



Shareholders' Meeting of 5 November 2022

Report of the Board of Directors

on the first item on the Agenda of the Extraordinary Meeting

Merger by incorporation of Banca Carige S.p.A. and Banca del Monte di Lucca S.p.A. into BPER Banca S.p.A.; related and consequent resolutions

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INTRODUCTION

Dear Shareholders,

you have been called to the Extraordinary Shareholders' Meeting on 5 November 2022, in single call, to resolve on the plan for the merger by incorporation (the "**Merger**") of Banca Carige S.p.A. - Cassa di Risparmio di Genova e Imperia ("**Carige**") and Banca del Monte di Lucca S.p.A. ("**BML**") and, jointly with Carige, the "**Merging Companies**") into BPER Banca S.p.A. ("**BPER**" or the "**Acquiring Company**").

This report (the '**Explanatory Report**') has been drafted pursuant to Article 2501-*quinquies* of the Italian Civil Code, Article 125-ter of Legislative Decree No. 58 of 24 February 1998, as amended and supplemented (the Consolidated Law on Finance or "**CLF**"), and of Article 70, paragraph 2, of the regulation adopted by Consob resolution no. 11971 of 14 May 1999, as amended and supplemented (the "**Issuers' Regulation**"), and in accordance with schedule no. 1 of Annex 3A of the same Issuers' Regulations, in order to explain and justify the Merger from a legal and economic point of view; it describes the elements of the merger plan (the "**Merger Plan**") and, specifically, the criteria for determining the Exchange Ratios (as defined *below*) between BPER shares and Carige and BML shares.

This Explanatory Report is made available to the public as required by the applicable legal and regulatory provisions and can be viewed on BPER's website (<https://istituzionale.bper.it>).

It should also be noted that - although the Merger qualifies as a "*significant*" transaction pursuant to Article 70, paragraph 6, of the Issuers' Regulations - BPER has applied the option under Article 70, paragraph 8, of the Issuers' Regulations to waive the obligation to prepare and publish an information document on the Merger pursuant to Article 70, paragraph 6, of the Issuers' Regulations.

1. COMPANIES TAKING PART IN THE MERGER

1.1 BPER

1.1.1 Company details

The Acquiring Company is BPER Banca S.p.A., a company with registered office in Modena, Via San Carlo, 8/20, tax code and registration number in the Modena Companies' Register: 01153230360, belonging to the "BPER Banca S.p.A. VAT Group" VAT no. 03830780361, registered in the Register of Banks under no. 4932 and Parent Company of the BPER Banca S.p.A. Banking Group, registered in the Register of Banking Groups under no. 5387.6, member of the Interbank Deposit Protection Fund and the National Guarantee Fund.

As at the date of this Explanatory Report, BPER's share capital amounts to Euro 2,100,435,182.40 fully paid-up, consisting of 1,413,263,512 ordinary shares, with no par value.

BPER shares are listed on Euronext Milan, organised and managed by Borsa Italiana S.p.A., and held as uncertificated securities under centralised security depository administration at Monte Titoli S.p.A., pursuant to Articles 83-bis et seq. of the CLF.

On 25 July 2019, BPER issued an "Additional Tier 1" Convertible Bond Loan ("AT1" CBL) for a nominal amount of EUR 150,000,000, initially fully underwritten by Fondazione di Sardegna. The capital increase to service the conversion of the AT1 CBL envisages the issuance of up to 35,714,286 new ordinary shares, at a share price of EUR 4.2, of which EUR 3 as share capital and EUR 1.2 as share premium.

In the event of full conversion of the AT1 CBL - and on the assumption that, as at the date of conversion, the Bank's shareholding structure has not changed compared to the structure reported above - the dilutive effect on currently outstanding shares would be 2.46%. However, the possible conversion of the AT1 CBL was not considered in the valuation analyses reported in Chapter 4 below, as the current stock market price of the BPER shares is lower than the conversion price.

1.1.2 Corporate Purpose

Pursuant to Article 2 of BPER's articles of association, the Acquiring Company's corporate objects "include the taking of deposits and the provision of loans in their various forms, both directly and through subsidiary companies".

1.1.3 Shareholders

The following table shows the shareholders of the Acquiring Company - holding a stake in the share capital or voting rights greater than 3% of the share capital - as at the date of the Explanatory Report, based on the notifications pursuant to Article 120 of the CLF, of records in the shareholders' register, and other information available to BPER:

Shareholder	Share capital percentage
Fondazione di Sardegna	10.218%
UnipolSai Assicurazioni S.p.A.	9.338%
Unipol Gruppo S.p.A.	10.552%
Free Float	69.892%

1.1.4 BPER Group Activities

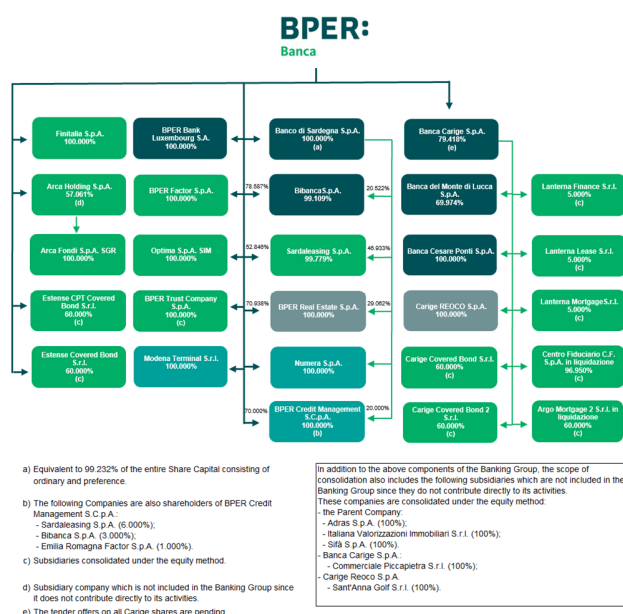
The BPER Group carries out activities involving the acceptance of deposits and lending in its various forms, both with private customers and businesses through various channels: the commercial banking network made up of branches, the SMART multi-channel platform, and the ancillary services undertakings, product or financial companies through which it provides bancassurance, leases, factoring, electronic money, consumer credit, credit brokerage, securities brokerage, asset and wealth management services.

The BPER Group is organised on the basis of a model in which BPER performs both commercial bank activities and, as parent company, guidance, management and co-ordination activities in respect of the Group companies, which include the banks Banco di Sardegna S.p.A., Bibanca S.p.A. and BPER Bank Luxembourg.

In addition to the above-mentioned banks, the BPER Group comprises nine financial companies, one real estate company and three other ancillary services undertakings.

The following chart, updated as at June 30, 2022, shows the composition of the BPER group which is under the control of the Acquiring Company.

SITUATION AS AT 30/06/2022



1.1.5 Main economic and financial data

BPER's main data, taken from the financial statements as at 31 December 2020 and 2021, are shown below.

BPER summary balance sheet

	<i>(in thousands)</i>	
	31.12.2021	31.12.2020
Assets		
financial assets	119.964.143	63.276.005
- measured at fair value through profit or loss	956.911	939.799
- measured at fair value through other comprehensive income	6.424.261	6.202.401
- measured at amortised cost	112.582.971	56.133.805
equity investments, property plant and equipment and intangible assets	3.602.581	3.378.761
tax assets and other assets	3.875.001	2.692.982
total assets	127.441.725	69.347.748
Liabilities and shareholders' equity	31.12.2021	31.12.2020
financial liabilities	117.428.486	61.785.135
- measured at amortised cost	117.296.407	61.608.916
- held for trading	132.079	176.219
other liabilities and provisions	3.600.456	2.565.832
shareholders' equity	6.412.783	4.996.781
Total liabilities and shareholders' equity	127.441.725	69.347.748

BPER summary income statement

	<i>(in thousands)</i>	
Caption	31.12.2021	31.12.2020
net interest income	1.167.289	786.682
net commission income	1.259.923	689.601
net income from financial activities	234.360	116.960
net interest and other banking income	2.661.572	1.593.243
net impairment losses for credit risk and gains (losses) from contractual modifications without derecognition	-644.052	-289.985
net income from financial activities	2.017.520	1.303.258
operating costs	-2.194.444	-1.217.503
other gains (losses) from current operations	868.640	304.482
profit (loss) from current operations before tax	691.716	390.237
profit (loss) for the year	-124.513	-4.802
profit (loss) for the year	567.203	385.435

The BPER Group's main data, taken from the consolidated financial statements as at 31 December 2020 and 2021 and from the consolidated half-year financial report as at 30 June 2022, are shown below.

BPER summary consolidated balance sheet

	<i>(in thousands)</i>		
Assets	30.06.2022	31.12.2021	31.12.2020
financial assets	148.737.402	129.145.344	87.093.014
- measured at fair value through profit or loss	1.542.406	1.218.535	1.198.601
- measured at fair value through other comprehensive income	8.800.035	6.631.897	6.269.818
- measured at amortised cost	138.394.961	121.294.912	79.624.595
equity investments, property plant and equipment and intangible assets	3.467.028	2.644.731	2.293.986
tax assets and other assets	9.474.639	4.557.798	3.674.783
total assets	161.679.069	136.347.873	93.061.783
Liabilities and shareholders' equity	30.06.2022	31.12.2021	31.12.2020
financial liabilities	143.563.208	124.978.468	83.347.285
- measured at amortised cost	142.750.150	124.854.511	83.177.191
- held for trading	318.158	123.957	170.094
- designated at fair value	494.900	0	0
other liabilities and provisions	10.079.215	4.510.596	3.380.369
minority interests	178.919	162.497	133.983
shareholders' equity pertaining to the Parent Company	7.857.727	6.696.312	6.200.146
total liabilities and shareholders' equity	161.679.069	136.347.873	93.061.783

BPER summary consolidated income statement

Caption	<i>(in thousands)</i>		
	30.06.2022	31.12.2021	31.12.2020
net interest income	785.449	1.505.362	1.238.876
net commission income	901.835	1.641.575	1.072.514
net income from financial activities	112.413	216.315	156.657
net interest and other banking income	1.799.697	3.363.252	2.468.047
net impairment losses for credit risk and gains (losses) from contractual modifications without derecognition	-217.061	-837.972	-544.380
net income from financial activities	1.582.636	2.525.280	1.923.667
operating costs	-1.247.785	-2.676.933	-1.706.869
other gains (losses) from current operations	1.195.447	844.524	-20.063
profit (loss) from current operations before tax	1.530.298	692.871	196.735
Income taxes on current operations for the period	-135.324	-134.222	65.191
profit (loss) for the period	1.394.974	558.649	261.926
profit (loss) for the period pertaining to minority interests	-10.166	-33.526	-25.001
profit (loss) for the period pertaining to the Parent Company	1.384.808	525.123	236.925

1.2 Carige

1.2.1 Company details

The merging company, Banca Carige S.p.A. - Cassa di Risparmio di Genova e Imperia has its registered office in Genoa, Via Cassa di Risparmio,15, VAT no., tax code and Genoa Companies' Register no. 03285880104, registered in the Register of Banks under no. 5074, subject to management and coordination by BPER Banca S.p.A. and part of the banking Group bearing the same name, member of the Interbank Deposit Protection Fund and the National Guarantee Fund.

