euro 2,121,637,109.40

Member of the Interbank Deposit Protection Fund and of the National Compensation Fund

Ordinary shares listed on the regulated Euronext Milan market

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CONTENTS

INTRODUCTION	4
1. GENERAL DISCLOSURE REQUIREMENTS	8
2. LIQUIDITY RISK	14
3. CREDIT RISK: DISCLOSURE ON THE IRB APPROACH	18
CERTIFICATION ON DISCLOSURE REQUIREMENTS PURSUANT TO PART EIGHT, PARA. 3 OF ART. 431 OF REGULATION (EU) 575/2013 DATED 26 JUNE 2013 AND SUBSEQUENT ADDITIONS AND AMENDMENTS	19
DECLARATION OF THE MANAGER RESPONSIBLE FOR PREPARING THE COMPANY'S FINANCIAL REPORTS	20

INTRODUCTION

Prudential rules for banks and investment companies contained in Regulation (EU) no. 575/2013 of 26 June 2013 (Capital Requirements Regulation, CRR) as later amended and supplemented in Directive 2013/36/EU of 26 June 2013 (Capital Requirements Directive, CRD) entered into force on 1 January 2014. These rules transpose the standards defined by the Basel Committee for Banking Supervision (so-called Basel 3 framework) into the European Union.

Regulation (EU) no. 876/2019 of 20 May 2019 (Capital Requirements Regulation II, hereinafter also CRR II) amends Regulation (EU) no. 575/2013. The main changes introduced relate to the change in the frequency of disclosure and the quantitative information to be incorporated in the submission. With regard to the formal policy that the institution must adopt, clarification has been provided in Article 431:

- the management body or senior management shall put in place and maintain internal processes, systems and controls to verify that the institutions' disclosures are appropriate and in compliance with the requirements laid down in the CRR;
- information to be disclosed shall be subject to the same level of internal verification as that applicable to the management report included in the institution's consolidated financial report;
- one member of the management body or senior management shall attest in writing that the relevant institution has made the disclosures required in accordance with the formal policies and internal processes, systems and controls.

On 19 June 2024, regulations updating the Capital Requirements Regulation (CRR III) and Capital Requirements Directive (CRD VI) were published in the Official Journal of the European Union.

The new standards, issued as part of the Basel III framework (Basel III plus, also known as Basel IV), are respectively implemented in the following regulatory documents:

- Regulation (EU) no. 1623/2024 (CRR III) of the European Parliament and of the Council of 31 May 2024 amending Regulation (EU) no. 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor;
- Directive (EU) no. 1619/2024 (CRD VI) of the European Parliament and of the Council of 31 May 2024 amending Directive 2013/36/EU as regards supervisory powers, sanctions, third-country branches, and environmental, social and governance risks.

The introduction of the new framework is aimed at ensuring:

- greater resilience of the EU-wide banking system to potential future economic shocks, through more risk-sensitive assessments including under the standardised approach;
- greater comparability of different approaches across institutions including on account of the introduction of the output floor, which sets a lower limit to the capital requirements that are produced by institutions' internal models to 72.5 % of the capital requirements that would apply if standardised approaches were used.

The recommended dates of application of these new standards are 1 January 2025¹ for the CRR III Regulation and 11 January 2026 for CRD VI.

This regulatory framework aims at improving the prudential regulations and risk management in the banking sector, with a gradual implementation starting in 2025 and to be completed by 2033.

The regulatory framework is completed with the implementing measures contained in the Regulatory or Implementing Technical Standards (RTS and ITS) adopted by the European Commission on the proposal of the European Supervisory Authorities.

The harmonised legislation was transposed into national law through Bank of Italy Circular 285 of 17 December 2013 and subsequent updates entitled "Supervisory Instructions for Banks".

The regulatory framework is designed to strengthen the banks' capacity to absorb shocks deriving from financial and economic tensions, regardless of their origin, to improve risk management and governance, as well as to strengthen transparency and disclosure to the market. The function of the Third Pillar (Pillar 3) - market discipline - is to integrate with the minimum capital requirements (Pillar 1) and the prudential control process (Pillar 2). It aims to encourage market discipline by identifying a set of disclosure transparency requirements that allow operators to have fundamental information on Own Funds, the scope of recognition, exposure and risk assessment processes and, consequently, on the capital adequacy of intermediaries. These

¹ On 24 July 2024, the European Commission adopted Regulation (EU) no. 2795/2024 which, pursuant to article 461a of Regulation (EU) no. 575/2013 (CRR) as amended by Regulation (EU) no. 1623/2024 (CRR III), introduced article 520a concerning the application of own funds requirements for market risk. With this article, the application of the revised market risk framework in the EU, the so-called Fundamental Review of the Trading Book (FRTB), is postponed by one year to 1 January 2026.

requirements are particularly relevant in the present situation, where the current provisions, when adequate and permissible, rely extensively on internal risk assessment methods, giving banks significant discretion when determining capital requirements.

Public disclosures by institutions (Pillar 3) are governed directly by:

- CRR, Part Eight “Disclosure by Institutions”, as amended by CRR II, applicable as of 28 June 2021 and by CRR III, applicable as of 1 January 2025²;
- European Commission regulations containing regulatory and implementing technical standards to regulate standard templates and tables for the public disclosure by institutions of the information referred to in Part Eight of the CRR and subsequent updates.

