

FIRST SUPPLEMENT DATED 1 MARCH 2024

TO THE BASE PROSPECTUS DATED 19 DECEMBER 2023



**Banca Popolare
di Sondrio**

Fondata nel 1871

BANCA POPOLARE DI SONDRIO S.p.A.

(incorporated as joint stock company in the Republic of Italy)

€5,000,000,000

Euro Medium Term Note Programme

IN ACCORDANCE WITH ARTICLE 6, PARAGRAPH 4, OF THE LUXEMBOURG LAW (AS DEFINED BELOW), THE *COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER* (“CSSF”) ASSUMES NO UNDERTAKING AS TO THE ECONOMIC OR FINANCIAL OPPORTUNENESS OF THE TRANSACTION OR THE QUALITY AND SOLVENCY OF THE ISSUER.

This supplement (the “**Supplement**”) constitutes a Supplement to the base prospectus dated 19 December 2023 (the “**Base Prospectus**”), for the purposes of Article 23(1) of Regulation (EU) 2017/1129 (as subsequently amended and supplemented, the “**Prospectus Regulation**”).

This Supplement constitutes a supplement to, and should be read in conjunction with, the Base Prospectus.

Capitalised terms used in this Supplement and not otherwise defined herein shall have the same meaning ascribed to them in the Base Prospectus.

This Supplement has been approved by the *Commission de Surveillance du Secteur Financier*, which is the Luxembourg competent authority for the purposes of the Prospectus Regulation and Luxembourg law of 16 July 2019 on prospectuses for securities (as subsequently amended, the “**Luxembourg Law**”), as a supplement issued in compliance with the Prospectus Regulation in order to (i) incorporate by reference in the Base Prospectus certain press releases of Banca Popolare di Sondrio S.p.A. (the “**Issuer**”) and (ii) update the sections entitled “*Cover Page*”, “*Risk Factors*”, “*Documents incorporated by reference*”, “*The Issuer*”, “*Taxation*” and “*General Information*” included in the Base Prospectus.

Save as disclosed in this Supplement, there has been no other significant new factor and there are no material mistakes or inaccuracies relating to information included in the Base Prospectus which is capable of affecting the assessment of Notes issued under the Programme since the publication of the Base Prospectus. To the extent that there is any inconsistency between (i) any statement in this Supplement and (ii) any statement in or incorporated by reference into the Base Prospectus, the statements in this Supplement will prevail.

Copies of this Supplement and of the documents incorporated by reference in this Supplement can be obtained from the registered office of the Issuer and from the specified office of the Paying Agent for the time being in Luxembourg and will be available for viewing on the website of the Luxembourg Stock Exchange (www.luxse.com) and on the Issuer’s website (<https://www.popsi.it>).

RESPONSIBILITY STATEMENT

The Issuer accepts responsibility for the information contained in this Supplement, with respect to those sections which already fall under the responsibility of the Issuer under the Base Prospectus and which are supplemented by means of this Supplement. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

NOTICE

Neither Arrangers nor the Dealers, with exception of the Issuer, is responsible for the information contained in the Base Prospectus, as supplemented by this Supplement, any document incorporated by reference in the Base Prospectus or this Supplement or any Final Terms for each Tranche of Notes issued under the Programme. Accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons accepts any responsibility for the accuracy and completeness of the information contained in any of these documents.

The Arrangers and the Dealers have not verified the information contained in the Base Prospectus, as supplemented by this Supplement. Neither the Arrangers nor the Dealers make any representation, warranty or undertaking, express or implied, or accepts any responsibility or liability, with respect to the accuracy or completeness of any of the information in the Base Prospectus, as supplemented by this Supplement. Neither the Base Prospectus, as supplemented by this Supplement, nor any other information supplied in connection with the Programme are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arrangers or the Dealers that any recipient of the Base Prospectus, as supplemented by this Supplement, or any other information supplied in connection with the Programme should purchase any Notes. Each investor contemplating purchasing any Notes should determine for itself the relevance of the information contained in the Base Prospectus, as supplemented by this Supplement, and its purchase of any Notes should be based upon such investigation as it deems necessary. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither the Base Prospectus, as supplemented by this Supplement, nor any other information supplied in connection with the Programme constitutes an offer or invitation by or on behalf of the Issuer any of the Dealers to any person to subscribe for or to purchase any Notes.

The distribution of the Base Prospectus, this Supplement and any document incorporated by reference in the Base Prospectus or this Supplement and any Notes and the offering, sale and delivery of Notes in certain jurisdictions may be restricted by law. Persons into whose possession the Base Prospectus, as supplemented by this Supplement, or any Notes come must inform themselves about, and observe, any such restrictions on the distribution of the Base Prospectus, as supplemented by this Supplement.

