



Banca Popolare di Sondrio

BOARD OF DIRECTORS OF MARCH 15, 2024

**APPROVED THE DRAFT FINANCIAL STATEMENTS AND
THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

**PROPOSED A DIVIDEND PER SHARE OF € 0.56, DOUBLED FROM LAST
YEAR (DIVIDEND YIELD HIGHER THAN 8%)**

SHAREHOLDERS' ORDINARY MEETING CONVENED

Full confirmation of preliminary results approved on February 6, 2024

The Board of Directors of Banca Popolare di Sondrio, which met today under the chairmanship of Prof. Avv. Francesco Venosta, examined and approved the draft annual financial statements and the consolidated financial statements as of December 31, 2023, confirming the preliminary results approved last February 6, with a Group net profit of € 461.2 million.

Banca Popolare di Sondrio SpA's gross dividend per share proposal

The Board of Directors also resolved to propose to the Ordinary Shareholders' Meeting the distribution of a gross dividend per share of € 0.56, corresponding to a dividend yield higher than 8% over the current stock market price. The payment of the dividend, in compliance with current regulations and considering that the ex-dividend date is May 20, 2024, will then be effective as of May 22, 2024. The share of profit proposed for distribution amounts to a total of € 253,896,035. The dividend is subject to taxation set by current regulations; in particular, dividends paid to individuals are subject to a 26% withholding tax. The destination of the residual amount of net income is proposed as follows: to the unavailable reserve pursuant to Legislative Decree 38/2005 (art. 6, paragraph 1 letter a) € 12,927,430, to the non-distributable reserve Decree Law No. 104 of August 10, 2023 art. 26 paragraph 5 bis converted by Law No. 136 of October 9, 2023 € 107,060,000, to the extraordinary reserve € 18,382,401, to the charity fund € 500,000.

Convocation of Ordinary Shareholders' Meeting Banca Popolare di Sondrio SpA

The Shareholders' Meeting of Banca Popolare di Sondrio is convened at its registered office in Sondrio, Piazza Garibaldi 16, at 10 a.m. on Saturday, April 27, 2024 on a single call. Pursuant to the terms of Article 106, paragraphs 4 and 5 of Decree-Law No. 18 of March 17, 2020, as amended and supplemented (most recently by Decree-Law No. 215 of December 30, 2023, converted by Law No. 18 of February 23, 2024), attendance at the Shareholders' Meeting of those entitled to participate will take place, without access to the meeting premises, exclusively through the Designated Representative pursuant to Article 135-undecies of Legislative Decree No. 58 of February 24, 1998. The relevant notice of call, similarly to the documentation required by the regulations, will be published within the terms of the law.

Appointment of five directors and the Board of Statutory Auditors for the three-year term 2024/2026

Among other things, the Shareholders' Meeting will appoint five directors for the three-year term 2024-2026. Availing itself of the provisions of Article 23, Paragraph 4 of the Articles of Association, the Board of Directors reserves the right to submit its own list of candidates, which will be made public well in advance of the deadline for shareholders to file lists.

The Shareholders' Meeting will also appoint the Board of Statutory Auditors for the three-year period 2024-2026.

Foreseeable development of operations

Forecasts for the Italian economy are for subdued growth, on last year's levels, despite a complicated geopolitical framework marked by uncertainties, especially in relation to the ongoing conflicts in Ukraine and the Middle East. As far as monetary policy is concerned, the reversal seems destined to materialize during the year, with a gradual reduction of ECB reference rates. Net interest income, therefore, should still contribute significantly to core profitability, which will continue to benefit as well from the positive trend in the commission component. In terms of asset quality, credit positions will continue to be carefully managed and high levels of coverage will be maintained; even in the context of a possible increase in the default rate, the cost of credit risk is not expected to rise. Operational efficiency is set to remain high, even with the absence of contributions to the Single Resolution Fund for the stabilization of the banking system, whose predetermined endowment has been reached. In light of the aforementioned, it is reasonable to assume that the targets of the 2022-2025 "Next Step" Plan will also be exceeded in 2024, with profitability likely to be confirmed in a good trend.

STATEMENT

The manager responsible for preparing the company's financial reports, Maurizio Bertoletti, declares, pursuant to paragraph 2 of Article 154-bis of Legislative Decree No. 58 of February 24, 1998, that the accounting information contained in this press release corresponds to the documentary results, books and accounting records.

Signed:

Maurizio Bertoletti, corporate accounting manager.

BANCA POPOLARE DI SONDRIO SPA

Sondrio, March 15th, 2024

Corporate contacts:

Investor Relations

Michele Minelli

0342-528.745

michele.minelli@popso.it

External Relations

Paolo Lorenzini

0342-528.212

paolo.lorenzini@popso.it

Image Building

Cristina Fossati,

Anna Pirtali

02-890.11.300

popso@imagebuilding.it

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