As of the date of this Explanatory Report, Carige's share capital amounts to Euro 1,345,608,389.81 fully paid-up, consisting of 760,723,387 ordinary shares and 20 savings shares, with no par value.

Carige ordinary shares and savings shares are not traded on any regulated market.

1.2.2 Corporate Purpose

According to Article 4 of Carige's articles of association, Carige's purpose is *"the banking activity and, in particular, but without limitation:*

- a) *deposit-taking and lending in its various forms;*
- b) *activities eligible for mutual recognition, as referred to in Article 1, section 2, paragraph f) of Legislative Decree No. 385 of 1 September 1993;*
- c) *general financing activities governed by special laws, including soft financing;*
- d) *pledge loans, acquisition of licenses for tax collection, treasury and cash management services;*
- e) *the creation and management of supplementary pension schemes, pursuant to Legislative Decree No. 124 of 21 April 1993, as subsequently amended and supplemented;*
- f) *the issuance of bonds in accordance with the legislation in force.*

2. *In order to best achieve its business purpose, the Company may execute any movable and immovable financial transaction useful to such achievement, including the acquisition of shareholdings".*

1.2.3 Shareholders

As of the date of this Explanatory Report, Carige's share capital is wholly owned by BPER. With regard to Carige's savings share capital, 8 savings shares of Carige are held, to date, by BPER.

1.2.4 ***Carige's activities***

Carige engages in the acceptance of deposits and lending in its various forms, with both private and corporate customers, the distribution of asset management, insurance, pension and consumer credit products, the provision of financial services, such as leases and factoring, treasury management and proprietary portfolio management, as well as trading on securities and currency markets.

Carige is mainly active in the banking sector and in the following areas:

- distribution, by bank branches, of asset management, insurance, pension and consumer credit products;
- financial services, such as leases and factoring;
- treasury and proprietary portfolio management, as well as trading on securities and currency markets.

1.2.5 ***Main economic and financial data***

Carige's main data, taken from the financial statements as at 31 December 2020 and 2021, are shown below.

Carige summary balance sheet

	<i>(in thousands)</i>	
Assets	31.12.2021	31.12.2020
financial assets	19.059.710	18.700.663
- <i>measured at fair value through profit or loss</i>	203.354	217.906
- <i>measured at fair value through other comprehensive income</i>	2.634.164	2.408.169
- <i>measured at amortised cost</i>	16.222.192	16.074.588
equity investments, property plant and equipment and intangible assets	825.384	830.166
tax assets and other assets	1.805.225	1.853.727
total assets	21.690.319	21.384.556
Liabilities and shareholders' equity	31.12.2021	31.12.2020
financial liabilities	19.662.050	19.300.002
- <i>measured at amortised cost</i>	19.614.158	19.256.166
- <i>held for trading</i>	47.892	43.836
other liabilities and provisions	870.833	821.989
shareholders' equity	1.157.436	1.262.565
total liabilities and shareholders' equity	21.690.319	21.384.556

Carige summary income statement

Caption	<i>(in thousands)</i>	
	31.12.2021	31.12.2020
net interest income	147.003	116.028
net commission income	215.411	176.520
net income from financial activities	7.197	77.957
net interest and other banking income	369.611	370.505
net impairment losses for credit risk and gains (losses) from contractual modifications without derecognition	-47.384	-87.821
net income from financial activities	322.227	282.684
operating costs	-428.555	-423.673
other gains (losses) from current operations	-6.443	-20.597
profit (loss) from current operations before tax	-112.771	-161.586
profit (loss) for the year	3.247	-91.330
profit (loss) for the year	-109.524	-252.916

The Carige Group's main data, taken from the consolidated financial statements as at 31 December 2020 and 2021 and from the consolidated half-year financial report as at 30 June 2022, are shown below.

Carige summary consolidated balance sheet

Assets	<i>(in thousands)</i>		
	30.06.2022	31.12.2021	31.12.2020
financial assets	18.525.151	19.412.943	19.080.497
- measured at fair value through profit or loss	123.117	152.555	168.601
- measured at fair value through other comprehensive income	2.833.699	2.634.413	2.608.558
- measured at amortised cost	15.568.335	16.625.975	16.303.338
equity investments, property plant and equipment and intangible assets	898.452	1.021.823	1.030.475
tax assets and other assets	2.998.897	1.875.054	1.919.264
total assets	22.422.500	22.309.820	22.030.236
Liabilities and shareholders' equity	30.06.2022	31.12.2021	31.12.2020
financial liabilities	18.452.642	20.081.192	19.772.057
- measured at amortised cost	18.389.015	20.077.925	19.771.001
- held for trading	1.286	747	1.056
- designated at fair value	62.341	2.520	0
other liabilities and provisions	2.337.138	957.162	898.272
minority interests	12.838	12.789	12.867
shareholders' equity pertaining to the Parent Company	1.619.882	1.258.677	1.347.040
total liabilities and shareholders' equity	22.422.500	22.309.820	22.030.236

Carige summary consolidated income statement

Caption	(in thousands)		
	30.06.2022	31.12.2021	31.12.2020
net interest income	102.271	155.191	123.622
net commission income	107.463	226.208	186.714
net income from financial activities	-76.810	7.369	67.659
net interest and other banking income	132.924	388.768	377.995
net impairment losses for credit risk and gains (losses) from contractual modifications without derecognition	-26.646	-47.837	-90.720
net income from financial activities	106.278	340.931	287.275
operating costs	-351.688	-453.257	-453.157
other gains (losses) from current operations	4.934	18.176	4.795
profit (loss) from current operations before tax	-240.476	-94.150	-161.087
Income taxes on current operations for the period	19.387	1.348	-91.561
profit (loss) for the period	-221.089	-92.802	-252.648
profit (loss) for the period pertaining to minority interests	22	-73	-1.007
profit (loss) for the period pertaining to the Parent Company	-221.111	-92.729	-251.641

1.3 BML

1.3.1 Company details

The merging company, Banca del Monte di Lucca S.p.A. has its registered office in Lucca, Piazza S. Martino, 4, VAT no., tax code and Lucca Companies' Register no. 01459540462, registered in the Register of Banks no. 6915, subject to the management and coordination by BPER Banca S.p.A. and part of the banking Group bearing the same name, member of the Interbank Deposit Protection Fund and the National Guarantee Fund.

As at the date of this Explanatory Report, BML's share capital amounts to Euro 44,140,000.00 fully paid-up, consisting of 181,487,981 ordinary shares, with no par value.

BML shares are not traded on any regulated market.

1.3.2 Corporate Purpose

Pursuant to Article 4 of BML's articles of association, BML corporate purpose is “*deposit-taking and lending in its various forms, including the activities falling within the purview of the original Banca del Monte di Lucca pursuant to laws or administrative measures, including pledge loans, agricultural loans and loans to small businesses.*”

The Company may engage in any other financial activity, provided it is in compliance with the applicable laws, as well as any other activity connected with or in furtherance of the foregoing.

1.3.3 Shareholders

The following table shows BML's shareholders as at the date of the Explanatory Report:

Shareholder	Share capital percentage
Carige	69.97%
Fondazione Banca Monte Lucca	15.013%
Fondazione Cassa di Risparmio di Lucca	15.013%
Total	100%

1.3.4 ***BML activities***

BML engages in the acceptance of deposits and lending in its various forms, with both private and corporate customers, the distribution of asset management, insurance, pension and consumer credit products, the provision of financial services, such as leases.

BML is mainly active in the banking sector and in the following areas:

- distribution, by bank branches, of asset management, insurance, pension and consumer credit products;
- financial services, such as leases.

1.3.5 ***Main economic and financial data***

The following are BML's main data, taken from the financial statements as at 31 December 2020 and 2021.

BML summary balance sheet

	<i>(in thousands)</i>	
Assets	31.12.2021	31.12.2020
financial assets	548.432	528.398
- measured at fair value through profit or loss	512	118
- measured at fair value through other comprehensive income	205	200
- measured at amortised cost	547.715	528.080
equity investments, property plant and equipment and intangible assets	20.976	19.866
tax assets and other assets	236.772	177.435
total assets	806.180	725.699
Liabilities and shareholders' equity	31.12.2021	31.12.2020
financial liabilities	716.623	636.290
- measured at amortised cost	716.616	636.287
- held for trading	7	3
other liabilities and provisions	47.124	46.713
shareholders' equity	42.433	42.696
total liabilities and shareholders' equity	806.180	725.699

BML summary income statement

	<i>(in thousands)</i>	
Caption	31.12.2021	31.12.2020
net interest income	7.256	7.806
net commission income	8.168	7.332
net income from financial activities	116	-29
net interest and other banking income	15.540	15.109
net impairment losses for credit risk and gains (losses) from contractual modifications without derecognition	-595	-3.093
net income from financial activities	14.945	12.016
operating costs	-15.175	-15.272
other gains (losses) from current operations	0	0
profit (loss) from current operations before tax	-230	-3.256
profit (loss) for the year	-14	-129
profit (loss) for the year	-244	-3.385

2. DESCRIPTION OF AND REASONS FOR THE MERGER

2.1 Introduction

On June 3, 2022, following the issuance of the required authorisations by the relevant Authorities, BPER acquired, from the Fondo Interbancario di Tutela dei Depositi and from Schema Volontario di Intervento, No. 604,154,459 ordinary shares of Carige, representing 79.418% (the “**Majority Shareholding**”) of Carige's share capital. Upon completion of the acquisition of the Majority Shareholding (the “Acquisition”), BPER exercises control over Carige pursuant to Article 2359 of the Italian Civil Code and Article 93 of the CLF.