Furthermore, with respect to Notes described as “Green Bonds” and/or “Social Bonds” and/or “Sustainability Bonds”, none of the Arrangers or Dealers will verify or monitor the proposed use of proceeds of such Notes and no representation is made by the Arrangers or Dealers as to the suitability of the Notes described as “Green Bonds” and/or “Social Bonds” and/or “Sustainability Bonds” to fulfil environmental, social and/or sustainability criteria required by prospective investors.

For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of the Base Prospectus, as supplemented by this Supplement, or any Notes and other offering material relating to the Notes, see section “*Subscription and Sale*” of the Base Prospectus, as supplemented by this Supplement.

COVER PAGE

On pages 2–3 of the Base Prospectus, from the sub-paragraph beginning with “*The Issuer has been [...]*” to the sub-paragraph ending with “*[...] in accordance with the UK CRA Regulation*” the following sub-paragraphs are added in replacement as follows:

“The Issuer has been rated: (i) “BB+” (long-term issuer default rating) and “B” (short-term issuer default rating) by Fitch Ratings Ireland Limited – Sede Secondaria Italiana (Fitch), “BBB (low)” (long-term issuer rating); (ii) “R-2 (middle)” (short-term issuer rating) by DBRS Ratings GmbH (DBRS); (iii) “BBB” by Scope Rating GmbH (Scope) and (iv) “BBB-” (long-term Issuer credit rating) and “A-3” by S&P Global Ratings Europe Limited (S&P).”

*Each of Fitch, DBRS, Scope and S&P is established in the EEA and is registered under the Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). As such, each of Fitch, DBRS, Scope and S&P is included in the list of credit rating agencies published by the European Securities and Markets Authority (ESMA) on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation.*

Each of Fitch, DBRS, Scope and S&P is not established in the United Kingdom. Accordingly, the Issuer ratings issued by each of Fitch, DBRS, Scope and S&P have been endorsed by, respectively, Fitch Ratings Limited, DBRS Ratings Limited, Scope Ratings UK Limited and S&P Global Ratings UK Limited in accordance with the Regulation (EC) No. 1060/2009, as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (UK CRA Regulation). As such, the ratings issued by each of Fitch, DBRS, Scope and S&P may be used for regulatory purposes in the United Kingdom in accordance with the UK CRA Regulation.”

RISK FACTORS

On page 24 of the Base Prospectus, the second sub-paragraph of the risk factor headed "*Risks associated with the Issuer's rating*" is deleted and replaced as follows:

"The current long-term counterparty credit ratings of the Issuer are, respectively, "BB+" from Fitch, "BBB (low)" from DBRS Ratings GmbH (DBRS Morningstar), "BBB" from Scope Rating GmbH and "BBB-" from S&P; the current short-term counterparty credit ratings are, respectively, "B" from Fitch, "R-2 (middle)" from DBRS Ratings GmbH (DBRS Morningstar) and "A-3" from S&P. A downgrade of any of the Issuer's ratings would result in higher funding and refinancing costs for the Issuer in the capital markets. Such downgrade may also affect or effectively limit access to the capital markets, because investing in the Issuer will in such case likely be considered less attractive (also because of the Issuer's possible reputational damage) and/or will no longer be allowed for certain investors. In addition, a downgrade of any of the Issuer's ratings may limit the Issuer's opportunities to extend mortgage loans and may have a particularly adverse effect on the Issuer's image as a participant in the capital markets, as well as in the eyes of its clients. A rating downgrade might restrict the availability of funding or increase its cost for individuals and companies at a local level."

DOCUMENTS INCORPORATED BY REFERENCE

Press Releases

By virtue of this Supplement, the English language versions of (i) the press release of the Issuer dated 28 December 2023 and headed “*Banca Popolare di Sondrio sells € 173.7 million of bad loans through the multi-originator securitisation “Luzzatti Pop Npls 2023”*”, (ii) the press release of the Issuer dated 6 February 2024 and headed “*Board of Directors approves Preliminary Consolidated Results as at 31 December 2023*” and (iii) the press release of the Issuer dated 26 February 2024 and headed “*S&P Global Ratings assigns the rating to Banca Popolare di Sondrio. Long-term creditworthiness is rated investment grade at “BBB-”, with stable outlook*” which have been previously published and filed with the CSSF, are incorporated by reference in, and forms part of, the Base Prospectus.