On 26 June 2020, Regulation (EU) no. 873/2020 of 24 June 2020 (CRR “quick fix”) was published on the website of the Official Journal of the European Union. This regulation, amending Regulation (EU) no. 575/2013 and Regulation (EU) no. 876/2019, introduces rapid solutions in response to the Covid-19 pandemic.

The BPER Banca Group did not avail itself of the extension of the IFRS 9 transitional arrangements as provided for in Regulation (EU) no. 873/2020 (ceasing to apply on 31 December 2024) and has chosen not to apply the temporary treatment referred to in Article 468 of Regulation (EU) no. 575/2013, as amended by Regulation (EU) no. 876/2019 and by Regulation (EU) no. 873/2020 (ceasing to apply on 31 December 2022).

On 12 May 2021 the Official Journal of the European Union published Regulation (EU) no. 763/2021 of 23 April 2021 laying down implementing technical standards for the application of Regulation (EU) no. 575/2013 of the European Parliament and of the Council and Directive 2014/59/EU of the European Parliament and of the Council with regard to the supervisory reporting and public disclosure of the minimum requirement for own funds and eligible liabilities. Pursuant to Article 17 of the aforementioned Regulation, Title II “Public Disclosure by Institutions” applies from 1 January 2024, as the BPER Banca Group is not a G-SII institution. The frequency of disclosure is set by Article 9 of the Regulation and is different depending on whether institutions are identified as “resolution entities that are a G-SII or part of a G-SII” or as “resolution entities that are neither G-SIIs nor part of a G-SII”. As at the date of preparation of this report, the BPER Banca Group falls within the latter category; disclosure under Regulation no. 763/2021 has applied starting from the disclosure as at 30 June 2024 on a six-monthly basis.

On 7 June 2024, Commission Implementing Regulation (EU) no. 1618/2024 of 6 June 2024 amending Commission Implementing Regulation (EU) no. 763/2021 was published in the Official Journal of the European Union³.

This regulation applies from 27 December 2024.

On 31 December 2024, Commission Implementing Regulation (EU) no. 3172/2024 was published on the Official Journal of the European Union establishing the technical implementing rules for application of the provisions relating to public disclosures by institutions of the information referred to in Part Eight, Titles II and III of CRR III. This regulation, applicable from 1 January 2025, repeals Commission Implementing Regulation (EU) no. 637/2021.

The new Commission Implementing Regulation (EU) no. 3172/2024 also adopts information templates and the relating instructions previously introduced by Commission Implementing Regulation (EU) no. 2453/2022 and by Commission Implementing Regulation (EU) no. 631/2022, both amending the previous Commission Implementing Regulation (EU) no. 637/2021 and developed to comply with the disclosure requirements laid down in Articles:

- 449a of the CRR, which requires that large institutions which have issued securities that are admitted to trading on a regulated market of any Member State shall disclose information on ESG risks, including physical risks and transition risks;
- 448 of the CRR, relating to the disclosure of exposures to interest rate risk on positions not held in the trading book (IRRBB – Interest Rate Risk in the Banking Book).

Commission Implementing Regulation (EU) no. 637/2021 ceased to apply on 1 January 2025, with the exception of article 15 and Annexes XXIX and XXX, which will continue to apply until 31 December 2025 solely for the purposes of Article 16 (“Disclosure of the use of the standardised approach and of the alternative internal models for market risk”) of Commission Implementing Regulation (EU) no. 3172/2024.

By decision dated 22 November 2024, the Bank of Italy, identified, for the year 2025, the BPER Banca Group as other systemically important institutions (hereinafter also “O-SII”) authorised to operate in Italy. In particular, the BPER Banca Group fits within the first of eight buckets of systemic importance, and shall maintain an O-SII buffer of 0.25% of its total risk-weighted exposure as of 1 January 2025.

For the purposes of current legislation, as at 31 March 2025, the BPER Banca Group is considered a significant institution.

² See previous note.

³ With more specific regard to Public Disclosure - Pillar 3, Regulation (EU) no. 1618/2024 amends Commission Implementing Regulation (EU) no. 763/2021 by replacing EU TLAC1 “Composition - MREL and, where applicable, G-SII requirement for own funds and eligible liabilities” and EU ILAC “Internal loss-absorbing capacity: internal MREL and, where applicable, requirement for own funds and eligible liabilities for non-EU G-SIIs”.

This document, entitled “Public Disclosure as at 31 March 2025 – Pillar 3”, has been prepared by BPER Banca, Parent Company, on a consolidated basis with reference to the scope of consolidation used for supervisory purposes.

As required by Article 433 of the CRR, the European Banking Authority publishes the quarterly disclosure on its website on the date of publication of the institution’s financial report for the corresponding period, or as soon as possible after that date. The document is made available by publication in the institutional area of the Bank’s website, as allowed by the relevant regulations⁴.

As concerns the “Public Disclosure as at 31 March 2025 – Pillar 3”, the remittance date of supervisory reports was postponed from 12 May 2025 to 30 June 2025. It is noted that the publication of this Pillar 3 Document is consistent with the expected timing of supervisory reports.

Based on Article 433 of the CRR, institutions shall publish the information required under Titles II and III in the manner set out in Article 433 bis and using the templates set out in Regulation (EU) no. 3172/2024⁵ and Regulation (EU) no. 763/2021.

