



**Policy on diversity, equity and
inclusion in the Corporate Bodies
and in the company population
of the BPER Banca Group**

Modena, 28 April 2022

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Definitions

BPER Banca or BPER or Bank or Parent Company: BPER Banca S.p.A., parent company of the BPER Banca S.p.A. Group

Corporate Governance Code: the Corporate Governance Code for listed companies approved at any given time by the Corporate Governance Committee.

Code of Ethics: the BPER Code of Ethics, available in the “Governance” Section of the company internet Website (<https://istituzionale.bper.it/governance>).

Committees: the committees established within the management body of BPER Banca.

Board of Directors: the Board of Directors of BPER Banca.

Board of Statutory Auditors: the Board of Statutory Auditors of BPER Banca.

Supervisory Provisions: Supervisory Provisions for banks contained in the Banca d'Italia Circular no. 285 of 17 December 2013.

Gender Pay Gap: the pay gap between genders, namely the difference between the average annual salary received by women and that received by men.

BPER Banca Group or Group: the group headed by BPER Banca S.p.A., including all Subsidiary Companies, even external to the banking group.

Corporate Bodies: the Bodies with strategic supervision, management and control functions.

Operating Plan or Plan: the plan indicated in paragraph 3 below.

Policy: this Policy on diversity, equity and inclusion in the Corporate Bodies and in the company population of the BPER Group.

Principles: the principles indicated in paragraph 2 below.

Subsidiary Companies: the Italian or foreign companies belonging to the BPER Banca S.p.A. Group, as well as the other Italian and foreign companies controlled, directly or indirectly, by BPER Banca, in accordance with Art. no. 93 of the Consolidated Law on Finance.

Articles of Association: the articles of association of BPER Banca.

Foreword

The BPER Banca Group recognises the values of diversity, equity and inclusion as key resources for the innovation, increase in productivity and sustainability of its organisation.

Therefore, the Group takes steps to generate the cultural and operational change required to guarantee, within its organisation, an inclusive environment that does not discriminate on the basis of gender, age, disability, state of health, ethnicity, geographical origin, sexual orientation and identity or political ideologies and it promotes the values indicated above to protect the maximum expression of the potential of the individual as a distinctive and functional element to the growth of the Group.

In the context of the foregoing and taking account of the social, economic and cultural characteristics of the market in which it operates, the Group pays particular attention to aspects linked to gender diversity and undertakes to guarantee equal opportunities and treatment, by using neutral, objective and inclusive criteria at all company levels.

Taking account of legislative and regulatory sources, the recommendations of the Corporate Governance Code, the Articles of Association and the Code of Ethics of BPER, this Policy defines the Principles and commitments that the Group intends to pursue in order to promote inclusion and equal opportunities within its organisation, which includes the Corporate Bodies, the Subsidiary Companies and all company personnel.

1. General Aspects

Summary of main issues dealt with / changes made

The “Policy on diversity, equity and inclusion in the Corporate Bodies and in the company population of the BPER Group” describes the policies, guidelines and Principles adopted by BPER Banca, in the capacity of Parent Company, with regard to:

- (i) the composition of the Corporate Bodies of BPER Banca and the Subsidiary Companies and
- (ii) the entire company population of the BPER Group.

Drafting party:

Chief General Counsel - Corporate & Regulatory Affairs Service

Chief Human Resource Officer - Internal Communication Office

Approving party:

Board of Directors

Recipients of the document:

BPER Banca and all Subsidiary Companies

2. Principles of diversity, equity and inclusion

In line with the regulatory provisions and recommendations in force, best practices, and the content of its Code of Ethics, the BPER Group operates with reference to the following key Principles:

- **to promote an inclusive culture towards all *stakeholders of the Group***, which identifies in diversity the ability to strengthen skills and a competitive advantage at every level of the corporate structure;
- **to guarantee equal opportunities and treatment in every phase of life in the company** (joining, training, assessment, professional development and remuneration);
- **to guarantee balance in selection processes (internal and external) and promotion based upon merit**, without discrimination or distinction;
- **to structure training courses** aimed at supporting professional growth and an increase in skills, covering aspects of diversity also with a view to contributing to cultural change;
- **to assess every collaborator and to promote their professional development following approaches based upon objective, neutral and inclusive criteria**;
- **to guarantee remuneration and incentives based upon equity**, excluding any penalisation related to diversity factors;
- to implement working methods that facilitate a **work-life balance**, in recognition, protection and respect of requirements linked to the various periods of life of its employees.

3. Operating Plan

With reference to the Principles indicated above, BPER defines, in particular, a “Three-Year Operating Plan in support of gender diversity” based upon the analysis of the maturity level achieved in the Bank's various operating areas. The Plan forms an integral part of the Group's strategic objectives and is of primary importance with respect to the goals set in relation to Sustainability. The Operating Plan includes:

- the definition of quantifiable, measurable and objective goals and key performance indicators (KPI), differentiated by segment of population/geography/company function;
- the definition of the actions and interventions necessary to achieve the goals indicated above;
- the periodic measurement of the results achieved both in qualitative and quantitative terms and a systemic comparison with the market of reference;
- the preparation of any corrective actions.

