

**BPER:**  
Banca

# Report on Corporate Governance and Ownership Structure 2022

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This is a translation into English of the original in Italian. The Italian text shall prevail over the English version.

# BPER:

**Banca**

TOP EMPLOYER ITALY 2023

Certified company



99%

employees hired  
on permanent contract



47%

women out of total  
employees



99%

energy consumption electricity  
from renewable sources



13

photovoltaic systems

1,797,634 kWh

produced

CO<sub>2</sub>

50,157

tCO<sub>2</sub>

saved, which corresponds to planting a  
forest of 71,652 trees



Euro 2.2

million

donations



Euro 38.2

million

total expenditure  
for the society



Euro 1.9

billion **Total disbursement  
of Green credit**



12.47%

CET 1 Phased  
in BPER Group



Euro 1,449

million

Net profit



4.4%

Leverage Phased  
in BPER Group

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# Executive Summary

## Significant data

	31.12.2022	31.12.2021
<b>Income Statement data <sup>(1)</sup></b>		
Net interest income	1,825,893	1,505,362
Net fee and commission income	1,942,080	1,641,575
Net operating income	4,258,351	3,388,278
Operating expenses	-2,787,766	-2,487,515
Operating income	1,470,585	900,763
Net adjustments to financial assets measured at amortised cost	-606,059	-837,194
Profit (loss) for the period attributable to the Parent Company	1,448,975	525,123
<b>Balance Sheet data <sup>(2)</sup></b>		
Loans to customers	91,174,835	79,112,914
Financial assets	30,665,767	28,373,380
Total assets	152,302,794	136,347,873
Direct funding	114,831,032	101,388,140
Indirect funding	138,875,198	146,986,089
<b>Risk ratios <sup>(3)</sup></b>		
NPL (Gross non-performing loans/Gross loans to customers)	3.20%	4.91%
NPE (Net non-performing loans/Net loans to customers)	1.41%	2.02%
<b>Profitability Indicators <sup>(4)</sup></b>		
ROE <sup>(5)</sup>	7.94%	8.66%
ROTE <sup>(6)</sup>	8.30%	9.57%
Cost to income ratio (operating expenses/net operating income)	65.47%	73.42%
<b>Capital ratios</b>		
Common Equity Tier 1 Ratio (CET1 Ratio) - Phased in <sup>(7)</sup>	13.21%	14.50%
Tier 1 Ratio (T1 Ratio) - Phased in <sup>(8)</sup>	13.50%	14.84%
Total Capital Ratio (TC Ratio) - Phased in <sup>(9)</sup>	16.82%	17.16%
Common Equity Tier 1 Ratio (CET1 Ratio) - Fully Phased	12.78%	13.50%

(1) The items indicated refer to those of the reclassified Income Statement with a view to operations included in the Chapter "Results from operations of the BPER Banca Group" of the Consolidated Financial Statements at 31 December 2022.

(2) The items indicated refer to those of the Reclassified Balance Sheet with a view to operations included in the Chapter "Results from operations of the BPER Banca Group" of the Consolidated Financial Statements at 31 December 2022.

(3) For the construction of the ratios, reference was made to the items of the reclassified Balance Sheet and Income Statement with a view to operations included in the Chapter "Results from operations of the BPER Banca Group" of the Consolidated Financial Statements at 31 December 2022.

(4) See Footnote (3).

(5) ROE is calculated as the ratio between the net profit for the year (ordinary component of Euro 502.8 million) and the Group's average shareholders' equity without net profit.

(6) ROTe is calculated as the ratio between the net profit for the year (ordinary component of Euro 502.8 million) and the Group's average shareholders' equity i) including the net profit for the year (ordinary component equal to Euro 502.8 million) net of the portion allocated to dividends and ii) without intangible assets and equity instruments.

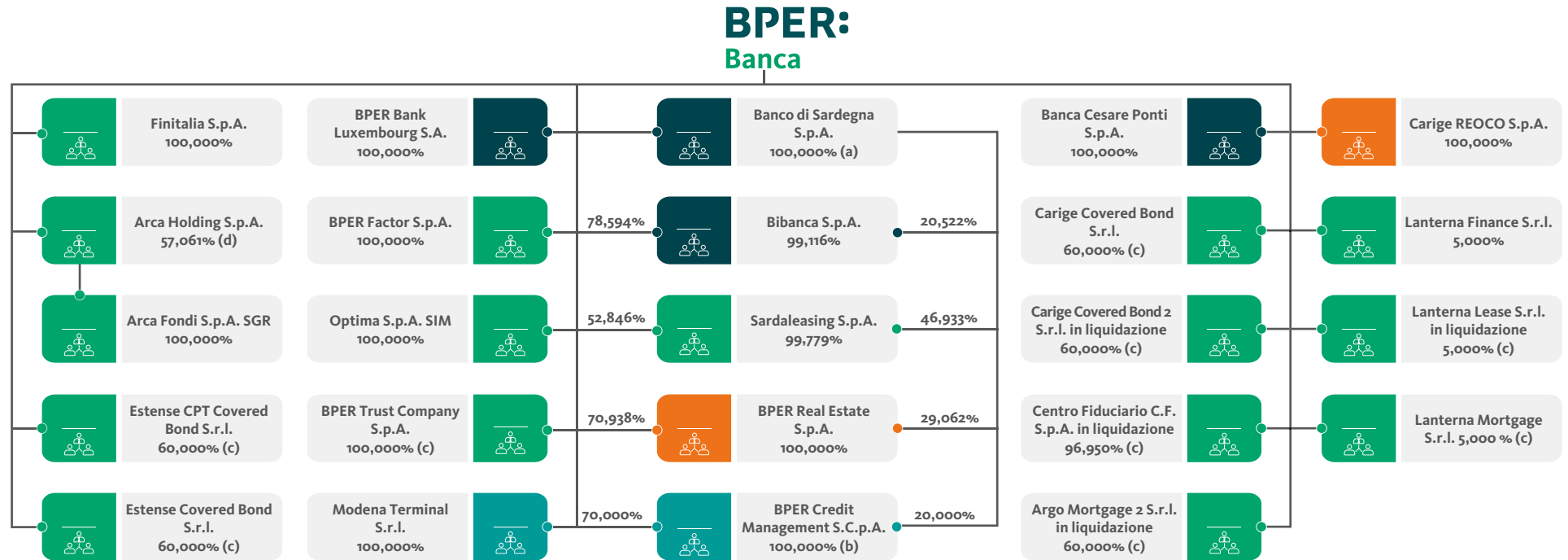
(7) The calculation is consistent with the provisions of Regulation (EU) No. 2395/2017, which amends Regulation (EU) No. 575/2013 (CRR) as regards the transitional arrangements for mitigating the impact of the introduction of IFRS 9 on own funds. The Regulation introduced the transitional regime (so-called Phased in) by offering banks the opportunity to mitigate the impacts of IFRS 9 on Own Funds over a period of 5 years (from March 2018 to December 2022) by sterilizing the impact in CET1 with the application of decreasing percentages over time. The BPER Banca Group opted to apply the "static approach" to the impact arising from a reconciliation of impairment losses under IAS 39 at 31 December 2017 to impairment losses under IFRS 9 at 1 January 2018.

(8) See Footnote (7).

(9) See Footnote (7).

# Group Structure

The BPER Group structure at 31 December 2022 is set out below



- a Corresponding to 99,281% of the entire amount of share capital comprising ordinary and preferred shares.
- b Have also equity investments in BPER Credit Management S.C.p.A.:
- Sardaleasing S.p.A. (6,000%);
  - Bibanca S.p.A. (3,000%);
  - BPER Factor S.p.A. (1,000%).
- c Subsidiaries consolidated using the equity method.
- d Company not recorded as part of the Banking Group as it lacks the necessary instrumentality requirements.

Subsidiaries of the Parent Company not belonging to the Banking Group:

- Adras S.p.A. (100%);
- Italiana Valorizzazioni Immobiliari S.r.l. (100%);
- Sifà S.p.A. (100%);
- Commerciale Picciapietra S.r.l. (100%).

Invested in by Carige Reoco S.p.A.:

- Sant'Anna Golf S.r.l. (100%).

Group Map Legend:

- Group banks
- Other financial companies
- Real estate company
- Other companies

(\*) At the date of approval of this Report, the BPER Group approved the project for the merger by absorption of BPER Credit Management S.C.p.A. into BPER Banca S.p.A., approved by the Boards of Directors of the aforementioned Companies, respectively, on 15 and 16 December 2022. The merger deed is expected to be signed in 2023, subject to the required Supervisory authorisations.

(\*\*) At the date of approval of this Report, the BPER Group approved the project for the merger by absorption of Italiana Valorizzazioni Immobiliari S.r.l. into Carige Reoco S.p.A., approved by the Shareholders' Meetings of the aforementioned Companies on 13 January 2023. The merger deed is expected to be signed in 2023.



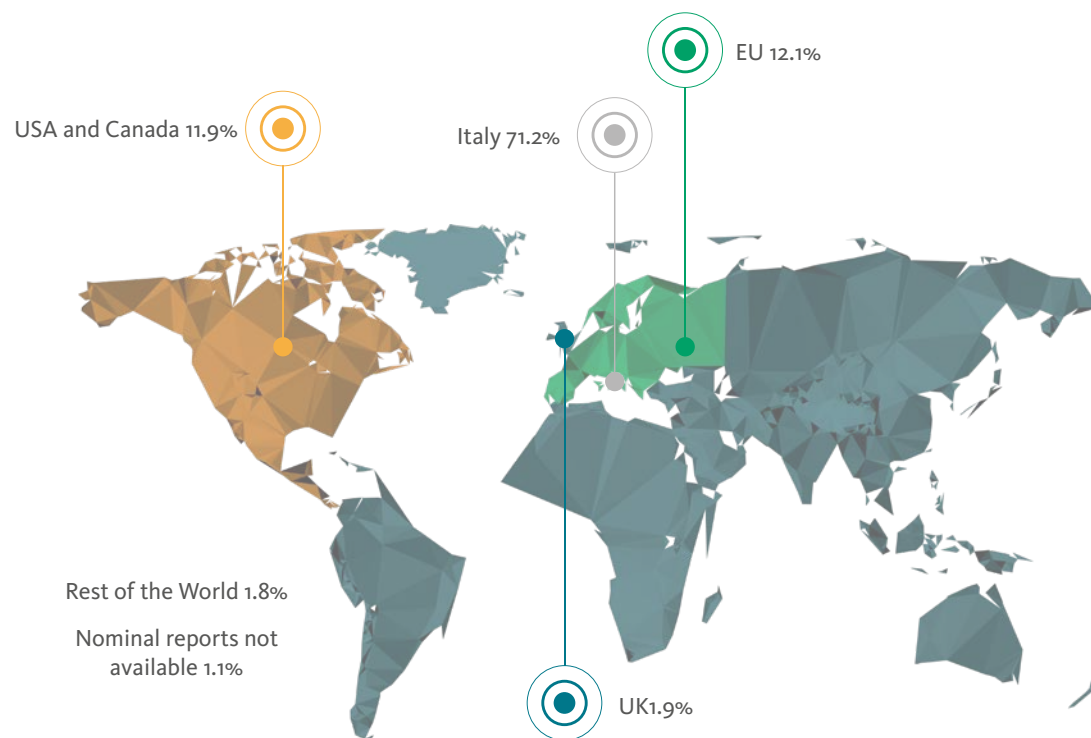
# Ownership structure

The share capital of BPER Banca S.p.A., as amended following 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., amounts to a total of Euro 2,104,315,691.40 and is represented by 1,415,850,518 ordinary

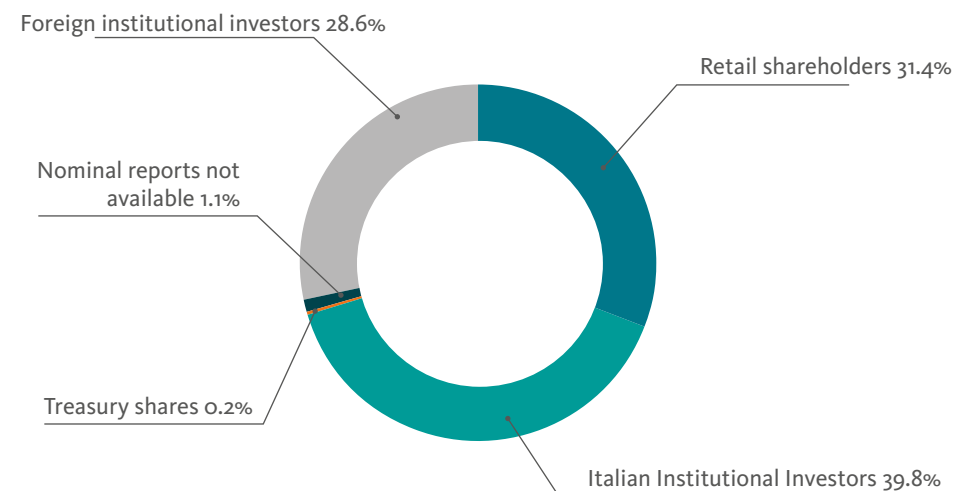
registered shares with no nominal value expressed.

The breakdown of the shareholding structure is shown in the following chart:

Shareholding structure by geographical area



Shareholding structure by type of shareholders



Ownership ranges	Number of shareholders	Number of shareholders (%)	Capital share (%)
Over 5,000,001	34	0.03%	51.3%
1,000,001 - 5,000,000	72	0.1%	10.7%
500,001 - 1,000,000	67	0.1%	3.4%
100,001 - 500,000	549	0.5%	8.1%
10,001 - 100,000	8,013	7.0%	14.7%
1 - 10,000	105,357	92.3%	11.8%
<b>Total</b>	<b>114,092</b>	<b>100.0%</b>	<b>100.0%</b>

<sup>1</sup> The composition of the shareholding structure refers to the ex-dividend date approved by the Ordinary Shareholders' Meeting of BPER Banca on 20 April 2022, paid from 25 May 2022 (payment date), with ex-date of the coupon Monday 23 May 2022 and date of entitlement to payment pursuant to Article 83-terdecies of the Consolidated Law on Finance (record date) Tuesday 24 May 2022.

# The Governance model

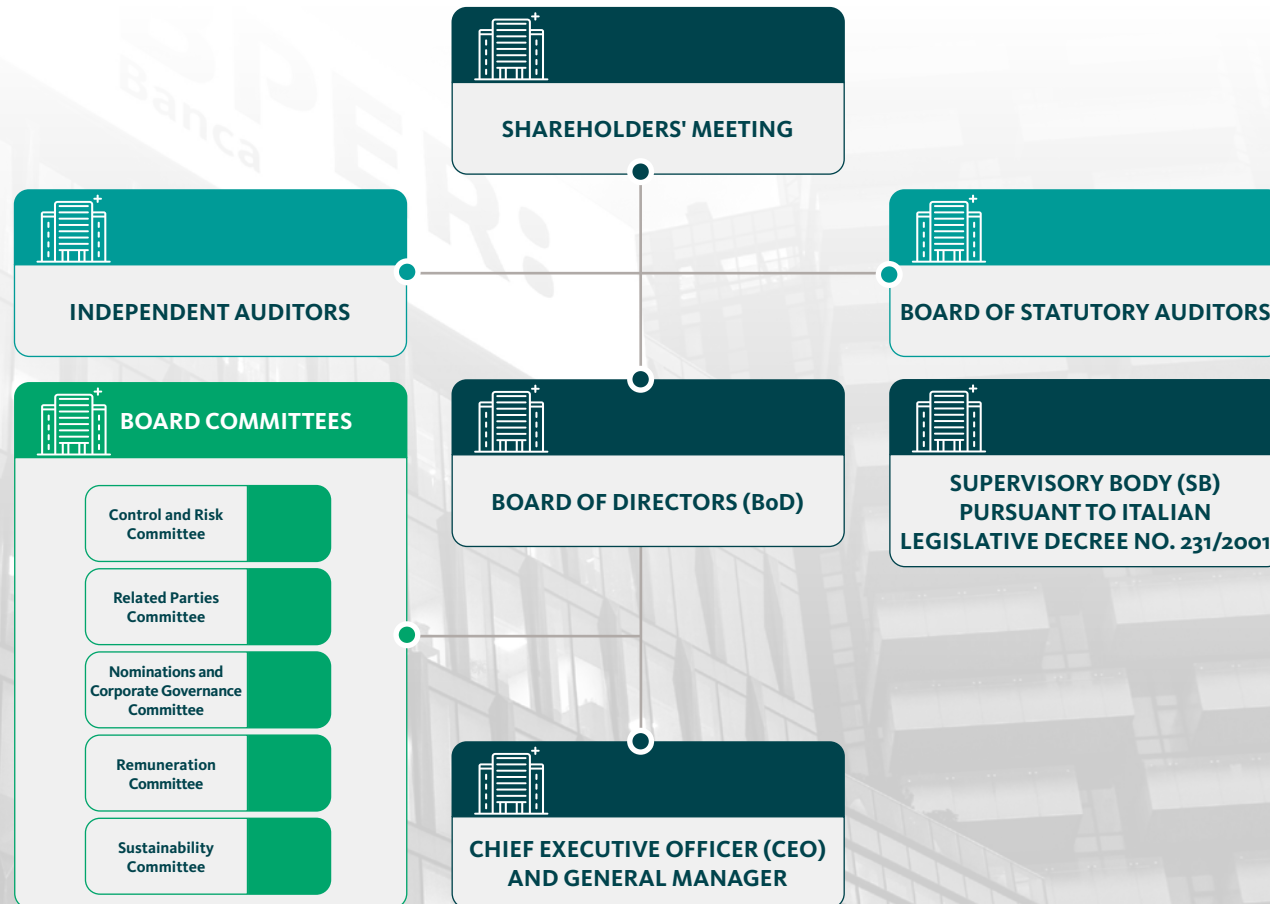
BPER Banca adopts the traditional system of management and control, divided into two corporate bodies appointed by the Shareholders' Meeting: the Board of Directors (currently made up of 15 members), which is assigned the broadest powers of ordinary and extraordinary management of the Company and of the Group, and the Board of Statutory Auditors, the internal control body with supervisory functions over the Company's management.

The Independent audit, for the period 2017-2025, was entrusted by the Shareholders' Meeting of 26 November 2016 to the company Deloitte & Touche S.p.A.

The Board of Directors appointed by the Shareholders' Meeting of 21 April 2021 established five board committees, determining their composition with regard to the competence and experience of the relative members as well as taking care to avoid the concentration of offices.

The Bank also established a Supervisory Board pursuant to Italian Legislative Decree No. 231/2001, consisting of three members.

The organisation chart of the Bank at 31 December 2022 is set out below.



# Board of Directors, Board Committees and Board of Statutory Auditors

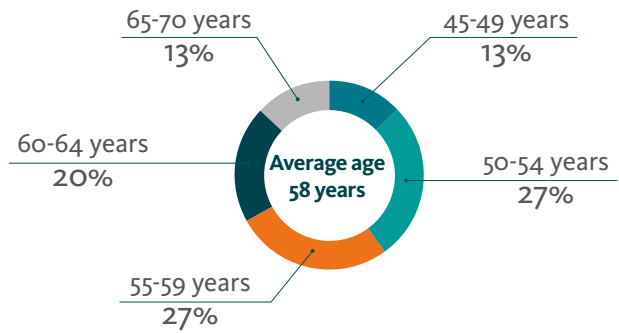
## Composition of the Board of Directors

**BPER:  
Banca**

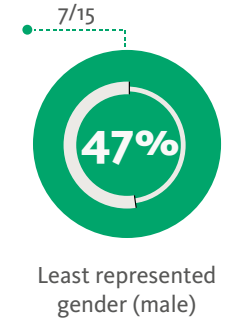
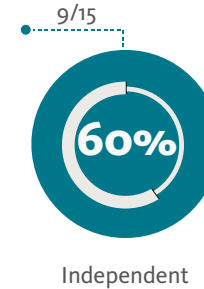
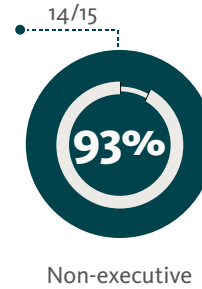
- Flavia Mazzarella**  
Chairperson  
Non-Executive Independent Director
- Piero Luigi Montani**  
Chief Executive Officer  
Executive Director
- Elisa Valeriani**  
Director  
Non-Executive Independent
- Riccardo Barbieri**  
Deputy Chairperson  
Non-Executive Director
- Monica Pilloni**  
Director  
Non-Executive Independent
- Elena Beccalli**  
Director  
Non-Executive Independent
- Marisa Pappalardo**  
Director  
Non-Executive Independent
- Monica Cacciapuoti**  
Director  
Non-Executive
- Gianni Franco Papa**  
Director  
Non-Executive
- Silvia Elisabetta Candini**  
Director  
Non-Executive Independent
- Roberto Giay**  
Director  
Non-Executive
- Maria Elena Cappello**  
Director  
Non-Executive Independent
- Alessandro Robin Foti**  
Director  
Non-Executive Independent
- Cristiano Cincotti**  
Director  
Non-Executive Independent
- Gianfranco Farre**  
Director  
Non-Executive

Operations of the Board of Directors

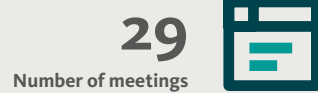
Age bracket



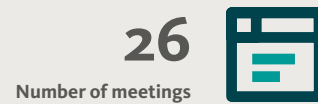
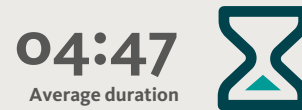
Composition



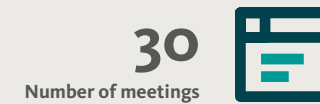
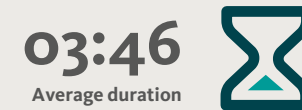
2020



2021



2022



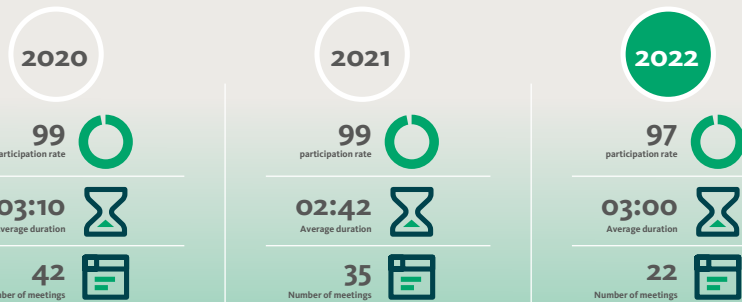
**List of offices held by the members of the Board of Directors**

The information shown here reflects what is known by the Bank at the date of this Report.

MEMBER OF THE BOARD OF DIRECTORS	OFFICE	LEGAL ENTITY
Flavia Mazzarella	Director	WEBUILD S.p.A.
	Director	FITD - Fondo Interbancario di Tutela dei Depositi
	Deputy Chairperson of the Board of Directors	Schema Volontario di Intervento del FITD - Fondo Interbancario di Tutela dei Depositi
	Director	ABI - Associazione Bancaria Italiana
Piero Luigi Montani	-	-
Riccardo Barbieri	General Manager	Fidicoop Sardegna Società Cooperativa di Garanzia Collettiva Fidi
Elena Beccalli	-	-
Monica Cacciapuoti	Director	Gruppo UNA S.p.A.
	Director	UnipolRental S.p.A.
Silvia Elisabetta Candini	-	-
Maria Elena Cappello	Member of the Supervisory Council	Luminor Bank AS (Estonia)
	Member of the Management Committee	Fondazione Artistica Poldi Pezzoli Onlus 2020
Cristiano Cincotti	-	-
Gianfranco Farre	Chairperson of the Board of Directors	Banco di Sardegna S.p.A.
Alessandro Robin Foti	Sole Director	AS.CAR.I S.r.l.
Roberto Giay	Chairperson of the Board of Directors	UnipolSai Finance S.p.A.
	Chairperson of the Board of Directors	Unipol Finance S.r.l.
	Chairperson of the Board of Directors	Unipol Investment S.p.A.
	Chairperson of the Board of Directors	UnipolPart I S.p.A.
	Deputy Chairperson of the Board of Directors	Tenute del Cerro S.p.A.
	Deputy Chairperson of the Board of Directors	Gruppo Una S.p.A.

MEMBER OF THE BOARD OF DIRECTORS	OFFICE	LEGAL ENTITY
Gianni Franco Papa	Chairperson of the Board of Directors	Banca Cesare Ponti S.p.A.
	Deputy Chairperson	Relatech S.p.A.
	Chairperson of the Board of Directors	Casa di Cura La Madonnina S.p.A.
	Director	Istituti Clinici Zucchi S.p.A.
	Director	H San Raffaele Resnati S.r.l.
	Sole Director	FIN.SE S.r.l.
Marisa Pappalardo	Director	Pirelli & C. S.p.A.
Monica Pilloni	Chairperson of the Board of Directors	Società Gestione Aeroporto S.p.A. (SO.G.AER.)
	Chairperson of the Board of Statutory Auditors	Auto Vendita Veicoli e Meccaniche S.p.A. (AUTOVAMM S.p.A.)
	Standing Auditor	Sardaeolica S.r.l.
	Standing Auditor	Sarlux S.r.l.
	Alternate Auditor	Pressteck S.p.A.
	Alternate Auditor	Pressteck Service S.p.A.
Elisa Valeriani	-	-

## Control and Risk Committee



(\*) Monica Pilloni was appointed Chairperson of the Control and Risk Committee by the Board of Directors on 16 June 2022. Until that date, the office of Chairperson was held by Gianni Franco Papa.