On the basis of Article 434a of the CRR³, an initiative launched by the EBA is currently being finalised with the aim of centralising prudential information through a single electronic access point on the EBA website, the so-called Pillar 3 Data Hub, to enhance transparency and comparability in the Pillar 3 Disclosures.

According to the timetable set out in the Final Draft ITS (EBA/ITS/2025/01), a gradual transition to this new system is planned, with adoption by large institutions (including the BPER Banca Group) and other institutions starting on 30 June 2025 as the first reference date for Pillar 3 disclosures.

The “Public Disclosure as at 31 March 2025 – Pillar 3” document was prepared on a collaborative basis by the various bodies and internal organisations involved in the governance and performance of processes, consistent with the duties assigned to them in the internal regulations of the BPER Banca Group.

The document is accompanied by the:

- Declaration of the Manager responsible for preparing the company’s financial reports, pursuant to para. 2 of Article 154-bis of the Consolidated Law on Finance (TUF);
- Joint Statement of the CEO and the Manager responsible for preparing the company’s financial reports in order to comply with the disclosure requirements laid down in Article 431, paragraph 3 of the CRR, as later amended and supplemented.

It should be noted that Articles 437a⁶ (Disclosure on own funds and eligible liabilities), 441⁷ (Indicators of global systemic importance), 447 (Disclosure on key metrics) letter h)⁸, 454 (Use of the advanced measurement approaches to operational risk) and 455 (Use of Internal Market Risk models) and 451b (Disclosure of crypto-asset exposures and related activities) of Regulation (EU) no. 575/2013 as later amended do not apply, regardless of the frequency of publication of the templates.

All of the amounts shown in the document are expressed in millions of Euro, unless otherwise specified. Any misalignment between the data in the models of this document only depends on rounding.

The persistent uncertainty in the general and sectoral macroeconomic scenario, mainly due to the geopolitical tensions caused by the armed conflicts in Russia-Ukraine and in the Middle East, accompanied by measures to combat climate risk with unpredictable effects on the economic and production system, have led the BPER Banca Group to maintain constant control and continuous monitoring in particular of credit risk and its assessment for treatment in the Financial Report.

4 Article 434 of the CRR.

5 Regulation (EU) no. 637/2021 shall continue to apply until 31 December 2025 limited to Article 15 and to Annexes XXIX and XXX solely for the purposes of Article 16 of Regulation (EU) no. 3172/2024.

6 The BPER Banca Group not being a G-SII.

7 The BPER Banca Group not being a G-SII.

8 The BPER Banca Group not being a G-SII.

Reference to the regulatory requirements of CRR Part VIII as at 31 March 2025

The following table summarises how to find the information provided to the market on a quarterly basis in accordance with European regulatory requirements including, in particular, CRR Part VIII as later amended, in force as at 31 March 2025.

Articles CRR	Chapter Pillar 3
art. 431, 432	INTRODUCTION
art. 438	1. GENERAL DISCLOSURE REQUIREMENTS 3. CREDIT RISK: DISCLOSURE ON THE IRB APPROACH
art. 447 (*)	1. GENERAL DISCLOSURE REQUIREMENTS
art. 451a	2. LIQUIDITY RISK

(*) Article 447 (h) introduced by Regulation (EU) no. 876/2019 does not apply, as the BPER Banca Group is not a G-SII.

The following table shows the location of the quarterly⁹ disclosure requirements laid down in Regulation (EU) no. 637/2021 as later amended, subsequently repealed and superseded by Commission Implementing Regulation (EU) no. 3172/2024¹⁰, within the scope of the “Public Disclosure as at 31 March 2025 – Pillar 3”. The reasons why individual templates are deemed not applicable to the BPER Banca Group are also reported, if applicable.

Code	Title	Chapter Pillar 3
EU KM1	Key metrics template	01. GENERAL DISCLOSURE REQUIREMENTS
EU OV1	Overview of total risk exposure amounts	01. GENERAL DISCLOSURE REQUIREMENTS
EU CMS1	Comparison of modelled and standardised risk weighted exposure amounts at risk level	01. GENERAL DISCLOSURE REQUIREMENTS
EU CMS2	Comparison of modelled and standardised risk weighted exposure amounts for credit risk at asset class level	01. GENERAL DISCLOSURE REQUIREMENTS
EU LIQ1	Quantitative information of LCR	02. LIQUIDITY RISK
EU LIQB	Qualitative information on LCR, which complements template EU LIQ1	02. LIQUIDITY RISK
EU CR8	RWEA flow statements of credit risk exposures under the IRB approach	03. CREDIT RISK: DISCLOSURE ON THE IRB APPROACH
EU CCR7 ⁽¹⁾	RWEA flow statements of CCR exposures under the IMM	Not applicable
EU MR2-B ⁽²⁾	RWEA flow statements of market risk exposures under the IMA	Not applicable
EU CVA4 ⁽³⁾	RWEA flow statements of credit valuation adjustment risk under the Standardised Approach (SA)	Not applicable

(1) No internal models are applied to exposures subject to CCR.

(2) No internal models are used for market risk.

(3) The standardised approach for credit valuation adjustment risk is not used.

With regard to the disclosure of the Minimum Requirement for Own Funds and Eligible Liabilities (MREL), the provisions of Regulation no. 763/2021 have applied since 30 June 2024. In particular, the Group is identified as a resolution entity that is neither a G-SII nor part of a G-SII.

