



**QUESTIONS SUBMITTED PRIOR TO BPER SHAREHOLDERS MEETING OF 26 APRIL 2023
BY F. SAVERIO TELESCA AS REPRESENTATIVE OF THE SHAREHOLDER ELMAN ROSANIA¹**

Question no. 1

The management of BPER Banca spa decided in 2023, for the fourth year in a row (after 2020-2021-2022), to prohibit the holding of the annual shareholders' meeting with the attendance of shareholders in person ("open doors"), which had always been allowed even throughout the period of the covid pandemic.

By doing so, the management of BPER Banca spa once again availed itself of the option, which in the period of the covid-19 pandemic had been provided for "as an exception" to rules and regulations in force, pursuant to paragraph 4 of art.106 of Decree-Law no.18 of 17.03.2020. The option was later extended several times until 31.07.2022 and recently reintroduced with Law no.14 of 24.02.2023, whereby the new Italian Parliament, with the favourable opinion of the Government, inserted paragraph 10-undecies into art. 3 of Decree-Law no. 198 of 29.12.2022 upon enactment (a.k.a. the "mille proroghe" decree), by means of an amendment submitted to the Senate on 15.02.2023 without requiring prior examination by the relevant standing Committees.

Therefore, on 24.03.2023 the Chair, Flavia Mazzarella, convened the shareholders' meeting of BPER Banca spa "behind closed doors" in Modena for 26.04.2023, with the participation only of the company Computershare spa (in its capacity as the representative designated by the management of BPER Banca spa), to which the shareholders were obliged to grant a proxy. However, in the notice of call the Chair did not inform the shareholders and the public of the reasons for having adopted this optional method on the basis of clear and explicit criteria.

That being said, we request the Chair Flavia Mazzarella to duly clarify the reasons for the optional choice underlying the decision of holding the shareholders' meeting of 26.04.2023 "without attendance of the shareholders in person" ("behind closed doors"), when it could have legitimately been held "with attendance of the shareholders in person" ("open doors"); an optional choice whereby the management of BPER Banca spa has once again denied every single shareholder the exercise of their inalienable right to participate in person in the proceedings and debate of the shareholders' meeting, which is the venue for direct, immediate interaction between shareholders and the management, i.e. between the two governing bodies with distinct corporate functions, in addition to being the (moral) venue where majority decisions are taken.

¹ He declared that he was intervening "also as a representative of the minority reference group of the former Banca Mediterranea del Sud Italia forced to merge in 2000/2007 into Banca di Roma-Capitalia/Unicredit spa".

Answer:

As reported in the notice of call, Law no. 14 of 24 February 2023, enacting Decree-Law no. 198 of 29 December 2022 (a.k.a the “Milleproroghe 2023” Decree), extended until 31 July 2023 the terms and deadlines established by article 106, paragraph 4, of law Decree no. 18 of 17 March 2020, enacted by Law no. 27 of 24 April 2020, as amended (the “Cura Italia” Decree) and by art. 3, paragraph 1, of Decree-Law no. 228 of 30 December 2021, enacted by Law no. 15 of 25 February 2022, on the subject of the holding of Shareholders’ Meetings of companies and entities, and thereby allows for the intervention and exercise of the vote of those entitled to attend the Shareholders’ Meeting exclusively through the designated representative.

BPER has therefore availed itself of an option granted by the law.

For the purposes of this choice, it was considered that evidence from both BPER Banca and other companies in recent years shows that, even by using this approach, participation in Shareholders’ Meetings by the entitled parties was very high, if not even higher than in the past (for BPER Banca, for example, the percentage of the share capital represented at last year’s Shareholders’ Meeting was around 52.51%, an increase compared to the percentage of previous Shareholders’ Meetings), in line with the growth in shareholders participation at the Shareholders’ Meetings of the most highly capitalised listed companies in recent years, as was disclosed in the Consob Report on Corporate Governance of Italian Listed Companies of 2021.

The right to participate in the Shareholders’ Meetings is, *inter alia*, adequately guaranteed by the right of shareholders to submit proposals for resolutions on the items on the meeting agenda, ask questions and obtain answers prior to the meeting, in the manner and by the deadlines set out in the notice of call.