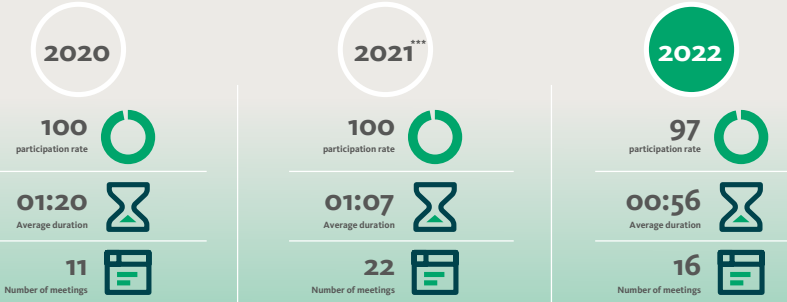
## Related Parties Committee



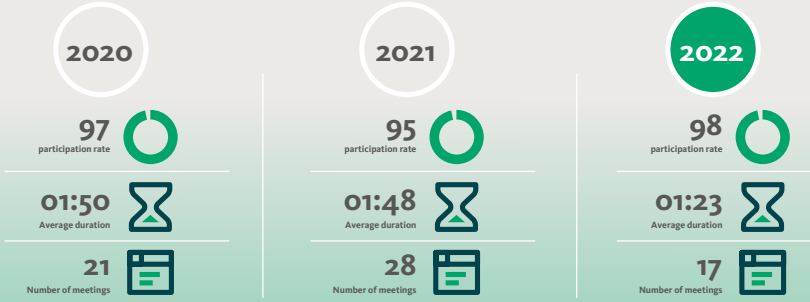
(\*) Monica Pilloni was appointed as a member of the Related Parties Committee by the Board of Directors on 16 June 2022. Until that date, the office of member was held by Gianni Franco Papa.

(\*\*) In 2020, the Related Parties Committee was called the Independent Directors' Committee.

## Nominations and Corporate Governance Committee



## Remuneration Committee



(\*) On 24 November 2022, the Board of Directors of BPER Banca appointed Roberto Gay as member of the Nominations and Corporate Governance Committee to replace the resigning Director Gian Luca Santi.  
 (\*\*\*) Until October 14, 2021, the Nominating and Corporate Governance Committee was called Nominations Committee.  
 (\*\*) On 24 November 2022, the Board of Directors of BPER Banca appointed Elisa Valeriani as member of the Nominations and Corporate Governance Committee to replace Cristiano Cincotti.

(\*) On 24 November 2022, the Board of Directors of BPER Banca appointed Monica Cacciapuoti as member of the Remuneration Committee to replace Roberto Gay.  
 (\*\*) On 24 November 2022, the Board of Directors of BPER Banca appointed Cristiano Cincotti as member of the Remuneration Committee to replace Elisa Valeriani.



## Sustainability Committee



**Flavia Mazzarella**  
Chairperson  
Non-Executive  
Independent  
Director

**Elisa Valeriani**  
Director  
Non-Executive  
Independent

**Riccardo Barbieri**  
Director  
Non-Executive

2021

100  
participation rate

01:01  
Average duration

3  
Number of meetings

2022

97  
participation rate

01:16  
Average duration

10  
Number of meetings

## Board of Statutory Auditors



**Daniela Travella**  
Chairperson

**Carlo Appetiti**  
Standing Auditor

**Patrizia Tettamanzi**  
Standing Auditor

**Sonia Peron**

Alternate Auditor

**Andrea Scianca**

Alternate Auditor

2020

100  
participation rate

05:39  
Average duration

49  
Number of meetings

2021

100  
participation rate

05:09  
Average duration

44  
Number of meetings

2022

99<sup>TM</sup>  
participation rate

04:57  
Average duration

36  
Number of meetings

(\*) Data related to 2020 are not available because the Sustainability Committee was formed by BPER's Board of Directors on October 14, 2021.

(\*) Average figure of the participation rate taking into account the assignment of the Standing Auditor office of Carlo Appetiti to Paolo De Mitri, who resigned on 6 June 2022 with immediate effect.

**List of offices held by the members of the Board of Statutory Auditors**  
**The information shown here reflects what is known by the Bank at the date of this Report.**

<b>OFFICER BOARD OF STATUTORY AUDITORS</b>	<b>OFFICE</b>	<b>LEGAL ENTITY</b>
Daniela Travella	Chairperson of the Board of Statutory Auditors  Standing Auditor  Standing Auditor  Alternate Auditor  Alternate Auditor  Alternate Auditor	RE_View Società tra Professionisti S.p.A.  Laboratorio Farmaceutico S.I.T. - Specialità Igienico Terapeutiche S.r.l.  Società Benefit CimArosa 1 S.p.A.  MC Prefabbricati S.p.A.  Officina Meccanica Sestese S.p.A.  Brioschi Sviluppo Immobiliare S.p.A.
Carlo Appetiti	-	-
Patrizia Tettamanzi	Alternate Auditor  Limited Partner	A2A S.p.A.  Idea S.a.s. di Enrico Vergani

# Internal Control and Risk Management System

The Internal Control System is the set of rules, functions, structures, resources, processes and procedures aimed at ensuring that the Company's activities are aligned with predefined internal standards and practices.

BPER and the Group Companies, including the Parent Company, have a corporate Internal Control System consistent with the Group's strategy and policy on risks and controls, without prejudice to compliance with any applicable regulations on an individual basis.

The Internal Control System of the BPER Group involves the Corporate Bodies, the Control Functions, as well as the line structures and is designed in compliance with the following criteria:

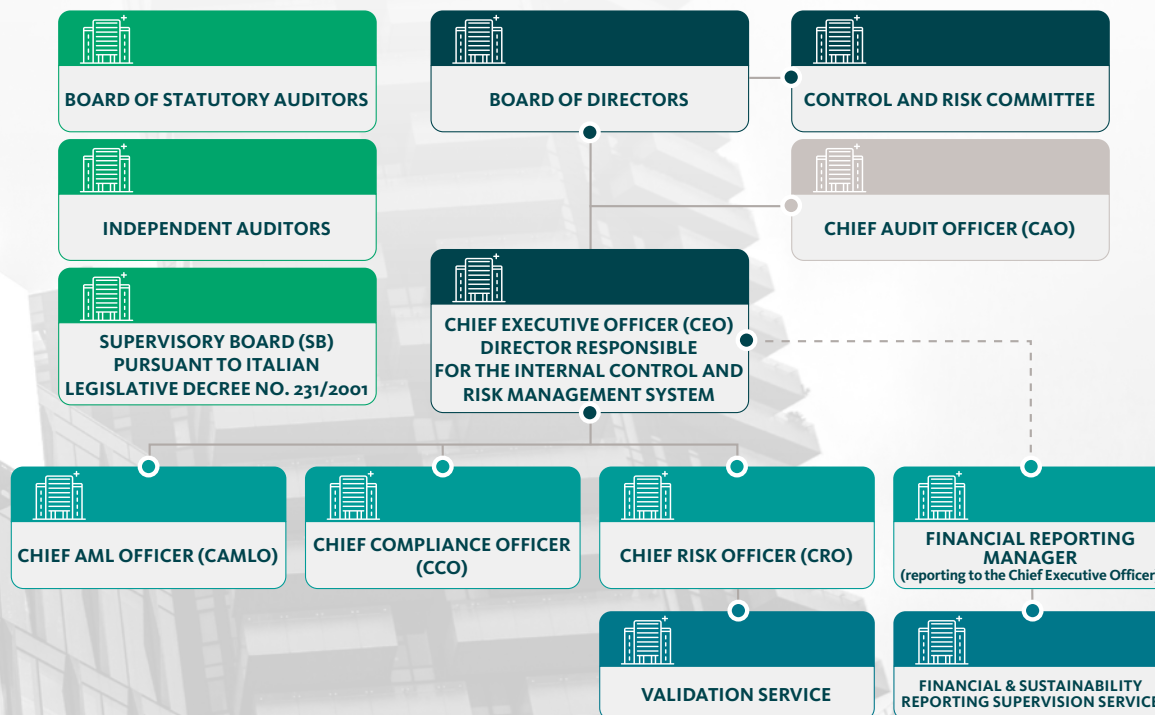
- proportionality in the application of rules according to size and operations;
- gradual and progressive transfer to more advanced methodologies and processes for measuring risk and the capital that is available as a result;
- unity in the definition of the approaches used by the various functions foreseen in the Group's organisational system;

- effectiveness and efficiency in risk management.

In this context, the BPER Group periodically carries out an accurate identification of the risks to which it is or could be exposed, taking into account its operations and the reference markets. The BPER Group uses the Risk Appetite Framework (RAF) as the Group's risk governance tool in the implementation of its company strategies.

The Board of Directors of the Parent Company periodically assesses:

- the adequacy and effectiveness of the RAF and the compatibility between the risk objectives and actual risk;
- with the support of the Control and Risk Committee, the adequacy and efficiency of the BPER Group's Internal Control System, identifying areas for improvements and defining the steps needed to correct any weaknesses.



# ESG and Sustainable Development Goals

The BPER Group intends to strengthen its leadership in the management of ESG issues to become more efficient, competitive and represent a credible and reliable partner for its customers in the development of a more sustainable, fair and inclusive society.

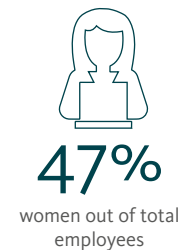
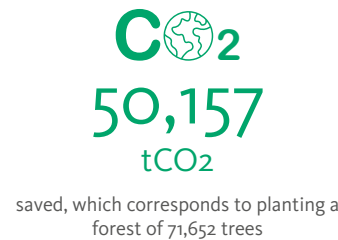
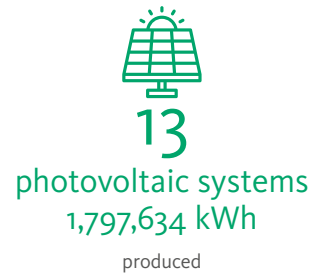
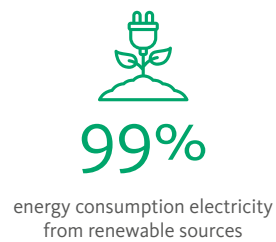
On 14 July 2021, BPER Banca became an official signatory of the Principles for Responsible Banking (PRB) launched in 2019 by United Nations Environment Programme Finance Initiative with the aim of supporting interventions to foster sustainability in the financial sector.

The PRB lay down the roles and responsibilities of banking institutions in aligning with the Sustainable Development Goals (SDGs) set out in the Global Agenda for Sustainable Development (UN 2030 Agenda) approved by the United Nations in September 2015 and in the 2015 Paris Agreement, driving sustainability across all business areas to identify actions that can generate positive impact and create shared value with stakeholders over time.

In order to implement the commitments made, the BPER Group has identified concrete actions to be achieved across the board, with specific targets in terms of reducing environmental impacts, supporting customers in the environmental transition, inclusion policies, management of diversity and brackets weaker than society, with the aim of creating shared value.

The actions of the BPER Group are carried out, in particular, along the following lines:

- adhering to the Principles for Responsible Banking and committing to the SDGs;
- adhering to the Net Zero Banking Alliance (NZBA);
- setting out, in the 2022-2025 Group Business Plan, concrete actions and objectives to be achieved to strengthen sustainability issues within the company business model;
- adopting an ESG Policy.





# Chapter 1

# Company Profile

BPER Banca, the Parent Company of the Banking Group with the same name, is a joint-stock company with registered office in Modena (Italy), Via San Carlo No. 8/20, and issues shares listed on the regulated market operated by Euronext Milan, which is organised and managed by Borsa Italiana. BPER shares are also listed on the FTSE MIB Index.

On the basis of the definitions contained in the Corporate Governance Code, the Bank is classifiable as a large company with non-concentrated ownership. This classification is taken into account for the purposes of the implementation of the Recommendations contained in the Code, as indicated below in the Report.

As from the date of implementation of the European Single Supervisory Mechanism (4 November 2014), BPER has been subject to prudential supervision by the European Central Bank given that it is a "significant bank" pursuant to Article 6, par. 4 of Regulation (EU) No. 1024/2013.

Due to the foregoing and to the fact that it is a listed bank, BPER falls within the category of "larger or more complex banks" indicated by the Supervisory Provisions for Banks, Bank of Italy Circular No. 285/2013, Part I, Title IV, Chapter 1.

The Bank – which originates from the merger of centuries-old banking entities, first and foremost Banca Popolare di Modena, established on 12 June 1867, and which was transformed from a cooperative to a joint-stock company by resolution of the Bank's Shareholders' Meeting of 26 November 2016 – adopts the traditional system of administration and control, which provides for the presence of a Board of Directors and a Board of Statutory Auditors.

Pursuant to Article 2 of its Articles of Association, BPER Banca's corporate objects include the taking of deposits and the provision of loans in their various forms, both directly and through subsidiaries.

## 1.1 Adherence to the Corporate Governance Code

BPER Banca adheres to the Code of Conduct for listed companies promoted by the Corporate Governance Committee in the versions in force from time to time.

Already in 2021, the Company complied with the Recommendations of the Corporate Governance Code of Borsa Italiana, approved in 2020 by the aforementioned Committee.

Also with regard to the 2022 financial year, BPER Banca adhered to the Recommendations contained therein, as referred to below in this Report, in which, in application of the comply or explain principle, any partial deviations from the recommendations of the Code are reported and justified.

The Recommendations of the Corporate Governance Committee for financial year 2023 attached to the Letter from the Chairperson of the Committee of 25 January 2023 are also taken into account in this Report.

The above-mentioned Letter, as well as the related Recommendations, were examined by the Bank's Nominations and Corporate Governance Committee and the Board of Directors at their meetings on 6 and 9 March 2023, respectively.

Also based on the considerations made on that occasion by the Board of Directors, the Company believes that the Corporate Governance system adopted by BPER is overall and substantially in line with the principles and recommendations contained in the Corporate Governance Code, as well as with existing regulations, the guidelines issued on the subject by the competent (national and European) Authorities and best practices.

Unless otherwise specified, the information contained in this Report and in the Executive Summary shall refer to 31 December 2022 and be considered also valid as of the date of this Report.

### The Corporate Governance Code



## 1.2 Considerations regarding the Letter issued by the Chairperson of the Corporate Governance Committee dated 25 January 2023

As noted above, in a letter dated 25 January 2023, the Chairperson of the Corporate Governance Committee (the "Committee") submitted to the Bank (as well as all issuing companies) the customary communication aimed at highlighting the monitoring activities carried out by the Committee with regard to the application of the self-regulatory provisions and emphasising the main critical points found by the Committee during the year, and made recommendations aimed at promoting the evolution of Corporate Governance according to the principles of the new "Corporate Governance Code" ("Recommendations of the Corporate Governance Committee for the Year 2023").

These Recommendations essentially refer to the following topics: dialogue with shareholders and other relevant stakeholders, assignment of management powers to the Chairperson, pre-

meeting information, participation of managers in board meetings, optimal composition of the management body, criteria for the assessment of the significance of the relationship that may influence the independence of the director, transparency of the remuneration policies on the weight of the variable components and long-term horizons in the remuneration policies, and ESG parameters for the remuneration of the directors.

The issues indicated in the aforementioned Recommendations are analytically described in this Report on the basis of the assessments made by the Board of Directors.

Recommendations	Reference in the report
Dialogue with shareholders and other relevant stakeholders	Chapter 2 Shareholders and Investors – Section 2.3 Relations with Shareholders and Investors
Assignment of managerial powers to the Chairperson	Chapter 3 Governance Structure of the Company – Section 3.2 Board of Directors
Pre-meeting information	Chapter 3 Governance Structure of the Company – Sections 3.2 Board of Directors, and 3.3 Board Committees
Participation of managers in board meetings	Chapter 3 Governance Structure of the Company – Section 3.2 Board of Directors
Guidelines on optimal composition	Chapter 3 Governance Structure of the Company – Section 3.2 Board of Directors
Criteria for assessing the significance of the relationship that may influence the independence of the director	Chapter 3 Governance Structure of the Company – Section 3.2 Board of Directors
Transparency of remuneration policies on the weight of variable components	Chapter 3 Governance Structure of the Company – Section 3.2 Board of Directors
Long-term horizons in remuneration policies	Chapter 3 Governance Structure of the Company – Section 3.2 Board of Directors
ESG parameters for directors' remuneration	Chapter 3 Governance Structure of the Company – Section 3.2 Board of Directors



## 1.3 Group Structure

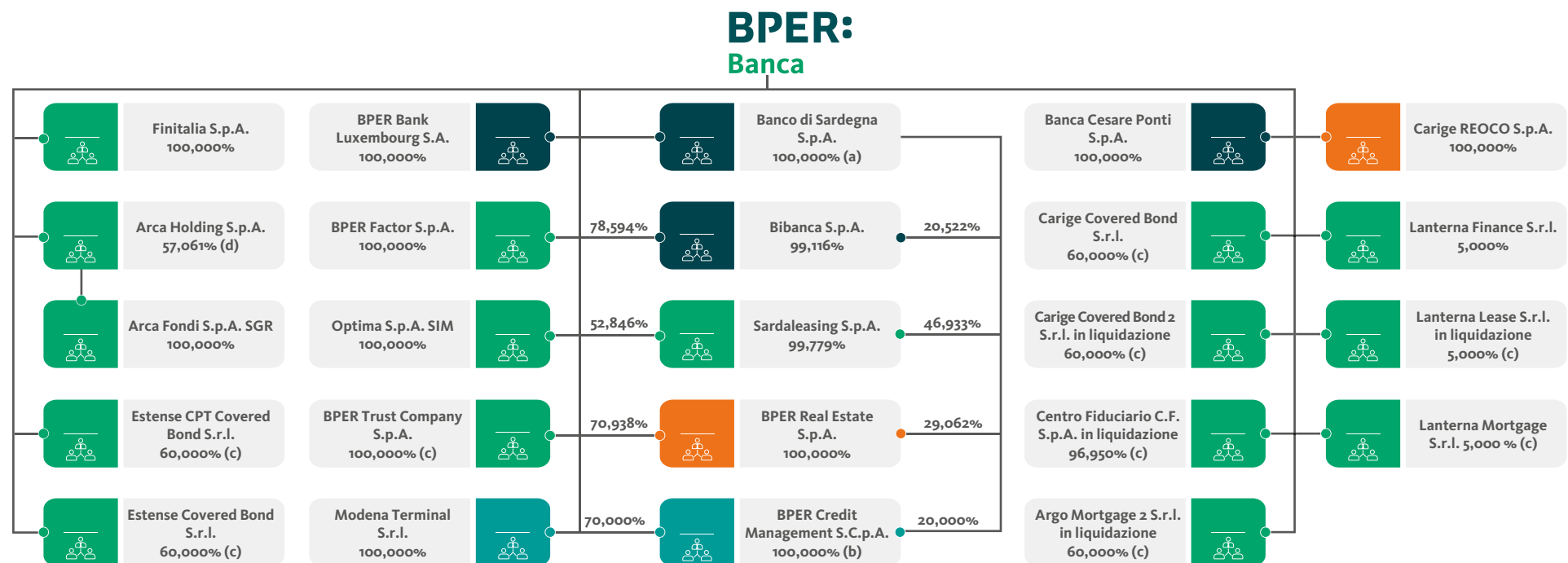
As the Parent Company of the Banking Group with the same name, BPER provides management and coordination to the Companies in the Group, pursuant to Article 61 of the Consolidated Banking Act (CBA) and Articles 2497 *et seq.* of the Italian Civil Code, and issues instructions for the implementation of guidelines issued by the Supervisory Authorities in the interests of the Group and its stability.

At the date of this Report, the Bank is not controlled, *de jure* or *de facto*, by any party nor is it

subject to management and coordination activities.

BPER also conducts management and coordination activities, pursuant to Articles 2497 *et seq.* of the Italian Civil Code, with regard to the Subsidiaries that do not belong to the Banking Group (since they do not meet the requisite instrumental requirements), but are included in the scope of consolidation using the equity method.

The Group structure at 31 December 2022 is set out below.



- a Corresponding to 99.281% of the entire amount of share capital comprising ordinary and preferred shares.
- b Have also equity investments in BPER Credit Management S.C.p.A.:
- Sardaleasing S.p.A. (6.000%);
  - Bibanca S.p.A. (3.000%);
  - BPER Factor S.p.A. (1.000%).
- c Subsidiaries consolidated using the equity method.
- d Company not recorded as part of the Banking Group as it lacks the necessary instrumentality requirements.

(\*) At the date of approval of this Report, the BPER Group approved the project for the merger by absorption of BPER Credit Management S.C.p.A. into BPER Banca S.p.A., approved by the Boards of Directors of the aforementioned Companies, respectively, on 15 and 16 December 2022. The merger deed is expected to be signed in 2023, subject to the required Supervisory authorisations.

Subsidiaries of the Parent Company not belonging to the Banking Group:

- Adras S.p.A. (100%);
  - Italiana Valorizzazioni Immobiliari S.r.l. (100%);
  - Sifà S.p.A. (100%);
  - Commerciale Piccapietra S.r.l. (100%).
- Invested in by Carige Reoco S.p.A.:
- Sant'Anna Golf S.r.l. (100%).

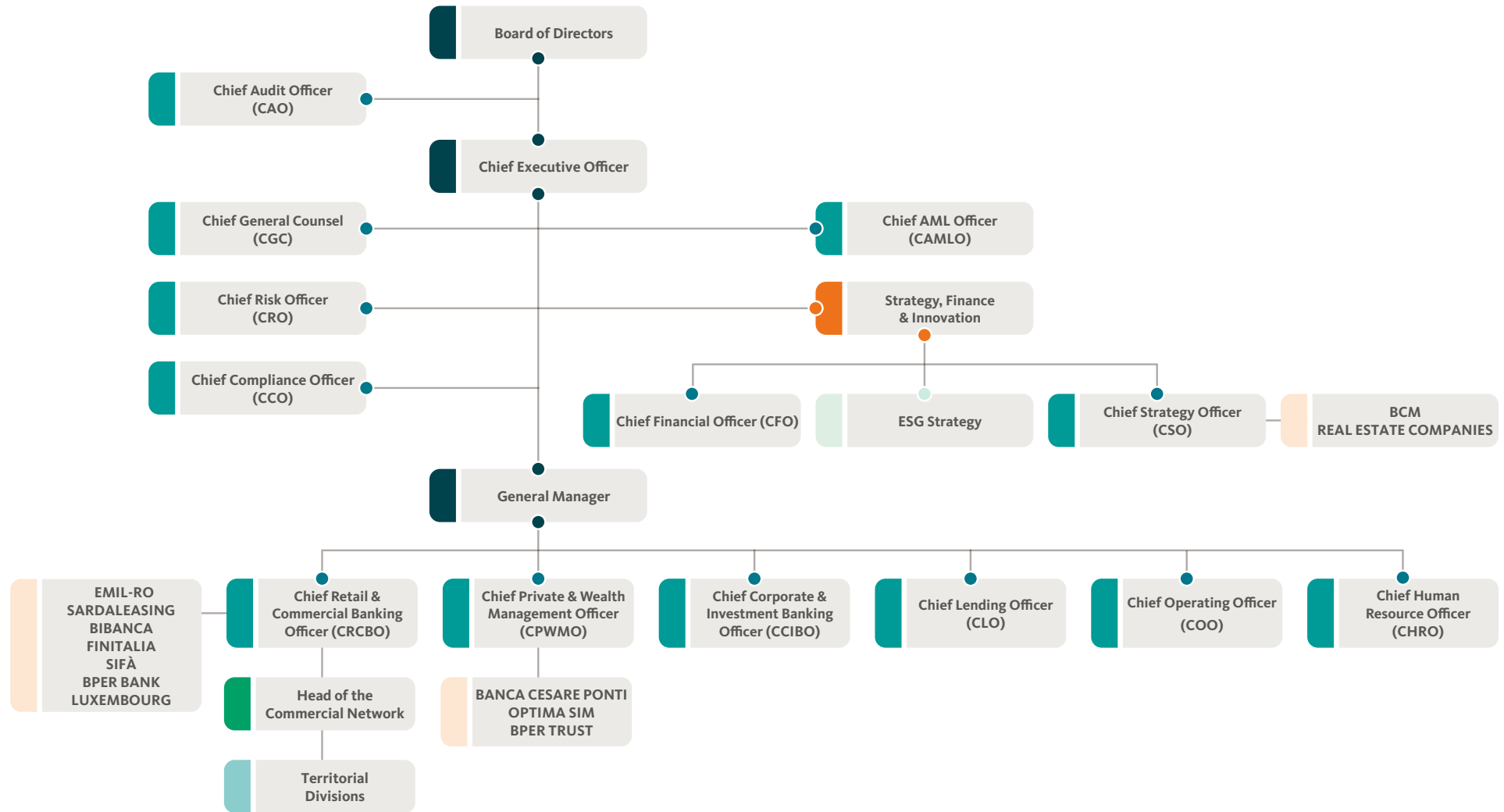
(\*\*) At the date of approval of this Report, the BPER Group approved the project for the merger by absorption of Italiana Valorizzazioni Immobiliari S.r.l. into Carige Reoco S.p.A., approved by the Shareholders' Meetings of the aforementioned Companies on 13 January 2023. The merger deed is expected to be signed in 2023.