Also on June 3, 2022, BPER announced to the market and to Consob:

- (i) that it had an obligation to launch a mandatory tender offer (the “**Mandatory Tender Offer**”), pursuant to Articles 102, 106(1) of the CLF, and the applicable implementing provisions contained in the Issuer's Regulation, for all the ordinary shares of Carige at a price for Euro 0.80 for each ordinary share of Carige tendered to the Mandatory Tender Offer, and
- (ii) the decision to promote a voluntary tender offer (the “**Voluntary Tender Offer**” and, jointly with the Mandatory Tender Offer, the “**Offers**”), pursuant to art. 102 CLF, for the 20 savings shares of Carige, for a price of Euro 25,000.00 for each savings share of Carige tendered under the Voluntary Tender Offer.

On July 18, 2022, BPER and Carige jointly announced - in compliance with future plans envisaged by BPER in the relevant offer document, approved by Consob with resolution no. 22390 on July 6, 2022 and published on July 8, 2022 (the “**Offer Document**”) - the start of the merger procedure of Carige into BPER through the engagement of the respective advisors, as well as the simultaneous merger by absorption of BML into BPER.

The Offers acceptance period, which had commenced on July 11, 2022, ended on July 29, 2022 and, as a result, BPER came to hold, as specified in the final results announcement published on August 3, 2022, No. 714,315,304 ordinary shares of Carige, representing 93.9% of Carige's ordinary share capital, and 1 savings share of Carige. From August 3, 2022, BPER purchased additional No. 3,556,943 Carige ordinary shares, coming to hold, on August 18, 2022 (the trading day before the date of the approval of the Merger Plan), No. 717,872,082 Carige ordinary shares, equal to 94.4% of the relevant share capital (the “**Additional Ordinary Shares**”).

On the basis of the final results of the Offers referred to above, BPER (i) fulfilled the Sell-Out Procedure pursuant to Article 108, Paragraph 2, of the CLF (the “**Sell-Out Procedure**”), which ended on September 9, 2022, with payment date on September 16, 2022; as a result, BPER came to hold 731,095,957 ordinary shares of Carige, or 96.11% of the latter's ordinary share capital, also taking into account Carige's 6,075,424 ordinary shares purchased by BPER outside the Sell-Out Procedure, and (ii) extended the terms for the Sell-Out Procedure to the Voluntary Tender Offer (the “**Reopened Voluntary Tender Offer**”), thereby coming to hold 8 Carige savings shares, corresponding to 40% of the latter's savings share capital.

In consideration of BPER having reached, after the Sell-Out Period, a shareholding of over 95% of the ordinary share capital of Carige, BPER exercised its purchase right pursuant to Article 111 of the Consolidated Law on Finance and, at the same time, fulfilled its purchase obligation pursuant to Article 108, paragraph 1, of the Consolidated Law on Finance on the remaining ordinary shares outstanding of Carige, thus giving rise to a unified procedure (the “**Joint Procedure**”) that was finalised on 20 September 2022. On the same date: (i) BPER came to hold the entire ordinary share capital of Carige, net of the treasury shares held by the latter; (ii) the ordinary shares and savings shares of Carige were delisted by order No. 8882 issued by Borsa Italiana on 12 September 2022.

BPER, Carige and BML filed a joint petition with the Court of Bologna for the appointment of an expert, exercising the option under Article 2501-sexies, paragraph 4, of the Italian Civil Code, to request the Court of the place where the Acquiring Company has its registered office to appoint one or more joint experts to draft a report on the fairness of the share exchange ratio.

By order of 23 August 2022, the Companies Section of the Court of Bologna appointed KPMG S.p.A. as joint expert in charge of drawing up the report on the fairness of the exchange ratios pursuant to Article 2501-sexies of the Italian Civil Code.

For Carige, the Merger is a “greater importance” related-party transaction on the basis of the procedure approved by Carige Board of Directors pursuant to the Bank of Italy Circular No. 285/2013, Part III, Chapter 11, as subsequently

amended and supplemented and pursuant to CONSOB Regulation adopted with resolution No. 17221 of 12 March 2010 as subsequently amended and supplemented (the “**RPT and Associated Persons Procedure**”).

Furthermore, for BML, the Merger is a “greater importance” transaction with an associated person of the banking group on the basis of the RPT and Associated Persons Procedure with which BML complied by specific resolution of the Board of Directors.

Pursuant to BPER's "*Group Policy for the Governance of Non-Compliance Risk in conflicts of interest in respect of related parties and risk activities with associated persons*", the Acquiring Company has not applied the resolution obligations and the safeguards envisaged by Related Party rules.

On August 19, 2022, Carige Related-Party Transactions Committee and BML Independent Director, Mr. Marco Marchi, issued, respectively and each to the extent of their competence, a reasoned favourable opinion on Carige's and BML's interest in completing the Merger, and a reasoned opinion on the procedural and substantial fairness of the terms and conditions of the Merger Plan.

Also on August 19, 2022, the Boards of Directors of BPER, Carige and BML, having taken into account the favourable opinions issued, respectively, by Carige Related-Party Transactions Committee and BML Independent Director, approved the Merger Plan and also resolved to submit the Merger Plan to the approval of their respective extraordinary shareholders' meetings.

In this regard, it should be noted that the decision on the merger by absorption with Carige is also submitted to the approval of the Extraordinary Shareholders' Meeting of BPER, pursuant to Article 2502 of the Italian Civil Code, concurrently with the approval of the merger by absorption with BML.

The Boards of Directors of the companies taking part in the Merger availed themselves of independent financial advisors with proven professional expertise for the purpose of determining the economic elements of the Merger and specifically:

- BPER availed itself of Mediobanca - Banca di Credito Finanziario S.p.A. and Rothschild & Co Italia S.p.A. as financial advisors;
- Carige availed itself of Equita SIM S.p.A. as financial advisor;
- BML availed itself of Arché S.r.l. as financial advisor.

In particular, after examining the valuations of their respective financial advisors, the Boards of Directors of the companies taking part in the Merger determined the exchange ratios as follows:

- 0.360 BPER ordinary shares, with regular dividend entitlement, for each Carige ordinary share, equal to No. 9 BPER ordinary shares for every No. 25 Carige ordinary shares (the “**Carige Ordinary Shares to BPER Ordinary Shares Exchange Ratio**”);
- 11,234 BPER ordinary shares, with regular dividend entitlement, for each Carige savings share (the “**Carige Savings Shares to BPER Ordinary Shares Exchange Ratio**”) or, alternatively and at the discretion of the holders of Carige savings shares, 10,785 BPER privileged shares, with regular dividend entitlement, for each savings share of Carige, (the “**Carige Savings Shares to BPER Privileged shares Exchange Ratio**” and, together with the Carige Ordinary Shares to BPER Ordinary Shares Exchange Ratio and the Carige Savings Shares to BPER Ordinary Shares Exchange Ratio, the “**Carige Exchange Ratios**”);
- 0.045 BPER ordinary shares, with regular dividend entitlement, for each BML ordinary share, equal to No. 9 BPER ordinary shares for every No. 200 BML ordinary shares (the “**BML Exchange Ratio**” or “**BML Ordinary Shares to BPER Ordinary Shares Exchange Ratio**” and, together with the Carige Exchange Ratios, the “**Exchange Ratios**”).

Please note that the Merger was subject to the issuance of the provided authorisations by the Supervisory Authority. In this regard, on 4 October 2022, the European Central Bank issued the authorisation (i) pursuant to Articles 4 and 9 of Regulation (EU) No. 1024/2013 and Article 57 of Legislative Decree No. 385/93 (the Consolidated Law on Banking or “**CLB**”) and the relevant implementing provisions, (ii) pursuant to Article 56 of the CLB and its implementing provisions in relation to the statutory amendments arising from the Merger, as well as (iii) pursuant to Articles 26,

paragraph 3, and 28 of Regulation (EU) No. 575/2013 and its implementing provisions, for the classification of the newly issued ordinary shares arising from the capital increase as CET1 instruments.

2.2 Economic and strategic reasons for the transaction and management objectives

The Merger is part of the broader Majority Shareholding Acquisition, through which BPER intends to further consolidate, through the contribution of the Issuer's customers and network, its competitive positioning, strengthening the prospect of creating value for its stakeholders, and growing in territories to date limitedly covered, while continuing to ensure BPER's high capital strength profile, at least equal to its current one. The business model, the market positioning and territorial coverage, the set of values shared by the management, the strong orientation towards supporting the Italian economy and sustainable and inclusive growth, and the strong presence of Italian stakeholders make Carige a company that largely expresses a homogeneous profile to that of BPER and, therefore, a company whose integration could take place smoothly and in a way that enhances the Issuer's resources.

As indicated in the Offer Document and in the Group's 2022-2025 business plan approved by BPER's Board of Directors on 10 June 2022 (the "**Plan**"), the integration process is expected to increase BPER Banca Group's national scale, also in regions with a limited footprint and with an 20% expansion of the customer base to over 5 million, including Carige's 800 thousand customers.

The transaction will improve future profitability with positive reverberations also on the credit quality and capital position. Therefore important synergies have been identified for a total gross amount of Euro 155 million ⁽¹⁾, with 100% unfolding in 2024 and 50% as early as from 2023. More specifically:

- Euro 85 million refers to cost synergies arising from (i) Carige IT re-insourcing to the BPER Group's platform, (ii) implementation of a cost excellence plan making the most of BPER scale/negotiation power and best practices, (iii) rationalisation of acquired branches, (iv) Governance and Control cost reduction and (v) depreciation and amortisation reduction from writedowns of IT assets;
- Euro 40 million will be generated by funding synergies from non-renewal of Carige bond maturities and stepwise re-alignment of Carige's cost of funding to that of BPER;
- Euro 30 million is expected from revenue synergies primarily arising from increased cross selling, with the proposition of the BPER Group's product factories being extended to Carige's customers.

For these synergies, integration costs of approximately Euro 70 million were estimated to be fully expensed in 2022, and the payment of exit penalties from existing agreements (*i.e.* HDI Italia S.p.A., Creditis Servizi Finanziari S.p.A., IBM and Gardant) was conservatively charged to the maximum extent (*i.e.*, approximately Euro 220 million).