⁹ The frequency of disclosure by large institutions is precisely regulated by Article 433a of the CRRIII (“Disclosure by large Institutions”).

¹⁰ Regulation (EU) no. 637/2021 ceased to apply on 1 January 2025, with the exception of article 15 and Annexes XXIX and XXX, which will continue to apply until 31 December 2025 solely for the purposes of Article 16 of Regulation (EU) no. 3172/2024.

1. GENERAL DISCLOSURE REQUIREMENTS

For further details on the BPER Banca Group's risk management objectives and policies, governance, approach to capital adequacy and liquidity assessment processes, please refer to Chapter 1 of the Pillar 3 Public Disclosure as at 31 December 2024.

1.1 Key metrics of the BPER Banca Group

Based on the requirements of Article 447 CRR II (Disclosure of key metrics), the table shows the key capital and risk metrics of the BPER Banca Group.

Template EU KM1 – Key metrics template (in millions)

		a	b	c	d	e
		31.03.2025	31.12.2024	30.09.2024	30.06.2024	31.03.2024
Available own funds (amounts)						
1	Common Equity Tier 1 (CET1) capital	8,835	8,579	8,401	8,153	7,968
2	Tier 1 capital	9,951	9,695	9,022	8,799	8,614
3	Total capital	11,530	11,266	10,798	10,579	10,388
Risk-weighted exposure amounts						
4	Total Risk exposure amount	55,871	54,228	53,241	53,417	53,395
4a	Total risk exposure pre-floor	55,871				
Capital ratios (as a percentage of risk-weighted exposure amount)						
5	Common Equity Tier 1 ratio (%)	15.81%	15.82%	15.78%	15.26%	14.92%
5b	Common Equity Tier 1 ratio considering unfloored TREA (%)	15.81%				
6	Tier 1 ratio (%)	17.81%	17.88%	16.95%	16.47%	16.13%
6b	Tier 1 ratio considering unfloored TREA (%)	17.81%				
7	Total capital ratio (%)	20.64%	20.77%	20.28%	19.81%	19.46%
7b	Total capital ratio considering unfloored TREA (%)	20.64%				
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)						
EU 7d	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2.25%	2.25%	2.25%	2.25%	2.25%
EU 7e	<i>of which: to be made up of CET1 capital (percentage points)</i>	1.27%	1.27%	1.27%	1.27%	1.27%
EU 7f	<i>of which: to be made up of Tier 1 capital (percentage points)</i>	1.69%	1.69%	1.69%	1.69%	1.69%
EU 7g	Total SREP own funds requirements (%)	10.25%	10.25%	10.25%	10.25%	10.25%
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)						
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	-	-	-	-	-
9	Institution specific countercyclical capital buffer (%)	0.057%	0.041%	0.042%	0.043%	0.036%
EU 9a	Systemic risk buffer (%)	0.341%	0.362%	-	-	-
10	Global Systemically Important Institution buffer (%)	-	-	-	-	-
EU 10a	Other Systemically Important Institution buffer (%)	0.250%	0.125%	0.125%	0.125%	0.125%
11	Combined buffer requirement (%)	3.148%	3.028%	2.667%	2.668%	2.661%
EU 11a	Overall capital requirements (%)	13.40%	13.28%	12.92%	12.92%	12.91%
12	CET1 available after meeting the total SREP own funds requirements (%)	10.05%	10.05%	9.26%	8.78%	8.44%

continued: Template EU KM1 – Key metrics template (in millions)

		a	b	c	d	e
		31.03.2025	31.12.2024	30.09.2024	30.06.2024	31.03.2024
Leverage ratio						
13	Total exposure measure	147,222	145,976	145,381	144,449	142,420
14	Leverage ratio (%)	6.76%	6.64%	6.21%	6.09%	6.05%
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)						
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	-	-	-	-	-
EU 14b	<i>of which: to be made up of CET1 capital (percentage points)</i>	-	-	-	-	-
EU 14c	Total SREP leverage ratio requirements (%)	3.00%	3.00%	3.00%	3.00%	3.00%
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)						
EU 14d	Leverage ratio buffer requirement (%)	-	-	-	-	-
EU 14e	Overall leverage ratio requirement (%)	3.00%	3.00%	3.00%	3.00%	3.00%
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA) (Weighted value-average)	25,904	25,615	24,898	24,658	25,871
EU 16a	Cash outflows - Total weighted value	19,014	19,006	18,823	18,661	18,644
EU 16b	Cash inflows - Total weighted value	3,488	3,484	3,562	3,692	3,705
16	Total net cash outflows (adjusted value)	15,525	15,522	15,261	14,969	14,939
17	Liquidity coverage ratio (%)	166.852%	165.050%	163.213%	165.402%	173.724%
Net Stable Funding Ratio						
18	Total available stable funding	102,746	104,901	103,465	104,528	103,000
19	Total required stable funding	76,440	76,190	76,036	77,664	77,221
20	NSFR ratio (%)	134.414%	137.683%	136.073%	134.589%	133.384%

It is specified that figures are stated on a Fully Phased basis.

The increase in Tier 1 Capital as at 31 March 2025 as compared to 31 December 2024, is primarily traceable to lower deductions from Tier 1 capital in relation to deferred tax assets for an amount of Euro 89.7 million that are dependent on future profitability and that do not arise from temporary differences, and other intangible assets for an amount of Euro 47.9 million. The CET1 amount as at 31 March 2025 was calculated to include the portion of profit for the period that can be allocated to equity, totalling Euro 130.2 million.