BPER reports annually on the activities undertaken and the goals achieved in the Report on corporate governance and ownership structure and in the Consolidated Non-financial Statement prepared in accordance with Italian Legislative Decree 254/2016.

4. Corporate Bodies of BPER Banca and of the Subsidiary Companies

The composition of the Parent Company's Corporate Bodies is inspired by the Principles outlined above and guarantees compliance with the provisions of the legislation in force and best practices, through the integration of differentiated profiles, in terms of skills, training and professional career, geographical origin, gender, age bracket and seniority in the role.

Taking account of the current regulatory and statutory structure, the indications contained in this Policy with regard to the Corporate Bodies of BPER Banca are particularly aimed at persons involved in the selection and appointment procedure of the aforementioned Bodies and, in particular:

- Shareholders who, in accordance with the law and the Articles of Association, intend to submit lists of candidates for appointment within the Board of Directors and the Board of Statutory Auditors or applications to replace the outgoing Directors and Auditors during the mandate;
- the Shareholders' Meeting, called to appoint or replace, during the mandate, any members of those Bodies;
- the Board of Directors and the Board of Statutory Auditors, in producing guidelines for the Shareholders on the quantitative and qualitative composition of the respective bodies considered optimal, taking account of the outcomes of the self-assessment process.

Furthermore, BPER Banca, in the capacity of Parent Company, adopts - with a document approved by the Board of Directors - guidelines ("**General Guidelines**") on the composition and designation of the Corporate Bodies of the Subsidiary Companies, referring to values coherent with those envisaged by this Policy and promoting diversity and a culture of inclusion even within the Corporate Bodies of the Subsidiary Companies.

4.1 Gender

BPER Banca implements, at statutory and/or regulatory level, mechanisms that guarantee, within the Board of Directors and the Board of Statutory Auditors, the presence of a number of representatives of the less represented gender at least equal to that envisaged by the legislation in force. Furthermore, in line with the recommendations of the Supervisory Provisions, it is desirable that:

- the roles of Chair of the Board of Directors, Chair of the Board of Statutory Auditors, Chief Executive Officer and General Manager of BPER Banca are not covered by persons of the same gender;
- in the Committees, at least one member belongs to the less represented gender.

With regard to the Corporate Bodies of the Subsidiary Companies, the General Guidelines establish the minimum share of members belonging to the less represented gender that must be present within the same.

4.2 Age and seniority in the role

BPER Banca considers that diversification in the age of its members guarantees different experiences and perspectives, which are useful for encouraging profitable discussions within the Corporate Bodies. It is therefore desirable for the Board of Directors and the Board of Statutory Auditors to contain a balanced combination of representatives belonging to different brackets of age and seniority in office.

4.3 Diversity of Skills, training and professional profile

In respect of specific criteria of fitness and propriety required by the legislation in force, BPER Banca emphasises the importance of guaranteeing that the members of its Corporate Bodies have adequate expertise, favouring the presence of persons with a managerial and/or professional profile of proven stature, so as to build a set of different and complementary skills and experiences, allowing the Body to fulfil its duties efficiently and effectively. To that end, consideration is given to both theoretical knowledge, acquired through studies and training, and practical experience, achieved in carrying out work activities.

In assessing the complementary nature of the profiles and key characteristics of the members of the Corporate Bodies, it is important to take account of the guidelines on the qualitative-quantitative composition of the Board of Directors and Board of Statutory Auditors produced by the outgoing Bodies in view of the

respective renewals, which also incorporate the results of the self-assessment processes carried out by the same.

Subject to the foregoing, according to the provisions of the industry regulations and best practices, BPER promotes induction and training initiatives for the members of its Corporate Bodies, in order to guarantee that the wealth of technical expertise and skills of the representatives, necessary to carry out their role in full awareness, is always adequate and is preserved over time.

4.4 Independence

Given that all Directors must be able to act with full independence of judgement and awareness of the duties and rights related to the role, in the interest of the sound and prudent management of the Bank and in respect of the law and any other applicable rule, a significant part of the non-executive Directors, at least equal to that envisaged by the legislation in force and the Articles of Association, must be independent.

BPER also aims to incorporate the best market practices and recommendations of the Corporate Governance Code, also with a view to facilitating the adequate composition of the Committees.

5. Company population

To promote inclusion and equal opportunities at all levels of the company population, the main areas of intervention that the Group intends to control are identified.

5.1 Recruiting and selection

In order to promote diversity, the BPER Group undertakes to establish a diversified selection panel and to adopt stringent assessment criteria aimed at reducing discrimination linked to the gender of candidates, in all phases of the process.

Decisions on selection and recruitment will be based on merit, skills and capacity to carry out the role, irrespective of gender identity, age, disability, state of health, ethnicity, geographical origin, sexual orientation and identity or political ideologies.