On the capital side, approximately Euro 2 billion upside is expected over the plan period from lower RWAs resulting from the extension of the AIRB models to the scope of loans to customers acquired from Carige, with an expected positive impact of 40 bps on the Group's capital position.

It should also be noted that, the completion of the Merger by December 31, 2022 will allow BPER, as the company resulting from the Merger, to convert deferred tax assets ("**DTAs**") - pursuant to Law No. 178 of December 30, 2020 (the "**Budget Law 2021**"), together with the additions included in Law No. 234 of December 30, 2021 - into tax credit for a maximum amount equal to 2% of the value of the assets of the smaller combining entity against the payment of a gross fee of 25% of the DTAs, deductible for IRES (corporate income tax) and IRAP (regional business tax) purposes.

Specifically, the net benefit on BPER's regulatory capital as of the effective date of the Merger will be approximately Euro 37 million (*i.e.* 25% of the convertible DTAs equal to Euro 112 million, net of the fee paid for the conversion of the DTAs of Euro 75 million net of the tax effect). On the other hand, the net benefit to BPER's regulatory capital from January 1, 2023 arising from the conversion of the DTAs will totally be equal to approximately Euro 372 million (*i.e.* Euro 446 million net of the fee paid for the conversion of the DTAs equal to approximately Euro 75 million).

¹ Does not include the upside from the BPER Group's new HR manoeuvre.

In conclusion, the impact of the possible application of the regulations on DTAs provided for in the Budget Law 2021, against an estimated additional cost of Euro 75 million (net of the tax effect), would allow BPER, as the company resulting from the Merger to record a net positive impact on regulatory capital of approximately Euro 372 million.

3. REFERENCE BALANCE SHEETS SITUATIONS

The Merger will be approved on the basis of the relevant balance sheets and, specifically: (i) for BPER, the half-year financial report as at June 30, 2022 approved by the Board of Directors on August 4, 2022; (ii) for Carige, the half-year financial report as at 30 June 2022 approved by the Board of Directors on August 19, 2022; (iii) for BML, the accounting schedules as at June 30, 2022, which include the balance sheets as at June 30, 2022 approved by the Board of Directors on August 1, 2022, pursuant to and for the effects of Article 2501-quater of the Italian Civil Code.

4. EXCHANGE RATIOS AND CRITERIA USED TO DETERMINE THEM

4.1 Introduction

BPER Board of Directors appointed Mediobanca - Banca di Credito Finanziario S.p.A. and Rothschild & Co Italia S.p.A. as advisors (the "**Advisors**") to support the Board in the valuation and determination of the Exchange Ratios.

In determining the Exchange Ratios, the Board took into account, among other things, the valuation and considerations made by the Advisors, making reference to the results of the several valuation methods used and taking into account the assumptions, difficulties and limitations therein highlighted.

In particular, on August 19 2022, the Advisors issued specific opinions (*fairness opinion*) to BPER Board of Directors on the fairness, from a financial point of view, of the Exchange Ratios as determined by the Board.

The valuation methods described below have been identified and adopted with the aim of deriving a comparative estimate of the economic capital of BPER, Carige and BML, and have been applied giving priority to the uniformity and comparability of each one of the implemented methods. In order to ensure a like-for-like assessment, the same measurement methods were applied, where possible, to both the Acquiring Company and each of the Merging Companies, considering the specific characteristics of each one of them.

4.2 Reference date and documentation used

The reference income statement and balance sheet of BPER, Carige and BML on which this Explanatory Report is based are those as at June 30, 2022 (hereinafter, the "**Reference Date**"), whereas the valuations refer to economic and market conditions as at August 11, 2022 (the "**Valuation Date**"). Furthermore, the valuation analyses assume that in the period between the income statement and balance sheet as at the Reference Date and as at the Valuation Date, no substantial changes have occurred in the economic, equity and financial position of BPER, Carige and BML.

Public information and data prepared or otherwise provided by BPER, Carige and BML were used for the valuations (the "**information**"). Specifically:

- (i) the balance sheet and income statement data of BPER, Carige and BML as at December 31, 2021 and June 30, 2022, including the related financial reports;
- (ii) BPER forecast data as extrapolated from research analysts' consensus at the end of November 2021, i.e. prior to the announcement of the potential acquisition of Carige by BPER;
- (iii) the forecast data of Carige and BML for the 2022-2025 period as prepared by the relevant units of Carige for the purpose of carrying out the "probability test" to assess the DTAs for the financial statements as at 31 December 2021, approved by the Board of Directors on March 9, 2022;
- (iv) details on the forecast data on the effects of the BPER / Carige transaction;
- (v) for a sample of listed Italian banks, market data and information on current economic, capital and financial data and consensus information;

- (vi) other publicly available information that was deemed relevant for the application of the selected valuation methods.

4.3 Methods adopted for determination of the Exchange Ratios

Taking into account the specificities of BPER, Carige and BML, the nature of their operations, their target market, the valuation practices in compliance with national and international standards and the Information, the following valuation methods were deemed applicable:

- (i) for the determination of Carige Exchange Ratios: (i) stock market price, (ii) dividend discount model in the Excess Capital variant and (iii) stock market multiples; and
- (ii) for the determination of the BML Exchange Ratio: (i) the dividend discount model in the Excess Capital variant and (ii) stock market multiples.

Furthermore, where relevant for the application of the valuation methods for the purpose of determining the Exchange Ratios, the "equivalent ordinary shares" approach was used to determine the number of Carige shares to be applied for the allocation of its economic value per share. Carige's equivalent ordinary shares were calculated by applying a conversion ratio to its existing savings shares of 31,205 ordinary shares for each savings share, as shown below.

Stock market price method

The stock market price method uses market prices as the relevant information for estimating the economic value of companies, for this purpose using the stock market prices as expressed in share prices at significant time intervals, and on the assumption that there is a degree of significance between the market prices of the shares of the companies being valued and their economic value.

The main characteristic of this method lies in the possibility of expressing in relative terms the relationship between the values of the companies as perceived by the market. In this specific case, it was deemed appropriate to apply this method by adopting the following criteria to determine the exchange ratio: (a) the official prices of Carige and BPER ordinary shares recorded before 14 December 2021, the date BPER non-binding offer to acquire a majority stake in Carige was announced; (b) the averages of the official volume-weighted prices of the ordinary shares of Carige and BPER (Volume Weighted Average Price) with a reference period of 1 month and 3 months and until 27 July 2021 (the day Carige ordinary shares were re-admitted to listing) prior to that date.

Dividend Discount Model in the Excess Capital variant

The Dividend Discount Model in the Excess Capital variant is based on the assumption that the economic value of a company is equal to the sum of the present value of:

- the cash flows of potential future dividends distributable to shareholders and generated over the chosen time horizon without affecting the level of capitalisation required to maintain a predetermined long-term regulatory capital target level. Accordingly, these cash flows are independent of the dividend policy actually envisaged or adopted by management;
- long-term value of the company (so-called "Terminal Value") calculated as the current value of an estimated perpetual annuity based on a normalised, sustainable distributable cash flow consistent with a long-term growth rate.

In applying this method:

- the forecast data extrapolated from research analysts' consensus at the end of November 2021 were used for BPER, while -for Carige and BML- forecast data for the 2022-2025 period were used, as prepared by Carige relevant units for the purpose of carrying out the "probability test" to assess the DTAs for the financial statements as at December 31 2021;
- for BPER, Carige and BML, the income statements and balance sheets as at June 30, 2022 and the effects of the Acquisition of the Majority Shareholding were also taken into account, as were the results of the Offers and the purchase of the Additional Ordinary Shares.

Market Multiples Method

According to the market multiples method, the value of a company is determined by assuming as a reference the stock market indications for companies with similar characteristics to the one being valued. This approach is based on the determination of multiples that are calculated as the ratio of stock market values to the economic, equity and financial values of a selected sample of comparable companies. The multipliers thus determined are applied, with appropriate additions and adjustments, to the corresponding values of the company being valued, in order to estimate a range of values. For the purposes of determining the exchange ratios and on the basis of the banking sector specific characteristics and market practice, the Price/Projected 2023, 2024 and 2025 Earnings multiple was selected. As specified above, the application of this method also took into account the effects of the Acquisition of the Majority Shareholding as well as the results of the Offers and the purchase of the Additional Ordinary Shares.

The valuation methods described above were conducted on a stand-alone and going-concern basis and, as noted, taking into consideration, among other things, the income statements and balance sheets as at June 30, 2022 and the effects of the Acquisition of the Majority Shareholding as well as the results of the Offers and the purchase of the Additional Ordinary Shares.

The Carige Savings Shares to BPER Ordinary Shares Exchange Ratio range was identified by multiplying the Carige Ordinary Shares to BPER Ordinary Shares Exchange Ratio range, identified with the above methods, by the implied Carige Savings Shares to Carige Ordinary Shares conversion ratio in the last month prior to December 28, 2018, i.e. the last trading day prior to January 2, 2019 (the day the measure was adopted to suspend trading of the securities issued or guaranteed by the Company, including Carige Savings Shares), equal to 31,205 Carige ordinary shares for one Carige savings share (taking into account the 1:1000 reverse split that took place on December 14, 2020).

The Carige Savings Shares to BPER privileged Shares Exchange Ratio range was identified by applying a coefficient to the Carige Savings Shares to BPER Ordinary Shares Exchange Ratio in order to take into account both a theoretical premium of BPER Privileged Shares over ordinary shares resulting from the 25% dividend bonus to which this class of shares is entitled (without taking into account, for valuation purposes, the other elements of this class of shares, which will not be traded on any regulated market) and a discount of the BPER Privileged Shares with respect to the ordinary shares, on the basis of the analysis of prices of similar shares compared with the corresponding ordinary shares.

4.4 Determination of Exchange Ratios

Without prejudice to the observations, assumptions and limitations described in the preceding paragraphs, the table below summarises the results obtained from applying the various valuation methods specified above to determine the Exchange Ratios.