Group Map Legend:

- Group banks
- Other financial companies
- Real estate company
- Other companies

# 1.4 The Bank's governance and organisational structure

At the date of approval of this Report, the organisational structure of BPER Banca is structured in the following manner.



BoD/CEO/GM
  Chief
  Area
  Division
  Office
  Role
  Functional reporting

The top management structure of BPER Banca includes the Chief Executive Officer, the General Manager, the Deputy General Manager in charge of the Strategy, Finance & Innovation and the Deputy General Manager in charge of the Operational Governance (*Chief Operating Officer*).

Reporting directly to the Chief Executive Officer are senior managers responsible for the following areas: Strategy, Finance & Innovation (to whom the Chief Financial Officer and the Financial Reporting Manager report directly, while the latter also reports to the CEO) as well as legal, corporate affairs and regulatory affairs (Chief General Counsel); anti-money laundering (Chief AML Officer); compliance (Chief Compliance Officer) and risk (Chief Risk Officer).

Reporting directly to the General Manager (whose functions are currently assigned to the Chief Executive Officer) are the senior managers responsible for the following areas: retail and commercial (Chief Retail & Commercial Banking Officer); corporate and investment (Chief Corporate & Investment Officer); private & wealth management (Chief Private & Wealth Management Officer); credit structure (Chief Lending Officer); operational structure (Chief Operating Officer, to whom, among others, the Chief Information Officer, the Security & Business Continuity and Data & Analytics report); and the human resources function (Chief Human Resource Officer).

In compliance with current supervisory regulations, the Chief Audit Officer reports directly to the Board of Directors.

## 1.5 ESG and sustainable success

The BPER Group intends to strengthen its leadership in the management of ESG issues to become more efficient, competitive and represent a credible and reliable partner for its customers in the development of a more sustainable, fair and inclusive society.

In order to implement the commitments made, the BPER Group has identified concrete actions to be achieved across the board, with specific targets in terms of reducing environmental impacts, supporting customers in the environmental transition, inclusion policies, management of diversity and brackets weaker than society, with the aim of creating shared value.

The actions of the BPER Group are carried out, in particular, along the following lines:

- adhering to the Principles for Responsible Banking and commitment to the SDGs;
- adhering to the Net Zero Banking Alliance (NZBA);
- setting out, in the 2022-2025 Group Business Plan, concrete actions and objectives to be achieved to strengthen sustainability issues within the company business model;
- adopting an *ESG Policy*.

### Principles for Responsible Banking, UN Agenda 2030 and Sustainable Development Goals (SDGs)

On 14 July 2021, BPER Banca became an official signatory of the Principles for Responsible Banking (PRB) launched in 2019 by the United Nations Environment Programme Finance Initiative with the aim of supporting interventions to foster sustainability in the financial sector.

The PRB lay down the roles and responsibilities of banking institutions in aligning with the Sustainable Development Goals (SDGs) set out in the Global Agenda for Sustainable Development (UN 2030 Agenda) approved by the United Nations in September 2015 and in the 2015 Paris Agreement, driving sustainability across all business areas to identify actions that can generate positive impact and create shared value with stakeholders over time.

At issue, in particular, are six principles designed to guide banks' vision and ambitions towards sustainability. The member banks commit to defining sustainability strategies and to working to promote and integrate ESG (Environmental, Social, Governance) factors into their business model in order to be at the forefront of sustainable finance.

#### The UN 2030 Agenda



## Company Profile

The BPER Group undertakes to make a significant contribution towards reaching the Sustainable Development Goals contained in the UN 2030 Agenda with special reference to the following Sustainable Development Goals (SDGs):



Goal 1: End poverty in all its forms everywhere



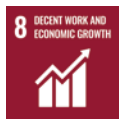
Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



Goal 5: Achieve gender equality and empower all women and girls



Goal 7: Ensure access to affordable, reliable, sustainable and modern energy services for all



Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation



Goal 11: Make cities and human settlements inclusive, safe, resilient and sustainable



Goal 12: Ensure sustainable consumption and production patterns



Goal 13: Take urgent action to combat climate change and its impacts



Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation and halt biodiversity loss



Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

## Net Zero Banking Alliance (NZBA)

NZBA is an initiative promoted by the United Nations to accelerate the sustainable transition of the banking sector through the commitment of member banks to align their loan and investment portfolios to the achievement of zero net emissions by 2050.

In March 2022 BPER Banca joined the Net Zero Banking Alliance, thereby addressing its strategy to combat climate change.

Net Zero  
Banking Alliance



## Business Plan and sustainable success

In order to create long-term shared value by strengthening sustainability issues within the company business model, the Group's 2022-2025 Business Plan identifies concrete actions and objectives to be achieved along all the lines of action outlined below:

### Environmental

- External transition: support for the environmental transition of companies and households through allocating a ceiling of over **Euro 7 billion for green loans** (includes sectors/supply chains, NRRP, 110% superbonus, green mortgages);
- Internal transition: science-based **emission reduction** target aligned with the Paris Agreement (**-50%** by 2030) equal to **-23%** by 2025; energy efficiency activities are contained in the Energy Plan with a baseline to 2022 and expected closure in 2025. By the end of 2022, 100% of the Group's electricity will be sourced from renewable energy.

### Social

- Strong community orientation: allocation of **Euro 15 million** to assist **activities in support of communities and territories**.
- Initiatives for young people: **financial literacy** and ambitious national-level projects that will involve **more than 400,000 young people** over the duration of the plan. There is also an advanced training project for the most deserving young people of the Università Cattolica del Sacro Cuore ("honour loan").
- Development of the Third Sector service model with dedicated products and increase in lending.
- Definition of a **Diversity & Inclusion project**: unitary vision of the Bank on DE&I (Diversity, Equity and Inclusion) issues that impacts the Board of Directors, Board of Statutory Auditors, Top Management, employees and subsidiaries with concrete objectives in terms of gender diversity and equal remuneration, to be measured annually and reported in the *Consolidated Non-Financial Statement* (CNFS) prepared pursuant to Italian Legislative Decree No. 254/2016 and available on the Company's website.

- **Dissemination of the ESG Culture** and specific training activities: awareness-raising and involvement of the entire corporate workforce in sustainability issues as well as upskilling and reskilling actions for **over 50% of employees**.
- Initiatives to support culture and enhancement of the artistic and museum heritage.
- Interventions to promote agile work and the rebalancing between professional and private life also thanks to the different management of workplaces (new workplace).

### Governance

In order to complete the important strengthening of ESG governance launched in 2021 through the creation of a Sustainability Board Committee and the implementation of a dedicated function, reporting directly to the Board of Directors, the plan is to:

- Include ESG targets in the **long-term incentive system of Management** with KPIs accounting for **15%** of the total.
- Redesign the internal Organisation Model to define roles and responsibilities in the ESG area.
- Strengthen the skills of the Representatives of the Board of Directors and the Board of Statutory Auditors in relation to ESG. Consistently, in the 2021-2024 Training Plan for Corporate Officer carried out in collaboration with Università Cattolica Sacro Cuore di Milano, training meetings are planned dedicated to the topics of Climate change and corporate financing as well as non-financial information and sustainability disclosure.

Other cross-cutting interventions include:

- Integration of ESG factors in risk management processes, loan and investment policies.
- **25% expansion** of the range of **ESG investment products** and **25% increase** in **ESG assets under management** compared to 31/12/2021 (**Euro 12.7 billion**).
- Integration of ESG criteria in the Bank's procurement choices (through the ESG assessment of suppliers).

The 2022-2025 Business  
Plan of the Group





**FOCUS: THE ROLE OF THE BOARD OF DIRECTORS IN PURSUING THE COMPANY'S SUSTAINABLE SUCCESS**

In line with the provisions of Article 1 of the Corporate Governance Code, the Board of Directors defines the Group's guidelines and strategies on sustainability issues, approves a sustainability plan and prepares the Consolidated Non-Financial Statement (or "Sustainability Report").

**Sustainability Report**



To this end, the Board of Directors in office established: (i) the Sustainability Committee within the Board; (ii) the ESG Management Committee, and (iii) a structure dedicated to ESG strategies, currently reporting to the Deputy General Manager of the *Strategy, Finance & Innovation Area*.

During 2022, the Board of Directors therefore adopted/updated:

- the "ESG (Environmental, Social and Governance) Policy", which aims to promote ESG culture within the BPER Group and to guide the governance, processes, structures and corporate functions, through which to ensure the pursuit of sustainable success, with particular reference to environmental, social and governance issues, in compliance with the Corporate Governance Code and the principles developed by the competent international bodies, as well as with guidelines provided by regulators such as the European Central Bank and the European Banking Authority;

- the Policy on ESG (Environment, Social and Governance) investments in Securities Portfolio Management, which lays down the general principles and guidelines for the investment activities carried out on behalf of the BPER Group, in which the assessment of environmental, social and governance (ESG) factors are part of the decision-making process;
- the Policy for the Governance of the Risk of Non-Compliance with the Regulations on Sustainability in the Provision of Investment Services, which sets forth the guidelines and general principles for the integration of sustainability risks and the consideration of the negative effects for sustainability in the provision of Financial Advisory and Portfolio Management services, as well as the roles and responsibilities of the corporate Bodies and Organisational Units involved;
- the Group Regulation of the Process for the Preparation of the Consolidated Non-Financial Statement, which governs the methods for preparing the CNFS or a reporting document concerning environmental and social information relating to personnel, respect for human rights and the fight against active and passive corruption, considered relevant to the activities of the BPER Group;
- the ESG (Environmental, Social and Governance) Policy on Granting Credit, which defines the methods for integrating environmental, social and governance considerations into the activities of the BPER Group, in line with the sustainability commitments contained in the Group's ESG Policy.

**ESG policy**

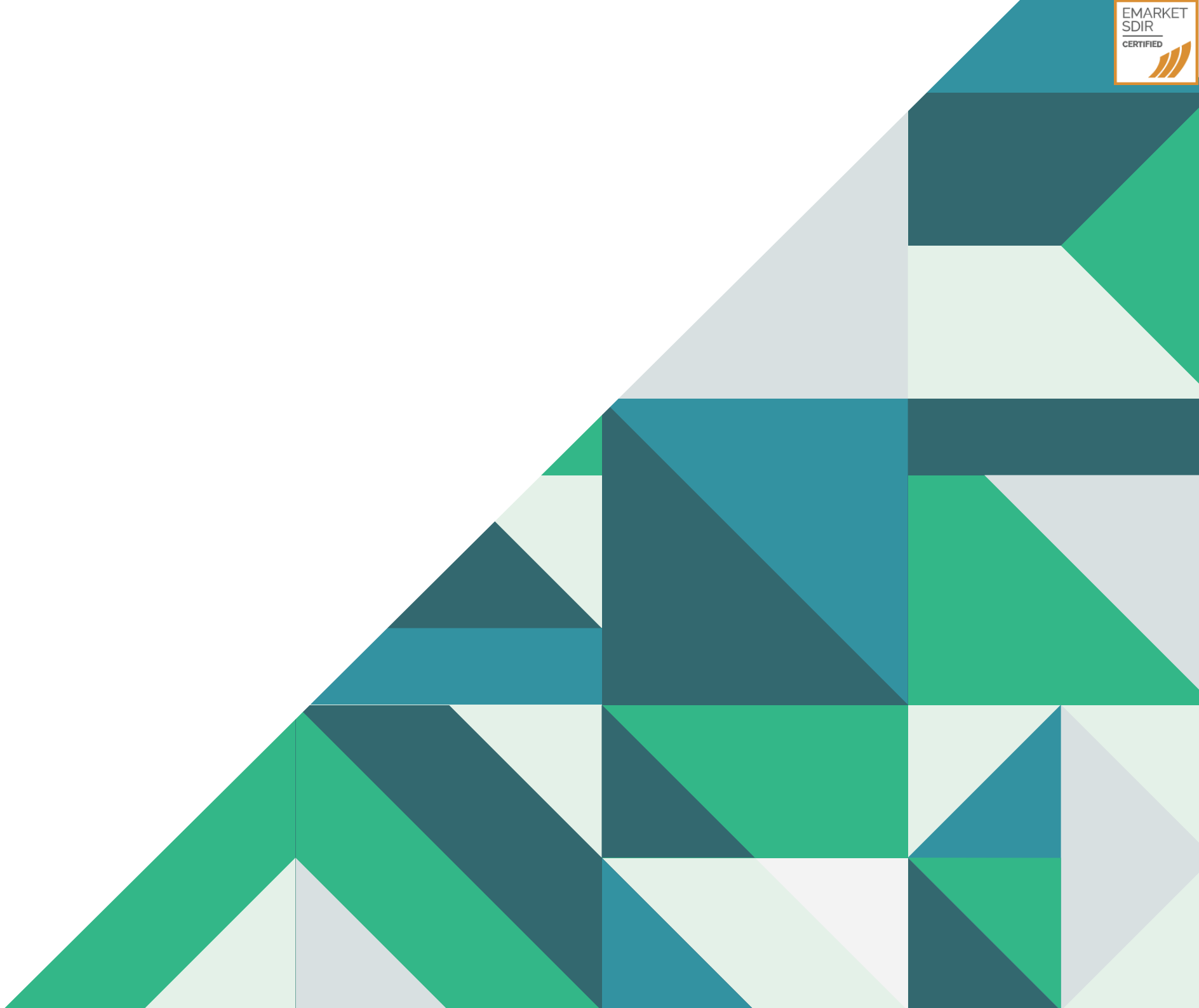
Consistent with the sustainable development objectives set out in the Group's 2022-2025 Business Plan and with the commitment to significantly contribute to the achievement of the Sustainable Development Goals set out in the UN 2030 Agenda, BPER Banca adopted the *ESG Policy*.

Integration of the principles of sustainability into the value chain takes on the meaning of constant commitment aimed at reconciling economic goals with social and environmental goals, generating value for the company, the stakeholders and the territories while simultaneously placing value on the positive environmental and social impacts (including those to combat climate change), reducing negative impacts to a minimum.

More specifically, the *ESG Policy* aims to promote ESG culture within the Group and to guide the governance, processes, structures and corporate functions responsible for ensuring the pursuit of sustainable success with particular attention to the enhancement of environmental, social and governance issues. The valuation of ESG goals incorporates the provisions of Article 1, Principle I of the Corporate Governance Code, the principles developed by the competent international bodies as well as the indications provided by regulators such as, for example, the European Central Bank (ECB) and the European Banking Authority (EBA).

**The ESG Policy**





# Chapter 2



# Shareholders and Investors

## 2.1 Ownership Structure

### Share capital structure and restrictions on voting rights

The share capital of BPER Banca (fully subscribed and paid-up) amounts to Euro 2,104,315,691.40 and consists of 1,415,850,518 registered ordinary shares, with no nominal value expressed. The share capital structure at 31 December 2022 is presented in Table 1 attached to this Report.

During the year, the share capital increased by Euro 3,880,509.00 through the issuance of 2,587,006 ordinary shares, with regular dividend entitlement, and with the same features as the outstanding shares, due to 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 Banca, completed with effect from 28 November 2022.

Article 5 of the Articles of Association was amended accordingly. The updated text of the aforementioned article can be consulted by framing the QR Code shown here.

On 25 July 2019, the Bank issued the Additional Tier 1 convertible bond for a total nominal amount of Euro 150,000,000, subscribed initially in full by Fondazione di Sardegna for a total price of Euro 180,000,000 (the bond conditions allow their conversion into BPER Banca shares with a maximum nominal value of Euro 150,000,000 and premium of Euro 42,857,142, via the issuance of up to 35,714,286 ordinary shares at a unit price of Euro 4.2, of which Euro 3 allocated to capital and Euro 1.2 to the share premium reserve). The number of instruments in circulation is 600 (unit nominal value of Euro 250,000).

### The BPER Banca Articles of Association



Within the limits established by current regulations, the Company, by resolution of the Extraordinary Shareholders' Meeting, may issue categories of shares carrying different rights with respect to ordinary shares, and may determine such rights, as well as financial instruments with equity or administrative rights.

All the shares belonging to the same category carry the same rights. Each ordinary share entitles the holder to one vote. The Articles of Association do not provide for any restrictions on voting rights.

As of the date of this Report, no categories of shares had been issued other than ordinary shares. In particular, as part of 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 Banca, no special category shares were issued, given that none of Banca Carige's savings shareholders exercised the option granted to opt for the allocation, at the time of the share swap, of shares other than ordinary shares.

Finally, the Bank does not have any remuneration plans that envisage increases, even free of charge, in the share capital.

The Articles of Association do not provide for any limits on the possession of shares nor for any restrictions on their transfer.

With regard to information on Internal Dealing obligations, please refer to the following paragraph "Management of corporate information".

Restriction on the transfer of shares

## Shareholders and Investors

Significant holdings of share capital

The following table shows the list of those who, at the date of approval of this Report, hold more than 3% of BPER's share capital, as reported to the Company on the basis of the communications made pursuant to Article 120 of the CLF.

Declarant shareholder	Direct shareholders	% portion of ordinary share capital	% portion of voting capital
Unipol Gruppo S.p.A.	Unipol Gruppo S.p.A.	10.53	10.53
	UnipolSai Assicurazioni S.p.A.	9.32	9.32
		19.85	19.85
Fondazione di Sardegna	Fondazione di Sardegna	10.20	10.20
Norges Bank	Norges Bank	3.02	3.02

Securities carrying special rights

At the date of approval of this Report, no securities carrying special rights of control and/or other special power had been issued, nor multiple or increased voting shares, the issuance of which is not envisaged by the Articles of Association.

Without prejudice to the foregoing, companies operating in the financial and lending sector fall within the scope of the provisions on special powers of the State (*i.e.*, golden power), as governed by Italian Decree-Law No. 21 of 2012 (converted into Italian Law No. 56 of 2012) and by subsequent amendments, additions and implementing rules, as well as by any other applicable provision, including those of a European nature.



### FOCUS: GOLDEN POWER

Italian Law No. 47/1994 introduced the golden share into Italian law, a governance tool allowing the State to retain a shareholding, with the right to veto crucial company decisions, in the event of privatisation of public companies. The golden share was criticised by the European Commission which, while recognising the merit and legitimacy of the purpose of safeguarding the vital interests of the State, nevertheless found that the institution, under certain conditions, could be detrimental to the principles of the free movement of capital.

The domestic legislator, under Italian Law No. 56/2012, therefore introduced the golden power into the legal system which, in fact, replaced the golden share, the previous instrument. The instrument, aimed at protecting European and national strategic and financial interests, grants the State special powers over all companies that carry out activities of strategic importance. In particular, these include special powers whereby national governments set limits on direct foreign investments in the defence, national security and certain areas of activity defined as of strategic importance in the energy, transport and communications industries. Since the adoption of Italian Decree Law No. 23/2020, the banking, insurance and financial sector also entered the scope of application of golden power of the Italian State.

For example, by exercising its golden power, the State has the right, under certain conditions, to impose specific conditions on the purchase of equity investments or to oppose the adoption of resolutions relating to extraordinary transactions, or those of particular importance, capable of compromising national interests.

The regulatory framework of golden power has been subject to numerous revisions. The main reference rules on golden power are now contained in Italian Decree Law No. 21/2022, converted, with amendments, by Italian Law No. 51/2022 and in the Regulation for the Simplification of golden power, adopted by Italian Decree No. 133 of the President of the Council of Ministers of 1 August 2022.

**Shares held by employees: mechanism for exercising voting rights**

On 20 April 2022, the Shareholders' Meeting of BPER Banca approved the 2022-2024 Incentive Plan subsequently amended by the Shareholders' Meeting of 5 November 2022 and extended until 2025. The Plan provides for the assignment, free of charge, of BPER Banca ordinary shares to Directors and employees of the Bank and its Subsidiaries, as identified by the Board of Directors from among those holding roles deemed to be strategically important for the achievement of the objectives of the Banking Group.

This plan does not provide for particular mechanisms relating to the exercise of voting rights relevant for the purposes of Article 123-*bis*, paragraph 1, lett. e) CLF.

For more information on the LTI plan approved by BPER Banca, please refer to the document published on the website [www.bper.it](http://www.bper.it) - Institutional > Governance > Shareholders' Meeting.

**Agreements between Shareholders**

At the date of approval of this Report, the Bank is not aware of any shareholders' agreements pursuant to Article 122 of the CLF.

**Change of control clauses and statutory provisions regarding takeover bids**

Given that, at the date of approval of this Report, BPER is not controlled, even *de facto*, by any party, neither BPER nor the other Group companies have entered into significant agreements that become effective, are amended or are terminated in the event of a change of control of BPER or its subsidiaries.

The Bank's Articles of Association do not provide for the application of the neutralization rules contained in Article 104-*bis*, paragraphs 2 and 3 of the CLF in respect of takeover bids, nor do they derogate from the provisions on the passivity rule provided by Article 104, paragraphs 1 and 1-*bis* of the CLF.

**Mandates to increase share capital and authorisations to purchase treasury shares**

Within the limits established by current regulations, the Company, by resolution of the Extraordinary Shareholders' Meeting may 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. The Company may issue bonds, including those convertible into shares, in compliance with applicable legislation.

Given the above, with regard to the delegations to increase the share capital still subject to execution, it should be noted that the Extraordinary Shareholders' Meeting of 4 July 2019 resolved, *inter alia*:

- a) to delegate to the Board of Directors, pursuant to Article 2420-*ter* of the Italian Civil Code (to be exercised by 31 December 2019), the power to issue an Additional Tier 1 convertible bond, for a total nominal amount of Euro 150,000,000, to be offered in full for subscription to Fondazione di Sardegna, with the exclusion of option rights, at an above par subscription price set at a total of Euro 180,000,000. Consequently, delegation of power has been granted to increase the Company's share capital for payment, in one or more tranches, in a divisible manner, for a total maximum amount of Euro 150,000,000, including a share premium of Euro 42,857,142, to exclusively and irrevocably service the conversion of the aforesaid loan, by issuing a maximum of 35,714,286 ordinary shares of the Company, without nominal value, with standard dividend entitlement rights and the same characteristics as the other ordinary shares in the Company outstanding on the issue date. The Board of Directors implemented the delegation of power at its meeting on 11 July 2019;
- b) to grant the Board of Directors the power, for a period of five years from the date of the resolution, to increase the share capital for payment, in one or more tranches and on

a divisible basis, with the exclusion of pre-emptive rights, for a total maximum amount of Euro 13,000,000.00, including any share premium to be determined in accordance with Article 2441(6) of the Italian Civil Code, by issuing a maximum number of 2,500,000 ordinary shares, with no expressed nominal value, whose issue value may also be lower than the accounting par value at the relevant issue date, with regular dividend rights and the same characteristics as the Company's ordinary shares in circulation at the issue date. This resolution has not yet been implemented.

The same Shareholders' Meeting of 4 July 2019 had also granted the Board of Directors two further delegations of power, which have expired to date and have been partially executed, leading - in total - to a capital increase of Euro 117,958,539.

At the date of approval of this Report, the share capital is therefore equal to Euro 2,104,315,691.40, which includes the effects of the aforementioned share capital increase, as well as (i) the fully subscribed capital increase of Euro 534,838,838.40, resolved by the Board of Directors on 29 September 2020, in implementation of the shareholders' resolution resolved on 22 April 2020, (ii) the capital increase resolved by the Extraordinary Shareholders' Meeting of 6 July 2020, for an amount equal to Euro 3,712,500.00, to service the merger by absorption of the subsidiary Cassa di Risparmio di Bra S.p.A. into BPER Banca as well (iii) the share capital increase resolved by the Extraordinary Shareholders' Meeting of 5 November 2022, up to a total amount of Euro 27,138,082.50, to service the merger by absorption of the Banca CARIGE S.p.A. and Banca del Monte di Lucca S.p.A. into BPER Banca, executed for an amount equal to Euro 3,880,509.00.

With regard to treasury shares, the Ordinary Shareholders' Meeting of 20 April 2022 authorised the purchase and disposal of a maximum of 13,667,067 ordinary shares of BPER Banca (not exceeding a total equivalent value of Euro 26 million), without nominal value, to service the 2022-2024 Long-Term Incentive (LTI) Plan, the 2022 MBO and subsequent MBO incentive schemes, as well as any termination payments.

The authorisation to purchase was granted for a period of 12 months from the date of authorisation by the Supervisory Authority (ECB), while the authorisation to dispose of treasury shares already in portfolio and of those that will be purchased was granted without any time limit, in line with what is allowed under current legislation.

For details regarding the aforementioned authorisation, please refer to the Explanatory Report of the Board of Directors to the aforementioned Shareholders' Meeting of 20 April 2022, with reference to item 4, letter d) on the agenda, available on the Company's website [www.bper.it](http://www.bper.it) - Institutional > Governance > Shareholders' Meeting.

In implementation of this authorisation, on 7 December 2022 the Company launched a share buyback programme under which the Bank purchased a total of 750,000 BPER Banca ordinary shares, representing approximately 0.07% of the share capital, for a total value of Euro 1,441,097 at an average purchase price per share of Euro 1.9215.

During the 2022 financial year, in compliance with the aforementioned resolution authorising the disposal, the Bank allocated 166,225 treasury shares to employees, on termination of employment, in accordance with the provisions of the Remuneration Policies.