Template EU OV1 – Overview of total risk exposure amounts (in millions)

		Total risk exposure amounts (TREA)		Total own funds requirements
		a	b	c
		31.03.2025	31.12.2024	31.03.2025
1	Credit risk (excluding CCR)	44,785	44,584	3,583
2	<i>Of which standardised approach</i>	18,066	19,438	1,445
3	<i>Of which the Foundation IRB (F-IRB) approach</i>	7,897	2,519	632
4	<i>Of which slotting approach</i>	163	194	13
EU 4a	<i>Of which equities under the simple risk-weighted approach</i>	-	-	-
5	<i>Of which the Advanced IRB (A-IRB) approach</i>	18,371	22,147	1,470
6	Counterparty credit risk - CCR	523	622	42
7	<i>Of which standardised approach</i>	394	390	32
8	<i>Of which internal model method (IMM)</i>	-	-	-
EU 8a	<i>Of which exposures to a CCP</i>	8	3	1
9	<i>Of which other CCR</i>	121	150	10
10	Credit valuation adjustments risk - CVA risk	94	79	7
EU 10a	<i>Of which the standardised approach (SA)</i>	-	n.a.	-
EU 10b	<i>Of which the basic approach (F-BA and R-BA)</i>	94	n.a.	7
EU 10c	<i>Of which the simplified approach</i>	-	n.a.	-
15	Settlement risk	-	-	-
16	Securitisation exposures in the non-trading book (after the cap)	101	129	8
17	<i>Of which SEC-IRBA approach</i>	-	-	-
18	<i>Of which SEC-ERBA (including IAA)</i>	4	4	-
19	<i>Of which SEC-SA approach</i>	59	85	5
EU 19a	<i>Of which 1250% / deduction</i>	32	34	3
20	Position, foreign exchange and commodities risks (Market risk)	755	799	60
EU 22a	Large exposures	-	-	-
23	Reclassifications between trading and non-trading books	-	n.a.	-
24	Operational risk	9,618	8,100	769
EU 24a	Exposures to crypto-assets	-	n.a.	-
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	2,769	2,798	221
26	Output floor applied (%)	50.00%	n.a.	
27	Floor adjustment (before application of transitional cap)	-	n.a.	
28	Floor adjustment (after application of transitional cap)	-	n.a.	
29	Total	55,877	54,234	4,470

Due to rounding off, the sum of some separate itemised amounts may differ from their respective aggregate amounts.

Figures in column c) are 8% of the amounts posted in each row of column a).

Row 1 "Credit Risk (excluding CCR)" includes Other Risks for an amount of approximately Euro 288 million.

Total exposure (row 29) includes securitisations deducted from Own Funds in the amount of about Euro 6 million.

Until the date of application of the alternative methods under Part Three, title IV, Chapters 1-bis and 1-ter of Regulation (EU) no. 575/2013 for the actual calculation of own funds requirements pursuant to art. 92, para. 4, letter b), item i) and letter c), and paragraph 5, letters b) and c), of the same Regulation, lines 21, 21a and 22 do not apply.

As of this disclosure, CRR3 has been applied and table EU OV1 has accordingly been updated as set forth in Commission Implementing Regulation (EU) no. 3172/2024. This regulation allows data that is required to be disclosed for the first time, as a result of the changes introduced by CRR3, not to include data from previous periods. Figures in column b) are the same as those already included in the Pillar 3 Disclosure as at 31 December 2024 and do not include the changes introduced by CRR3.

The main effects on Credit Risk associated with the new Basel IV methodology concern the following components:

Advanced Approach (IRB):

1. changes to the EAD calculated according to both the A-IRB and F-IRB approaches (art. 166(8) of the CRR) mainly deriving from the new regulatory Credit Conversion Factors (CCF), which are calculated differently from the CCF estimated internally;
2. removal of the scaling factor in the RWA IRB formula (1 instead of 1.06);
3. application of new input floors on PD (art. 160 and 163 CRR), LGD (art. 161 CRR) and EAD (art. 166 CRR);
4. transition from the A-IRB approach to the F-IRB approach for exposures classified under the “Large Corporate” exposure class;
5. limit to the use of the substitution approach for exposures with Corporate guarantors and simultaneous application of the LGD Mitigation Approach for exposures with Retail guarantors.

Standardised Approach (STD):

1. new CCF applied on off-balance exposures (art. 111 CRR3);
2. new risk weights applied to exposures in equity instruments (art. 133 CRR);
3. new risk weights applied to exposures concerning income-producing real estate (IPRE), Acquisition, Development and Construction (ADC) projects, and application of the Exposure-To-Value (ETV) ratio buckets for commercial and residential properties (art. 124-126(1) CRR);
4. new risk weight of 150% for evaluated positions in subordinated instruments (art. 128 CRR).

The main effects on Operational Risk are associated with the introduction of the approach based on the Business Indicator Component (BIC) and mainly derive from different i) calculation approaches to the relevant indicator and ii) weightings as against the Traditional Standardised Approach (TSA).

The impact traceable to the new regulation totals Euro +1.693 billion in terms of RWAs, mostly due to:

- Euro +1.519 billion in operational risk;
- Euro +1.125 billion in exposures treated under the IRB approach;
- Euro -977 million in exposures treated under the standardised approach.