Finally, this choice also allows for a containment of costs related to renting and setting up the meeting premises, arranging for security, medical assistance, catering, cleaning services, in addition to the costs for any employees and consultants required to provide support prior to and during the meeting.

Question no. 2

What is the opinion of the management of BPER Banca spa on the fact that on 03.04.2023 the financial statements meeting of Cassa di Ravenna spa, convened on 02.03.2023 by Chairman Antonio Patuelli, who has also been at the helm of the Italian Banking Association (ABI) since 2013, was held in the Dante Alighieri Theatre in Ravenna “with attendance of the shareholders in presence”? What were the reasons that prevented the Chair Flavia Mazzarella and the management of BPER Banca spa from imitating the example of President Antonio Patuelli and led them to act differently?

Answer:

BPER Banca does not intend to comment on the choices made by other banks. The reasons that led BPER Banca to opt for holding this Shareholders’ Meeting in the manner envisaged by Law no. 14/2023, enacting Decree-Law no. 198/2022, are reported in the answer to Question no. 1.

Question no. 3

Since the option to hold shareholders' meetings "without attendance of the shareholders in presence" ('behind closed doors', as illustrated above) was extended until 31.07.2022, the shareholders' meeting of BPER Banca spa of 05.11.2022 was held in Modena with attendance of the shareholders in presence.

How much and what were the costs borne by BPER Banca spa for holding the shareholders' meeting of 05.11.2023 "with attendance of the shareholders in presence"?

Answer:

Please refer to the answer to Question 6.

Question no. 4

And how many shareholders and related proxies attended the BPER Banca spa meeting in person on 05.11.2022?

Answer:

For details on the attendance of shareholders at the BPER Shareholders' Meeting held on 5 November 2022, please refer to the annex to its minutes, available at www.bper.it > Institutional website > Governance > Shareholders' Meetings.

Question no. 5

What is the Management estimate of the overall costs for holding the shareholders' meeting of BPER Banca spa on 26.04.2023 "behind closed doors" in Modena with the sole participation of the designated representative Computershare spa and how does it differ from the overall costs of the last shareholders' meeting of BPER Banca spa held on 05.11.2022 in Modena "in presence"?

Answer:

Please refer to the answer to Question 6.

Question no. 6

What is the forecast of the various itemised costs for the shareholders' meeting scheduled for 26.04.2023 "without attendance of the shareholders in presence" ("behind closed doors") in Modena and how does it differ from the same itemised costs of the last shareholders' meeting of BPER Banca held on 05.11.2022 in Modena "in presence"?

Answer:

The costs for holding BPER Banca Shareholders' Meetings, both those held "in presence" and those held with the sole participation of the designated representative, are in line with usual market standards for Shareholders' Meetings of listed banks of a similar size. The costs incurred for the Shareholders' Meeting of 5 November 2022 were higher than those estimated for the Shareholders' Meeting of 26 April 2023 due to the

higher costs associated with renting and setting up the meeting premises, arranging for security, medical assistance, catering, cleaning services, in addition to the costs for any employees and consultants required to provide support prior to and during the meeting.

Question no. 7

Why does the management of BPER Banca spa not broadcast live public audio-video coverage of the proceedings of the shareholders' meeting on the corporate website of the BPER group and why does the management continue not to implement full and transparent corporate disclosure using modern communication techniques, which are already in use by leading competing banks in the eurozone, including Société Générale s.a. (http://akah.event.novialys.com/Datas/societe_generale/1206349_5ccff3f981a98/index.php) and Crédit Agricole S.A., as reported and requested also in the written intervention of Elman Rosania attached as Annex "C" to the minutes of the previous shareholders' meeting of BPER Banca spa which was held in Modena on 22.04.2020 "without attendance of the shareholders in person" ("behind closed doors")?

Answer:

Technological developments in the digital and telecommunications world, as well as their possible applications at company level, are constantly monitored by BPER Banca. However, broadcasting the Shareholders' Meeting via streaming is not a method that allows eligible shareholders to participate in the Shareholders' Meeting by telecommunication means, because it does not allow them to intervene in the Shareholders' Meeting and exercise their voting rights. Moreover, given the cost and technical complexity of setting up a system that guarantees access to viewing only to legitimate and correctly identified parties, streaming would pose a risk of extending the viewing of the event to non-eligible persons.