Carige Exchange Ratio Range

	Exchange Ratio ranges
<i>Stock Market Prices</i>	0.358-0.453
<i>DDM</i>	0.324-0.401
<i>Market Multiples</i>	0.290-0.376
Carige Ordinary Shares to BPER Ordinary Shares Exchange Ratio (Average)	0.324-0.410
Carige Savings Shares to BPER Ordinary Shares Exchange Ratio (Average)	10,116-12,794
Carige Savings Shares to BPER Privileged shares Exchange Ratio (Average)	9,673-12,233

BML Exchange Ratio Range

	Exchange Ratio ranges
DDM	0.038-0.046
Market Multiples	0.038-0.050
BML Ordinary Shares to BPER Ordinary Shares Exchange Ratio (Average)	0.038-0.048

In the light of the above observations and taking into account the results obtained from applying the various valuation methods with the support of the Advisors, on August 19, BPER Board of Directors approved the following Exchange Ratios:

- 0.360 BPER ordinary shares, with regular dividend entitlement, for each Carige ordinary share, equal to No. 9 BPER ordinary shares for every No. 25 Carige ordinary shares;
- 11,234 BPER ordinary shares, with regular dividend entitlement, for each Carige savings share or, alternatively and at the discretion of the holders of Carige savings shares, 10,785 BPER privileged shares, with regular dividend entitlement, for each Carige savings share;
- 0.045 BPER ordinary shares, with regular dividend entitlement, for each BML ordinary share, equal to No. 9 BPER ordinary shares for every No. 200 BML ordinary shares.

The Exchange Ratios are not subject to adjustment or cash settlement. Please refer to Paragraph 5 below for a description of how the BPER exchanged shares are assigned.

It is noted that, after the acquisition of Carige's entire ordinary share capital by BPER, the Carige Ordinary Shares to BPER Ordinary Shares Exchange Ratio will not be applied.

4.5 Difficulties and limitations found in evaluating the Exchange Ratios

Each of the chosen valuation methods, although normally recognised and used in both Italian and international valuation practice, has inherent and specific limitations. In particular, the main limitations and critical issues of the valuation method are reported below:

- where relevant for the application of the valuation methods, for Carige and BML, forecast data were used which were prepared by Carige relevant units for the purpose of carrying out the "probability test" to assess the deferred tax assets, taking into account the P&L and balance sheet results as at the Reference Date and also taking into account the specificities of the Acquisition of the Majority Shareholding, as well as the results of the Offers and the purchase of the Additional Ordinary Shares;
- where relevant for the application of the valuation methods, for BPER, forecast data were used as per research analysts' consensus extrapolated at the end of November 2021, i.e. prior to the announcement of BPER non-binding offer for the purchase of a majority stake in Carige, taking into account the P&L and balance sheet results as at the Reference Date and also taking into account the specificities of the Acquisition of the Majority Shareholding, as well as the results of the Offers and the purchase of the Additional Ordinary Shares;
- limited stock market liquidity for Carige's ordinary and savings shares. In addition, Carige shares have a limited 'undisturbed' time horizon available for the purpose of the analyses (i.e., for ordinary shares, from July 27, 2021, the day of readmission to listing, until December 13, 2021, and for savings shares, time horizons prior to January 2, 2019, the date those shares were suspended from trading);
- a number of corporate transactions in progress or currently awaiting authorisation by the relevant authorities, the potential impacts of which has been estimated where possible. Although the effects of these corporate transactions have been taken into account, currently it is not possible to assess the risks associated with their

completion/methods of implementation and, hence, it cannot be ruled out that there may be effects other than those assumed and considered;

- (v) that the effects on the Exchange Ratios resulting from the Sell-Out Procedure, the Joint Procedure and from the possible exercise of the withdrawal right for holders of Carige savings shares are negligible.

Furthermore, it should be noted that the valuation analyses were carried out on a comparative basis and for the sole purpose of identifying the Exchange Ratios.

5. PROCEDURES FOR THE ASSIGNMENT OF SHARES OF THE ACQUIRING COMPANY AND DATE FROM WHICH THE SHARES ASSIGNED IN EXCHANGE WILL PARTICIPATE IN THE PROFITS

All the shares of the Merging Companies will be cancelled and exchanged, as the case may be, for BPER ordinary and/or privileged shares in accordance with the applicable Exchange Ratios.

Accordingly, the Acquiring Company shall increase its share capital by a maximum of Euro 27,125,286.00, by issuing up to 17,878,609 ordinary shares, with no par value, and (assuming that all Carige savings shareholders opt for the assignment of BPER privileged shares in application of the Carige Savings Shares to BPER Privileged Shares Exchange Ratio) up to 204,915 privileged shares, with no par value, as set out in the Merger Plan and in application of the Exchange Ratios. Conversely, in the event that all the holders of Carige savings shares opt for the allocation of BPER ordinary shares in application of the Carige Savings Shares to BPER Ordinary Shares Exchange Ratio, the Acquiring Company shall increase its capital by a maximum of Euro 27,138,082.50, by issuing exclusively up to 18,092,055 ordinary shares, with no par value. The exact amount of BPER's capital increase and its structure between ordinary shares and newly issued privileged shares will therefore be defined according to the exercise of the alternative options granted to the holders of Carige savings shares for the purpose of the relevant exchange ratio.

The maximum amount of the capital increase, indicated in the Merger Plan, has been determined, inter alia, by taking into account the final results of the Offers as announced to the market on August 3, 2022 and the purchase of the Additional Ordinary Shares until August 18, 2022 (the trading day before the date of the approval of the Merger Plan). However, as specified in the Merger Plan, if also following the fulfilment of the purchase obligation pursuant to Art. 108, paragraph 1 of the Consolidated Law on Finance and the simultaneous exercise of the purchase right pursuant to Art. 111 of the Consolidated Law on Finance and the Reopened Voluntary Tender Offer, BPER came to hold additional ordinary and/or savings shares, the capital increase would be for a lower amount with respect to the above. In the Merger Plan it was further specified that if BPER came to hold the entire (ordinary and savings) share capital of Carige, no BPER ordinary and privileged shares would be issued to service the Carige Exchange Ratios and the Acquiring Company might only increase the share capital to service the BML Exchange Ratio for a maximum of Euro 3,678,297.00, by issuing up to 2,452,198 ordinary shares..

Against these premises, as a result of the Joint Procedure, BPER came to hold the entire ordinary share capital of Carige. Therefore, the capital increase to service the Exchange will be for a lower amount than specified above and, in particular, it will be determined without applying the Carige Ordinary Shares to BPER Ordinary Shares Exchange Ratio. Only the Carige Savings Shares to BPER Ordinary Shares Exchange Ratio or the Carige Savings Shares to BPER Privileged Shares Exchange Ratio will be taken into consideration depending on the choice made by Carige savings shareholders other than the Acquiring Company, unless the latter exercise the Sell-Out Right (as defined herein) or the Right of Withdrawal (as defined herein).

The newly issued ordinary shares of the Acquiring Company allocated under the share exchange will be listed on Euronext Milan, organised and managed by Borsa Italiana S.p.A., ranking equal with BPER ordinary shares already outstanding, as uncertificated securities under centralised depository administration at Monte Titoli S.p.A., pursuant to Articles 83-bis et seq. of the CLF.

The newly issued privileged shares of the Acquiring Company granted in exchange to the Carige savings shareholders that will exercise the relevant option as described above, will not be traded on any regulated market or other multilateral trading facility.

A service will be made available to the shareholders of the Merging Companies to enable them to round down or up to the next lower or higher unit the number of shares to which they are entitled in application of the Exchange Ratios,

without incurring any expenses, stamp duties or commissions. Alternatively, other systems may be activated to ensure the overall balancing of the transaction.

The exchange of the shares will be carried out through authorised intermediaries, without any charges, expenses or commissions for Carige and BML shareholders.

BPER (ordinary and privileged) shares intended for the exchange will be made available to those entitled in accordance with the procedures of Monte Titoli S.p.A. centralised depository administration as uncertificated shares, on the trading day immediately following the day on which the merger becomes effective for statutory purposes.

The holders of Carige savings shares who intend to receive in exchange newly issued BPER privileged shares based on the Carige Savings Shares to BPER Privileged Shares Exchange Ratio may exercise this option by registered letter with return receipt to be sent to the following address Carige S.p.A. – Corporate and Group Affairs – Via Cassa di Risparmio, 15 – 16123, Genova or by sending certified email to the following address pec@pec.carige.it (and copy to the address: affari.societari@carige.it), by the deadline set to exercise the withdrawal right according to the following Paragraph 13, stating the shareholder's personal details, their address for service for notices regarding the transaction, the number and class of shares for which the right is being exercised. Holders of Carige savings shares who have not exercised this right by the aforementioned deadline will be assigned newly issued BPER ordinary shares according to the Carige Savings Shares to BPER Ordinary Shares Exchange Ratio.

6. DATE ON WHICH THE MERGER TAKES EFFECT AND ON WHICH THE MERGING COMPANIES TRANSACTIONS ARE ENTERED INTO THE ACQUIRING COMPANY'S FINANCIAL STATEMENTS

Each merger transaction shall take legal effect, pursuant to Article 2504-*bis* of the Italian Civil Code, as of the last recording of the merger deed in the Company Register, or on any later date specified in the merger deed.

The transactions of the Merging Companies will be accounted to the Acquiring Company's financial statements, including for tax purposes, as of 1 July, if the legal effects of the merger occur by 31 December 2022, or as of 1 January 2023 if the legal effects occur in the course of 2023.

7. TAX ASPECTS

Direct Taxes

With regard to direct taxes, the tax effects of the merger are governed by Article 172 of Presidential Decree. No. 917 of 22 December 1986 (hereinafter "**TUIR**").

In particular, it should be noted that the current legislation is based on principles of general neutrality of the merger, which does not amount to either capital gain/loss realisation or distribution, either for the companies involved in the merger or their shareholders.

It follows that any merger differences arising from the Merger will not contribute to the taxable income for the Acquiring Company, the Merger being irrelevant for income tax purposes. Symmetrically, the assets received by the Acquiring Company will be assumed by the latter according to their most recent tax basis within the Merging Companies (principle of tax basis continuity).

Consistent with these principles, which have no exceptions for IRAP purposes, any merger differences arising from the exchange will be treated in the Acquiring Company's financial statements in accordance with the rules and accounting principles governing the financial statements, while they will have no effect for income tax and IRAP purposes.

The tax-deferred reserves recorded in the last financial statements of the Merging Companies and still existing at the effective date of the Merger will be treated in accordance with the specific provisions of Article 172(5) of the Consolidated Law on Income Tax (TUIR), reinstating them, if necessary.