Template EU CMS1: comparison of modelled and standardised risk weighted exposure amounts at risk level (in millions)

	a	b	c	d	EU d	
	RWEAs for modelled approach that banks have supervisory approval to use	RWEAs for portfolios where standardised approaches are used	Total actual RWEAs (a + b)	RWEAs calculated using full standardised approach	RWEAs that is the base of the output floor	
1	Credit risk (excluding Counterparty credit risk)	26,431	18,066	44,497	56,585	54,295
2	Counterparty credit risk	-	523	523	523	523
3	Credit valuation adjustment	-	94	94	94	94
4	Securitisation exposures in the banking book	-	95	95	95	95
5	Market risk	-	755	755	755	755
6	Operational risk	-	9,618	9,618	9,618	9,618
7	Other risk-weighted exposure amounts	-	288	288	-	-
8	Total	26,431	29,446	55,871	67,671	65,377

Due to rounding off, the sum of some separate itemised amounts may differ from their respective aggregate amounts.

Column (a) reports the values of RWAs referring to the exposures under the advanced approach, while column (b) reports the values referring to exposures under the standardised approach in compliance with regulatory changes to CRR3.

Column (c) shows total RWAs as the sum of columns (a) and (b), where row 8 includes securitisations deducted from Own Funds for an amount of about Euro 6 million.

Column (d) shows the value of full standardised RWAs calculated exclusively in accordance with the standardised calculation metrics for the application of the fully loaded output floor pursuant to art. 465 CRR3. Transitional arrangements still apply only to the provisions of art. 495 of CRR3.

Column (EU d) shows the value of full standardised RWAs calculated exclusively in accordance with the standardised calculation metrics for the application of the transitional output floor pursuant to art. 465 CRR3.

Template EU CMS2: comparison of modelled and standardised risk weighted exposure amounts for credit risk at asset class level (in millions)

		a	b	c	d	EU d
		Risk-weighted exposure amounts (RWEAs)				
		RWEAs for modelled approaches that institutions have supervisory approval to use	RWEAs for column (a) if re-computed using the standardised approach	Total actual RWEAs	RWEAs calculated using full standardised approach	RWEAs that is the base of the output floor
1	Central governments and central banks	-	-	2,113	2,113	2,113
EU 1a	Regional government or local authorities	-	-	119	119	119
EU 1b	Public sector entities	-	-	315	315	315
EU 1c	Categorised as Multilateral Development Banks in SA	-	-	-	-	-
EU 1d	Categorised as International organisations in SA	-	-	-	-	-
2	Institutions	-	-	1,139	1,139	1,139
3	Equity	-	-	1,415	1,415	1,415
5	Corporates	15,102	15,917	21,313	24,389	22,128
5.1	<i>Of which: F-IRB is applied</i>	4,416	6,653	4,416	7,759	6,653
5.2	<i>Of which: A-IRB is applied</i>	10,686	11,336	10,686	12,519	11,336
EU 5a	<i>Of which: Corporates - General</i>	14,939	15,734	21,150	17,995	15,734
EU 5b	<i>Of which: Corporates - Specialised lending</i>	163	183	163	183	183
EU 5c	<i>Of which: Corporates - Purchased receivables</i>	-	-	-	-	-
6	Retail	7,848	6,465	8,735	7,352	7,352
6.1	<i>Of which: Retail - Qualifying revolving</i>	185	301	185	301	301
EU 6.1a	<i>Of which: Retail - Purchased receivables</i>	-	-	-	-	-
EU 6.1b	<i>Of which: Retail - Other</i>	4,534	933	4,534	933	933
6.2	<i>Of which: Retail - Secured by residential real estate</i>	3,129	6,359	3,129	6,359	6,359
EU 7a	<i>Categorised as secured by immovable properties and ADC exposures in SA</i>	-	10,243	2,267	12,540	12,511
EU 7b	Collective investment undertakings (CIU)	-	-	1,131	1,131	1,131
EU 7c	Categorised as exposures in default in SA	-	649	226	876	876
EU 7d	Categorised as subordinated debt exposures in SA	-	-	721	721	721
EU 7e	Categorised as covered bonds in SA	-	-	395	395	395
EU 7f	Categorised as claims on institutions and corporates with a short-term credit assessment in SA	-	-	-	-	-
8	Other non-credit obligation assets	3,481	2,954	4,607	4,081	4,081
9	Total	26,431	36,229	44,497	56,585	54,295

Due to rounding off, the sum of some separate itemised amounts may differ from their respective aggregate amounts.

The table only reports the values of the IRB credit risk positions treated under the standardised approach and are presented following the standardised asset class approach.

Column (a) shows the values of the RWAs referring to exposures under the advanced approach while column (b) reports the values of the same exposures of column (a) to which the standardised approach applies under the new regulatory provisions of CRR3.

Column (c) shows total RWAs for Credit Risk.

Column (d) shows the value of full standardised RWAs calculated exclusively in accordance with the standardised calculation metrics for the application of the fully loaded output floor pursuant to art. 465 CRR3. Transitional arrangements still apply only to the provisions of art. 495 of CRR3.

Column (EU d) shows the value of full standardised RWAs calculated exclusively in accordance with the standardised calculation metrics for the application of the transitional output floor pursuant to art. 465 and 495 of CRR3.