Question no. 8

Do BPER Banca spa or the investee companies of the BPER Banca Group or their collaborators have, or have they had, relations with Massimo Garavaglia, business consultant and senator of the parliamentary group "Lega Salvini Premier - Sardinian Action Party", who was the promoter of the amendment (No. 3.300 Senate Act Decree-Law No. 452) to paragraph 10-undecies of Article 3 of Law Decree No. 198 of 29.12.2022 (so-called mille proroghe), approved with the favourable opinion of the Government during the 38th Public Sitting of the Senate on 15 February 2023 (link: <https://www.senato.it/japp/bgt/showdoc/frame.jsp?tipodoc=Emend&leg=19&id=1368771&idoggetto=1370048> ; see also video of the Senate webtv at 51 minutes and 30 seconds from the beginning of the proceedings, link: <https://webtv.senato.it/video/showVideo.html?seduta=38&leg=19&id=00022963>)?

Answer:

The question is not relevant to the items on the agenda of the Shareholders' Meeting.

Question no. 9

Do BPER Banca spa or the investee companies of the BPER Banca Group or their collaborators have, or have they had, relations with exponents of the political movement of the League to which senator Massimo

Garavaglia belongs, who was the promoter of the above-mentioned amendment (No. 3.300 Senate Act Decree-Law No. no. 452) recently included in the newly enacted Law no. 14 of 24.02.2023, whereby the option provided during the covid pandemic was reintroduced – as later extended until it expired on 31.07.2022 - which allowed the management of BPER Banca spa to once again prohibit the attendance of shareholders in person at the shareholders' meeting under discussion called to approve the accounts and scheduled for 26.04.2023, obliging them to grant a proxy to the designated representative Computershare spa, selected by the same management of BPER Banca spa?

Answer:

The question is not relevant to the items on the agenda of the Shareholders' Meeting.

Question no. 10

During the 2022 financial year under review, the Italian National Institute of Statistics (Istat) ascertained that there were about six million Italians in absolute poverty (1.9 million households) and an additional nine million or so living in relative poverty (2.6 million households, see link: <https://www.istat.it/it/archivio/271940>), bearing witness to the fact that poverty has more than doubled in the last twelve years.

The Istat data were confirmed in the report published by Caritas on the occasion of the International Day for the Eradication of Poverty celebrated on 17.10.2022.

Against this backdrop, we would like to ask the Chair, Flavia Mazzarella, and the Chair of the Remuneration Committee, Maria Elena Cappello, whether they do not feel that the increase in their remuneration from €283,000 to €423,000 (+49%) and from €85,000 to €124,000 (+46%) respectively, is anachronistic; annual pay rises were additionally awarded to all other members of the Board of Directors, culminating with the CEO Piero Luigi Montani receiving € 1,711,000 in fixed remuneration plus € 393,000 of variable remuneration and director Gianni Franco Papa (former General Manager of Unicredit spa), whose annual remuneration was increased from € 120,000 to € 354,000 (+195%), as shown on pages 56, 60 and 62 of the report on the BPER Group's remuneration and compensation paid in 2022.

Answer:

As clarified in the 2023 Report on Remuneration Policy and Remuneration Paid, the change in the remuneration of the members of the Board of Directors, referred to in the question, is actually due solely to a different time period of entitlement, *i.e.* 8 months for 2021 against 12 months for 2022 (unlike in 2022, in 2021 the remuneration referred only to a portion of the year and not to the entire year).

That said, the remuneration of the members of the Board of Directors, the Chairman and the Vice-Chairman remained unchanged also compared to the remuneration set by the Shareholders' Meeting during the previous board term.

As regards the remuneration of the Chief Executive Officer/General Manager, the fixed component, on an annual basis, also remained unchanged compared to 2021. In 2021, the remuneration referred, in fact, as for the other Directors, only to a portion of the year, whereas it refers to the entire 12-month period in 2022. For the variable portion, on the other hand, the change depends on the best results achieved in the 2022 MBO scheme.