5.2 Training initiatives

The training offer is one of the main drivers of personal and professional growth of the whole company population and it constitutes a key element for promoting cultural change in the perspective of diversity, equity and inclusion, reducing the gaps that currently exist in that area.

Therefore, the Group promotes a series of training activities aimed at favouring equality of learning and awareness-raising campaigns on aspects of diversity and on the culture of inclusion, both in the management of everyday life and for the development of leadership.

5.3 Professional development paths and talent management

In promoting the professional development of individuals and assessing each collaborator, the Group is committed to adopting objective, neutral and inclusive criteria that take account of performance, professional profile, organisational role and potential in respect of personal peculiarities.

More specifically, the Group undertakes to strengthen and support gender equality in appointment processes and, more particularly, those regarding key managerial roles.

5.4 Remuneration policies

The BPER Group adopts remuneration and incentive policies based upon equity, meaning remuneration coherence between comparable roles and responsibilities, and on the assessment of merit.

In particular, it monitors the Gender Pay Gap, in order to undertake any corrective actions on the population involved.

5.5 Welfare and work-life balance policies

The Group undertakes to improve the work-life balance through specific welfare initiatives, aimed indistinctly at the whole company population, focusing on family care tools and tailor-made solutions, to improve the ability to balance personal and professional workloads.

The Group examines, analyses, assesses and plans actions targeted at achieving this balance also through specific periods of discussion with the representatives of workers at company level or groups meeting in specific committees.

6. Roles and responsibilities

6.1 Parent Company

Company Body / O.U.	Process name	Description of Roles and Responsibilities
Board of Directors		<p>It is the promoter and guarantor of the dissemination, within the BPER Group, of the culture of diversity, equity and inclusion, both within the Corporate Bodies and in the whole company population.</p> <p>In particular, to that end, with the support of the competent Committees:</p> <ul style="list-style-type: none"> – it approves the Group policy on diversity, equity and inclusion in the Corporate Bodies and in the company population; – it approves the Operating Plan; – it designates the members of the Corporate Bodies of the Subsidiary companies, in coherence with the Policy; – in the event of co-opting of one or more members of the Corporate Bodies (where envisaged) it makes the respective appointment in coherence with the Policy; – it assesses the neutrality of the remuneration policies with respect to gender and verifies the Gender Pay Gap and

		career gap and its evolution over time.
Committees		They support the Board of Directors in activities relating to issues of diversity, equity and inclusion in the Corporate Bodies and in the company population, as established by the Board of Directors itself in the Operational Rules of the Committees.
Chief <i>Human Resources Officer (CHRO)</i>		In coordination with and under the supervision of the Chief Executive Officer and/or General Manager of BPER Banca (based on the system of delegated powers in force at any given time), he/she is responsible for implementing the policies and guidelines on diversity, equity and inclusion, with particular regard to the company population, and he/she defines management models useful for implementing the initiatives and objectives identified by the Board of Directors, structuring the periodic monitoring process of the performances.

6.2 Subsidiary Companies

Company Body / O.U.	Process name	Description of Roles and Responsibilities
Board of Directors		It incorporates the policy defined by the Parent Company on diversity, equity and inclusion in the Corporate Bodies and in the company population, for the parts applicable to the subsidiary companies, and guarantees its coherent application, promoting and guaranteeing the dissemination of the culture of diversity, equity and inclusion within the individual Subsidiary Company involved each time.
Human Resources Function		It is responsible for implementing the Group policies and guidelines on diversity, equity and inclusion.

7. Annexes

7.1 Update History

The update history is shown below:

Version	Approval date	No. Directive	Summary of amendments
1.0	16/03/2021	10/2021	Issue
2.0	28/04/2022	32/2022	Update expanding the application perimeter of the Policy to the Corporate Bodies of BPER Banca and of the Subsidiary Companies

8. Regulatory framework of reference

External regulations:

- Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms
- Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups;
- Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) no. 648/2012;
- EBA-ESMA Guidelines on the assessment of the suitability of members of the management body and key function holders;
- Italian Legislative Decree no. 58 24 February 1998;
- Banca d'Italia Circular no. 285 of 17 December 2013;
- Decree of the Ministry of Economy and Finance of 23 November 2020, no. 169;
- Corporate Governance Code of listed companies;
- 2030 UN Agenda for Sustainable Development and Sustainable Development Goals
- United Nations Global Compact Principles
- Universal Declaration of Human Rights
- ABI-Trade Union Organisations Joint Declaration on harassment and gender-based violence in the workplace
- ABI Document "Women in Banks Charter: developing gender diversity"
- NCLA, Art. 20, Art. 21, Art. 22

Internal Regulations:

- Code of Ethics
- Internal Governance Code of the BPER Group
- Organisation and Management Model pursuant to Italian Legislative Decree 231/01
- Group Guidelines for Human Resources Management
- BPER Group Policy on Sustainability