2. LIQUIDITY RISK

Liquidity Coverage Ratio (LCR)

Quantitative information on the BPER Banca Group's Liquidity Coverage Ratio (LCR), disclosed in compliance with the European regulatory framework, is provided below.

Values are calculated as the unweighted average of end-of-month observations in the twelve months preceding the end of each quarter.

Template EU LIQ1: Quantitative information of LCR (in millions)

Scope of consolidation: (solo/consolidated)		Total unweighted value (average)				Total weighted value (average)			
		a	b	c	d	e	f	g	h
EU 1a	Quarter ending on	31.03.2025	31.12.2024	30.09.2024	30.06.2024	31.03.2025	31.12.2024	30.09.2024	30.06.2024
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
HIGH-QUALITY LIQUID ASSETS									
1	Total high-quality liquid assets (HQLA)					25,904	25,615	24,898	24,658
CASH OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	71,259	70,887	70,350	70,273	4,630	4,620	4,601	4,625
3	<i>Stable deposits</i>	55,038	55,043	54,987	55,215	2,752	2,752	2,749	2,761
4	<i>Less stable deposits</i>	15,079	14,945	14,746	14,764	1,878	1,868	1,852	1,864
5	Unsecured wholesale funding	26,037	25,533	24,786	24,328	11,822	11,748	11,536	11,309
6	<i>Operational deposits (all counterparties) and deposits in networks of cooperative banks</i>	712	569	507	486	169	137	124	121
7	<i>Non-operational deposits (all counterparties)</i>	25,245	24,873	24,178	23,747	11,573	11,520	11,312	11,093
8	<i>Unsecured debt</i>	81	91	100	95	81	91	100	95
9	Secured wholesale funding					307	308	314	338
10	Additional requirements	4,581	4,504	4,260	3,947	903	913	872	818
11	<i>Outflows related to derivative exposures and other collateral requirements</i>	543	566	553	533	543	560	538	509
12	<i>Outflows related to loss of funding on debt products</i>	-	-	-	-	-	-	-	-
13	<i>Credit and liquidity facilities</i>	4,038	3,938	3,706	3,414	360	353	333	309
14	Other contractual funding obligations	85	125	194	252	85	125	194	252
15	Other contingent funding obligations	36,399	36,095	36,465	37,154	1,267	1,292	1,305	1,319
16	TOTAL CASH OUTFLOWS					19,014	19,006	18,823	18,661

continued: Template EU LIQ1: Quantitative information of LCR (in millions)

Scope of consolidation: (solo/consolidated)		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on	31.03.2025	31.12.2024	30.09.2024	30.06.2024	31.03.2025	31.12.2024	30.09.2024	30.06.2024
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
CASH - INFLOWS									
17	Secured lending (e.g. reverse repos)	37	58	77	103	26	27	8	14
18	Inflows from fully performing exposures	2,301	2,247	2,304	2,248	1,395	1,384	1,451	1,422
19	Other cash inflows	9,404	9,421	9,540	9,790	2,068	2,074	2,104	2,256
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					-	-	-	-
EU-19b	(Excess inflows from a related specialised credit institution)					-	-	-	-
20	TOTAL CASH INFLOWS	11,741	11,726	11,921	12,141	3,488	3,484	3,562	3,692
EU-20a	Fully exempt inflows	-	-	-	-	-	-	-	-
EU-20b	Inflows subject to 90% cap	-	-	-	-	-	-	-	-
EU-20c	Inflows subject to 75% cap	11,741	11,726	11,921	12,141	3,488	3,484	3,562	3,692
TOTAL ADJUSTED VALUE									
EU-21	LIQUIDITY BUFFER					25,904	25,615	24,898	24,658
22	TOTAL NET CASH OUTFLOWS					15,525	15,522	15,261	14,969
23	LIQUIDITY COVERAGE RATIO					166.852%	165.050%	163.213%	165.402%

Due to rounding off, the sum of some separate itemised amounts may differ from their respective aggregate amounts.

The 12-month average value of the LCR Indicator remained stable in the first quarter of 2025 (at 166.9%) as against the previous quarter (165.0%).

Table EU LIQB: on qualitative information on LCR, which complements template EU LIQ1.

The following table shows the information required under Article 451a(2) of the CRR.