On page 60 of the Base Prospectus, following the letter (l) of the section headed “*Documents Incorporated by Reference*” the following new letters (m), (n) and (o) are added as follows:

“(m) Press Release headed “*Banca Popolare di Sondrio sells € 173.7 million of bad loans through the multi-originator securitisation “Luzzatti Pop Npls 2023”*”

Entire Document

The document is available at the following link:

<https://istituzionale.popso.it/sites/default/files/documents/COMUNICATO%20STAMPA%20CESSI%20ONE%20SOFFERENZE%202023%20ENG.pdf>

“(n) Press Release headed “*Board of Directors approves Preliminary Consolidated Results as at 31 December 2023*”

Entire Document

The document is available at the following link:

https://istituzionale.popso.it/sites/default/files/documents/20240206_RISULTATI%20FINANZIARIA%20PRELIMINARI%20FY%202023%20%5BCOMUNICATO%20STAMPA%5D%20-%20...%5B9%5D.pdf

“(o) Press Release headed “*S&P Global Ratings assigns the rating to Banca Popolare di Sondrio. Long-term creditworthiness is rated investment grade at “BBB-”, with stable outlook*”

From page 3 to page 9 of the PDF document

The document is available at the following link:

https://istituzionale.popso.it/sites/default/files/documents/20240226_RATING_S%26P_PRESS_RELEASE_%20BPS.pdf

The information incorporated by reference that is not included in the cross-reference list, is either not relevant to investors or is covered elsewhere in the Base Prospectus and is not required by the relevant schedules of the Commission Regulation (EU) No. 2019/980.

Any document which is incorporated by reference into any of the documents incorporated in, and form part of, the Base Prospectus, shall not constitute a part of the Base Prospectus.

Certain information included in the press release entitled “*Board of Directors approves Preliminary Consolidated Results as at 31 December 2023*” may be qualified as profit estimates. Such information has been prepared on the basis of the Issuer’s financial reporting process and using its accounting policies. Such information has been prepared on the basis of assumptions about past events and actions, which are consistent with the assumptions used in preparing financial

statements in accordance with IFRS. The press release entitled "*Board of Directors approves Preliminary Consolidated Results as at 31 December 2023*" has not been audited or reviewed by the independent auditors of the Issuer. The unaudited results for the year ended on 31 December 2023 set out in the press release entitled "*Board of Directors approves Preliminary Consolidated Results as at 31 December 2023*" have been compiled and prepared on a basis which is comparable with the historical financial information and consistent with the Issuer's accounting policies.

Copies of the Press Releases may be obtained from the registered office of the Issuer and the Issuer's website

(<https://istituzionale.popso.it/sites/default/files/documents/COMUNICATO%20STAMPA%20CESSIONE%20OFFERENZE%202023%20ENG.pdf>,

https://istituzionale.popso.it/sites/default/files/documents/20240206_RISULTATI%20FINANZIARI%20PRELIMINARI%20FY%202023%20%5BCOMUNICATO%20STAMPA%5D%20-%20...%5B9%5D.pdf

and

https://istituzionale.popso.it/sites/default/files/documents/20240226_RATING_S%26P_PRESS_RELEASE_%20BPS.pdf and will also be available on the Luxembourg Stock Exchange's web site

(www.luxse.com).