Following the update of the 2022 - 2024 Long-Term Incentive (LTI) Plan approved by the Shareholders' Meeting of 20 April 2022, update approved by the Shareholders' Meeting of 5 November 2022 in order to align the Plan with the four-year duration of the Group's new 2022-2025 Business Plan, approved by the Board of Directors on 9 June 2022 - on 19 January 2023, the Board of Directors resolved to submit for approval to the Shareholders' Meeting called to approve the 2022 financial statements a proposal to authorise the purchase and disposal of treasury shares in order to provide the funds necessary to pay the incentives arising from the Long-Term Incentive Plan (2022-2025 LTI) and the 2023 MBO incentive scheme, which will be submitted to the approval of the same Shareholders' Meeting, as well as any plans for subsequent years and severance treatment requiring the use of equity instruments. The authorisation to purchase is requested for a maximum number of 6,700,000 treasury shares.

For more detailed information on the terms and conditions of the aforementioned authorisation proposal, please refer to the Explanatory Report of the Board of Directors for the aforementioned Shareholders' Meeting to approve the 2022 financial statements, available on the Company's website [www.bper.it](http://www.bper.it) - Institutional > Governance > Shareholders' Meeting.

In view of the foregoing, and also taking into account previous treasury shares held in portfolio, at the date of approval of this Report, the Bank holds 1,714,504 treasury shares which, compared to the total number of shares making up the Bank's share capital at the same date, represent 0.81% of the share capital.

\*\*\*\*\*

With regard to the information required by Article 123-bis, paragraph 1, letter i), of the CLF ("*agreements between the company and the directors [...] which provide for indemnities in the event of resignation or termination without just cause or if their employment relationship ceases as a result of a takeover bid*"), please refer to Chapter 3 below concerning Directors' remuneration as well as the Reports on the remuneration policy and on the fees paid pursuant to Article 123-ter of the CLF (the "Remuneration Reports") and published on the website [www.bper.it](http://www.bper.it) - Institutional > Governance > Shareholders' Meeting.

The information required by Article 123-bis, paragraph 1, letter l), part 1 of the CLF ("*rules applicable to the appointment and replacement of directors [...], other than legislative or regulatory requirements that are applicable in a supplementary capacity*") are illustrated in Section 3.2 below, in the Chapter regarding the Board of Directors.

The information required by Article 123-bis, paragraph 1, letter l), part 2 of the CLF ("*rules applicable [...] to the amendment of the articles of association, other than legislative or regulatory requirements that are applicable in a supplementary capacity*") are illustrated in the Chapter of the Report dedicated to the Shareholders' Meeting (Chapter 3).

Information  
ex art. 123-bis,  
paragraph 1  
TUF

## 2.2 Management of corporate information

In application of the regulations in force on corporate information and market abuse and in line with the "Group Policy for the governance of the risk of non-compliance with the regulations on Market Abuse", BPER Banca adopted a "Regulation of the Group of the process for the management of privileged information and the Insider List (Market Abuse regulations)", aimed at regulating, with binding effectiveness, the process of monitoring, internal circulation and communication to the public and to CONSOB of information considered to be of a privileged nature.

The Company fulfils its obligations to disclose inside information to the public pursuant to Article 17 of Regulation (EU) No. 596/2014 (MAR) and Article 114 of the CLF by means of press releases that are disseminated through the e-Market System for the Dissemination of Regulated Information (SDRI), stored through the iINFO authorised storage mechanism (<https://www.iinfo.it>) and published on the website [www.bper.it](http://www.bper.it) - Institutional.

Additional regulated information or in any case additional information that the Company is required to make public on the basis of regulatory provisions or trading venue rules is disseminated and stored pursuant to Articles 65-bis *et seq.* of the Issuers' Regulations, in the manner indicated above. In the cases prescribed, and when deemed appropriate by the Bank, the information shall also be published in national newspapers.

In implementation of the aforementioned legislation, the Bank set up and maintains, as required by the applicable legislation, a "Register of persons with access to inside information", managed online by means of a special procedure. The Register contains a section in which those who have permanent access to privileged information related to the Bank and divided into occasional sections, where the data of all those who have access to specific inside information and with whom there is a professional collaboration relationship, including on the basis of an employment contract, or who in any case perform certain tasks through which they have access to inside information, such as advisors, accountants or credit rating agencies, are entered.

On a voluntary basis, in line with the provisions of CONSOB Guidelines No. 1 of 13 October 2017, the Bank also identifies the so-called "material information" and keeps a computerised list of the persons who have access to such information and with whom there is a professional relationship, including on the basis of an employment contract, or who in any event perform certain tasks through which they have access to the said information.

Also pursuant to market abuse regulations, the Company adopted a specific "Group Regulation of the Internal Dealing management process (Market Abuse Regulations)".

This document, pursuant to current legislation and in line with the "Group Policy for the governance of the risk of non-compliance with the regulations on Market Abuse", outlines the process of managing transactions carried out by persons who exercise administrative functions, control or management, as well as by anyone who holds an equity investment,

Insider List

Internal  
Dealing

equal to at least 10% of the share capital of the listed Issuer, represented by shares with voting rights and (if they exist) by any other party that controls the listed Issuer and by the Persons closely associated with them (so-called Internal Dealing Transactions).

The process of managing internal dealing transactions is divided into the following sub-processes:

- identification and management of Internal Dealing transactions;
- notification and publication of Internal Dealing transactions;
- management of the closed period.

For more information, please refer to the document approved by the Bank's Board and published on the website [www.bper.it](http://www.bper.it) - Institutional > Governance > Documents > Internal Dealing Communications.



### FOCUS: INSIDE INFORMATION MANAGEMENT PROCESS

Regulation (EU) No. 596/2014 (MAR) establishes a common regulatory framework at European level on the abuse of inside information, unlawful disclosure of inside information and market manipulation (so-called "market abuse"), and introduces measures to prevent the aforementioned abuses, in order to ensure the integrity of the financial markets of the European Union, increase the protection of investors and trust in these markets.

Pursuant to Article 7, paragraph 1, of the MAR, "inside information" means:

- "information of a precise nature, which has not been made public, relating, directly or indirectly, to one or more issuers or to one or more financial instruments, and which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments;*
- in relation to commodity derivatives, information of a precise nature, which has not been made public, relating, directly or indirectly to one or more such derivatives or relating directly to the related spot commodity contract, and which, if it were made public, would be likely to have a significant effect on the prices of such derivatives or related spot commodity contracts, and where this is information which is reasonably expected to be disclosed or is required to be disclosed in accordance with legal or regulatory provisions at the Union or national level, market rules, contract, practice or custom, on the relevant commodity derivatives markets or spot markets;*
- in relation to emission allowances or auctioned products based thereon, information of a precise nature, which has not been made public, relating, directly or indirectly, to one or more such instruments, and which, if it were made public, would be likely to have a significant effect on the prices of such instruments or on the prices of related derivative financial instruments;*
- for persons charged with the execution of orders concerning financial instruments, it also means information conveyed by a client and relating to the client's pending orders in financial instruments, which is of a precise nature, relating, directly or indirectly, to one or more issuers or to one or more financial instruments, and which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments, the price of related spot commodity contracts, or on the price of related derivative financial instruments".*

The process for managing inside information and the insider list described in the "Group Regulation of the process for managing privileged information and the Insider List (Market Abuse regulations)" is divided into the following sub-processes:

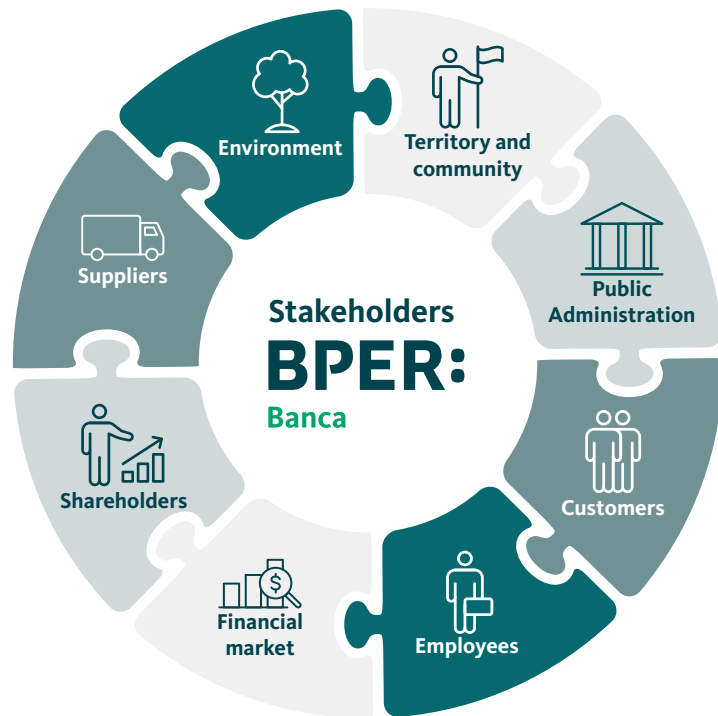
- the evaluation process for the inside nature of information;
- methods for communicating inside information to the public;
- the management of possible delay in communicating inside information to the public;
- handling lists of persons with access to inside information.

## 2.3 Relations with Shareholders and Investors

Dialogue with all stakeholders is a crucial issue in building an inclusive and balanced development path, allowing the BPER Group to identify the interests of which they are stakeholders and direct its commitment towards the most relevant issues, in order to create value over time for everyone.

BPER Banca has identified the following stakeholders, shown in the map-like structure below. For more details, please refer to the 2022 Sustainability Report published on the website [www.bper.it](http://www.bper.it) - Institutional > Sustainability > Sustainability Report.

In addition to the foregoing, BPER Banca adopts and implements an Engagement Policy, with the aim of promoting and regulating an active and transparent dialogue between the Company's Directors, Shareholders and, more generally, Investors and Advisors on voting matters (Shareholder-Director Engagement), taking into account past experience, best practices and engagement policies adopted by institutional investors and asset managers.



### FOCUS: ENGAGEMENT POLICY

In implementation of the provisions of Circular No. 285 of 17 December 2013 of the Bank of Italy and Recommendation No. 3 of the Corporate Governance Code, BPER Banca has adopted the Engagement Policy (the "Policy"). The document also takes into account the principles set forth by Assonime in Circular No. 23 of 19 July 2021 "Principles for Listed Companies Dialogue with Investors" and the proportionality criterion, in consideration of the business sector (banking and financial), the size of the company and the ownership structure of BPER.

In compliance with the applicable primary and secondary regulations, through the Policy, BPER intends to seek guidance for its conduct from the principles of transparency, fairness, process efficiency, equal treatment on equal terms and openness to discussion. This is in the belief that only through the mutual recognition of roles, the mutual and constant commitment in pursuing the dialogue between the Company and the market and the unfailing anchoring to these principles will it be possible to achieve the objectives of continuous improvement of the Company's governance and sustainable success pursuant to Article 1, Principle I, of the Corporate Governance Code.

It is envisaged that the Board of Directors of BPER periodically assesses the effectiveness and adequacy of the Policy, indicating any measures to be taken to correct any shortcomings or to make any improvements or updates.

The Policy, in Italian and English, is published, together with a description of the overall management of relations with stakeholders, on the website [www.bper.it](http://www.bper.it) - Institutional > Governance > Documents.

The Policy governs dialogue on issues under the responsibility of the Board of Directors relating in particular to corporate governance, strategic policies and transactions, capital structure, financial and non-financial results, and sustainability (ESG - Environmental, Social, Governance), the remuneration policies of Directors and Executives with Strategic Responsibilities, as well as the Internal Control and Risk Management Systems approved by the Company.

This dialogue may be either "reactive" – where it is established at the request of Shareholders, Investors or Voting Advisors – or "proactive" – where it is established at the initiative of the Company, and may take place on a one-way or two-way basis, individually or collectively.

In all cases of dialogue, compliance with current legislation on the management of confidential information and, in particular, on inside information, Market Abuse and equal treatment of persons in identical situations is always ensured.

With regard to (i) the roles and responsibilities of the various Bodies and individuals involved in the implementation of the engagement policy (Board of Directors, Chair, Chief Executive Officer, Chairs of Committees, other Directors, Heads of Corporate Functions); (ii) the methods of transmission of requests; (iii) the criteria and methods of evaluation and acceptance thereof and (iv) the information flows, please refer to the document published, in its full version, on the Bank's website.

#### Engagement Policy



During 2022, BPER Banca did not receive any requests for engagement and did not promote shareholder-director engagement initiatives. However, the Bank has been responsible for promoting a profitable and transparent relationship with investors, intermediaries and, more generally, with stakeholders in the Bank through the Investor Relations Office, which is the official contact point of the Bank and of the BPER Group towards the national and international financial community and contributes to the creation of a constant information channel with the latter.

Thus, the above-mentioned Investor Relations Office communicates with the shareholders, bondholders, investors, financial analysts and rating agencies in order to disseminate in a homogeneous manner correct and timely information and news about the activities, results, strategy and growth prospects of the Bank and the Group in compliance current legislation. During the year, several meetings and discussions were organised for this purpose, also via conference calls, between the Bank's senior management, the financial community and the press, regarding the presentations, including via conference calls, the periodic consolidated results of the BPER Group, as well as business plans, ESG strategies and initiatives. With a view to more comprehensive relations with stakeholders, the Group has initiated an engagement phase with them through, *inter alia*, one-on-one interviews with Opinion Leaders, or parties with relevant expertise in relation to various specific issues. In particular, representatives of shareholders, financial market experts, dedicated networks/initiatives, academics and other categories of stakeholders were involved, such as: protection associations, customers, suppliers, trade unions, entities and other organisations.

The Investor Relations Office collaborates, as appropriate, with the External Relations, Sponsorships & Events Office in managing the relationship with shareholders through adequate and constant information on the life of the Bank and the Group. This Office, among its various activities, maintains relations with journalists from national and local newspapers, prepares press releases and has them published in the media, organises press conferences and prepares communication plans, coordinating with other Banks in the Group where necessary. In addition, the Investor Relations Office cooperates, as appropriate, with the ESG Strategy Office, in managing information relating to ESG issues and in monitoring ESG ratings to which the Bank is subject.

# Chapter 3





# The Company's Governance structure

## 3.1 Shareholders' Meeting

The Shareholders' Meeting of BPER, convened in ordinary or extraordinary session, is the place where shareholders resolve on matters within their sphere of competence.

The Ordinary Shareholders' Meeting must be convened by the Board of Directors at least once a year, within one hundred and twenty days of the end of the financial year, to resolve on the approval of the financial statements. The Extraordinary Shareholders' Meeting is instead convened whenever it is necessary to adopt one of the resolutions reserved to it by law.

According to the provisions of Article 10 of the Articles of Association, the Shareholders' Meeting takes place, in a single call, at the location specified in the meeting notice, provided that this is in Italy. However, the Board of Directors may decide to convene the Shareholders' Meeting at first call, second call, or, for Extraordinary Shareholders' Meetings only, also at third call, with reference made to this in the meeting notice.

If it is provided for in the notice, the Meeting may be validly held also using remote communication systems, on condition that the identity of the persons entitled to attend is assured and that all participants are able to intervene in real time in discussions about the matters on the agenda, as well as to vote on the resolutions.

The Meeting is convened by means of a notice published within the terms and in the manner prescribed by current legislation.

Pursuant to Article 13 of the Articles of Association, the Meeting is chaired by the Chairperson of the Board of Directors or by the person replacing him/her in accordance with the Articles of Association or, failing this, by the person elected by those present. The Chairperson of the Meeting checks that the Meeting is quorate, verifies the identity and rights of those present, moderates the business conducted and determines the results of voting.

Except where the minutes of the Assembly are drawn up by a notary public, the Secretary of the Shareholders' Meeting or, in his/her absence, a member designated by the Assembly, acts as Secretary of the meeting.

In order to establish the quorum and the validity of the resolutions of the Shareholders' Meeting, the quorum envisaged in current legislation shall apply, without prejudice to the provisions of Articles 18, 19, 20, 31, 32 and 33 of the Articles of Association with reference to the appointment of the Corporate Bodies with the list voting system.

By law, those who hold the Company's shares at the end of the accounting day of the seventh trading day prior to the date of the Shareholders' Meeting (record date) are entitled to participate in the Shareholders' Meeting and exercise the right to vote, directly or by proxy.

Each ordinary share entitles the holder to one vote. The Bank's Articles of Association do not provide for the existence of multiple or increased voting shares.

Postal voting is not allowed. In accordance with current regulations, the Board of Directors can allow votes to be cast before and/or during the Shareholders' Meeting, without requiring the physical presence of the person, through the use of electronic devices in ways to be communicated in the meeting notice of the Shareholders' Meeting, such as to ensure the identification of those who have the right to vote and the security of communications. This method of exercising voting rights has not yet been adopted by the Bank.

Members of the Board of Directors, who are also Shareholders of the Company, may not vote on resolutions regarding their areas of responsibility.

In accordance with the procedures, terms and limits established by law, shareholders who represent, even jointly, at least 2.5% of the share capital, the minimum required for this purpose by current legislation, may request, in writing, to add to the list of items placed on the agenda of the Shareholders' Meeting, or submit resolution proposals on items already on the agenda. Additions to the list of matters to be discussed cannot include those for which, by law, the Meeting adopts resolutions based on a proposal from the Directors, or based on a draft or a report prepared by them. Those entitled to vote may also individually submit proposals for resolutions to the Meeting.

In the manner, within the terms and within the limits established by law and indicated in the meeting notice, those who have the right to vote may also ask questions on the items on the agenda even before the Shareholders' Meeting.

The main tool for involving shareholders in the Shareholders' Meeting is the timely sharing of all useful information for the purpose of the informed exercise of the right to vote, in particular through the publication of the Shareholders' Meeting documentation on the institutional website, a fundamental means of communication and transparency towards the public.

Convening and carrying out of work

Participation in the Shareholders' Meeting and Shareholders' rights

## The Company's Governance structure

For example, the Bank makes available on its website, pursuant to and within the terms established by Article 125-*quater* of the CLF:

- the documents that will be submitted to the Shareholders' Meeting, including the reports of the Board of Directors on each of the items on the agenda and the annual Directors' Report;
- the forms that shareholders have the right to use for voting proxy;
- information on the amount of the share capital with reference to the number and categories of shares into which it is divided.

The documentation concerning the items on the agenda is in any case made available to the public at the registered office with the right for those entitled to obtain a copy, on the institutional website, Governance > Shareholders' Meeting section, and with the other methods envisaged by the regulations from time to time in force.

Representation at the Shareholders' Meeting is governed by the laws in force (Article 2372 of the Italian Civil Code, Articles 135-*novies*, 135-*decies* and 135-*undecies* of the CLF) and by the Articles of Association (Article 11, paragraph 6).

The Shareholders' Meeting of 14 April 2018 approved specific Shareholders' Meeting Regulations, published on the institutional website [www.bper.it](http://www.bper.it) in the section Governance > Documents. This document contains detailed rules for greater clarification and integration of the provisions of the Articles of Association, to regulate the orderly and functional conduct of Shareholders' Meetings and regulates, *inter alia* (i) participation in the Shareholders' Meeting; (ii) the procedures for verifying entitlement to attend the Shareholders' Meeting; (iii) the tasks and powers of the Chairperson for the purposes of the constitution of the Shareholders' Meeting and its proceedings; (iv) the procedures for discussion of the items on the agenda; (v) the discussion of the Shareholders' Meeting; (vi) the voting procedures; (vii) any suspension and closure of the proceedings.

During 2022, three Shareholders' Meetings were held, on 20 April 2022 (Ordinary Shareholders' Meeting), 27 July 2022 (Ordinary Shareholders' Meeting) and 5 November 2022 (Ordinary and Extraordinary Shareholders' Meetings).

Those entitled to participate in the first two Shareholders' Meetings were able to participate exclusively through Computershare S.p.A., the Company's Designated Representative pursuant to Article 135-*undecies* of the CLF, in line with the provisions of the emergency regulations issued to deal with the COVID-19 pandemic. On the other hand, the Shareholders' Meeting of 5 November 2022 was held as a meeting open to the public.

The aforementioned Meetings were attended by the Directors and Statutory Auditors in observance of the containment measures imposed by law, including through the use of remote connection systems. Specifically: (i) thirteen members of the Board of Directors (the other two justified their absence) and all sitting members of the Board of Statutory Auditors were present (in person or by means of remote connection) at the Ordinary Shareholders' Meeting

of 20 April 2022; (ii) three members of the Board of Directors (the other twelve justified their absence) and all sitting members of the Board of Statutory Auditors were present in person at the Ordinary Shareholders' Meeting of 27 July 2022; (iii) three members of the Board of Directors (the other eleven justified their absence) and all the sitting members of the Board of Statutory Auditors were present at the Ordinary and Extraordinary Shareholders' Meeting of 5 November 2022.

During the Shareholders' Meeting held as a public meeting to approve the draft terms of the merger of Banca CARIGE S.p.A. - Cassa di Risparmio di Genova e Imperia S.p.A. and Banca del Monte di Lucca S.p.A. into BPER Banca, the Chairperson and the Chief Executive Officer, each within their respective spheres of competence, explained to the shareholders present the items on the agenda, also by referring to the information documents published ahead of the Shareholders' Meeting. On the occasion of the two Shareholders' Meetings held with emergency procedures, the disclosure to the Shareholders was in any case fully ensured by the publication of the pre-meeting documentation and by the right of shareholders to ask questions prior to the Shareholders' Meeting, to which the Bank provided a public response within the terms envisaged by law.

The Shareholders' Meetings called to approve the Financial Statements also approved the Remuneration Report pursuant to Article 123-*ter* of the CLF, including the remuneration policies of the BPER Banca S.p.A. Group for the year to which the financial statements refer and annual disclosure regarding implementation of remuneration policies for the previous year. On that occasion, the methods for exercising the functions of the Committee were explained to the Shareholders.

The resolution proposals for the individual items on the agenda of the aforementioned Meetings were formulated by the Board of Directors within the terms and methods laid down in current regulations.

\*\*\*\*\*

On 5 November 2022, the Shareholders' Meeting of BPER approved a draft amendments to the Articles of Association aimed at strengthening the centrality of the Board of Directors and promoting efficient, sound and prudent management of the Bank, including in particular the introduction of the co-optation mechanism for the replacement of the Directors and the assignment to the Board of Directors of the choice to appoint or not the Members of the General Management, as well as the power to establish their powers. On this occasion, minimal revision and coordination of the text was carried out, also in order to eliminate from the Articles of Association provisions that are no longer current or in any case considered superfluous.

Shareholders' Meeting Regulation

BPER's 2022 Shareholders' Meetings



Amendments to the Articles of Association approved by the Shareholders' Meeting in 2022.

## 3.2 Board of Directors



# Flavia Mazzarella

**CHAIRPERSON  
NON-EXECUTIVE AND INDEPENDENT  
DIRECTOR**

Flavia Mazzarella graduated in Economics and Commerce from La Sapienza University of Rome.

Since 2021, she has been Chairperson of the Board of Directors of BPER Banca S.p.A. and of the Sustainability Committee.

She is a member of the Board of the FITD - Fondo Interbancario di Tutela dei Depositi, as well as Deputy Chairperson of the Management Board of Schema Volontario di Intervento del FITD - Fondo Interbancario di Tutela dei Depositi. She also holds the position of Director and member of the Control, Risk and Sustainability Committee of WeBuild S.p.A.

Previously, she held managerial positions at Supervisory Authorities and was a member of the Board of Directors of Italian companies, listed and unlisted, operating in the banking, healthcare, renewable energy and energy transition sectors.

For details of the offices held, please refer to the profile published on the website [www.bper.it](http://www.bper.it) – Institutional > Governance – Board of Directors, as well as to the QR Code.



**NATIONALITY:** Italian

**PROFESSIONAL  
BACKGROUND:**

Management roles at Supervisory Authorities

**IN OFFICE SINCE**

21 April 2021

(date of first appointment)

**BOARD COMMITTEES:**

Chairperson of the Sustainability Committee



About me

# Piero Luigi Montani

**CHIEF EXECUTIVE OFFICER  
GENERAL MANAGER**

Since 2021, Chief Executive Officer and General Manager of BPER Banca S.p.A.

Previously, he held numerous positions as Director, also executive, and General Manager, of Italian companies, listed and unlisted, operating in the banking, financial and insurance sectors.

With reference to the banking sector, he has gained particular experience in the management of corporate restructuring and turnaround projects.

He has also been a Director and Member of the Management of FITD - Fondo Interbancario di Tutela dei Depositi.

In May 2020, he was awarded the honour of Knight in the Order of Merit of the Italian Republic by the President of the Italian Republic.

For details of the offices held, please refer to the profile published on the website [www.bper.it](http://www.bper.it) – Institutional > Governance – Board of Directors, as well as to the QR Code.



**NATIONALITY:** Italian

**PROFESSIONAL  
BACKGROUND:**

Manager

**IN OFFICE SINCE**

21 April 2021

(date of first appointment)

**BOARD COMMITTEES:**

He does not hold offices in Board Committees



About me



## Riccardo Barbieri

**DEPUTY CHAIRPERSON  
NON-EXECUTIVE DIRECTOR**

Riccardo Barbieri graduated in Economics and Business from the Università degli Studi di Cagliari and obtained a Luiss Management Master in Administration, Management Control and Finance of SMEs.

He is a qualified Chartered Accountant and is a Registered Auditor.

Since April 2021 he has been Deputy Chairperson of the Board of Directors and Member of the Sustainability Committee of BPER Banca S.p.A. From 2018 to 2021 he held the position of Director and Member of the Executive Committee.

Since November 2017 he has been coordinator of the Finance Commission of Anfr (the Italian association of regional financial companies), where since July 2018 he has been a member of the Executive Committee and which he represents in the working groups of Alleanza Italiana per lo Sviluppo Sostenibile (Asvis) and of Federazione delle banche, assicurazioni e finanza (Febaf).