With regard to the effective date of the Merger for accounting and tax purposes, please refer to Paragraph 6 of this Explanatory Report.

The payment obligations of the Merging Companies, including those relating to advance tax payments and withholding taxes on other parties' income, will be fulfilled by those companies up to the effective date of the Merger; after that date, the aforesaid obligations shall be deemed transferred to the Acquiring Company for all purposes.

Indirect taxes

With regard to indirect taxes, the merger is excluded from the scope of application of VAT pursuant to Article 2(3)(f) of Presidential Decree no. 633 of 26 October 1972. According to this rule, the transfers of assets in connection with mergers of companies are not considered VAT-relevant disposals. In respect of the registration tax, the Merger is subject to a fixed tax in the amount of Euro 200.00, pursuant to Article 4(b), of the Tariff Part I, annexed to Presidential Decree 131 of 26 April 1986.

Effects on the shareholders of the Merging Companies

The exchange of shares held by the shareholders of the Merging Companies into shares of the Acquiring Company is irrelevant for tax purposes, as it does not amount for them to capital gain realisation or distribution nor revenue. Accordingly, the Acquiring Company's shares will retain the same tax basis as the exchanged shares.

8. COMPANY RESULTING FROM THE MERGER

8.1 Shareholding structure of the Acquiring Company after the Merger

Assuming that the current shareholding structure of BPER and of the Merging Companies remains unchanged between the date of the Explanatory Report and the effective date of the Merger, with the BML Exchange Ratio remaining the same and assuming that no savings shareholder of Carige other than BPER exercises the Sell-Out Right (as defined herein) or the Right of Withdrawal (as defined herein), upon completion of the Merger BPER shareholders will be as follows:

Scenario in which all savings shareholders of Carige, other than BPER, opt for the Carige Savings Shares to BPER Ordinary Shares Exchange Ratio

Shareholder	Shareholding percentage
Fondazione di Sardegna	10.199%
UnipolSai Assicurazioni S.p.A.	9.321%
Unipol Gruppo S.p.A.	10.533%
Free Float	69.947%

Scenario in which all savings shareholders of Carige, other than BPER, opt for the Carige Savings Shares to BPER Privileged Shares Exchange Ratio

Azionista	Percentuale di partecipazione al capitale sociale
Fondazione di Sardegna	10,200%
UnipolSai Assicurazioni S.p.A.	9,322%
Unipol Gruppo S.p.A.	10,534%
Free Float	69,944%

9. AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE ACQUIRING COMPANY IN CONNECTION WITH THE MERGER

Following the Merger, as set out in the Merger Plan, the Acquiring Company shall increase its share capital by a maximum of Euro 27,125,286.00, by issuing up to 17,878,609 ordinary shares, with no par value, and up to 204,915 privileged shares, with no par value, in application of the Exchange Ratios and the share allocation procedures set forth in Paragraphs 3 and 4 of the Merger Plan. However, in the event that the holders of Carige savings shares opt for the allocation of BPER ordinary shares in application of the Carige Savings Shares to BPER Ordinary Shares Exchange Ratio, the Acquiring Company shall increase its capital by a maximum of Euro 27,138,082.50, by issuing exclusively up to 18,092,055 ordinary shares, with no par value.

In this regard, taking into account the information provided in Paragraph 5 above, as a result of the acquisition by BPER of the entire ordinary share capital of Carige, the capital increase to service the exchange will be for a lower amount than specified above.

The Articles of Association of the Acquiring Company that will come into force on the effective date of the Merger will contain a series of amendments to BPER's current Articles of Association, including, inter alia

- (i) amendment to art. 5 ("*Capital, shareholders and shares*") of the Articles of Association, to reflect the increase in BPER's share capital to service the Exchange Ratios, as well as the new share capital structure following the issue of BPER privileged shares to service the Exchange Ratio into Privileged shares, if the holders of Carige savings shares exercise the option under Paragraph 2 above;
- (ii) for the sole event in which the holders of Carige savings shares exercise the option referred to in Paragraph 2 above, the insertion of a new clause in Article 5 ("*Capital, Shareholders and Shares*") of the Articles of Association containing the rights due to the holders of BPER privileged shares that are assigned to these savings shareholders.

Pursuant to Annex 3A, schedule 3 of the Issuers' Regulations, the wording of BPER's current Articles of Association is shown below, compared with the wording of BPER's Articles of Association following the amendments that may be approved by the extraordinary shareholders' meeting of the Acquiring Company:

Current text	Modified text
Article 5 (Share capital, shareholders and shares)	Article 5 (Share capital, shareholders and shares)
1. Share capital, fully subscribed and paid in, amounts to Euro 2,100,435,182.40 and is represented by 1,413,263,512 registered ordinary shares, with no nominal value.	1. Share capital, fully subscribed and paid in, amounts to Euro [●] and is represented by 1,413,263,512 [●] shares, with no par value, divided into [●] registered ordinary shares and [●] privileged shares, with no par value.
2. If a share becomes the property of several persons, the joint ownership rights must be exercised by a common representative.	2. If a share becomes the property of several persons, the joint ownership rights must be exercised by a common representative.
3. Within the limits established by current regulations, the Company, by resolution of the Extraordinary Shareholders' Meeting can issue categories of shares carrying different rights with respect to the ordinary shares, and may determine such rights, as well as financial instruments with equity or administrative rights..	3. Within the limits established by current regulations, the Company, by resolution of the Extraordinary Shareholders' Meeting can issue categories of shares carrying different rights with respect to the ordinary shares, and may determine such rights, as well as financial instruments with equity or administrative rights..
4. All the shares belonging to the same category carry the same rights.	4. All the shares belonging to the same category carry the same rights.
5. The Board of Directors at the meeting held on 11 July 2019, by virtue of the delegation attributed to it by the Extraordinary Shareholders' Meeting held on 4 July 2019, pursuant to Article 2420-ter of the Italian Civil Code, to be exercised by 31	5. The Board of Directors at the meeting held on 11 July 2019, by virtue of the delegation attributed to it by the Extraordinary Shareholders' Meeting held on 4 July 2019, pursuant to Article 2420-ter of the Italian Civil Code, to be exercised by 31

<p>December 2019, has resolved to issue an Additional Tier 1 convertible bond, for a total nominal amount equal to Euro 150,000,000.00, to be entirely offered in subscription to Fondazione di Sardegna, with the exclusion of option rights pursuant to Article 2441, paragraph 5, of the Italian Civil Code, at a subscription price higher than par value equal to Euro 180,000,000.00, and, consequently, to resolve a paid capital increase, in one or more tranches and in divisible form, for a maximum total amount equal to Euro 150,000,000.00, including a share premium equal to Euro 42,857,142, to service exclusively and irrevocably the conversion of the abovementioned Additional Tier 1 bond through the issue of a maximum of no. 35,714,286 ordinary shares of the Company, without explicit par value, with regular dividend rights and the same features as the ordinary shares of the Company outstanding at the issue date .</p>	<p>December 2019, has resolved to issue an Additional Tier 1 convertible bond, for a total nominal amount equal to Euro 150,000,000.00, to be entirely offered in subscription to Fondazione di Sardegna, with the exclusion of option rights pursuant to Article 2441, paragraph 5, of the Italian Civil Code, at a subscription price higher than par value equal to Euro 180,000,000.00, and, consequently, to resolve a paid capital increase, in one or more tranches and in divisible form, for a maximum total amount equal to Euro 150,000,000.00, including a share premium equal to Euro 42,857,142, to service exclusively and irrevocably the conversion of the abovementioned Additional Tier 1 bond through the issue of a maximum of no. 35,714,286 ordinary shares of the Company, without explicit par value, with regular dividend rights and the same features as the ordinary shares of the Company outstanding at the issue date .</p>
<p>6. The Extraordinary Shareholders' Meeting held on 4 July 2019 granted the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, the power, for a period of five years from the date of the shareholders' meeting resolution, to resolve a paid capital increase, one or more time and in one or more tranches, with the exclusion of option rights pursuant to Article 2441, paragraph 4, and/or Article 2441, paragraph 5, of the Italian Civil Code, for a maximum total amount equal to Euro 13,000,000.00, including any share premium to be determined pursuant to Article 2441, paragraph 6, of the Italian Civil Code, by issue of a maximum number of 2,500,000 ordinary shares of the Company, without express par value, whose issue value may also be lower than the accounting par value existing at the relevant issue date, with regular dividend rights and the same characteristics as the ordinary shares of the Company outstanding at the issue date.</p>	<p>6. The Extraordinary Shareholders' Meeting held on 4 July 2019 granted the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, the power, for a period of five years from the date of the shareholders' meeting resolution, to resolve a paid capital increase, one or more time and in one or more tranches, with the exclusion of option rights pursuant to Article 2441, paragraph 4, and/or Article 2441, paragraph 5, of the Italian Civil Code, for a maximum total amount equal to Euro 13,000,000.00, including any share premium to be determined pursuant to Article 2441, paragraph 6, of the Italian Civil Code, by issue of a maximum number of 2,500,000 ordinary shares of the Company, without express par value, whose issue value may also be lower than the accounting par value existing at the relevant issue date, with regular dividend rights and the same characteristics as the ordinary shares of the Company outstanding at the issue date.</p>
<p>7. The Extraordinary Shareholders Meeting held on 22 April 2020 granted to the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, the authorisation, to be exercised by 31 March 2021, to increase the share capital in one or more tranches, in a divisible form, against payment, for a total maximum amount of Euro 1,000,000,000.00, inclusive of any share premium, through the issuance of ordinary shares of the Company, with no par value, whose issuance price may be lower than the accounting par value of preexisting shares, to be offered in option to the existing shareholders pursuant to Article 2441, paragraph 1 of the Italian Civil Code, having regular entitlement and the same features of the ordinary shares outstanding at the issue date. The Board of Directors, partially exercising this right, at the board meeting of 29 September 2020 resolved to increase the share capital for payment, in one or more tranches, limited to a total maximum amount of Euro 534,838,838.40 (five hundred and thirty-four million eight hundred and thirty eight thousand eight hundred and thirty eight point forty), as well as a share premium of a maximum of Euro 267,419,419.20 (two hundred and sixty-seven million, four hundred and nineteen thousand, four hundred nineteen point twenty), by issuing a maximum of 891,398,064 (eight hundred and ninety-one million three hundred and ninety-eight thousand and sixty-four) ordinary shares, with no par value, with regular rights of enjoyment and the same characteristics as the ordinary shares in circulation on the issue date, to be offered under option to those entitled to them, pursuant to article 2441, paragraph 1, of the Italian Civil Code. The deadline for subscription of the newly issued shares is 31 December 2020, with the clarification that if the approved increase in capital is not fully subscribed by that date, the capital will in any case be deemed to have increased by an amount equal to the subscriptions received.</p>	<p>7. The Extraordinary Shareholders Meeting held on 22 April 2020 granted to the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, the authorisation, to be exercised by 31 March 2021, to increase the share capital in one or more tranches, in a divisible form, against payment, for a total maximum amount of Euro 1,000,000,000.00, inclusive of any share premium, through the issuance of ordinary shares of the Company, with no par value, whose issuance price may be lower than the accounting par value of preexisting shares, to be offered in option to the existing shareholders pursuant to Article 2441, paragraph 1 of the Italian Civil Code, having regular entitlement and the same features of the ordinary shares outstanding at the issue date. The Board of Directors, partially exercising this right, at the board meeting of 29 September 2020 resolved to increase the share capital for payment, in one or more tranches, limited to a total maximum amount of Euro 534,838,838.40 (five hundred and thirty-four million eight hundred and thirty eight thousand eight hundred and thirty eight point forty), as well as a share premium of a maximum of Euro 267,419,419.20 (two hundred and sixty-seven million, four hundred and nineteen thousand, four hundred nineteen point twenty), by issuing a maximum of 891,398,064 (eight hundred and ninety-one million three hundred and ninety-eight thousand and sixty-four) ordinary shares, with no par value, with regular rights of enjoyment and the same characteristics as the ordinary shares in circulation on the issue date, to be offered under option to those entitled to them, pursuant to article 2441, paragraph 1, of the Italian Civil Code. The deadline for subscription of the newly issued shares is 31 December 2020, with the clarification that if the approved increase in capital is not fully subscribed by that date, the capital will in any case be deemed to have increased by an amount equal to the subscriptions received.</p>