As for the Director Gianni Franco Papa, it should be added that he also held the position of Chairman of the Board of Directors in a number of subsidiaries in 2022, more specifically in Banca Carige S.p.A. (until its merger into BPER Banca) and in Banca Cesare Ponti S.p.A. (where he is still in office).

That said, we point out that the remuneration attributed to the Chief Executive Officer and the other members of the Board of Directors is in line with market remuneration for companies of similar size and characteristics.

Question no. 11

The Chair Flavia Mazzarella and the Chair of the Remuneration Committee Maria Elena Cappello are requested to comment on whether or not the criteria of the remuneration, compensation and incentive policies adopted by competitor La Cassa di Ravenna spa can be applied in BPER Banca spa; and to please clarify the differences between the criteria adopted by the two banks based in Emilia Romagna.

Answer:

BPER Banca S.p.A. does not comment on the choices made by other banks. It should be noted that, as reported on page 25 of the 2023 Report on Remuneration Policy and Compensation Paid, a benchmarking exercise on the remuneration policies applied by competitors is systematically conducted with respect to a panel of comparable listed Banking Groups, which does not include “La Cassa di Ravenna S.p.A.”.

Question no. 12

The management of BPER Banca spa is certainly aware of the CBDC (central bank digital currency), whereby Central Banks are designing and implementing their own digital currencies, with lending to individuals and companies being centralised.

In this scenario, what is BPER Banca spa’s position?, what initiatives has it taken so far, and will it still be able to play a role in the credit industry in the future, ensuring lucrative dividends and a profitable business(including credit cards and ATM services) for its shareholders?

Answer:

The question is not relevant to the items on the agenda of the Shareholders’ Meeting. In any case, BPER Banca carefully monitors any potential developments in the Group’s business, including as a result of changes to the regulatory framework, paying the utmost attention to issues concerning the rights of its customers.

Question no. 13

The General Manager of the Bank for International Settlements (BIS), Agustin Carsten, is reported to have stated that the CBDC is a monetary system in which money is used in a completely different way from cash, allowing Central Banks to ‘maintain individual control over’ money, with centralised management of its use (see link: <https://www.bis.org/speeches/sp220118.htm>).

This absolute power would allow Central Banks both to acquire any kind of information on the citizens’ personal data and their use of money, and to intervene in strategic monetary matters at the legislative level.

Can the Chair Flavia Mazzarella and the other senior managers of the company say whether granting such an absolute power to the central banks would jeopardise the protection of the right to privacy of BPER Banca SpA's customers, given that -under the centralised system referred to above- BPER Banca SpA would also be obliged to supply its customers' data to the central banks, and whether they foresee a loss of competence for BPER Banca SpA with a consequent reduction in its lending activities? And what credit-related activities and services will be left for BPER Banca spa?

Answer:

The question is not relevant to the items on the agenda of the Shareholders' Meeting. In any case, BPER Banca carefully monitors any potential developments in the Group's business, including as a result of changes to the regulatory framework, paying the utmost attention to issues concerning the rights of its customers, privacy included.

Question no. 14

PSD2 (Payment Services Directive 2) requires European banks to make their APIs (Application Programming Interface, i.e. programming standards that allow different computer systems to communicate in a simple and rapid manner) accessible to authorised third parties, who can therefore securely gain access to the banks' data and propose innovative services to their customers.

The Chair Flavia Mazzarella and other senior managers are requested to confirm whether BPER Banca spa is applying PSD2 and transferring its customers' data to international non-banking groups, and please name them considering that, in the opinion of Paul Kircher, an expert and private researcher of the HumanEconomy working group based in Alto Adige/South Tyrol, international non-banking groups could be preparing to manage activities and services (through cryptocurrency systems and other payments) that are currently within the domain of BPER Banca spa.

Answer:

Please refer to the answer given with reference to Question 13.

Question no. 15

With regard to the electronic creation of money by BPER Banca spa, the Chair Flavia Mazzarella is requested to authorise us to view the company's ledger to see whether, when each loan was granted, the relevant accounting entry was made under loans to customers/deposits to customers in the accounts.

Answer:

Please refer to the answer given with reference to Question 13.