He also holds the position of General Manager of Fidicoop Sardegna and is a member of the Technical Committee of Assoconfidi. Previously he held positions of Director and was member of the Executive Committee of Italian companies operating in the banking and financial sector.

He has lectured and currently lectures in the field of corporate finance as part of academic and Master's courses organised by Universities and other Bodies.

For details of the offices held, please refer to the profile published on the website [www.bper.it](http://www.bper.it) - Institutional > Governance - Board of Directors, as well as to the QR Code.

Nationality:  
**ITALIAN**

**PROFESSIONAL  
BACKGROUND:**  
Manager

**IN OFFICE SINCE**  
21 April 2021

**BOARD  
COMMITTEES:**  
Member of the  
Sustainability  
Committee

About me



## Elena Beccalli

**NON-EXECUTIVE  
INDEPENDENT DIRECTOR**

Elena Beccalli graduated in Economics and Commerce from the Università Cattolica del Sacro Cuore in Milan.

Since 2021 she has been a member of the Board of Director, Chairperson of the Related Parties Committee and member of the Control and Risk Committee of BPER Banca S.p.A.

She is Dean of the Faculty of Banking, Financial and Insurance Sciences of Università Cattolica del Sacro Cuore in Milan, Full Professor of Economics of Financial Intermediaries, Director of Level 2 International University Master in Credit Risk Management and member of the Scientific Committee of the Monetary Analysis Laboratory, the Research Centre on Cooperation and Non-Profit and the Research Centre for Financial Training at the same University.

She is currently Chairperson of the European Society for Banking and Financial Law, member of the Board of Directors of Accademia Italiana di Economia Aziendale and member of the Scientific Committee of the Association of Chartered Accountants and Accounting Experts in Milan. Internationally speaking, she is also Research Associate of the Centre for Analysis of Risk and Regulation at the London School of Economics and Academic Fellow at the Centre for Responsible Banking & Finance of the University of St Andrews.

Previously, she held numerous positions and roles in the academic field, both in Italy and abroad. She was also a Director of an Italian banking company.

For details of the offices held, please refer to the profile published on the website [www.bper.it](http://www.bper.it) - Institutional > Governance - Board of Directors, as well as to the QR Code.

**NATIONALITY:**  
Italian

**PROFESSIONAL  
BACKGROUND:**  
Academic

**IN OFFICE SINCE**  
21 April 2021  
(date of first  
appointment)

**BOARD  
COMMITTEES:**  
Chairperson of the  
Related Parties  
Committee and  
Member of the  
Control and Risk  
Committee

About me



## Monica Cacciapuoti

**NON-EXECUTIVE  
DIRECTOR**

Monica Cacciapuoti graduated in Philosophy.

She has been a Director and a Member of the Control and Risk Committee of BPER Banca S.p.A since April 2022.

She is currently a Director of UnipolRental S.p.A. and Gruppo Una S.p.A.

She also holds the position of Chief Human Resources & Organisation Officer at Unipol Gruppo S.p.A.

She previously held managerial positions and was a member of the Board of Directors of Italian companies, listed and unlisted, mainly operating in the insurance and transport sector.

She has also gained experience in the areas of Human Resources, Compensation Systems, HR Governance, Organisation, Change Management, and Industrial Relations.

For details of the offices held, please refer to the profile published on the website [www.bper.it](http://www.bper.it) - Institutional > Governance - Board of Directors, as well as to the QR Code.

**NATIONALITY:**  
Italian

**PROFESSIONAL  
BACKGROUND:**  
Manager

**IN OFFICE SINCE**  
5 November 2022  
(date of first  
appointment)

**BOARD  
COMMITTEES:**  
Member of the  
Remuneration  
Committee

About me





## Silvia Elisabetta Candini

### NON-EXECUTIVE – INDEPENDENT DIRECTOR

Silvia Elisabetta Candini graduated in Political Economics from the L. Bocconi University of Milan.

Since 2021 she has been Chairperson of the Nominations and Corporate Governance Committee of BPER Banca S.p.A.

She was a Director, Member of the Nominations Committee and of the Remuneration Committee from 2020 to 2021. Since 2009 she has been involved in Independent Financial Advisory and Family Office through Studio C&C.

Previously, she held positions as Board Member of Italian and companies, listed, operating in the banking, insurance and pharmaceutical sectors.

She has also gained experience in management roles in banking and financial companies, in the areas of Mergers & Acquisitions, Equity, Fixed Income Origination and in the sale of bond products.

For details of the offices held, please refer to the profile published on the website [www.bper.it](http://www.bper.it) – Institutional > Governance – Board of Statutory Auditors, as well as to the QR Code.

**NATIONALITY:**  
Italian

**PROFESSIONAL BACKGROUND:**  
Manager and Self-employed

**IN OFFICE SINCE**  
21 April 2021

**BOARD COMMITTEES:**  
Chairperson of the Nominations and Corporate Governance Committee

About me



## Maria Elena Cappello

### NON-EXECUTIVE – INDEPENDENT DIRECTOR

Maria Elena Cappello graduated in Engineering at University of Pavia with an executive master's degree in Strategic Marketing and Sales Technique at Babson College, MA (USA) and in Marketing Management at SDA Bocconi (Milan).

Since 2021, Maria Elena Cappello has been Chairperson of the Remuneration Committee of BPER Banca S.p.A.

She has been a Director, Chairperson of the Remuneration Committee, as well as Member of the Appointments Committee and the Transformation Committee of Luminor Bank AS (Estonia).

She is also a Member of the Management Committee of Fondazione Artistica Poldi Pezzoli ONLUS 2020, of the ESG Working Group for Climate Change World Economic Forum, Fortune MPW (Most Powerful Women) and Fortune Boardroom Confidential.

In 2020 she was elected by Forbes among the 100 most powerful women.

Previously, she held numerous management and executive positions in Italian companies, listed and unlisted, mainly operating in the banking, telecommunications, IT, energy and infrastructure sectors.

For details of the offices held, please refer to the profile published on the website [www.bper.it](http://www.bper.it) – Institutional > Governance – Board of Statutory Auditors, as well as to the QR Code.

**NATIONALITY:**  
Italian

**PROFESSIONAL BACKGROUND:**  
Manager

**IN OFFICE SINCE**  
21 April 2021  
(date of first appointment)

**BOARD COMMITTEES:**  
Chairperson of the Remuneration Committee

About me



## Cristiano Cincotti

### NON-EXECUTIVE – INDEPENDENT DIRECTOR

Cristiano Cincotti graduated in Law at Università degli Studi di Cagliari, and obtained a PhD in Commercial Law at University of Catania.

Since 2021, he has been a Board Member of BPER Banca S.p.A. Since November 2022, he has been a Member of the Remuneration Committee, previously a Member of the Nominations and Corporate Governance Committee.

He is a practising lawyer and carries out consultancy activities, specialising in matters relating to corporate and business law.

He is an Associate Professor of Commercial Law at University of Cagliari.

He also holds the position of Member of the Ethics Committee at Fondazione di Sardegna.

He previously was a Board Member in a Foundation; a Member of the Supervisory Body pursuant to Italian Legislative Decree No. 231/2001 of public interest companies and a Statutory Auditor in public sector financial entities.

For details of the offices held, please refer to the profile published on the website [www.bper.it](http://www.bper.it) – Institutional > Governance – Board of Statutory Auditors, as well as to the QR Code.

**NATIONALITY:**  
Italian

**PROFESSIONAL BACKGROUND:**  
Self-employed (Lawyer) and Academic

**IN OFFICE SINCE**  
21 April 2021  
(date of first appointment)

**BOARD COMMITTEES:**  
Member of the Remuneration Committee

About me





## Gianfranco Farre

### NON-EXECUTIVE DIRECTOR

He has been a Board Member and a Member of the Control and Risk Committee of BPER Banca S.p.A since April 2021.

He also holds the position of Chairperson of the Board of Directors of Banco di Sardegna S.p.A.

He has been a Financial Advisor, enrolled since 1994 in the Single Register of Financial Advisors, supervised by the OCF (Supervisory and Resilience Body).

Previously, he held the position of Board Member of unlisted Italian companies operating in the banking and financial sector.

He has also gained extensive experience in management roles at banking companies in both credit and legal areas.

For details of the offices held, please refer to the profile published on the website [www.bper.it](http://www.bper.it) - Institutional > Governance – Board of Directors, as well as to the QR Code.

**NATIONALITY:**  
Italian

**PROFESSIONAL BACKGROUND:**  
Manager

**IN OFFICE SINCE**  
21 April 2021  
(date of first appointment)

**BOARD COMMITTEES:**  
Member of the Control and Risk Committee

About me



## Alessandro Robin Foti

### NON-EXECUTIVE – INDEPENDENT DIRECTOR

Alessandro Robin Foti holds a degree in Economic and Social Sciences from the L. Bocconi University of Milan.

He has been a Board Member and a Member of the Control and Risk Committee of BPER Banca S.p.A since 2018.

Since 2022, he has held the position of Sole Director of AS.CAR.I S.r.l.

He has practised as an independent financial advisor since the end of 2008.

He previously held managerial positions and was Board Member of Italian and foreign companies, listed and unlisted, mainly operating in the banking, financial, fashion, shipbuilding and wireless network infrastructure sectors.

For details of the offices held, please refer to the profile published on the website [www.bper.it](http://www.bper.it) - Institutional > Governance – Board of Directors, as well as to the QR Code.

**NATIONALITY:**  
Italian

**PROFESSIONAL BACKGROUND:**  
Manager

**IN OFFICE SINCE**  
21 April 2021

**BOARD COMMITTEES:**  
Member of the Control and Risk Committee

About me



## Roberto Giay

### NON-EXECUTIVE DIRECTOR

Roberto Giay graduated in Economics and Commerce at University of Torino, he has participated in post-graduate specialisation courses in corporate law and financial market law.

Since 2021 he has been a Board Member of BPER Banca S.p.A. Since 2022, he has also been a Member of the Nominations and Corporate Governance Committee, and was previously a Member of the Remuneration Committee.

He is currently Group Corporate General Manager of Unipol Gruppo S.p.A.

He also holds the following positions: Chairperson of the Board of Directors of UnipolSai Finance S.p.A., Unipol Finance S.r.l., Unipol Investment S.p.A., UnipolPart I S.p.A., Deputy Chairperson of the Board of Directors of Tenute del Cerro S.p.A. and Deputy Chairperson of the Board of Directors of Gruppo Una S.p.A.

He previously held managerial positions and was a Board Member, also executive, in Italian companies, listed and unlisted, mainly operating in the insurance, financial, hotel, electronic and industrial sectors.

For details of the offices held, please refer to the profile published on the website [www.bper.it](http://www.bper.it) - Institutional > Governance – Board of Directors, as well as to the QR Code.

**NATIONALITY:**  
Italian

**PROFESSIONAL BACKGROUND:**  
Manager

**IN OFFICE SINCE**  
21 April 2021  
(date of first appointment)

**BOARD COMMITTEES:**  
Member of the Nominations and Corporate Governance Committee

About me





## Gianni Franco Papa

### NON-EXECUTIVE DIRECTOR

Gianni Franco Papa graduated in Law at Università Cattolica del Sacro Cuore in Milan.

Since 2021 he has been a Board Member of BPER Banca S.p.A. He has been a Member of the Control and Risk Committee since 2022, previously, from 2021 to 2022, he was Chairperson of the Control and Risk Committee and Member of the Related Parties Committee.

He also holds the following positions: Chairperson of the Board of Directors of Banca Cesare Ponti S.p.A.; Chairperson of the Board of Directors Casa di Cura La Madonnina S.p.A.; Deputy Chairperson of Relatech S.p.A.; Director of Istituti Clinici Zucchi S.p.A.; Director of H San Raffaele Resnati S.r.l.; Sole Director of FIN.SE S.r.l.

Previously, he held managerial positions and was a Board Member of foreign and Italian listed and unlisted companies operating primarily in the banking, financial and healthcare sectors.

He was awarded the highest honour of Commendatore of the Italian Republic.

For details of the offices held, please refer to the profile published on the website [www.bper.it](http://www.bper.it) - Institutional > Governance – Board of Directors, as well as to the QR Code.

**NATIONALITY:**  
Italian

**PROFESSIONAL BACKGROUND:**  
Manager

**IN OFFICE SINCE**  
21 April 2021  
(date of first appointment)

**BOARD COMMITTEES:**  
Member of the Control and Risk Committee

About me



## Marisa Pappalardo

### NON-EXECUTIVE – INDEPENDENT DIRECTOR

Marisa Pappalardo graduated in Law at Università degli Studi di Firenze.

Since 2018 she has been a Board Member and a Member of the Related Parties Committee (formerly the Independent Directors' Committee) of BPER Banca S.p.A.

She is a lawyer, specialised in corporate and business law matters, as well as a founding partner of the law firm Caiazzo Donnini Pappalardo & Associati.

She is a Director and Chairperson of the Related Parties Committee; Member of the Control, Risk, Sustainability and Corporate Governance Committee and of the Remuneration Committee of Pirelli & C. S.p.A.

Previously, she held positions as Board Member, Common Representative of Bondholders and Statutory Auditor of Italian companies, listed and unlisted, operating in the insurance, real estate and transport services sectors.

For details of the offices held, please refer to the profile published on the website [www.bper.it](http://www.bper.it) - Institutional > Governance – Board of Directors, as well as to the QR Code.

**NATIONALITY:**  
Italian

**PROFESSIONAL BACKGROUND:**  
Self-employed  
(Lawyer)

**IN OFFICE SINCE**  
21 April 2021

**BOARD COMMITTEES:**  
Member of the Related Parties Committee

About me







## Monica Pilloni

### NON-EXECUTIVE – INDEPENDENT DIRECTOR

Monica Pilloni graduated in Economics and Business at University of Cagliari.

Since 2021, she has been a Board Member of BPER Banca S.p.A. Since 2022, she has also been Chairperson of the Control and Risk Committee and Member of the Related Parties Committee; previously, from 2021 to 2022 she was a Member of the Control and Risk Committee.

She is a Chartered Accountant and Statutory Auditor and carries out this activity as a self-employed.

She also holds the following positions: Chairperson of the Board of Directors of Società Gestione Aeroporto S.p.A. (SO.G.AER.); Chairperson of the Board of Statutory Auditors of Auto Vendita Veicoli e Meccaniche S.p.A. (AUTOVAMM S.p.A.); Standing Auditor of Sardaolica S.r.l.; Standing Auditor of Sarlux S.r.l.; Alternate Auditor of Presstek Service S.p.A.; Presstek Services S.p.A.

Previously she held positions as a Member of the Board of Directors and Member or Chairperson of the control body of unlisted Italian companies mainly operating in the financial, hotel and business services sectors.

For details of the offices held, please refer to the profile published on the website [www.bper.it](http://www.bper.it) - Institutional > Governance – Board of Directors, as well as to the QR Code.

**NATIONALITY:**  
Italian

**PROFESSIONAL BACKGROUND:**  
Self-employed  
(Chartered Accountant)

**IN OFFICE SINCE**  
21 April 2021  
(date of first appointment)

**BOARD COMMITTEES:**  
Chairperson of the Control and Risk Committee and Member of the Related Parties Committee

About me



## Elisa Valeriani

### NON-EXECUTIVE – INDEPENDENT DIRECTOR

Elisa Valeriani graduated in Law at University of Modena e Reggio Emilia and obtained a PhD in International Economic Law at L. Bocconi University.

Since 2021, she has been a Board Member of BPER Banca S.p.A. and a Member of the Sustainability Committee. Since 2022, she has also been a Member of the Nominations and Corporate Governance Committee; previously, from 2021 to 2022, she was a Member of the Remuneration Committee.

She is also an adjunct professor of Political Economy and Economics and Public Contract Law for the Master's degree course in Law at University of Modena e Reggio Emilia, as well as a member of the Doctoral School of Legal Sciences promoted by the University of Modena and Reggio Emilia and the University of Parma, lecturer in numerous University Masters programmes and in numerous executive courses for public and private managers.

She works as a lawyer, specialising in administrative law, corporate restructuring and public contracts; she is also the owner of the law firm Valeriani e Partners.

Previously, she held positions as Board Member of an unlisted Italian company operating in the banking sector and of a consortium company.

For details of the offices held, please refer to the profile published on the website [www.bper.it](http://www.bper.it) - Institutional > Governance – Board of Directors, as well as to the QR Code.

**NATIONALITY:**  
Italian

**PROFESSIONAL BACKGROUND:**  
Self-employed  
(Lawyer) and Academic

**IN OFFICE SINCE**  
23 June 2021  
(date of first appointment)

**BOARD COMMITTEES:**  
Member of the Nominations and Corporate Governance Committee and Member of the Sustainability Committee

About me



About BoD



## Appointment and replacement

### Appointment

The process of appointing the Directors of BPER Banca is transparent and aimed at achieving the optimal composition of the Board of Directors, through the input of Directors who are also the expression of minority shareholders, executive and non-executive members, as well as ensuring compliance with gender quotas and the minimum number of independent Directors.

Members of the Board of Directors are appointed on the basis of the list voting system, in accordance with the applicable laws and regulations.

In particular, the elective system adopted by the Articles of Association of BPER (articles 17 - 19) is characterised by the following features:

- the list must be submitted by Shareholders who, individually or collectively, hold at least 1% of the share capital represented by ordinary shares, or a lower percentage established by current regulations. The aforementioned 1% share corresponds to the share determined by CONSOB pursuant to Article 144-*quater* of the Issuers' Regulation for 2022 and 2023;
  - the lists must be filed at the Company's registered offices within the terms and according to the methods established by current regulations;
  - the outgoing Board does not have the right to submit a list of candidates for the election of the management body;
  - each list must indicate a number of candidates not higher than the number of Directors to be elected;
  - limits on the connection between lists, reinforced with respect to those applicable by law, in order to ensure the effective representation of minority equity holders in the Board of Directors and, at the same time, prevent, as a result of the proportional system, connected minority lists from expressing a Board majority;
  - lists containing three candidates must include at least one candidate belonging to the least represented gender. Lists containing more than three candidates must include a number of candidates belonging to the least represented gender that ensures, within the list itself, compliance with the gender balance at least to the minimum extent required by current legislation, rounded up to the next higher unit in the case of a fraction;
  - lists must also include at least one third of candidates who meet the independence requirements laid down in the Articles of Association, rounded up to the next whole number in case of a fraction;
  - the election procedure is prorated and based on "quotients" aimed at adequately representing the various members of the shareholding structure, encouraging the participation of minority shareholders;
  - if several lists are validly submitted, the provisions of Article 19, paragraphs 2.1 to 2.8, of the Articles of Association, which outlines in detail the operation of this quotient method, shall apply (see below);
- these provisions also govern the case in which the list ranked first has obtained the favourable vote of more than half of the share capital with voting rights;
  - a "distribution access" threshold is set in order to ensure stability and consistency in the operations of the Management Body, so that, without prejudice to the legal requirements to ensure that the first minority list has the possibility to elect at least one Director, the other minority lists contribute to the appointment of the Board only if they have obtained votes at least equal to 5% of voting share capital;
  - if only one list is validly submitted, all Directors are taken from it, according to the progressive order of listing. Where it is not possible to complete the Board of Directors in this way, the missing Directors are elected at the Shareholders' Meeting, on the basis of candidates put to vote individually: the candidates who obtain the highest number of votes are elected, up to the number of Directors required;
  - if no list is validly presented, the Shareholders' Meeting expresses itself on candidates submitted by shareholders directly at the Meeting, who are put to vote individually: the candidates who receive the highest number of votes are elected, up to the total number of Directors to be elected.



### FOCUS: THE QUOTIENT MECHANISM

Pursuant to Article 19 of the Articles of Association, if more than one list is submitted, the following are taken into consideration: (i) the list with the highest number of votes obtained; (ii) the list that came second in terms of number of votes obtained, provided that it is not linked – even indirectly – with the shareholders who submitted or voted on the list that obtained the highest number of votes, or, if it is linked, the list that obtained the highest number of votes among the unrelated ones; and (iii) the other lists that have, individually, obtained votes equal to at least 5% of the share capital with voting rights, provided that they are not connected pursuant to Article 19, paragraph 2.1, of the Articles of Association.

The votes obtained by each of the lists are subsequently divided by one, two, three, four and so on up to the number of Directors to be elected. The quotients thus obtained are assigned to the candidates of each list, according to the progressive order of listing. On the basis of the quotients thus assigned, the candidates are arranged in a single decreasing ranking and the first 15 candidates are considered elected.

If the list ranked first, provided it contains a number of candidates equal to or higher than the majority of Directors to be elected, has obtained the favourable vote of more than half of the voting share capital, the following criterion for the distribution of Board seats applies.

If the ratio between the total votes obtained by the second list by number of votes, which is not linked in any way, even indirectly, with the first list by number of votes, and the total votes obtained by the first list by number of votes is less than or equal to 15%, 14 Directors are taken from the first list by number of votes and 1 Director is taken from the second list by number of votes. If this ratio is greater than 15% and less than or equal to 25%, 13 Directors are taken from the first list in terms of number of votes and 2 Directors are taken from the second list in terms of number of votes. Lastly, where the aforementioned ratio is higher than 25%, 12 Directors are taken from the first list in terms of number of votes and 3 Directors are taken from the second list in terms of number of votes.

If the first list by number of votes has a number of candidates lower than those assigned to it based on the application of the mechanism described, provided that they are equal to or higher than the majority of Directors to be elected, the following are elected: (i) all the candidates of the first list by number of votes; (ii) the candidates on the second list by number of votes necessary to complete the Board of Directors, according to the progressive order of listing.

Where it is not possible to complete the Board of Directors in the manner described above due to the fact that the first list or the second list present fewer candidates than the number required, the following procedure applies: if the other lists, other than the first and second list by number of votes, have obtained at least 5% of the capital with voting rights, Directors required to complete the Board of Directors are taken from these other lists, starting with the list with the highest number of votes and moving down a sliding scale to the subsequent lists when the candidates on the preceding lists by number of votes run out. In all cases where it is not possible to complete the Board of Directors in the manner described, this shall be done by the Shareholders' Meeting. In any case, the candidate ranked first on the list that obtained the highest number of votes among those not connected – even indirectly – with the shareholders who submitted or voted the list that obtained the highest number of votes is always appointed as Director.

In any case, the election mechanism ensures the presence of the minimum number of independent Directors and Directors belonging to the less represented gender envisaged by the provisions in force, applying sliding and replacement mechanisms if necessary.

For more information on how to appoint the Directors of BPER, please refer to the Articles of Association, published on the Bank's website [www.bper.it](http://www.bper.it) – Institutional > Governance > Documents and available by framing the QR Code:

#### The BPER Banca Articles of Association



## The Company's Governance structure

### Replacement

The Shareholders' Meeting of 5 November 2022 amended Article 20 of the Articles of Association, introducing the co-optation mechanism.

As a result of these changes, if, for any reason, it is not possible to replace the first unelected candidate taken from the original list of the outgoing Director, the Board of Directors co-opts a new member selected, where possible, according to the principle of proportional representation of the shareholding structure within the Board and in any case ensuring compliance with current legislation on gender balance.

Pursuant to Article 17 of the Articles of Association, the Board of Directors consists of 15 Directors and is appointed by the Shareholders' Meeting for a term of three years, expiring at the Shareholders' Meeting called to approve the financial statements for the last year of office. Directors may be re-elected.

The composition of the Board of Directors must ensure gender balance. To this end, at least 2/5 of the members of the Board of Directors must belong to the less represented gender (see the following paragraph "Diversity criteria and policies in the composition of the Board and in the company organisation").

The Board of Directors must also have the minimum number of independent members in accordance with current provisions. In this respect, pursuant to the aforementioned Article 17(4) of the Articles of Association, the Directors who meet the independence requirements established by Article 148(3) of the CLF, by the implementing rules of Article 26 of the CBA (*i.e.* Italian Decree No. 169 of the Ministry of Economy and Finance of 23 November 2020, "Italian Ministerial Decree No. 169/2020") and the Corporate Governance Code, shall be considered independent.

In addition, the members of the Board of Directors must, under penalty of non-eligibility or loss of office, meet the suitability requirements and eligibility criteria, as well as comply with the limits on the number of directorships held, as provided for by current legislation, national and European as well as by the Corporate Governance Code, on directorships held by a member of the management body of a bank issuing shares listed on regulated markets.

### Composition



### FOCUS: CURRENT LEGISLATION ON THE SUITABILITY REQUIREMENTS OF COMPANY REPRESENTATIVES

For the purposes of verifying the suitability requirements of its Representatives, BPER complies, in particular, with the following regulatory provisions: joint ESMA and EBA *Guidelines on the assessment of the suitability of members of the management body and key function holders* (EBA/GL/2021/06); the ECB Guidance on the verification of suitability requirements of December 2021; the CBA; Bank of Italy Circular No. 285, of 17 December 2013 "*Supervisory Provisions for Banks*", and subsequent updates; Italian Ministerial Decree No. 169/2020; Italian Decree Law 6 December 2011, No. 201 (converted with amendments by Italian Law No. 214 of 22 December 2011), Article 36 (so-called "interlocking prohibition"); Criteria for the Application of Article 36 of Italian Decree Law *Salva Italia* (so-called "interlocking prohibition") of the Bank of Italy, CONSOB and ISVAP; the "*Memorandum of Understanding*

*for the Coordination signed between the Bank of Italy, CONSOB, ISVAP and AGCM for the Purposes of the Application of Article 36 of the "Salva Italia" Decree Law (so-called "interlocking prohibition")*" of June 2012; "*Criteria for the Application of Article 36 of the "Salva Italia" Decree Law (so-called "interlocking prohibition") - Frequently Asked Questions*" of June 2012 of the Bank of Italy, CONSOB and ISVAP"; *Update of the Criteria for the Application of Article 36 of the "Salva Italia" Decree Law (so-called "interlocking prohibition")*" of December 2018 of the Bank of Italy, CONSOB and ISVAP; the CLF; Italian Decree No. 162 of 30 March 2000 of the Minister of Justice, in agreement with the Minister of the Treasury, Budget and Economic Planning.