	<p>8. Privileged shares are registered shares and give the right to attend and vote in the Special Meeting only to the holders of privileged shares. Privileged shares are entitled to a 25% increase in the dividend payable on ordinary shares. In case of distribution of reserves, privileged shares have the same rights as the other shares. Holders of privileged shares may convert them into ordinary shares for an equal amount upon prior request to the Company, submitted on any business day of any month. The conversion date, understood as the day on which the conversion will take effect, will be the tenth day the stock exchange is open during the month following that of the conversion requests. Conversion requests may not be submitted during the periods comprised between the day after a Shareholders' Meeting has been called and the day (inclusive) on which the Shareholders' Meeting has been held, hereby including a call subsequent to the first call, and in any case until the day prior to the payout of dividends which may be resolved upon by the Shareholders' Meetings. The reduction of the share capital due to losses will not result in a reduction of the portion of capital represented by the privileged shares except to the extent of the loss that exceeds the portion of capital represented by the other classes of shares issued by the Company.</p>
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It should be noted that the final amount of the share capital contained in Article 5 of BPER's articles of association will be specified in the Merger deed. Additionally, it is specified that the insertion of the provision related to privileged shares will be inserted in the only event in which the Carige savings shareholders exercise the option of receiving privileged shares.

Until the effective date of the Merger, BPER's Articles of Association currently in force, in the wording available on the Acquiring Company's website (<https://istituzionale.bper.it>), will remain effective and applicable, it being understood that BPER Extraordinary Shareholders' Meeting which will be called to approve the Merger Plan, will also have, as its second item on the agenda, the approval of the amendments to articles 1, 5, 10, 11, 13, 17, 20, 22, 25, 26, 27, 29, 31, 35, 36, 38, 39, 44 of the current Articles of Association and the renumbering of the current articles from 37 to 43 in order to strengthen the central role of BPER's Board of Directors and promote the efficient management of the Bank. Therefore, the amendments to Article 5 of BPER's Articles of Association referred to in the above table may be made to the new version of the Articles of Association that BPER Extraordinary Shareholders' Meeting is called to resolve upon under item 2 on the agenda.

In this regard, please refer to the explanatory report of the Board of Directors prepared pursuant to Article 72 of the regulation adopted by Consob Resolution No. 11971 of 14 May 1999, as amended and supplemented, and made available to the public at the Company's registered office and on its website (<https://istituzionale.bper.it>) within the statutory time limits.

10. EFFECTS OF THE MERGER ON RELEVANT SHAREHOLDERS' AGREEMENTS PURSUANT TO ARTICLE 122 OF THE CLF

As at the date of this Report, based on the information disclosed pursuant to Article 122 of the CLF, BPER is not aware of any shareholders' agreements concerning BPER shares.

11. LEGAL ASPECTS

The Merger was subject to the issuance of the required authorisations by the relevant Supervisory Authority. In this regard, on 4 October 2022, the European Central Bank issued the authorisation (i) pursuant to Articles 4 and 9 of Regulation (EU) No. 1024/2013 and Article 57 of Legislative Decree No. 385/93 (the "CLB") and the relevant implementing provisions, (ii) pursuant to Article 56 of the CLB and the relevant implementing provisions in relation to the amendments to the Articles of Association arising from the Merger, as well as (iii) pursuant to Articles 26,

paragraph 3, and 28 of Regulation (EU) No. 575/2013 and the relevant implementing provisions, for classification of the newly issued ordinary shares arising from the capital increase as CET1 instruments.

Holders of Carige savings shares who have opted for the assignment of BPER privileged shares according to the Carige Savings Shares to BPER Privileged shares Exchange Ratio will be allotted privileged shares having the same preferred treatment pursuant to the Articles of Association as applies to Carige savings shares. In particular, the newly issued BPER privileged shares will have the following preferred treatment pursuant to the Articles of Association:

- right to an increase in the dividend payable on ordinary shares equal to 25% of the dividend assigned to ordinary shares; in the event of distribution of reserves, privileged shares would have the same rights as other shares;
- subordination in the event of reduction of the share capital due to losses, in the sense that the reduction would have no effect on the privileged shares except to the extent of the loss that is not covered by the portion of capital represented by the ordinary shares.

Notwithstanding the above, there is no treatment reserved for particular categories of shareholders or holders of securities other than shares.

12. SELL-OUT RIGHT

Although the companies participating in the Merger do not apply the simplified procedure provided for in Article 2505-bis, paragraph 1 of the Italian Civil Code and subject to the completion of the Merger, holders of Carige savings shares other than BPER will be granted, pursuant to abovementioned Article, the right to require the Acquiring Company to purchase all or part of Carige shares held by them for a price determined in accordance with the criteria for withdrawal (the "**Sell-Out Right**").

This consideration will be set, pursuant to Article 2437-ter of the Italian Civil Code, and disclosed according to the procedures and by the deadlines set out by the law and regulations in force.

The Sell-Out Right may be exercised by registered letter with return receipt, to be sent to the following address Carige S.p.A. – Affari Societari e di Gruppo (Corporate and Group Affairs) – Via Cassa di Risparmio, 15 – 16123, Genova or by sending certified email to the following address pec@pec.carige.it (and copy to the address: affari.societari@carige.it), within 15 calendar days after registration in the Genoa Companies' Register of the resolution of Carige Extraordinary Shareholders' Meeting approving the Merger Plan, stating the shareholder's personal details, the address for service for notices regarding the transaction, the number and class of shares for which the sell-out right is being exercised.

If, within the aforementioned term, Carige's savings shareholders have not exercised the Sell-Out Right, or have exercised it only in part, they shall receive BPER ordinary shares in exchange for the Carige savings shares for which they have not exercised the Sell-Out Right, or BPER privileged shares if, by the same deadline, they have opted for the assignment of privileged shares on the basis of the Carige Savings Shares to BPER Privileged Shares Exchange Ratio.

13. ASSESSMENTS BY THE GOVERNING BODY ON ENTITLEMENT TO THE WITHDRAWAL RIGHT

It is understood that holders of Carige savings shares other than BPER will have the right to withdraw pursuant to the provisions of art. 2437, paragraph 1, lett. g, of the Italian Civil Code owing to the different rights inherent in the BPER ordinary shares compared with the rights inherent in the Carige savings shares (the "**Right of Withdrawal**").

The unit value for the purpose of liquidation of each Carige savings share for which the right of withdrawal has been exercised will be set pursuant to art. 2437-ter of the Italian Civil Code and disclosed according to the procedures and by the deadlines set out by the law and regulations in force.

The right of withdrawal may be exercised by registered letter with return receipt, to be sent to the following address Carige S.p.A. – Affari Societari e di Gruppo (Corporate and Group Affairs) – Via Cassa di Risparmio, 15 – 16123, Genova or by sending certified email to the following address pec@pec.carige.it (and copy to the address:

affari.societari@carige.it), within 15 calendar days after registration in the Genoa Companies' Register of the resolution of Carige Extraordinary Shareholders' Meeting approving the Merger Plan, stating the shareholder's personal details, the address for service for notices regarding the transaction, the number and class of savings shares for which the right of withdrawal is being exercised.

The effectiveness of any withdrawal exercised by holders of Carige savings shares, as well as the payment of the liquidation value of savings shares for which withdrawal has been exercised, are subject to the effectiveness of the Merger; accordingly, the liquidation value will be paid to the withdrawing shareholders after the Merger becomes effective for statutory purposes, in any case within the time limits established by Article 2437-*quater* of the Italian Civil Code.

In the event that one or more savings shareholders exercise their right of withdrawal, the liquidation procedure pursuant to Art. 2437-*quater* of the Italian Civil Code will be carried out, with the option and pre-emption offer of the savings shareholders' shares being published and filed with the competent Companies Registers.

If, within the aforementioned term, the savings shareholders have not exercised their withdrawal right, or have exercised it only in part, they shall get BPER ordinary shares in exchange for the Carige savings shares for which they have not exercised the Right of Withdrawal, or BPER privileged shares if, by the same deadline, they have opted for the assignment of privileged shares on the basis of the Carige Savings Shares to BPER Privileged Shares Exchange Ratio..

Carige savings shares for which withdrawal is exercised will not be transferable until the outcome of the liquidation procedure.

