



Banca Popolare di Sondrio

Joint-stock company - founded in 1871
Head office and general management: I - 23100 Sondrio So - Piazza Garibaldi 16
Registered in the Register of Companies of Sondrio at no. 00053810149
Registered in the Register of Banks under no. 842.
Parent Bank of the Banca Popolare di Sondrio Banking Group, registered in the Register of Banking Groups under no. 5696.0
Registered in the Register of Cooperative Societies under no. A160536
Member of the Interbank Deposit Protection Fund
Tax code and VAT number: 00053810149
Share Capital € 1,360,157,331 - Reserves € 1,253,388,214
(data approved by the Shareholders' Meeting of 11/5/2021)

PRESS RELEASE

BCE REDUCES THE SREP REQUIREMENTS OF BANCA POPOLARE DI SONDRIO FOR 2022

BANK'S CAPITAL RATIOS WELL ABOVE NEW TARGETS

Banca Popolare di Sondrio announces that it has received from the European Central Bank, at the conclusion of the annual SREP ("Supervisory Review and Evaluation Process") conducted in 2021, the notification of the new decision regarding prudential requirements to be met on a consolidated basis, effective as of March 1, 2022.

The additional Pillar 2 Requirement (P2R) is 2.77%, down from previous 3.0%. The new ratio, to be held 56.25% in terms of CET1 capital and 75% in terms of Tier 1 capital, includes an *ad hoc* 0.02% increase in the Pillar 2 requirement for non performing exposures.

As a result, the minimum required Common Equity Tier 1 ratio is 8.56%, down from previous 8.69%, and is determined as the sum of the minimum Pillar 1 regulatory requirement (4.5%), the additional Pillar 2 requirement (1.56%) and the capital conservation buffer (2.5%). The required Tier 1 ratio is 10.58%, down from previous 10.75%. The minimum Total Capital Ratio is 13.27%, down from previous 13.50%.

On the basis of the data as at 30 September 2021, the Banca Popolare di Sondrio Group has capital ratios that are well above the aforementioned thresholds:

Ratios as of 30.09.2021	(phased-in)	(fully phased)	SREP Requirements 2022
CET 1 ratio	16.53%	16.44%	8.56%
Tier 1 ratio	16.57%	16.48%	10.58%
Total Capital ratio	18.33%	18.24%	13.27%

No specific additional funding and liquidity requirements have been specified by the ECB.

Sondrio, 3 February 2022

BANCA POPOLARE DI SONDRIO

COMPANY CONTACTS

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The English translation is provided solely for the benefit of the reader and in the case of discrepancies the Italian version shall prevail.