

BPER:

Shareholders' Meeting of 19 April 2024

Report of the Board of Directors

on item 7 c) on the agenda of the ordinary session

BPER Banca S.p.A.**Shareholders' Meeting of 19 April 2024*****Report of the Board of Directors
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Authorisation to purchase and dispose of treasury shares to service the 2024 MBO incentive scheme, the 2022-2025 Long-Term Incentive (LTI) Plan, in addition to any severance payments due.

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Shareholders,

With reference to item 7 c) on the agenda of the Shareholders' Meeting, the Board of Directors has called you to submit to your attention the proposal for the approval of the authorisation to purchase and dispose of treasury shares, pursuant to art. 2357 and 2357-ter of the Civil Code and art. 132 of Legislative Decree no. 58 of 24 February 1998 (the "Consolidated Law on Finance"), to service the 2024 MBO Incentive System and the 2022-2025 Long-Term Incentive (LTI) Plan (as last approved by the Shareholders' Meeting of 5 November 2022), in addition to any severance payments due.

This explanatory report, prepared pursuant to and in compliance with art. 73 of the Regulation adopted by Consob with resolution no. 11971 of 14 May 1999 (the "Issuers' Regulation") and related Annex 3A, schedule 4, is intended to illustrate the reasons and the terms of the proposal.

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Reasons for the proposed authorisation

Portions of the variable component of remuneration are planned to be paid in ordinary shares of BPER Banca S.p.A. as part of the 2024 MBO incentive scheme and the 2022-2025 "Long-Term Incentive (LTI) Plan", in addition to any severance payments due.

In consideration of this purpose, transactions in treasury shares fall within the scope of Article 5 of Regulation (EU) No. 596/2014 on market abuse ("MAR") and the accepted market practices under Article 13 of that same Regulation.

More specifically, the proposal envisages that the Company's Board of Directors be granted the right to carry out repeated and subsequent transactions to purchase and sell (or otherwise dispose of) own shares, including fractions of the maximum authorised amount, specified below, so that, at any time, the number of treasury shares held by the Company does not exceed the limits set out by law and by the Shareholders' Meeting authorisation.

Maximum number of shares referred to in the proposed authorisation

The request for authorisation refers to a maximum number of 17,400,000 ordinary shares, representing 1.2% of the Company's share capital as at 19 January 2024 (date of submission of the request for authorisation to the ECB) and in any event not exceeding a total amount of approximately Euro 53.07 million, corresponding to a reduction in the consolidated fully phased CET1 ratio as at 30 September 2023 by approximately 10 basis points.

Additional useful information for assessing compliance with art. 2357, paragraph 3, of the Italian Civil Code

In light of the above, even considering the 3,088,744 treasury shares held by the Company as at the date of approval of this Report (equal to 0.22% of the ordinary shares outstanding), this proposal remains below the threshold of one fifth of share capital set out by art. 2357, para. 3, of the Italian Civil Code.

The purchase of treasury shares will be carried out within the limits of distributable profits and available reserves, as reported in the financial statements (annual report) available at the time of purchase.

The market value of the shares, calculated on the basis of their closing price on the trading day prior to the date of the European Central Bank's authorisation, will be deducted from regulatory capital from the date of the authorisation, irrespective of the shares actually purchased.

Pursuant to art. 2357-*ter* of the Italian Civil Code and the provisions of the IAS/IFRS international accounting standards and Bank of Italy Circular 262 of 22 December 2005, the value of the treasury shares purchased will be recognised in the financial statements for the reporting years of reference to reduce equity under a specific item in the balance sheet.

Term for which the authorisation is requested

It is proposed that, pursuant to Article 2357 of the Civil Code, the purchase authorisation be granted for a period of eighteen months from the shareholders' resolution date, subject to the necessary authorisations by the Supervisory Authority pursuant to Articles 77 and 78 of Regulation (EU) No. 575/2013 ("CRR").

It is specified that:

- the request is based on Article 78(1)(2) of the CRR;
- pursuant to the provisions of Article 31(2) of Regulation 241/2014, the repurchase of own shares under Article 77(1) of the CRR will take place no earlier than 20 May 2024.

Pursuant to regulations in force, the authorisation to dispose of treasury shares held to date and treasury shares that will be purchased for the above-mentioned purposes is requested with no time limits to allow for maximum flexibility.

Procedures for the acquisition and disposal of treasury shares

Purchases of treasury shares shall be made on the regulated markets pursuant to art. 132 of the Consolidated Law on Finance and art. 144-bis, para. 1 b) of the Issuers' Regulation in accordance with the operating procedures laid down in the regulations governing the markets' organisation and management, so as to ensure equal treatment of shareholders.

Therefore, purchases shall be carried out, including in several tranches, exclusively on the regulated market organised and managed by Borsa Italiana S.p.A., pursuant to the operating procedures established by the latter, which do not allow for the direct matching of buy orders with pre-determined sell orders.

Sale transactions of treasury shares already in the portfolio and of those which will be purchased, will be carried out in the manner deemed more appropriate in the interest of the Company, including transfer and/or assignment to execute stock granting incentive plans.

Minimum and maximum consideration

With reference to the consideration for the purchase transactions, the purchase price of each treasury share, inclusive of any ancillary purchase charges, shall be, as a minimum, no lower than 5% and, as a maximum, no higher than 5% of the official stock price quoted on the *Euronext Milan* market (former Mercato Telematico Azionario) on the day before the purchase. This range is proposed in compliance with the regulations of the Italian Civil Code, which impose the definition of a minimum and maximum consideration.

In any event, each purchase trade made shall not be executed at a price higher than the higher of the price of the last independent trade and the highest current independent purchase bid on the trading venue where the purchase is carried out.

With regard to the disposal of treasury shares, the Board of Directors will at any given time establish the criteria to determine the consideration and/or procedures, terms and conditions of use for the treasury shares held, taking into account the implementing measures applied, the share price trend in the period prior to the transaction and the Company's best interest, always in compliance with regulations in force.

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Resolution proposed to the Shareholders' Meeting

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

"The Ordinary Shareholders' Meeting of BPER Banca S.p.A., having examined the explanatory Report of the Board of Directors on item 7 c) on the agenda, in acceptance of the proposal submitted by the Board of Directors,

resolves

- 1. to authorise the purchase and the disposal of up to 17,400,000 BPER Banca S.p.A. ordinary shares (not exceeding a total value of Euro 53.070 million), with no par value, to service the 2024 MBO Incentive scheme and the 2022-2025 Long-Term Incentive (LTI) Plan, in addition to any severance payments due, it being understood that the purchase and disposal transactions of treasury shares may be carried out:*

- *only after obtaining the necessary authorisation from the Supervisory Authority, pursuant to articles 77 and 78 of Regulation (EU) No. 575/2013 ("CRR") of 26 June 2013;*
 - *within the limits and on the terms and conditions established in the Explanatory Report of the Board of Directors;*
2. *to vest the Board of Directors and, on its behalf, the Chair and the Chief Executive Officer, jointly or severally, with all powers -subject to the possibility for the powers to be sub-delegated- as are necessary to enforce this resolution and to inform the market, in compliance with the applicable regulations and market practices in force at any given time".*

Modena, 20 March 2024

BPER Banca S.p.A.
The Chair
Flavia Mazzarella