Without prejudice to the other causes of ineligibility, incompatibility and forfeiture, Article 17, paragraph 7, of the Articles of Association provides that the following may not be members of the Board of Directors: (i) the employees of the Company, except in the case of the General Manager; (ii) Directors, employees or members of committees, commissions or control bodies of competing banks, except in the case of investee banks, including through other Companies included in its banking Group. The existence of one of the aforementioned causes for incompatibility, however, does not prevent a candidate being put forward for the office of Company Director, without prejudice to the fact that the candidate concerned, by accepting his/her application, assumes the obligation to immediately put an end to the situation of incompatibility in the event of appointment. If one of these causes of incompatibility should materialise following an appointment, the Director concerned must notify the Board of Directors immediately and, where said reason is not removed within 30 days of the communication or within the shorter time frame set out in the legislation in force, his/her office lapses.

In any case, pursuant to the last paragraph of Article 17 of the Articles of Association, if a Director no longer meets the independence requirements or other requirements foreseen under current law or the Articles of Association, providing they do not envisage ineligibility or forfeiture, this does not automatically lead to his/her forfeiture, if there is still the required minimum number of Directors who meet said requirements.

In compliance with the Corporate Governance Code and the Supervisory Provisions on corporate governance, the Board of Directors, for the purpose of appointing or co-opting the Directors: (i) identifies in advance its own qualitative-quantitative composition considered optimal, identifying and motivating the profile (including managerial characteristics, professionalism and any independence) of the candidates deemed appropriate; (ii) subsequently verifies the correspondence between the qualitative and quantitative composition considered optimal and the actual composition resulting from the appointment process.

The results of the analyses are brought to the attention of the shareholders in good time, as part of the inherent report of the Board of Directors to the Shareholders' Meeting.

The Board of Directors in office at the end of the 2022 financial year and also in office at the date of approval of this Report was appointed for the three-year period 2021-2023 by the Shareholders' Meeting of 21 April 2021 and subsequently supplemented by the Shareholders' Meeting of 23 June 2021 and 5 November 2022.

The outcome of the election of the new Directors by the Shareholders' Meeting of 21 April 2021, during which, at the time of submission of the lists and appointment, there were no reports of connection and/or significant relations pursuant to Article 147-ter of the CLF and CONSOB Communication No. DEM/9017893 of 26 February 2009 is reported below. For further information, see the minutes of the Shareholders' Meeting filed at the register office of the Issuer, available on the storage mechanism [iNFO](#) and on the website [www.bper.it](#) – Institutional > Governance Section > Shareholders' Meeting.

## The Company's Governance structure

List	Submitting shareholders'	Candidates*	Votes obtained
List No. 1	Legal Firm on behalf of 11 managers' of 19 UCITS, with a 1.73% stake in the share capital of BPER	<ol style="list-style-type: none"> <li>1. Silvia Elisabetta Candini</li> <li>2. Alessandro Robin Foti</li> <li>3. Marisa Pappalardo</li> </ol>	335,101,913 (44.26% of the votes cast and 23.71% of the total share capital)
List No. 2	Fondazione di Sardegna, with a 10.22% stake in BPER's share capital	<ol style="list-style-type: none"> <li>1. Riccardo Barbieri</li> <li>2. Alessandra Ruzzu**</li> <li>3. Gianfranco Farre</li> <li>4. Monica Pilloni</li> <li>5. Cristiano Cincotti</li> </ol>	149,635,796 (19.76% of the votes cast and 10.59% of the total share capital)
List No. 3	Unipol Gruppo S.p.A., with a 9.56% stake in the share capital of BPER	<ol style="list-style-type: none"> <li>1. Flavia Mazzarella</li> <li>2. Piero Luigi Montani</li> <li>3. Gianni Franco Papa</li> <li>4. Elena Beccalli</li> <li>5. Maria Elena Cappello</li> <li>6. Gian Luca Santi</li> <li>7. Roberto Giay</li> </ol>	267,239,667 (35.29% of the votes cast and 18.91% of the total share capital)

\* The candidates on the lists were all elected.

\*\* Director terminated, following resignation, on 20 May 2021 and was subsequently replaced by Elisa Valeriani appointed by the Shareholders' Meeting of 23 June 2021, on the proposal of the Shareholder Fondazione Cassa di Modena. Please note that the shareholders Unipol Gruppo S.p.A. and UnipolSai Assicurazioni S.p.A. did not take part in the relevant voting.

On 21 April 2021, the newly elected Board of Directors appointed Flavia Mazzarella as Chairperson and Piero Luigi Montani as Chief Executive Officer. Subsequently, on 23 April 2021, the same Board appointed Riccardo Barbieri as Deputy Chairperson.

On 20 May 2021, the Board of Directors therefore verified: (i) the existence of the eligibility requirements and the absence of causes of ineligibility and forfeiture of its members; (ii) the consistency of the composition of the Board with the qualitative-quantitative composition of the Board considered optimal.

Following the resignation of Director Alessandra Ruzzu on 20 May 2021, the Shareholders' Meeting of 23 June 2021 appointed Elisa Valeriani in her place. On 22 July 2021, the Board

ascertained the existence of the eligibility requirements and the absence of causes of ineligibility and forfeiture of the newly elected Director, as well as again verified the adequate collective composition of the Body as a whole.

Pursuant to the applicable regulations, the Board of Directors of BPER, held on 21 July 2022, carried out a periodic verification of the possession, by the Directors, of the requirements and criteria of suitability as well as compliance, by said Directors, with the applicable laws and regulations. During the above-mentioned meeting, the Board of Directors unanimously confirmed the collective adequacy of its composition and the compliance of its actual composition with that identified as optimal in the guidance to shareholders published in 2021 in view of the renewal of the management body.

<sup>1</sup> Specifically: (i) Amundi Asset Management SGR S.p.A., manager of the Amundi Risparmio Italia and Amundi Sviluppo Italia funds; (ii) Bancoposta Fondi S.p.A. SGR, manager of the Bancoposta Rinascimento fund; (iii) Eurizon Capital SGR S.p.A., manager of the funds Eurizon PIR Italia Azioni; Eurizon Progetto Italia 40, Eurizon Azioni Italia and Eurizon Progetto Italia 70; (iv) Fideuram Asset Management Ireland, manager of the fund Fonditalia Equity Italy; (v) Fideuram Intesa Sanpaolo Private Banking Asset Management SGR S.p.A., manager of the funds Fideuram Italia, Piano Azioni Italia and Piano Bilanciato Italia 50; (vi) Interfund Sicav - Interfund Equity Italy; (vii) Kairos Partners SGR S.p.A., in its capacity as Management Company of Kairos International Sicav - Italy section and Management Company of Kairos International Sicav - PIR section; (viii) Mediobanca SGR, manager of the fund Mediobanca Mid and Small Cap Italy; (ix) Mediolanum Gestione Fondi SGR S.p.A., manager of the funds Mediolanum Flessibile Futuro Italia and Mediolanum Flessibile Sviluppo Italia; (x) Mediolanum International Funds Limited - Challenge Funds - Challenge Italian Equity; and (xi) Pramerica Sicav - Italian Equity.

Subsequently, on 8 September 2022, the Director Gian Luca Santi resigned from the office of Director with immediate effect.

Considering that the Articles of Association in force at the time did not provide for the co-optation mechanism, the Board of Directors therefore called the Shareholders' Meeting of 5 November 2022, which appointed the Director Monica Cacciapuoti to replace Gian Luca Santi.

On 24 November 2022, the Board of Directors therefore ascertained that Director Cacciapuoti met the suitability requirements and that there were no causes for forfeiture and incompatibility, and reassessed the adequacy of the optimal qualitative and quantitative composition of the Board itself.

In view of the foregoing, the Board of Directors in office at the end of the financial year 2022 and in office also at the date of approval of this Report, is composed of the following Directors, as shown in greater detail also in Table 2, attached to this Report:

- Flavia Mazzarella, Chairperson, Non-Executive and Independent Director;
- Piero Luigi Montani, Chief Executive Officer;
- Riccardo Barbieri, Deputy Chairperson, Non-Executive Director;
- Elena Beccalli, Non-Executive and Independent Director;
- Monica Cacciapuoti, Non-Executive Director;
- Silvia Elisabetta Candini, Non-Executive and Independent Director;
- Maria Elena Cappello, Non-Executive and Independent Director;
- Cristiano Cincotti, Non-Executive and Independent Director;
- Gianfranco Farre, Non-Executive and Independent Director;
- Alessandro Robin Foti, Non-Executive and Independent Director
- Roberto Giay, Non-Executive Director;
- Gianni Franco Papa, Non-Executive and Independent Director;
- Marisa Pappalardo, Non-Executive and Independent Director;
- Monica Pilloni, Non-Executive and Independent Director;
- Elisa Valeriani, Non-Executive and Independent Director.

The Board of Directors therefore consists of Executive and Non-Executive Directors, all of whom meet the professionalism and expertise requirements to carry out the tasks assigned to them. The number of Non-Executive Directors, *i.e.* fourteen, is such as to ensure that they have a significant influence on Board resolutions and to ensure effective monitoring of management. It should be noted that the Bank deems "Non-Executive" those Directors who do not have mandates or perform functions, formally or in practice, relating to the Bank's operations.

A significant number of Non-Executive Directors (nine) also meet the independence requirements provided for by law and in the Articles of Association.

The profile of each appointed Director, identifying their professional experience and skills, is published on the website [www.bper.it](http://www.bper.it) – Institutional > Governance > Board of Directors.

The appointments held by each member of the Board of Directors, as stated in the latest reports to the Bank, are listed in Table 5, attached to this Report.

#### Board of Directors



## Diversity criteria and policies in Board composition and in the corporate structure

As regards gender diversity, the Articles of Association require that, within the Board of Directors, the presence of a number of Directors of the less represented gender must be ensured to be at least equal to the minimum extent required by law. In this regard; (i) Article 147-ter, paragraph 1-ter, of the CLF provides that at least 2/5 of the members of the Board of Directors must belong to the less represented gender, with rounding up to the next highest number (in the case of a fractional number); this provision applies for six consecutive terms; (ii) Circular No. 285/2013 also establishes that in the Bodies with strategic supervision and control functions, the number of members of the less represented gender is at least 33% of the members of the Body, if this ratio is not a whole number, approximates the lower integer if the first decimal is 5 or less; otherwise it approximates the higher integer; (iii) Recommendation 8 of the Corporate Governance Code establishes that at least one third of the management body and the control body are members of the less represented gender.

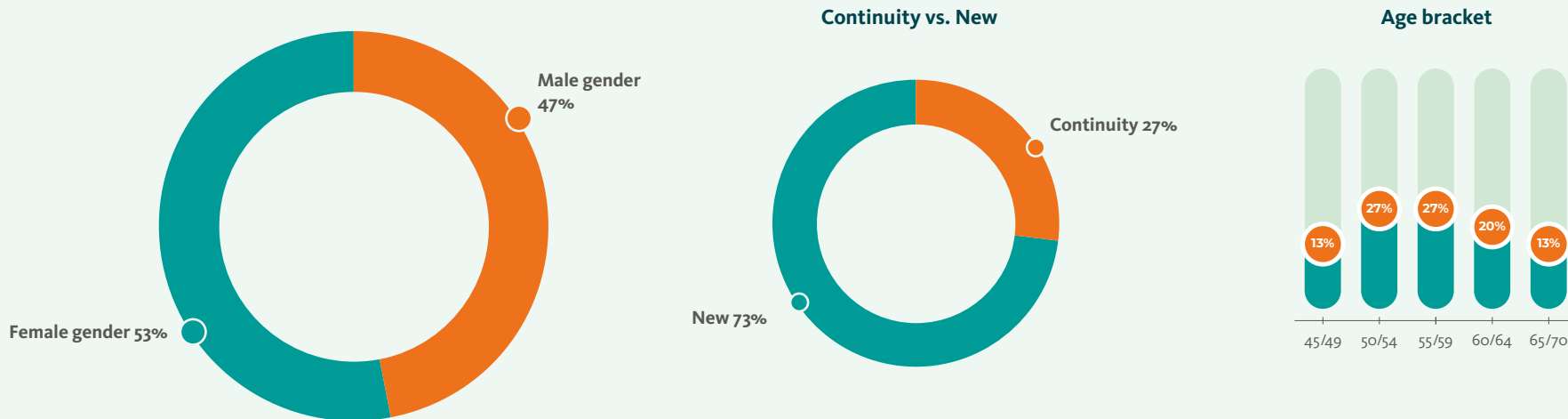
Compliance with this criteria is ensured by the provisions of the Articles of Association governing the composition of the lists of candidates and the election of Directors, including via application of the sliding mechanism outlined in the section 3.2 "Appointment and replacement" in Chapter 3 of this Report.

In compliance with the above provisions, at the end of financial year 2022 and at the date of approval of this Report, BPER's Board of Directors is made up of 8 female and 7 male Directors.

In addition, the composition of BPER's Board of Directors is in line with the provisions of Italian Ministerial Decree No. 169/2020 and with the current EBA-ESMA Guidelines on the subject of the diversity of management bodies, being sufficiently diversified, not only in terms of independence and gender, but also in terms of age, role, geographical origin (within Italy), educational and professional background and skills.

Having said that, the composition of the Board of Directors is broadly in line with the applicable regulatory and corporate governance provisions, as well as with the guidelines issued by the national and European Authorities.

The following tables provide a graphical representation of the diversification of the current Board in terms of professional skills, gender and age. There is also an appropriate mix of first-term members (eleven) and members already in office during the previous term (four).





In order to ensure full compliance with the principles of diversity and inclusion within the BPER Group and to ensure adequate diversification of the Corporate Bodies, the Board of Directors of 28 April 2022, with the favourable opinion of the Nominations and Corporate Governance Committee, approved the "Policy on diversity, equity and inclusion in the Corporate Bodies and in the corporate workforce of the BPER Banca Group". 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.

For more information, please refer to the "Policy on diversity, equity and inclusion in the Corporate Bodies and in the company population of the BPER Banca" published on the Bank's website [www.bper.it](http://www.bper.it) – Institutional > Governance > Documents and accessible by framing the QR Code.

As regards the corporate bodies of the Subsidiaries, the Board of Directors of the Parent Company, at the proposal of the Chairperson and after consulting the Nominations and Corporate Governance Committee, approved a document containing the "General Guidelines for the Composition, Appointment and Remuneration of the Members of the Corporate Bodies of the Subsidiaries of BPER Banca S.p.A.", lastly updated by the Board of Directors on 29 March 2022. This document includes provisions intended to ensure an adequate diversification in the above mentioned corporate bodies, also in terms of gender balance, establishing that, in any case and even in the absence of a specific regulatory provision in this regard, at least 20% of members must belong to the least represented gender (using arithmetical rounding).

**Policy on Diversity, Equity  
and Inclusion in the  
Corporate Bodies and in  
the Company Population  
of the BPER Banca**



## Limits to the number of directorships held in other companies and Interlocking Directorates

The Supervisory Provisions require, among the general principles for the proper performance of their function by Bodies with strategic supervision and management functions, members of the Board of Directors to dedicate an adequate amount of time to the performance of their duties in view of the complexity of such duties, without prejudice to compliance with the limits on the number of directorships provided for in the implementation of Article 91 of Directive 2013/36/EU on capital requirements – the so-called CRD IV Directive. These limits were transposed into national law by Italian Ministerial Decree No. 169/2020.

In particular, pursuant to Article 17 of Italian Ministerial Decree No. 169/2020, each Directors of larger or more complex banks – such as BPER – cannot take on a total number of positions in banks or other commercial companies exceeding one of the following alternative combinations, in which the position held in BPER must be included:

- 1 executive appointment and 2 non-executive appointments;
- 4 non-executive appointments.

For the purposes of calculating the limits to the number of directorships, the set of offices held by the Directors in the same group is considered as a single office, as envisaged by Art. 18 of Italian Ministerial Decree No. 169/2020.

For the purposes of the foregoing, at the time of their appointment and any time thereafter that there is a change, each Directors must provide the Board with an updated list of their directorships, management and audit appointments. These data are also subject to checks on compliance with the provisions of Article 36 of Italian Law Decree No. 201 of 6 December 2011 on the interlocking prohibition.



### FOCUS: THE PROHIBITION OF INTERLOCKING DIRECTORATES

Article 36 of Italian Decree Law No. 201 of 6 December 2011 (converted in Italian Law No. 214 of 22 December 2011), introduced for office holders in management, monitoring and control bodies and for top officials of companies or groups operating in the credit, insurance and financial services markets the prohibition on accepting or exercising similar positions in competitors' companies or groups.

The prohibition does not include companies, even if included in groups/conglomerates, which provide ancillary or instrumental services, such as – for example – back-office services, consultancy, financial information, debt collection, claims management and real estate.

The interlocking prohibition operates in cases of interlocking offices between companies large enough potentially to assume importance in terms of protecting competition. In particular, it operates when at least two intermediaries, among those in which the subject has crossed offices, exceed the minimum turnover threshold (achieved at national level by the company or group to which it belongs) of Euro 30 million.

For the purposes of this rule, competitors are understood to be companies or groups of companies

between which there are no control relationships pursuant to Article 7 of Italian Law of 10 October 1990, No. 287 and that operate in the same product and geographic markets under the assumption that the relationships within the group should not be considered. For the same reasons, the directorships held within the groups (banking, insurance, financial) and financial conglomerates are in any case excluded from the prohibition.

In the event that incompatible offices are held, the Representative may opt to maintain only one of the offices within the term of ninety days from the appointment. Once this deadline has expired, both of them shall lapse and the forfeiture is declared by the competent bodies concerned within thirty days following the expiry of the deadline or knowledge of non-compliance with the prohibition. In the event of inaction, forfeiture is declared by the competent Supervisory Authority. The competent corporate bodies check compliance with the regulations in question through their Representatives on an annual basis.

During the assessment of the suitability of the members of the Board of Directors carried out on 20 May 2021, 22 July 2021, 21 July 2022 and 24 November 2022, the Board of Directors verified compliance by the Directors in office with the aforementioned limits on the number of directorships held, also with reference to the interlocking prohibition, (for further information on the number of directorships held by the Directors at the date of approval of this Report, reference should be made to Table 5 attached to the Report).

On the basis of the declarations made by the Representatives, when verifying the eligibility requirements, the Board also considered that the time each Director can devote to the position held in the Bank is appropriate for the effective performance of that position.

With respect to the provisions of Recommendation 15 of the Corporate Governance Code, the Board of Directors has not adopted its own guidelines on the maximum number of directorships on the Boards of Directors or Boards of Statutory Auditors in other listed companies or companies of significant size, considering that it applies directly the limits provided for by the aforementioned applicable provisions (which are not applicable to non-banking issuers).

## Role of the Board of Directors

The Board of Directors of BPER guides the Company in the pursuit of sustainable success, in order to create long-term value for shareholders, taking into account the interests of other relevant stakeholders, and defines the Group's guidelines and strategies in line with the applicable external and internal regulations.

Pursuant to Article 25 of the Articles of Association, the Board of Directors exercises all powers of ordinary and extraordinary administration of the Company, except for those reserved for the Shareholders' Meeting, and performs the functions of strategic supervision and high-level administration.



### FOCUS: THE RESPONSIBILITIES RESERVED FOR THE BOARD OF DIRECTORS

The aforementioned Article 25 of the Articles of Association also provides for matters of exclusive decision-making competence of the Board. In particular, without prejudice to the powers that cannot be delegated by law, the Board of Directors has exclusive responsibility for decisions concerning:

- the determination of general operating guidelines and criteria for the coordination and management of Legal Entities, as well as for the implementation of instructions received from the Supervisory Authorities in the interests of the Group's stability;
- the definition of general guidelines, strategies, policies, processes, models, plans and programmes that the provisions of the Supervisory Authorities assign to the body that has the function of strategic supervision;
- strategic direction, strategic transactions and financial and business plans;
- the purchase and disposal of equity investments that constitute a controlling and/or significant interest;
- the approval and amendment of its own Operational Rules as well as those of the Committees set up within it;
- the approval and amendment of the legal act governing the process of adopting and distributing internal regulations and other internal regulatory documents that said act classifies as particularly important;
- the appointment and dismissal of the Chairperson and Deputy Chairperson/s;
- the appointment from among its number of the Executive Committee and the other Board Committees, determining the members, their duties and how they will operate;
- the appointment of the Chief Executive Officer, granting, modifying and/or revoking the relevant powers;
- the appointment and dismissal of the General Manager and of the Deputy General Manager/Managers;
- the appointment and dismissal of the heads of the functions that the provisions of Bank of Italy and the other Supervisory Authorities assign to the body that has the function of strategic supervision, and the appointment and dismissal of the Executive in charge of financial reporting;
- merger operations in the situations envisaged by articles 2505 and 2505-bis of the Italian Civil Code;
- any alignment of the Articles of Association with regulatory requirements.

The Board of Directors also defines the nature and level of risk compatible with the Bank's strategic objectives through the adoption and approval of a Risk Governance Policy.

The Board of Directors has also adopted a procedure for the internal management and external communication of documents and information concerning the Bank, with particular reference to inside information.

Within the scope of the autonomy offered by the legal system, as well as the powers reserved to it by the law and the Articles of Association, the Board of Directors, in its capacity as a body with strategic supervisory functions, defines, in compliance with the Supervisory Provisions in force, the corporate governance system that is best suited to the performance of the Company's activities and the pursuit of its strategies, assessing and promoting appropriate changes, where necessary, and submitting them to the Shareholders' Meeting.

During the 2022 financial year and at the date of approval of this Report, neither the Nominations and Corporate Governance Committee nor the Board of Directors saw any need to propose to the Shareholders' Meeting the definition of a corporate governance system different from the current one.

With respect to the governance structure in place in 2021, the Board of Directors in office decided to: (i) incorporate the co-optation mechanism into the Articles of Association of BPER; (ii) review the composition of the Board Committees; (iii) review the organisational structure of BPER Banca S.p.A. by establishing a Strategy, Finance & Innovation Area, headed by the Deputy General Manager, as well as (iv) create three new C-Level Managers (Chief Private & Wealth Management Officer; Chief Corporate & Investment Banking Officer; Chief Retail & Commercial Banking Officer) replacing the Chief Business Officer; (v) update the entire system of delegated powers of the Bank in order to promote good corporate governance, through a more effective and widespread allocation of decision-making powers and streamline the related internal processes.

As part of its duties, the Board of Directors assessed during the 2022 financial year among other things:

- the adequacy of the Bank's organisational, management and accounting structure, also on the basis of information received from the delegated bodies, as well as of the Internal Control and Risk Management System, with regard to:
  - related-party transactions and, more in general, those involving conflicts of interest;
  - the outcome of the checks performed by Level 2 and 3 control functions;
  - the exercise of the mandates granted to the appointed persons;
  - the economic-financial results of the various business areas covering the entire operations of the Bank;
- the adequacy, also on the basis of the documentation provided by Group companies and by the control functions, of the organisational, management and accounting structure, as well as of the internal control and risk management system, of strategic Subsidiaries with regard to:
  - the outcome of the checks performed by Level 2 and 3 control functions;
  - the reports on the consents granted to Group Companies by bodies appointed by the Parent Company;
  - the economic-financial results of the various Companies and of the Group as a whole;

## The Company's Governance structure

- on an ongoing basis, the general results of operations, via the periodic analysis of the principal economic and financial aggregates of the Bank and the Group supplied by the delegated bodies, comparing them with the budget objectives and the Business Plan, as well as with the approved annual and interim reports.

On 9 June 2022, the Board of Directors of BPER Banca also examined and approved the Group's 2022-2025 Business Plan, which can be viewed by framing the QR Code.

Pursuant to Article 25, paragraph 4, of the Articles of Association, in 2022 the Directors, at meetings of the Board of Directors and, in any case, at least every three months, reported to the Board of Statutory Auditors on the activities performed and on the principal economic, financial and capital transactions carried out by BPER and its Subsidiaries.



## Functioning of the Board of Directors

The functioning of the Board of Directors, without prejudice to the provisions of the law, is governed by the Articles of Association and the Operational Rules approved by the Board on 14 October 2021 (the "Operational Rules") most recently amended by the Board meeting of 19 January 2023.

Pursuant to the aforementioned Operational Rules, the Board of Directors is convened on an ordinary basis, as a rule, once a month. Exceptionally, a Board meeting can be called every time considered necessary by the Chairperson, as well as when requested at least by one third of the Directors or by the Chief Executive Officer. The Board of Directors can also be convened by the Board of Statutory Auditors, or individually by one or more of the Statutory Auditors, upon written communication to the Chairperson of the Board of Directors.

The meeting notice shall be sent, except in cases of urgency, at least five days prior to the date of the meeting.