	Qualitative Information
a) Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time.	<p>As illustrated in template EU LIQ1, over the last 12 months, the BPER Banca Group has maintained an average LCR of 166.9%, which is significantly greater than the current minimum regulatory requirement (100%).</p> <p>Net cash outflows are obtained by applying to liabilities and assets the coefficients set out in the regulatory framework or in Delegated Regulation (EU) no. 2015/61, reflecting the potential liquidity inflows and outflows in a combined market and idiosyncratic stress scenario.</p> <p>More specifically, the main component of cash outflows includes retail deposits, wholesale funding and contingent funding obligations resulting from the use of revocable credit facilities.</p>
b) Explanations on the changes in the LCR over time.	<p>The BPER Banca Group's Liquidity Coverage Ratio (LCR) is calculated according to the European regulatory requirements in force and reported periodically to the relevant Supervisory Authority.</p> <p>In 2019, the 'additional outflows for other products and services' (referred to in row 15 of the EU LIQ1 template 'Other contingent funding obligations'), assessed on the basis of guidance provided in Delegated Regulation (EU) no. 2015/61 (Article 23), were revised to reflect the guidance received from the ECB at the end of May 2019.</p>
c) Explanations on the actual concentration of funding sources.	<p>Funding concentration risk may arise when sources of funding are concentrated on a limited number of counterparties, the significance of which may give rise to liquidity problems in the event of deposit withdrawal.</p> <p>The BPER Banca Group operates with the objective of maintaining a diversified funding profile in terms of borrowers, products, maturities and currencies. The Group's liquidity and funding risk management provides for the regular monitoring of operational and regulatory funding concentration metrics, by type of counterparty and product.</p>
d) High-level description of the composition of the institution's liquidity buffer.	<p>The average level, over 12 months, of high-quality liquid assets that can be immediately converted into cash amounts to Euro 25.9 billion. As at 31 March 2025 (point-in-time figure) the liquidity buffer consists mainly of excess European Central Bank reserves and government bonds, which together account for 71.9% of the total liquidity buffer.</p>
e) Derivative exposures and potential collateral calls.	<p>The BPER Banca Group engages in derivative contracts with both central counterparties and third parties (OTC). The risk factors underlying these contracts may, depending on changes in market conditions, affect the Group's future derivative exposures, thereby impacting the Group's liquidity position following collateral calls in the form of cash or other liquid collateral.</p> <p>The method of calculation of potential liquidity absorption, corresponding to additional collateral needs resulting from the impact of an adverse market scenario, is based on the Historical Look Back Approach, which focuses on net collateral outflows.</p>

f) Currency mismatch in the LCR.

Under the EU regulatory framework, an institution shall monitor and report currencies when they are material, i.e. if the foreign currency-denominated liabilities are equal to or higher than 5% of the institution's total liabilities.

The BPER Banca Group's liabilities are mainly denominated in Euro, and at 31 March 2025 the Group had no exposures in foreign currencies defined as material according to EU regulatory guidelines.

g) Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile.

Intraday liquidity risk arises when a bank does not have sufficient funds to meet its payment and settlement obligations on a timely basis during the business day.

Intraday liquidity management therefore aims to ensure the Group's ability to meet its expected or unexpected payment and settlement obligations on an ongoing basis during its opening hours. Maintaining a sustainable funding gap between cash inflows and outflows during the day is an essential condition for the pursuit of business as usual in the banking industry.

The BPER Banca Group's intraday liquidity risk is monitored using the tools defined by the Basel Committee on Banking Supervision (BCBS - Monitoring tools for intraday liquidity management", April 2013).

To cover intraday liquidity risk, an immediately available buffer of unencumbered assets is held for the Group to meet expected and unexpected payment and settlement obligations on a timely basis.

3. CREDIT RISK: DISCLOSURE ON THE IRB APPROACH

Template EU CR8: RWEA flow statements of credit risk exposures under the IRB approach (in millions)

	Quarter closing as at 31.03.2025
	Risk-weighted exposure amount
	a
1 Risk-weighted exposure amount as at the end of the previous reporting period	24,860
2 Asset size (+/-)	1,522
3 Asset quality (+/-)	(1,061)
4 Model updates (+/-)	-
5 Methodology and policy (+/-)	1,125
6 Acquisitions and disposals (+/-)	(1)
7 Foreign exchange movements (+/-)	(14)
8 Other (+/-)	-
9 Risk-weighted exposure amount as at the end of the reporting period	26,431

In the first quarter of 2025 risk-weighted exposures in the context of the application of internal rating-based approaches amounted to Euro 26.43 billion, attributable for Euro 15.1 billion to exposures to Corporate counterparties, for Euro 7.85 billion to exposures to Retail counterparties and for Euro 3.48 billion to assets other than loans.

The change of Euro 1.571 billion in the first quarter of 2025 is attributable to the following main dynamics:

- Euro +1.125 billion for the introduction of the CRR3 regulation;
- Euro +1.522 billion for the increase in exposures subject to the internal rating-based approach;
- Euro -1.061 billion for changes in the portfolio risk profile;
- Euro -0.6 million due to the disposals of non-performing loans;
- Euro -14 million for exchange rate fluctuations.

Certification on disclosure requirements pursuant to Part Eight, para. 3 of art. 431 of Regulation (EU) 575/2013 dated 26 June 2013 and subsequent additions and amendments

The undersigned

- Gianni Franco Papa, as Chief Executive Officer,
- Giovanni Tincani, as the Manager responsible for preparing the company's financial reports, of BPER Banca S.p.A.,

ATTEST

that, having considered the requirements of para. 3 of art. 431 of Regulation (EU) 575/2013 dated 26 June 2013 and subsequent additions and amendments, the information provided pursuant to the aforementioned Part Eight have been prepared in accordance with the formal policy and processes, systems and internal controls.

Modena, 17 July 2025

Signed by
Gianni Franco Papa
Chief Executive Officer

Signed by
Giovanni Tincani
The Manager responsible for preparing
the company's financial reports

Declaration of the Manager responsible for preparing the company's financial reports

The Manager responsible for preparing the company's financial reports, Giovanni Tincani, certifies, pursuant to para. 2 of art. 154-bis of Decree 58/1998 (Consolidated Financial Law) that the accounting information contained in this document "Public Disclosures as at 31 March 2025 - Pillar 3" agrees with the underlying accounting entries, records and documentation.

Modena, 17 July 2025

Signed by
Giovanni Tincani

The Manager responsible for preparing the
company's financial reports



