

# BPER:

---

**Shareholders' Meeting of 19 April 2024**

**Report of the Board of Directors**

**on item 7 a) on the agenda of the ordinary session**

---

**BPER Banca S.p.A.****Shareholders' Meeting of 19 April 2024*****Report of the Board of Directors  
on item 7 a) on the agenda of the ordinary session******Report on Remuneration Policy and Compensation Paid, comprising:***

- a1) remuneration policies of the BPER Banca S.p.A. Group for 2024 (binding resolution);***
- a2) compensation paid in 2023 (non-binding resolution).***

\* \* \* \* \*

Shareholders,

With reference to item 7 a) on the agenda, the Board of Directors has called you, pursuant to the provisions of Bank of Italy Circular no. 285 of 17 December 2013 regarding "Remuneration and incentive policies and practices" (Part 1, Title IV, Chapter 2, Section II), and article 123-ter of Legislative Decree no. 58 of 24 February 1998 (the "Consolidated Law on Finance") and article 11, para. 2 of the Articles of Association, to resolve upon the Report on Remuneration Policy and Compensation Paid.

The Report comprises:

- a first section, submitted to a binding vote at the Shareholders' Meeting, containing an explanation of the Remuneration Policies of the BPER Banca S.p.A. Group for 2024 and the procedures for their adoption and implementation;
- a second section, submitted to a non-binding vote at the Shareholders' Meeting, which by name for each Director, Statutory Auditor and General Manager and, in aggregate, for the executives with strategic responsibilities: (i) provides a detailed explanation of each of the items that make up remuneration including any compensation paid for termination of employment or severance showing its consistency with the remuneration policies adopted by the Bank for 2023; (ii) provides a detailed list of the compensation paid for any purpose and in any form by the Company, its subsidiaries or associates in 2023 or, in any case, in relation to that year; (iii) explains how the Bank took into consideration the vote cast by the Shareholders' meeting on the second section of the Report in the previous year.

With reference to this item on the agenda, the Shareholders' Meeting will hold two distinct and separate votes: one concerning sub-item a1) and the other concerning sub-item a2), based on the proposals set out below.

\* \* \* \* \*

With regard to the above, and without prejudice to reference made to the content of the Report on Remuneration Policy and Compensation Paid, which will be made available to the public according to the terms and deadlines set by regulations in force, attention is drawn to the fact that the

Remuneration Policies of the BPER Group are intended to encourage the achievement of short- and medium/long-term objectives, in terms of growth and sustainability.

In particular, the Remuneration Policies of the BPER Group for 2024 are characterised by:

- alignment with the annual and medium/long-term objectives, consistent with the Banking Group's strategic guidelines for growth;
- pursuit of the interests of all stakeholders, within a framework of value creation for shareholders, the community, customers, employees and the overall ecosystem in which the Group operates;
- alignment with best market practices, ensuring that the BPER Group will be able to retain, engage and attract the best resources;
- confirmation of increasing attention being paid to the impact of the remuneration policies on ESG (Environmental, Social and Governance) factors and gender neutrality;
- constant verification of regulatory changes and compliance with the relevant regulatory framework.

As required, the main changes and additions made to the version approved by the Shareholders' Meeting in April 2023 are reported below:

- Chapter 2 'Governance of Remuneration Policies', provides an update to the powers of the Remuneration Committee, in line with the provisions of the relevant Operating Rules;
- the paragraph on 'Exceptional Circumstances and waivers to the Remuneration Policy', which has been simplified and moved to Chapter 7 'Remuneration Policy', regulates, in line with the provisions of the Regulation adopted by Consob with resolution No. 11971 of 14 May 1999 (the 'Issuers' Regulation'), the process and elements of the remuneration policy which may be waived in the event of exceptional circumstances, as defined in Article 123-ter, paragraph 3-bis, of the Consolidated Law on Finance;
- Chapter 7.3 "Remuneration of the Group's Material Risk Takers", - describes - with regard to the MBO Plan - the range of the target and maximum incentive for executives with strategic responsibilities, without prejudice to the possibility for the Board of Directors to consider a revision, if any, of the MBO target opportunity (bonus target) within the overall variable remuneration cap defined by the Remuneration Policies, in consideration of the need to attract, motivate and retain strategic resources;
- Chapter 7.9 'Remuneration granted in view or on termination of employment of Material (and Non-Material) Risk Takers', in which (i) provision is made for the possibility of using the pre-defined formula also for those who access retirement benefits through the banking industry's solidarity fund (as an alternative to any arrangements under the redundancy incentive agreements defined with the trade unions) with a 50% curtailment; (ii) it is specified that, for personnel operating in foreign countries and to whom local regulations or collective agreements apply, severance payment is determined in accordance with the terms defined therein.

The Policies have thus been defined to ensure their adequacy and consistency with the recommendations made by internal and external stakeholders of the Group, while maintaining constant alignment with the corporate strategies adopted, in order to achieve close correlation between remuneration consistency, the results delivered and the sustainability of the initiatives undertaken, in terms of both prudent risk management and regulatory compliance.

\* \* \* \* \*

## Resolutions proposed to the Shareholders' Meeting

In light of the above, the Board of Directors submits the following proposed resolutions to the Shareholders' Meeting for approval:

### **(i) item 7a1) on the agenda:**

*“The Ordinary Shareholders' Meeting of BPER Banca S.p.A., having examined the “2024 Report on Remuneration Policy and Compensation Paid”, prepared pursuant to art. 123-ter of Legislative Decree no. 58 of 24 February 1998 and, in particular, the first section concerning the remuneration policies of the BPER Banca S.p.A. Group for 2023, in acceptance of the proposal submitted by the Board of Directors,*

*resolves to*

*approve, with a binding vote, the remuneration policies of the BPER Banca S.p.A. Group for 2024, contained in the first section of the “2024 Report on Remuneration Policy and Compensation Paid” (the “Remuneration Policies of the BPER Group for 2024”);*

### **(ii) item 7a2) on the agenda:**

*“The Ordinary Shareholders' Meeting of BPER Banca S.p.A., having examined the “2024 Report on Remuneration Policy and Compensation Paid”, prepared pursuant to art. 123-ter of Legislative Decree no. 58 of 24 February 1998 and, in particular, the second section concerning the compensation paid in 2023, in acceptance of the proposal submitted by the Board of Directors,*

*resolves to*

*cast a favourable (non-binding) vote on the second section of the “2024 Report on Remuneration Policy and Compensation Paid” relating to the compensation paid in 2023 (the “2023 Annual Remuneration Report”).*

Modena, 20 March 2024

BPER Banca S.p.A.

The Chair

Flavia Mazzearella