With regard to supporting documentation and prior information, the Operational Rules provide that the Chairperson of the Board of Directors, with the cooperation of the Chief Executive Officer and assisted by the Secretary, must identify the documentation to be submitted in support of the resolutions within the competence of the Board, so that it is adequate, in terms of quantity and quality, with respect to the items on the agenda. To this end, the Chairperson is required to ensure – also by issuing appropriate instructions to the corporate functions – that the documentation appropriately highlights, for each topic on the agenda, the most significant and relevant items.

Pursuant to the Operational Rules, the aforesaid information documents are made available to the Directors, Statutory Auditors and the General Manager, subject to authorisation by the Chairperson, as a rule on the fifth day prior to each meeting. The documentation is made available by filing it with a specifically identified company organisational unit, as well as through the exclusive use of a specific IT procedure aimed at preserving the confidentiality of the data and information provided, which is also used for the management of the meetings of the Bank's Collective Bodies. If, for particular organisational reasons, the documentation made available within this deadline is not exhaustive, subsequent additions shall in any case be provided, subject to authorisation by the Chairperson, no later than the day of the meeting. Furthermore, when, for the aforementioned organisational reasons or for reasons of confidentiality, it has not been possible to provide the necessary disclosure/documentation in accordance with the deadline or in an exhaustive manner, the Chairperson ensures that adequate and accurate in-depth analyses are conducted during the meeting. This is without prejudice to the Board of Directors' right to request the production of additional documentation during the meeting. If this is not possible, the Chairperson has the power, after consulting the Chief Executive Officer, to postpone discussion of the matter in question to a subsequent meeting, subject to completion of the information and documentation as requested by the Board.

Meetings are held at the Company's registered office or elsewhere in Italy. Meetings can be held using remote communications systems, on condition that the identity of the persons entitled to attend is assured and all participants are able to intervene in real time in discussions about the matters on the agenda, as well as being able to see, receive and transmit documents. At least the Chairperson and the Secretary shall be present in the place where the Board of Directors is called, except in the case in which the meeting takes place using remote communication systems.

Resolutions are valid if attended by a majority of its current Directors. Resolutions are adopted by a majority of the votes cast by those present. In the event of a tie, the Chairperson of the meeting has a casting vote. Voting shall be open.

The meetings of the Board of Directors are attended, without voting rights, by the General Manager and the Secretary. The Chairperson may, from time to time and in relation to specific items on the agenda and in agreement with the Chief Executive Officer, invite to the meetings of the Board of Directors the employees of the Bank and of the Group Companies, the Heads of the corporate functions competent according to the matter or other subjects other than the latter, whose contribution may enrich the information available to the Directors. Invited guests normally leave the meeting when the Board of Directors casts its vote.

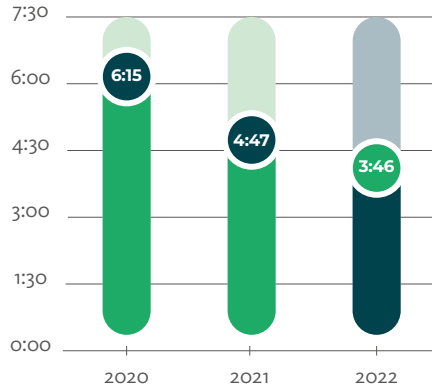
With regard to the taking of minutes of meetings, the Operational Rules provide that the Secretary must prepare the minutes of meetings and resolutions and make the draft minutes of each meeting available to the Directors, Statutory Auditors and the General Manager via the aforementioned confidential platform. Directors are entitled to have the minutes of the meeting record the content of their speeches as well as the reasons for voting against or abstaining. Any reasoned comments must be submitted in writing to the Chairperson of the

Meetings of the Board of Directors during the 2022 financial year

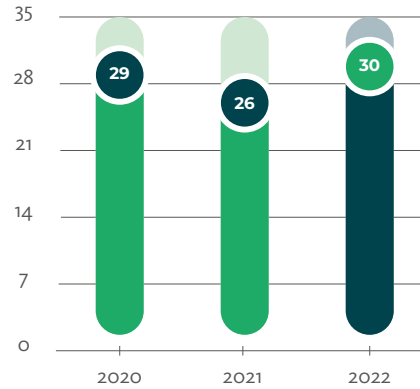
Board of Directors and to the Secretary no later than the day before the meeting called to approve it, which, as a rule, coincides with the first possible meeting of the Board of Directors.

The Board of Directors met 30 times during 2022 and the average duration of each meeting was about 4 hours.

### Board of Directors: average meeting duration



### Board of Directors: number of meetings



In addition to the above, two extra-board meetings were also held in 2022, with the presence of Directors and Statutory Auditors, focusing on the guidelines of the Business Plan.

Board meetings were mainly held in person, except for a few cases where they were held by video conference.

At these meetings, the deadline for sending prior information on the items on the agenda was, for most of them, normally met. With regard to some agenda items, the ordinary deadline was not met, but the information was nevertheless provided well in advance of the meeting. Only in very limited cases, for specific items on the agenda and for justified organisational or operational reasons, was the disclosure provided before the meeting. On these occasions, adequate and punctual in-depth analyses were carried out during the meetings, also through the intervention of the heads of the competent corporate functions and, in some cases, of the advisors appointed by the Company.

Without prejudice to the foregoing, in order to provide the necessary materials for an in-depth examination of the items on the agenda, the Chairperson of the Board of Directors usually invited, in relation to their individual areas of competence, also the Company's managers (e.g. Deputy General Managers, other Heads of the main corporate functions, etc.) to attend Board meetings, as well as other persons, including those from outside the Company, whose presence is deemed useful in view of the topics to be discussed (an average of 7 guests per meeting with speakers present on the occasion of almost all of matters dealt with by the Board).

In 2023, at the date of this Report, the Board of Directors has met 6 times, including the meeting for the approval of this document.

## Chairperson's role

Pursuant to Articles 21 and 26 of the Articles of Association, the Chairperson of the Board of Directors is appointed by the Board and performs the functions required by current regulations, facilitating the governance of the Bank and promoting the effective and balanced functioning of the powers allocated to the various corporate bodies, as well as acting as a point of reference for the Board of Statutory Auditors, for the managers of internal control functions and for internal Committees. The Chairperson of the Board of Directors is replaced in case of absence or impediment by the Deputy Chairperson.

Furthermore, the Chairperson represents the Company in dealings with third parties and in legal proceedings, both in the courts and in administrative matters, and has single signing powers. In the event of his/her absence or impediment, even temporary, these powers are exercised, even separately, by the Deputy Chairperson and the Chief Executive Officer and, in the event of their absence or impediment, even temporary, by the oldest Director.

At the closing date of 2022 and at the date of approval of this Report, the position of Chairperson is held by Flavia Mazzarella, appointed by the Board of Directors at its meeting of 21 April 2021.



### FOCUS: POWERS OF THE CHAIRPERSON OF THE BOARD OF DIRECTORS

The Chairperson does not hold managerial powers and therefore does not carry out any executive role. In compliance with the provisions of current legislation and the Operating Rules of the Board of Directors, the Chairperson:

- promotes the effective functioning of the corporate governance system, ensuring to this end the effective and balanced functioning and balance of powers, as well as the efficient and constant connection between the functions of policy-making and strategic supervision and those of management;
- is the main interlocutor of the body with control functions and of the Committees within the Board of Directors, as well as of the Heads of the company control functions;
- coordinates the activities of the Board, convenes meetings thereof and, with the cooperation of the Chief Executive Officer, sets the agenda, while working to ensure that the Directors receive proper and timely information;
- presides over meetings of the Board, directs and moderates discussions, guarantees the effectiveness of Board discussions and ensures that motions passed by the Board are the result of adequate argumentation and the informed, knowledgeable and reasoned contribution by all the members;
- promotes the holding of periodic meetings between the Directors, also outside the boardroom, aimed at deepening and mutual comparison on issues of strategic importance, taking into account the applicable regulations and supervisory guidelines;
- proposes to the Board of Directors, in agreement with the Chief Executive Officer, a procedure for the internal management and external communication of documents and information concerning the Bank, with particular reference to inside information.
- proposes to the Board of Directors, in agreement with the Chief Executive Officer, the adoption of a policy for the management of dialogue with all shareholders and other stakeholders considered relevant for the Bank, also taking into account the engagement policies adopted by institutional investors and active managers;
- plays a liaison role between the Executive and Non-Executive Directors;
- when deemed appropriate for the purpose of improving the proceedings, shall ensure, with the assistance of the Secretary and in agreement with the Chief Executive Officer, that employees of the Bank and Group companies, responsible for the relevant corporate functions, attend Board meetings, including at the request of individual Directors, to provide the necessary in-depth information on the items on the agenda;
- ensures, with the help of the Secretary, that all members of the management and control bodies can participate, after their appointment and during their term of office, in initiatives aimed at providing them with adequate knowledge of the sectors of activity in which the Bank operates, of corporate

- dynamics and their evolution, also with a view to the sustainable success of the Bank, as well as of the principles of proper risk management and of the reference regulatory and self-regulatory framework;
- ensures, with the help of the Secretary, the adequacy and transparency of the Board of Directors' self-assessment process, with the support of the Nominations and Corporate Governance Committee;
- proposes to the Board of Directors the appointment and dismissal of the Secretary.

During 2022, the Chairperson carried out the tasks incumbent on her and, in particular, with the help of the Secretary:

- ensured that the pre-meeting information, as well as the additional information provided during board meetings, was adequate to enable Directors to act in an informed manner;
- placed herself as an interlocutor of the Board of Statutory Auditors and ensured the coordination of the work of the Board Committees with the work of the Board, in particular by liaising with the Chairpersons of the individual Board Committees, in order to coordinate the activities of the latter with those of the Board;
- in agreement with the Chief Executive Officer, she arranged for the managers of BPER and the Group Companies, responsible for the relevant company departments, to attend Board meetings in order to provide the necessary details on the topics on the agenda;
- promoted the participation of the members of the management and control bodies, after their appointment and during their term of office, in initiatives aimed at providing them with an adequate knowledge of the sectors of activity in which the Bank operates, of corporate dynamics and their evolution also with a view to the sustainable success of the Bank itself, as well as of the principles of proper risk management and of the regulatory and self-regulatory framework of reference. As for training activities, on 25 November 2021, the Board of Directors, at the proposal of the Chairperson, therefore approved the 2021-2023 Training Plan for Directors, which envisages, over the three-year term of office, a training activity aimed at enabling all Directors in office to (i) consolidate their basic "hard skills" (e.g., risk & bank management, climate change, business financing, fintech, etc.); (ii) update their knowledge of new laws and regulations; (iii) examine in depth individual issues of strategic importance. During 2022, five training meetings were held in collaboration with the Faculty of Banking and Insurance Sciences and the Centre for Training in the Financial Field (CFF) of the Cattolica del Sacro Cuore University of Milan. Participation in these meetings is also extended to all members of the Board of Statutory Auditors as well as to representatives of the Group Banks.
- ensured the adequacy and transparency of the Board's 2021 self-assessment process, with the support of the Nominations and Corporate Governance Committee.

## Board Secretary

Pursuant to Article 21(2) of the Articles of Association, the Board of Directors appoints a Secretary who meets the requirements of experience and professionalism, chosen from among its members or the managers of the Company.

In compliance with the provisions of the Board of Directors' Operational Rules, the Secretary supports the activities of the Chairperson and provides impartial assistance and advice to the Board of Directors on any aspect relevant to the proper functioning of the governance system. The Secretary is also in charge of drawing up the minutes of meetings and motions and keeps the relevant book.

At the end of 2022 and the date of approval of this Report, the Secretary of the Board of Directors is Paolo Mazza, Chief General Counsel of the Company, who was appointed Secretary on 22 July 2021.

## Executive Directors

Bank Directors classified as "Executive" by the Bank are those who, in BPER or in any legal entity:

- a) are members of the Executive Committee or have been granted individual executive powers or perform management functions (even *de facto*);
- b) hold managerial positions, that is, are assigned to supervise certain areas of the business's operations.

Those who are not in such conditions are defined as "Non-Executive Directors".

At the closing date of 2022 and at the date of approval of this Report, there are no other Executive Directors in BPER aside from the Chief Executive Officer (see below).

# Chief Executive Officer

The Board of Directors appoints from among its members a CEO, who is primarily responsible for the management of the company.



## FOCUS: DUTIES OF THE CHIEF EXECUTIVE OFFICER

Pursuant to Article 29 of the Articles of Association, the Chief Executive Officer:

- supervises the management of the company, in accordance with the general planning and strategic guidelines determined by the Board;
- ensures the execution of the resolutions of the Board of Directors and, if established, of the Executive Committee;
- takes care that the organisational, administrative and accounting structure and the internal control system are adequate for the nature and size of the company and can accurately represent performance;
- has the power to make proposals, within the scope of the competences assigned to him, in terms of the resolutions of the Board of Directors and, if established, the Executive Committee (where established) to pass resolutions within their respective competences, without prejudice to the proposal-making power granted to each member of the aforesaid Bodies, as governed by the relevant Operational Rules.

The Chief Executive Officer exercises the additional powers delegated by the Board of Directors.

In particular, the Chief Executive Officer, in compliance with the provisions of the Articles of Association and the internal regulations in force, with any limits established thereby:

- oversees the identification of the main corporate risks, taking into account the characteristics of the activities carried out by the Company and its subsidiaries, and periodically submits them for review by the Board of Directors;
- is responsible for taking all actions necessary to ensure the adherence of the organisation and the Internal Control System to the principles and requirements of the supervisory regulations, and for monitoring compliance on an ongoing basis;

- formulates proposals relating to the strategic guidelines, long-term plans and annual budgets of the Bank and the Group to be submitted to the Board of Directors and supervises their implementation;
- makes proposals relating to the general organisational structure of the Bank and the Group to be submitted to the Board of Directors;
- unless otherwise established, submits to the Board of Directors and/or the Executive Committee (where established), also through the competent functions, the proposals on the matters within their competence;
- represents the Bank in the Shareholders' Meetings of the Subsidiaries or Investee Companies, exercising the relative administrative and corporate rights, and granting, if necessary, proxies and voting instructions, in line with any resolutions passed by the Board of Directors;
- handles the external communication of information regarding the Bank and the other Group Companies;
- performs the duties envisaged in the various regulations adopted by the Group, including those related to: (i) the Internal Control and Risk Management System; (ii) the IT system; (iii) the outsourcing of corporate functions; (iv) the Recovery Plan; (v) internal reporting (whistleblowing) by employees; (vi) business continuity (vii) market abuse; (viii) Environmental, Social and Governance (ESG);
- supervises and oversees personal data protection obligations, also as Privacy Delegate, relying on the support of the Chief Compliance Officer for this purpose;
- exercises the additional powers delegated by the Board of Directors.

The Chief Executive Officer is entitled to grant to members of General Management and to employees with specific duties, with the faculty for the latter to further sub-delegate general and special mandates for the conduct of business that falls within their sphere of competence, with a duty to set in advance the limits of the delegated powers and the reporting requirements, without prejudice to the right to take on the delegated functions personally.

Pursuant to the Articles of Association, in urgent cases, the Chief Executive Officer, after having consulted with the Chairperson of the Board, may take decisions on any transaction that usually falls within the scope of powers of the Management Body, except for those reserved by law or the Articles of Association exclusively for the collegial competence of the Board. The decisions taken under these circumstances shall be reported to the Board of Directors at the next meeting.

At the closing date of 2022 and at the date of approval of this Report, the position of Chief Executive Officer is held by Piero Luigi Montani, appointed by the Board at its meeting of 21 April 2021. At 5 August 2021, the Chief Executive Officer, Mr. Montani, also holds the position of General Manager.

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Pursuant to Article 27 of the Articles of Association, the Board of Directors can appoint an Executive Committee made up of a minimum of three and a maximum of five Directors.

The Board of Directors appointed by the Shareholders' Meeting of 21 April 2021 did not make use of this option.

Executive Committee



## Disclosure to the Board by Directors/Delegated bodies

Pursuant to Article 29 of the Articles of Association, the Chief Executive Officer normally reports on a monthly basis to the Board of Directors, on the general operating performance and, on a quarterly basis, on the exercise of the powers assigned to him, as well as, during the first subsequent meeting, on the urgent assumption of resolutions within the competence of the Board, with the exception of those reserved by the legislation in force or by the Articles of Association for the exclusive competence of the Board itself.

Pursuant to the Rules governing the functioning of the Board of Directors, furthermore, the Chief Executive Officer reports to the Board, promptly and having previously consulted the Control and Risk Committee, on problems and critical issues pertaining to the Internal Control and Risk Management System, which have arisen in the performance of the functions assigned to him/her by relevant legislation or have been notified to him/her.

Pursuant to the Articles of Association and internal regulations, the members of the General Management and the C-Level Managers reporting directly to the Chief Executive Officer and the General Manager, if holders of powers granted to them by the Board of Directors, report to the Board of Directors at least quarterly on the exercise of the powers assigned to them.

## Independent Directors and *Lead Independent Director*

As anticipated pursuant to Article 17(4) of the Articles of Association, Directors who meet the independence requirements established by Article 148(3) of the CLF, Italian Ministerial Decree No. 169/2020 and the Corporate Governance Code are considered independent.

The assessment as to whether the above-mentioned independence requirements are met is carried out by the Board of Directors on the basis of the parameters defined by the latter pursuant to Article 17(4) of the Articles of Association.

In this regard, on 12 April 2016, the Board of Directors of BPER adopted its "Rules for Verifying the Independence Requirement of the Directors". These Rules were lastly updated on 16 June 2022 in order to take into account the new regulations issued on the eligibility requirements of Directors.

Independent  
Directors



### FOCUS: THE “RULES FOR VERIFYING THE INDEPENDENCE REQUIREMENT OF THE DIRECTORS” ADOPTED BY BPER

Verification of the possession of the independence requirement is carried out on the basis of the principles, criteria and procedures set forth in the “Rules for Verifying the Independence Requirement of Directors”, pursuant to which:

- verification as to whether independence requirements are met is carried out after the appointment of the Directors, within the time-scale prescribed by applicable regulations and is repeated, subsequently, should a change in circumstances arise that could impact independence and, at any rate, at least once a year;
- for the purposes (i) of Article 148, paragraph 3, lett. c) of the CLF; (ii) Article 13, paragraph 1, lett. h), of Italian Ministerial Decree No. 169/2020 and (iii) of Recommendation 7, lett. c), of the Corporate Governance Code, are normally considered “significant” or, in any case, likely to compromise the independence of a Director, the commercial, financial, equity or professional relationships, direct or indirect <sup>(2)</sup>, in place and/or carried out in the three previous years, which fall under the following assumptions:
  - a) with reference to loans and guarantees obtained from the BPER Group, regardless of their technical form if any one of the following conditions exist:
    - (i) when the absolute value of the total exposure granted by BPER or by a Subsidiary is equal to or greater than Euro 200,000. For the purposes of this calculation, private mortgage loans are excluded (when they are performing, negotiated at arm's length and not contrary to any internal credit approval rules) if they are not of a commercial/investment nature;
    - (ii) when loans of any value (including private mortgage loans) granted by BPER or by a Subsidiary have not been negotiated at arm's length and/or are impaired or, for some reason, it is probable that they become so;
 

the above, it being understood that in the case of loans disbursed in a pool, only the portion attributable to the BPER Group is considered;
  - b) when the annual amount derived from relations held, for any reason, with (i) BPER and/or (ii) a Subsidiary Company and/or (iii) the related Executive Directors, Chairperson and/or members of the Top Management; and/or (iv) the Holders of the share capital of BPER and/or (v) the relative Executive Directors, the Chairperson and/or the General Manager, also referring to only one of the last three financial years, is equal to:
    - (i) at least 30% of the total annual income of the person concerned, as a natural person, it being understood that the calculation of these amounts (but not annual income) excludes:

- all fees and reimbursements of expenses derived from the activity of a Director within the BPER Group;
- income from ordinary banking and/or corporate transactions held at conditions equivalent to market or standard conditions (for example: interest income on deposits and cash and cash equivalents, repurchase agreements, bond interest, share dividends, etc.);
- (ii) at least 5% of the annual turnover of the companies, enterprises or entities over which the Director has control or is an Executive Director or, for entities not having a corporate form, a significant Representative, as well as association or a professional firm or consultancy company where the Director concerned is a partner. If the Director is a partner in a professional firm or consulting firm, the significance of the professional relationships that may have an effect on his/her position within the firm or company is also assessed, also in relation to his/her role within the firm or the consulting firm or which in any case pertain to important transactions of the Company or the Group, regardless of quantitative parameters;
- for the purposes of Recommendation 7, lett. d), of the Corporate Governance Code, the additional remuneration of the Director is usually considered “significant” if it exceeds the threshold of 50% of the fixed remuneration received as a member of the Board of Directors and possibly of BPER Board Committees;
- the Board of Directors may adopt a reasoned resolution confirming, despite the existence of situations identified by the aforementioned Rules as potentially capable of compromising their independence, that a Director is still in possession of the relevant requirements when, having considered all relevant circumstances, the specific situations identified do not in practice compromise the independence of that person;
- in addition, the Board of Directors, by reasoned resolution, may consider that, even if there are no situations identified by the aforementioned Rules as potentially suitable to compromise his/her independence, a Director cannot be assessed as independent, when, in the light of all the elements acquired, the Board deems the presence of further situations as a valid reason, concretely and specifically, for jeopardising the independence of that person.

<sup>2</sup> Relationships held indirectly, through: a) companies, businesses or entities controlled directly or indirectly by the Director (or by a close relative); b) companies in which the Director (or one of his/her close relatives) is an Executive Director or, for non-corporate entities, a significant representative; c) professional associations, professional firms or consultancy companies of which the Director (or a close relative) is a partner.

Given the above, it should be noted that the Board of Directors of BPER on 20 May 2021 classified the following Directors as independent: Flavia Mazzarella (Chairperson), Elena Beccalli, Silvia Elisabetta Candini, Maria Elena Cappello, Cristiano Cincotti, Gianfranco Farre, Alessandro Robin Foti, Gianni Franco Papa, Marisa Pappalardo and Monica Pilloni.

However, during the 2022 financial year, the following changes took place:

- Gianfranco Farre was appointed Chairperson of the Board of Directors of Banco di Sardegna S.p.A. by the Shareholders' Meeting held on 15 April 2022. As a result of the aforementioned appointment, the Director Farre forfeited the independence requirements within the Board of BPER Banca S.p.A. pursuant to the provisions of Italian Ministerial Decree No. 169/2020;
- Gianni Franco Papa was appointed Chairperson of the Board of Directors of Banca CARIGE S.p.A. and Banca Cesare Ponti S.p.A., respectively, by the Shareholders' Meetings held on 15 June 2022 and 17 June 2022; as a result of the aforementioned appointments, Gianni Franco Papa forfeited the independence requirements within the Board of BPER Banca pursuant to the provisions of Italian Ministerial Decree No. 169/2020.

On 21 July 2022, the Board of Directors of BPER carried out the periodic annual assessment of the independence requirements of its members, relying on the statements made by the latter (which provided the elements necessary or useful for the assessments of the Board) and the information available to the Company.

The Board of Directors therefore deemed the aforementioned independence requirements to be met by the following Directors:

- Flavia Mazzarella (Chairperson);
- Elena Beccalli;
- Silvia Elisabetta Candini;
- Maria Elena Cappello;
- Cristiano Cincotti;
- Alessandro Robin Foti;
- Marisa Pappalardo;
- Monica Pilloni;
- Elisa Valeriani.

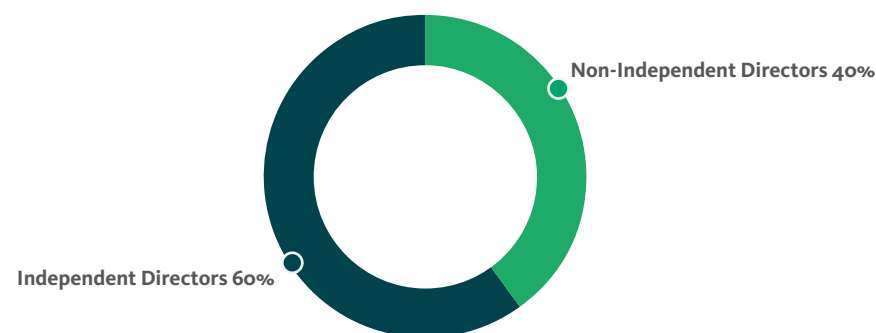
With particular regard to the Chairperson Flavia Mazzarella, it should be noted that the latter was considered independent, taking into account the amendments made to the Corporate Governance Code, since none of the situations that, pursuant to Recommendation 7 of the aforementioned Code and the above-mentioned Rules for Verifying Independence adopted by the Company, compromise or appear to compromise the independence of a Director, were found to apply to the Chairperson.

The Board of Statutory Auditors attended the aforementioned Board meeting of 21 July 2022, without making any observations in relation to the correct application of the criteria and procedures for ascertaining independence adopted by the Board.

At the closing date of 2022 and at the date of approval of this Report, the number of Directors meeting the independence requirements is nine, and therefore significantly higher than the

minimum required by regulations in force. The number of independent Directors and their skills are appropriate to the Bank's needs, the operations of the Board, and the establishment of the relevant Committees, allowing for an adequate diversification of the composition of each Committee, and avoiding concentration of offices.

In this regard, it should be noted that, pursuant to Article 17, paragraph 8, of the Articles of Association, a Director does not cease to serve on the Board if the relevant independence requirements are no longer met, or if the requirements are met by the minimum number of independent Directors who must satisfy them. The Directors who were classified – at the time of submitting their candidacy – as independent, did not make a formal declaration in which they undertook to maintain their independence during their mandate and, if necessary, to resign.