The registration of Carige shareholders' meeting resolution in the relevant Companies' Register will be notified to the respective shareholders by means of a specific notice, detailing the procedures and terms for exercising the right of withdrawal pursuant to Article 2437-bis of the Italian Civil Code and the procedure for liquidation of the savings shares which are withdrawn pursuant to Article 2437-*quater* of the Italian Civil Code.

Given that the liquidation procedure for the savings shares withdrawn pursuant to Article 2437-*quater* of the Italian Civil Code, including the option offer and the exercise of the pre-emption right, if any, may be completed after the effective date of the Merger, BPER declares its intention to exercise the option right and the pre-emption right on all the shares remaining unsubscribed at the end of the aforesaid option and pre-emption offer, reserving the right to settle at a later date the position of the savings shareholders who may have exercised their option and pre-emption rights under the said procedure, in compliance with the rights they are entitled to.

BML shareholders will not be entitled to any right of withdrawal, as none of the cases provided for under Article 2437 et seq. of the Italian Civil Code apply.

14. PROPOSED RESOLUTION ON ITEM 1 ON THE AGENDA OF THE EXTRAORDINARY SESSION OF THE SHAREHOLDERS' MEETING

Dear Shareholders,

in relation to the foregoing, the Board of Directors invites the Extraordinary Shareholders' Meeting of BPER to approve the following proposed resolution

"The Shareholders' Meeting of BPER Banca S.p.A. ("BPER" or the "Company"):

- having examined the plan for the merger by absorption of Banca Carige S.p.A. - Cassa di Risparmio di Genova e Imperia and Banca del Monte di Lucca S.p.A. into BPER, as approved by the Boards of Directors of BPER, Banca Carige S.p.A. - Cassa di Risparmio di Genova e Imperia and Banca del Monte di Lucca S.p.A. on August 19, 2022, registered with the Modena Companies' Register pursuant to Article 2501-ter of the Italian Civil Code on 4 October and filed with the Company's registered office and published on its website pursuant to Article 2501-septies of the Italian Civil Code;

- having reviewed the explanatory report of the Board of Directors on the aforementioned merger plan, prepared pursuant to Article 2501-quinquies of the Italian Civil Code and Article 70 of the Regulation adopted by Consob Resolution No. 11971 of 14 May 1999;

- acknowledging the reference balance sheets of the companies participating in the merger, namely: (i) for BPER, the half-year financial report as at June 30 2022 approved by the Board of Directors on August 4, 2022; (ii) for Banca Carige S.p.A., the half-year financial report as at 30 June 2022 approved by the Board of Directors on August 19, 2022; (iii) for BML, the accounting statement as at June 30, 2022, including its balance sheet as at 30 June 2022, approved by the Board of Directors on August 1, 2022 pursuant to Article 2501-quater of the Italian Civil Code;
- having reviewed the report on the fairness of the exchange ratio drawn up by KPMG S.p.A., as joint expert appointed pursuant to Article 2501-sexies of the Italian Civil Code by the Court of Bologna;
- considering that (i) following the tender offers promoted by the Company on the shares of Banca Carige S.p.A., BPER has come to hold 731,095,957 ordinary shares of Banca Carige S.p.A., representing the entire ordinary share capital of Carige, net of the treasury shares held by the latter, and 8 savings shares of Banca Carige S.p.A and (ii) that Carige's ordinary and savings shares were delisted on 20 September 2022;
- considering (i) the authorisation issued pursuant to Articles 4 and 9 of Regulation (EU) No. 1024/2013 and Article 57 of Legislative Decree No. 385/93 ("**CLB**") and the relevant implementing provisions, (ii) the authorisation pursuant to Article 56 of the CLB and the relevant implementing provisions in relation to the amendments to the Articles of Association arising from the Merger, as well as (iii) the authorisation pursuant to Articles 26, paragraph 3, and 28 of Regulation (EU) No. 575/2013 and the relevant implementing provisions, for classification of the newly issued ordinary shares arising from the capital increase as CET1 instruments;
- having taken into account that BPER's current share capital amounts to Euro 2,100,435,182.40 and is represented by 1,413,263,512 registered ordinary shares, with no par value, and is fully subscribed and paid in; and
- acknowledging that these documents have been published and made available in accordance with the applicable laws and regulations;

resolves

1) to approve, on the basis of the reference balance sheets, the plan for the merger by absorption of Banca Carige S.p.A. - Cassa di Risparmio di Genova e Imperia and of Banca del Monte di Lucca S.p.A. into BPER, as already approved by their respective Boards of Directors under the terms and conditions set forth therein, and in particular to approve the aforesaid merger plan, which entails, inter alia, an exchange ratio set at

- 11,234 BPER ordinary shares, with regular dividend entitlement, for each savings share of Banca Carige S.p.A. or, alternatively and at the discretion of the holders of savings shares of Banca Carige S.p.A., 10,785 BPER privileged shares, with regular dividend entitlement, for each savings share of Banca Carige S.p.A.;
- 0.045 BPER ordinary shares, with regular dividend entitlement, for each ordinary share of Banca del Monte di Lucca S.p.A., equal to No. 9 BPER ordinary shares for every No. 200 BML ordinary shares;

without prejudice to the option of the holders of Banca Carige S.p.A. ordinary and savings shares to exercise the right to require BPER to purchase all or part of the shares of Banca Carige S.p.A. held by them for a price determined in accordance with the criteria envisaged for withdrawal, as stated in point 5) below, as well as the right of the holders of Banca Carige S.p.A. savings shares to exercise their right of withdrawal as stated in point 6) below;

2) to approve the share capital increase required for the merger for a maximum amount of Euro 27,125,286.00, through the issue of up to 17,878,609 ordinary shares, with no par value and (assuming that all savings shareholders of Banca Carige S.p.A. opt for the assignment of BPER privileged shares in application of the Carige Savings Shares to BPER Privileged Shares Exchange Ratio) up to 204,915 privileged shares, with no par value, as specified in the merger plan and in application of the aforesaid exchange ratios; and, assuming that all holders of Banca Carige S.p.A. savings shares opt for the assignment of BPER ordinary shares, to approve the share capital increase required for the merger for a maximum amount of Euro 27,138,082.50, through the issue of up to 18,092,055 ordinary shares only, with no par value, as specified in the merger plan and in application of the aforesaid exchange ratios;

3) to grant a mandate to the Chief Executive Officer to define, prior to signing the merger deed, the extent of the capital increase of the Company and the number of shares making up the relevant capital on the effective date of the merger, in application of the principles and criteria described in paragraphs 3 and 4 of the merger plan;

4) to approve, with effect as of the last recording of the merger deed or on any later date specified in the merger deed, the Articles of Association as per the schedule included in the explanatory report drafted by the Board of Directors pursuant to art. 2501-quinquies of the Italian Civil Code and art. 70 of the Regulation adopted with Consob resolution No. 11971 of 14 May 1999, without prejudice to the additional amendments to the Articles of Association relating to the current Articles 1, 5, 10, 11, 13, 17, 20, 22, 25, 26, 27, 29, 31, 35, 36, 38, 39, the deletion of Articles 36 and 44 and the renumbering of Articles 37 to 43 that this Extraordinary Shareholders' Meeting will be called to resolve upon under a separate item on the agenda of the Extraordinary Meeting, subject the necessary authorisation being obtained;

5) to grant Banca Carige S.p.A. savings shareholders, pursuant to Article 2505-bis of the Italian Civil Code, the right to require BPER to purchase all or part of the savings shares held by them in the aforesaid company for a price which will be determined pursuant to Article 2437-ter of the Italian Civil Code and disclosed according to the procedures and by the deadlines set out by the law and regulations in force;

6) to acknowledge that the holders of Banca Carige S.p.A. savings shares will have the right to withdraw pursuant to the provisions of art. 2437, paragraph 1, lett. g, of the Italian Civil Code owing to the different rights inherent in the BPER ordinary shares compared with the rights inherent in the Carige savings shares,;

7) to acknowledge that the unit value for the purpose of liquidation of each savings share of Banca Carige S.p.A. which is withdrawn under point 6) above will be set pursuant to Article 2437-bis of the Italian Civil Code and disclosed according to the procedures and by the deadlines set out by the law and regulations in force;

8) to acknowledge that the legal effects of the merger, pursuant to Article 2504-bis, paragraph 2, of the Italian Civil Code shall run as of the last recording of the merger deed with the Companies Register, or as of the later date specified in the merger deed, and that the transactions of the Merging Companies shall be booked to the financial statements of the Acquiring company, also for tax purposes, as of 1 July, if the merger takes effect for statutory purposes by 31 December 2022, or as of 1 January 2023 if the merger takes effect for statutory purposes in the course of 2023; and

9) to vest the Chair of the Board of Directors and the Chief Executive Officer, severally, and also through holders of a special power of attorney, to the extent permitted by law, with the broadest powers to implement the above resolutions, and therefore, *inter alia* (i) to make the necessary adjustments to the Articles of Association depending on the choices on share exchange and withdrawal made by the holders of Banca Carige S.p.A. savings shares in application of the principles and criteria described in points 3 and 10 of the merger plan and, consequently, on whether or not to assign BPER privileged shares; (ii) to fulfil all the formalities required in order for the shareholders' meeting resolution to be recorded in the Modena Companies Register with the power - in particular - to make any non-substantial amendments, deletions and additions to said resolution as may be required by the relevant Authorities or for the purposes of registration; (iii) to execute and sign the merger deed, also through holders of a special power of attorney, in compliance with laws and regulations, establishing the terms, conditions and clauses thereof, determining the effective date thereof to the extent permitted by law and in accordance with the merger plan, allowing for any necessary transfers and transcriptions possibly required for the assets or, in any event, relating to the asset and liability items included in the balance sheet of Banca Carige S.p.A.-Cassa di Risparmio di Genova e Imperia and Banca del Monte di Lucca S.p.A., as well to enter into any implementing, reconnaissance, supplementary and/or amending deeds that may be necessary or appropriate for the purpose of implementing this merger resolution, establishing clauses, terms and procedures, and to perform all acts necessary or simply appropriate for the successful completion of the transaction, as well as (iv) to perform all disclosure obligations connected with the merger deed and to carry out any other act and/or activity necessary or useful for the purpose of executing the merger".

* * * * *

BPER Banca S.p.A.

The Chair

Flavia Mazzarella