THE ISSUER

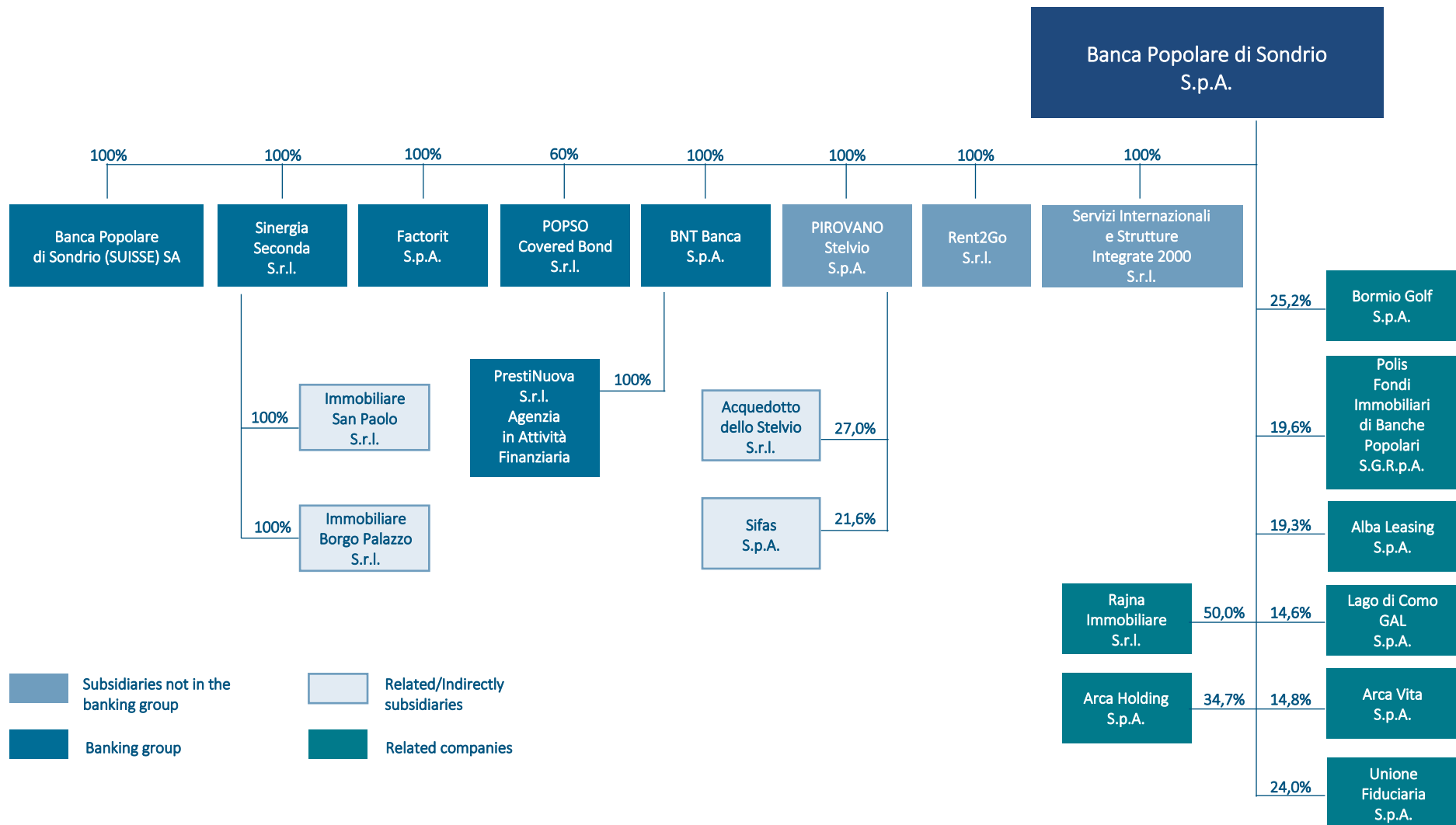
On page 209 of the Base Prospectus, under the paragraph headed "*Credit ratings*" the first sub-paragraph is deleted and replaced as follows:

"As at 1 March 2024, the Issuer has been rated "BB+" (long-term issuer default rating) and "B" (short-term issuer default rating) by Fitch, "BBB (low)" (long-term issuer rating) and "R-2 (middle)" (short-term issuer rating) by DBRS, "BBB" by Scope and "BBB-" (long-term Issuer credit rating) and "A-3" by S&P."

On page 223 of the Base Prospectus, under the paragraph headed "*Recent developments*" the following sub-paragraph is added as follows:

"On 15 January 2024, BPS placed with institutional investors a new covered bond issue with a benchmark amount of EUR 500 million and a maturity of 5.5 years."

On page 215 of the Base Prospectus, the graphic set out under the paragraph "*Banca Popolare di Sondrio Group*" is deleted and replaced as follows:



TAXATION

On page 244 of the Base Prospectus, the first sub-paragraph of the paragraph headed “*Wealth Tax on securities deposited abroad*” is and replaced as follows:

“According to Article 19 of Law Decree No. 201 of December 6, 2011, converted with Law No. 214 of 22 December 2011, as amended and supplemented, Italian resident individuals, non-commercial entities and certain partnerships (società semplici or similar partnerships in accordance with Article 5 of Decree No. 917) holding the Notes outside the Italian territory without the involvement of an Italian financial intermediary are required to pay an additional tax at a rate of 0.20 per cent (starting from January 1, 2024, the wealth tax applies at a rate of 0.40 per cent if the Notes are held in a country listed in the Italian Ministerial Decree dated 4 May 1999, pursuant to the provisions of Law No. 213/2023). The wealth tax cannot exceed Euro 14,000.00 for taxpayers different from individuals. In this case the above mentioned stamp duty provided for by Article 13 of the tariff attached to Decree No. 642 does not apply.”

GENERAL INFORMATION

On page 253 of the Base Prospectus, following letter (m) of the paragraph headed “*Documents Available*”, the following new letters (n), (o) and (p) are added as follows and the items not set out below shall remain unchanged and renumbered accordingly:

“

- (n) *the press release headed “Banca Popolare di Sondrio sells € 173.7 million of bad loans through the multi-originator securitisation “Luzzatti Pop Npls 2023” dated 28 December 2023;*
- (o) *the press release headed “Board of Directors approves Preliminary Consolidated Results as at 31 December 2023” dated 6 February 2024;*
- (p) *the press release headed “S&P Global Ratings assigns the rating to Banca Popolare di Sondrio. Long-term creditworthiness is rated investment grade at “BBB-“, with stable outlook” dated 26 February 2024.”*