Following the appointment of the new Board, the Independent Directors met, in the absence of the other Directors, on 2 February 2022 and on 14 December 2022. The meetings concerned: (i) the governance structure; (ii) the effectiveness of the planning, the methods of conduct and the duration of the meetings of the Board and the Committees, as well as (iii) the adequacy of the prior disclosure and information flows and the effectiveness of the debate; (iv) finalisation of succession plans for all top management; (v) rationalisation of the system of powers of delegated bodies and top management functions; (vi) the integration transaction with Banca CARIGE.

In accordance with the provisions of the Board of Directors' Operational Rules, the aforementioned meetings were coordinated by the oldest Independent Director. In particular, the meeting of 2 February 2022 was chaired by Director Gianni Franco Papa, then an Independent Director, while the meeting of 14 December 2022 was chaired by Director Marisa Pappalardo. In view of the clarifications provided by the *Q&A Functional to the application of the Corporate Governance Code – 2020 Edition*, the Chairperson of the Board of Directors – in agreement with the coordinator of the meeting – did not attend the meeting, considering that the topics under discussion also concerned her functions. The Chairperson and the entire Board of Directors were subsequently informed of the outcome of the above-mentioned meeting.

Meetings of Independent Directors

The appointment of an independent director as Lead Independent Director is recommended by the Corporate Governance Code: a) if the Chairperson of the Board of Directors is the Chief Executive Officer or holds significant management powers; b) if the office of Chairperson is held by the person who controls, even jointly, the company; c) in large companies, even in the absence of the conditions indicated in points a) and b), if the majority of Independent Directors so request.

Pursuant to the Operational Rules of the Board of Directors, the Board appoints the Lead Independent Director at the request of the majority of the Independent Directors.

In view of the foregoing, given that (i) none of the circumstances indicated in the Corporate Governance Code apply and (ii) none of the independent Directors has made a request, BPER's Board of Directors has not appointed a Lead Independent Director.

## Self-assessment and succession of Directors

Pursuant to the Supervisory Provisions for Banks on corporate governance and on the basis of its own Operational Rules, the Board of Directors carries out the self-assessment process on an annual basis, with the aim of:

- ensuring verification of proper and effective functioning of the Body and of its adequate composition;
- ensuring essential respect of the Supervisory Provisions and the objectives they intend to achieve;
- encouraging updates of the internal regulations governing the Body's functioning, in order to ensure their suitability, also in the light of changes due to the evolution of activities and of the operating context;
- identifying the main points of weakness, promoting discussion within the Body and defining the corrective measures to be adopted;
- strengthening the relationships of collaboration and trust between the individual members and, in particular, between the non-executive members and the Executive Members;
- encouraging active participation by the individual members, ensuring full awareness of the specific position held by each of them and the related responsibilities.

At least once every three years, during the last year of the Board's term of office and before the start of the subsequent renewal process, the self-assessment is also aimed at allowing the definition of the optimal qualitative and quantitative composition to be brought to the attention of the Shareholders so that the choice of candidates can take into account the required professionalism, as well as to verify its compliance with the actual composition resulting from the appointments.

Moreover, taking into account the recommendations contained in the Supervisory Provisions applicable to banks of greater size or operational complexity, the self-assessment process is normally conducted, in any event at least once every three years, with the assistance of an external professional capable of ensuring independent judgement.

With specific reference to 2022, the self-assessment process (the "Self-Assessment Process") was launched during the first months of 2023, without the help of external professionals, with the support of the Nominations and Corporate Governance Committee, and under the care and supervision of the Chairperson.

The 2023 Self-Assessment Process consisted of the following steps:

- completion by all Board members of a questionnaire customised to reflect the characteristics of BPER and designed to collect opinions on the functioning of the Board and its Committees. Subsequent collation of the data obtained from the questionnaires and processing of the results in an anonymous and aggregated form;
- preparation of a report analysing the results of the self-assessment process and summarising the main findings with particular reference to the results obtained, indicating the main strengths and profiles of possible improvement.

The main findings from the 2022 Self-Assessment Process highlighted the following strengths: (i) adequate planning of Board meetings and clarity in the formulation of the agenda, also in order to guarantee sufficient time to examine strategic relevance; (ii) relations within the Board in terms of dialogue and discussion between the Directors, the relational dynamics between the Chairperson and the Chief Executive Officer; (iii) the role of the Chairperson and the Chief Executive Officer within the Board of Directors; (iv) the degree of participation in the meetings by the Independent Directors and the contribution made by the latter to the discussion and decision-making process of the Board; (v) the effective presentation of the matters submitted to the Board of Directors for examination by the Heads of the corporate functions, as well as the clarity and completeness of the answers provided to the questions formulated by the Board; (vi) the overall adequacy, in terms of role, composition and functioning of the Board Committees; (vii) the adequate qualitative and quantitative composition of the Board of Directors; (viii) the activity carried out by the Company Secretary in support of the Board of Directors, including the completeness and timeliness of the minutes of the topics discussed and the decisions taken during the meetings.

Without prejudice to the above, as part of the Self-Assessment Process, some areas that could be further improved were finally identified, concerning in particular: (i) possible efficiency profiles of the number and duration of the meetings of the Board of Directors, as well as the number of points at agenda of the Board of Directors (which also affected the time actually dedicated by the Directors to the performance of the office, compared to that estimated by the Bank in the Guidelines by the Shareholders on the qualitative and quantitative composition of the Board of Directors communicated in view of the Shareholders' Meeting of 21 April 2021), in order to leave even more space for the in-depth analysis and discussion of the topics, as well as to dedicate sufficient time to the discussion of the most important issues; (ii) prior disclosure that can be further improved in terms of timeliness and quality of documentation.

As regards the succession of Directors, in 2019, the Board of Directors in office at the time, with the support of the Nominations Committee, approved the Regulation of the Process for the Execution of the Succession Plans of Top Management and the Related Succession Plans, which govern cases involving sudden termination of the Chief Executive Officer and/or General Manager or, only for the latter, termination of office in connection with the related scheduled expiry.

The main objective of these succession plans is to ensure the orderly continuity of the company and to avoid possible economic and reputational repercussions in the event of the sudden termination of the Chief Executive Officer and/or the General Manager or, for the latter only, in connection with the scheduled expiry of his/her office.

Succession plans

## The Company's Governance structure

For the purposes of the foregoing, the plans, without prejudice to the applicable statutory and regulatory provisions, shall govern the procedures for carrying out the replacement and the criteria for selecting possible candidates for the replacement, providing – for the Chief Executive Officer – for the following phases: (i) pre-definition of the ideal profile; (ii) post-termination: assessment of the ideal profile and identification of a longlist of candidates (internal and external) by the Nominations and Corporate Governance Committee; (iii) review of the ideal profile and the longlist by the Board of Directors and identification of a shortlist; (iv) on the basis of the shortlist, one -to-one meetings with possible candidates; (v) meeting of the Nominations and Corporate Governance Committee and, to the extent of their competence, of the Remuneration Committee, to examine the results of the interviews and the profiles relating to remuneration; (vi) final decision by the Board of Directors.

As regards the General Manager, the steps are essentially the same, with some differences linked to the possible involvement of the Managing Director in the investigation process or longer time frames, on the assumption that, in the event of a change of General Manager, the Bank would not be deprived tout court of the figure of the "Head of the company".

In view of the foregoing, within the first half of the year, the Company plans to revise the aforementioned Regulation, also including the Chairman of the Board of Directors, as required by current legislation.

With regard to the Top Management, in accordance with the provisions of the Corporate Governance Code, on 4 August 2022 the Board of Directors of BPER, with the support of the Nominations and Corporate Governance Committee, approved the Regulation of the Process for the Definition and Management of the Succession Plans of Top Management.

This Regulation is aimed at regulating the process of replacing the Top Managers of BPER in the event of termination of the related office, defining the objectives, tools and timing of the phases of the related process, as well as the roles and responsibilities of the Bodies and parties involved. The phases of the process outlined in the aforementioned Regulation are broken down as follows: (i) mapping of the target roles, (ii) profiling of the candidates; (iii) validation of succession plans; (iv) monitoring and updating of succession plans.

In January 2023, the Regulation of the Process for the Definition and Management of the Succession Plans of Top Management was subject to some amendments, aimed at adapting the definition of Top Management to the Bank's new organisational structure with the inclusion of the new Top Management positions envisaged.

## Remuneration of Directors

Information on remuneration policies can be found in the Reports on Remuneration Policy and Compensation Paid drawn up pursuant to Article 123-ter of the CLF (the "Remuneration Reports") and published on the website [www.bper.it](http://www.bper.it) – Institutional > Governance > Shareholders' Meeting, to which full reference is made.

### Remuneration policies

The Policy for the remuneration of Directors, Statutory Auditors and Top Management for the 2022 financial year is described in Section I of the Remuneration Report published for the Shareholders' Meeting of 20 April 2022. This section provides information on, *inter alia*: (i) the governance of remuneration and incentive policies (indicating the functions and Bodies involved in this process); (ii) the identification of the Material Risk Takers; (iii) the principles and objectives of the Remuneration Policy, also with regard to the functionality of the Policy itself with respect to the pursuit of sustainable success and the ability to attract, retain and motivate persons with the necessary skills and professionalism; (iv) on market practices and the use of external consultants; (v) on the recipients of remuneration policies; (vi) on the remuneration of Corporate Bodies, distinguishing, *inter alia*, between members of the Board of Directors and Committees; between executive and non-executive members and (vii), more specifically, on the Remuneration Policy, concerning, *inter alia* the relationship between variable and fixed remuneration; the different components of variable remuneration (based on financial instruments); the remuneration of the Chief Executive Officer and General Manager; the short-term variable incentive system – MBO, the long-term variable incentive

system – LTI Plan (and the related claw-back clauses); the remuneration of the most relevant Personnel and the Remuneration of the control functions; (viii) non-competition agreements and severance pay.

The Shareholders' Meeting of 5 November 2022 amended the Remuneration Policy relating to the 2022 financial year in the part relating to the Long-Term Incentive Plan, in order to align the duration and the targets with what is defined in the Group's 2022-2025 Business Plan, approved in June 2022. The aforementioned Shareholders' Meeting also approved the subsequent update of Section I of the 2022 Report on the Remuneration Policy and Compensation Paid.

Similar information is contained, with reference to the 2023 financial year, in the Remuneration Report submitted for approval to the Shareholders' Meeting called to approve the financial statements for 2022.

Remuneration for 2022 is outlined in Section II of the Remuneration Report submitted for approval to the Shareholders' Meeting convened to approve the financial statements for the year 2022, which also contains information on how the Remuneration Policies approved by the Shareholders' Meeting with reference to the year 2022 were implemented and the severance indemnities and/or other benefits paid during the year.

### Remuneration for 2022

### 3.3 Board Committees

The Board of Directors appointed by the Shareholders' Meeting of 21 April 2021 established the following internal Committees (the "Committees"):

- Control and Risk Committee;
- Related Parties Committee<sup>3</sup>;
- Nominations and Corporate Governance Committee<sup>4</sup>;
- Remuneration Committee;
- Sustainability Committee.

The composition of these Committees was determined by the Board, taking into account the competence and experience of its members and avoiding the concentration of offices.

The composition, powers and operating procedures (including the procedures for recording minutes of meetings and the procedures for managing information to the Directors who are members of them) of each of these Committees are governed by specific Operational Rules approved by the Board of Directors.

These Rules, which are essentially common to all the above-mentioned Committees, without prejudice to the tasks pertaining to each of them, provide that the Chairperson of the Committee, assisted by the Secretary of the Committee and the competent corporate functions, must verify that the documentation to be submitted in support of the activities falling within the competence of the Committees is adequate, in qualitative and quantitative terms, with respect to the matters to be discussed at each meeting. To this end, the Committee's Chairperson ensures – also by issuing appropriate instructions to the corporate functions – that the documentation appropriately highlights, for each topic on the agenda, the most significant and relevant issues for the performance of the tasks and the adoption of the acts falling within the competence of the Committees.

As regards the deadlines for sending the information supporting the discussion of the items on the agenda, the Operational Rules of the Committees – in line with the provisions for the Board of Directors – provide that the documentation must be made available as a rule on the fifth day prior to each meeting. If, for particular organisational reasons or for reasons of confidentiality, the documentation made available within this deadline is not exhaustive, subsequent additions shall be provided no later than the day of the meeting. Where, for the aforementioned organisational reasons or for reasons of confidentiality, it has not been possible to provide the necessary disclosure/documentation in accordance with the deadline or in an exhaustive manner, the Chairperson ensures that adequate and accurate in-depth analyses are conducted during the meeting. This is without prejudice to the Committee's right to request for additional documentation to be produced during the meeting.

During 2022, the deadline for sending prior information to the Committees on the items on the agenda was usually met. With regard to some agenda items, the ordinary deadline was not met, but the information was nevertheless provided well in advance of the meeting. Only in very limited cases, for specific items on the agenda, was the information provided directly during the meeting. This occurred, in particular, in cases where – due to the particular characteristics of the topics under discussion – the proposing corporate structures needed to work, until the last possible moment, on the documentation to be submitted to the Committee. On these occasions, adequate and punctual in-depth analyses were carried out during the meetings, also through the intervention of the Heads of the competent corporate functions and, in some cases, of the advisors appointed by the Company.

As regards the manner of transmission of the above-mentioned information documents, the Operational Rules of Committees provide that said documents shall be made available by filing them with the competent corporate organisational unit, as well as by means of the special Confidential Platform used for the management of the meetings of the Bank's Governing Bodies, designed to preserve the confidentiality of the data and information provided.

With regard to the manner in which meetings are conducted and minutes taken, the Operational Rules contain provisions that are substantially in line with the provisions of the Operational Rules of the Board of Directors.

<sup>3</sup> Until 23 April 2021 known as the Committee of Independent Directors.

<sup>4</sup> Until 14 October 2021 known as the Nominations Committee.



## Control and Risk Committee



**Monica Pilloni**  
*Chairperson*



**Elena Beccalli**



**Gianfranco Farre**



**Alessandro Robin Foti**



**Gianni Franco Papa**

On 23 April 2021, the Board of Directors of BPER established an internal Control and Risk Committee, the operation of which is governed by specific Rules.

The Control and Risk Committee provides support functions to the Board of Directors regarding risks and the Internal Control System, as well as relating to the approval of periodic financial and non-financial reports. In particular, without prejudice to any further powers assigned to it under the applicable legislation, including self-regulation, the Committee is tasked with the following:

- a) it supports the Board of Directors in the definition and approval of strategic policies and risk governance policies;
- b) it supports the Board of Directors in measuring and defining risk appetite and risk tolerance;
- c) it issues judgements and provides opinions to the Board of Directors on compliance with the principles governing the Internal Control System and corporate structure and brings to the Board's attention any weaknesses and the resulting corrective action that needs to be taken;
- d) it supports the Board of Directors in verifying the correct implementation of strategies, risk governance policies and the RAF;
- e) it issues judgements and formulates opinions to the Board of Directors in the assessment and monitoring of the requirements that must be met by the company control functions and brings to the attention of the Board any weaknesses and the resulting corrective actions that need to be taken;
- f) it verifies that the company control functions correctly comply with the provisions and guidelines for the Internal Control and Risk Management System laid down by the Board of Directors;
- g) it supports the Board of Directors in the preparation of the Corporate Governance Report with reference to information concerning the Internal Control and Risk Management System and the assessment of its overall adequacy;
- h) it identifies and proposes, assisted by the Nominations and Corporate Governance Committee, candidates to head up the company control functions and provides a preliminary opinion on their dismissal;
- i) it expresses an opinion to the Board of Directors on the planning document of the activities of the company control functions, prepared at least once a year;
- j) it examines the final reports and the reports prepared by the company's control functions, as well as any reports by the Chief Executive Officer on problems and critical issues that have emerged in the performance of his duties or of which he has in any case been informed;
- k) it assesses, together with the Financial Reporting Manager and after having consulted the Board of Statutory Auditors and the Independent Auditors, the proper application of accounting standards and their consistency among Group companies when preparing the consolidated financial statements;
- l) it supports the Board of Directors in assessing the results submitted by the Statutory Auditors in their letter of suggestions, if any, and in their report on key issues arising from the Statutory Audit;
- m) it supports the Board of Directors, by means of an opinion, on the corporate policy regarding the outsourcing of company control functions;

## The Company's Governance structure

- n) it ascertains, without prejudice to the sphere of competence of the Remuneration Committee, whether the incentives under the remuneration and incentive scheme of the Bank and of the Group are consistent with the RAF;
- o) it supports the Board of Directors in defining policies and processes for the measurement of the business's assets, including checking that the price and conditions of transactions with customers are consistent with the business model and risk strategies;
- p) it supports the Board of Directors in the approval of the coordination document of the company control functions envisaged by Bank of Italy Circular No. 285/2013 and subsequent amendments;
- q) it provides support for the Board of Directors in its assessment, at least annually, of the adequacy of the Internal Control and Risk Management System with respect to business features and the risk profile assumed, as well as the effectiveness thereof;
- r) it supports, via appropriate preliminary activities, the assessments and decisions of the Board of Directors relating to the management of risks arising from detrimental facts that have come to the attention of the Board;
- s) it evaluates the suitability of periodic financial and non-financial information, in correctly representing the business model, the Company's strategy, the impact of its activities and the performances recorded;
- t) it provides support to the Board of Directors in evaluating the capital and liquidity management strategies, as well as for all other risks pertaining to the Bank and the Group, such as market, credit, operating (including legal and IT risks) and reputational risks, in order to assess their suitability with respect to the Group's risk appetite and the risk strategy approved;
- u) it supports the Board of Directors in the periodic evaluation of a number of possible scenarios, including stress scenarios, in order to determine how the risk profile of the Bank and the Group would react to external and internal events;
- v) it supports the Board of Directors in assessing the autonomy, adequacy, effectiveness and efficiency of the company control functions.

In order to carry out its functions, the Control and Risk Committee: (i) collaborates with the other internal committees of the Board of Directors, and with the person in charge of the legal audit and talks directly to the company control functions and to the Financial Reporting Manager; (ii) has the right of access, through its Chairperson, to the necessary corporate information; (iii) has adequate resources at its disposal according to the decisions of the Board of Directors; (iv) may retain experts, including external ones. The Committee has an appropriate working relationship with the Board of Statutory Auditors and with the Supervisory Authorities pursuant to Italian Legislative Decree No. 231/2001 for the coordination and exchange of information of mutual interest that falls within their spheres of competence.

With regard to its composition, pursuant to the Operational Rules, the Committee consists of a minimum of three and a maximum of five Directors (including, compatibly with the skills required to effectively hold the office, one identified among the Directors elected by the minority, if any) who are non-executive, the majority of whom are independent.

The Chairperson of the Committee is appointed from among the independent members. Committee members must possess, individually and collectively, adequate knowledge, skills and expertise to enable them to effectively monitor the Bank's control systems and practices, strategies and risk orientations. At least one member of the Committee must also have adequate experience in accounting and finance or risk management, to be assessed by the Board of Directors at the time of appointment. The Chairperson of the Board of Directors may not be a member of the Committee.

The Chairperson of the Board of Directors, the Chief Executive Officer and members of the Board of Statutory Auditors may attend Committee meetings without voting rights.

On the Chairperson's proposal, the Committee appoints a Secretary, who need not be one of its members.

Minutes of Committee meetings are taken by the Secretary, in agreement with the Chairperson. The Committee reports to the Board of Directors on its overall activities and on the adequacy of the Internal Control and Risk Management System when approving the annual and half-yearly financial reports. Furthermore, the Chairperson informs the Board of Directors of the activities carried out at the first relevant meeting.

Until April 2022, the Control and Risk Committee consisted of the following five Non-Executive and Independent Directors: Gianni Franco Papa (Chairperson); Elena Beccalli; Gianfranco Farre; Alessandro Robin Foti; Monica Pilloni.

Subsequently, Gianni Franco Papa and Gianfranco Farre lost their independence requirements as a result of the relative appointments, respectively, as Chairperson of the Board of Directors of Banca Carige S.p.A. and Banca Cesare Ponti S.p.A., and Chairperson of the Board of Directors of Banco di Sardegna S.p.A.

Consequently, in June 2022, the Board of Directors reviewed the composition of the Control and Risk Committee, appointing Monica Pilloni as Chairperson of the Committee, replacing Gianni Franco Papa.

Consequently, at the end of 2022 and at the date of approval of this Report, the Control and Risk Committee was composed of the following five Non-Executive Directors, the majority of whom were independent:

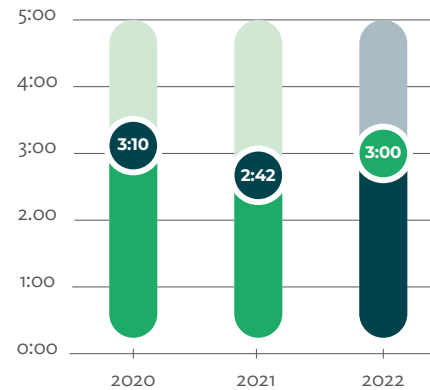
- Monica Pilloni (Chairperson);
- Elena Beccalli;
- Gianfranco Farre;
- Alessandro Robin Foti;
- Gianni Franco Papa.

At the time of their appointment, the Board of Directors verified that the members, individually and collectively, possess adequate knowledge, skills and expertise to enable them to effectively monitor the Bank's control systems, practices, strategies and risk orientations. It also verified that all Committee members have adequate experience in accounting and finance.

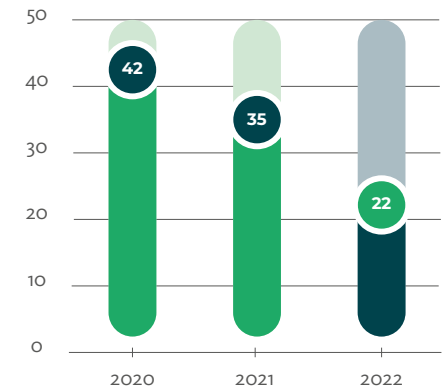
Meetings

The Control and Risk Committee met 22 times in 2022 and the average duration of each meeting was slightly less than 3 hours. Sixteen of these meetings were held in part jointly with the Board of Statutory Auditors.

**Control and Risk Committee:  
average meeting duration**



**Control and Risk Committee:  
number of meetings**



Committee meetings were always attended by at least one member of the Board of Statutory Auditors. The Independent Auditors participated in all Committee meetings where accounting issues were discussed, providing their support and input.

In addition, the Chairperson of the Committee invited the Heads of the relevant corporate functions to attend the meetings in order to provide the appropriate in-depth analysis on specific topics on the agenda. The functions with the greatest representation were the company control functions, plus the Chief Operating Officer (for organisation and ICT and security), the Chief Financial Officer (along with the Administration and Financial Statements Department for accounting matters) and the Chief Human Resource Officer (for remuneration matters).

In 2023, the Committee held 5 meetings by the date of approval of this Report.



### FOCUS: ACTIVITIES OF THE CONTROL AND RISK COMMITTEE IN 2022

As regards its 2022 meetings, the Control and Risk Committee *inter alia*:

- carried out analysis of periodic risk reporting, with a specific focus on operating and risk impacts as a result of the extraordinary COVID-19 emergency;
- examined the results of the main audits carried out by the Control Functions and the periodic reports produced by them;
- analysed the documentation relating to the RAF, ICAAP and ILAAP processes;
- assessed revisions/issues of risk policies;
- examined requests for validation, revision, extension of the internal rating system;
- reviewed updates to the Resolution Plan and Recovery Plan;
- reviewed updates on the Risk Forecasting and Stress Testing Programme;
- analysed the quarterly/semi-annual reports and issued opinions on the planning of the activities of the control, and any rescheduling;
- received the disclosures on the Supervisory Review and Evaluation Process (SREP);
- with reference to the Group Companies, analysed the results of the assessments conducted by the Supervisory Authority on the subsidiary ARCA Fondi SGR, Optima SIM and Sardaleasing;
- carried out assessments on the correct use of accounting standards and provided its support in relation to the approval of periodic financial reports;
- ascertained the overall consistency with the RAF of the remuneration and incentive system of the Bank and the Group;
- carried out the examination of periodic reports, strategic guidelines and evolutionary guidelines concerning ICT, data governance and logical security.

The Committee's activities also covered:

- the monitoring of the corrective measures initiated as part of the Process to remedy the findings raised by the Control Functions (Process to Remedy Findings - PRF) and the related proposal to revise said process;
- overseeing the activities of the Control Functions Coordination Committee through the monitoring of minutes and also through the quarterly Key Issue Report - KIR;

- monitoring and evaluating the risks for the Bank stemming from the Russia-Ukraine conflict and the actions taken in this regard;
- monitoring the independence, adequacy, effectiveness and efficiency of the Internal Audit function, including by reviewing the Internal Audit Mandate and the Quality Assurance and Improvement Programme (QAIP) Report;
- the receipt of information regarding data breach notifications to the Privacy Guarantor;
- the assessment, as part of the Lanterna Project, aimed at acquiring the controlling interest in Banca CARIGE S.p.A., of the results of the due diligence, the analysis of the economic and financial impacts of the transaction and the examination of the assessment prepared by the Risk Management function on the major significance transaction (MST);
- the regular monitoring, as part of risk control, of the control activities, of the operating and IT activities carried out for the Lanterna Project, concerning the merger of Banca CARIGE S.p.A. and Banca Monte Lucca S.p.A. and the migration of Banca Cesare Ponti S.p.A.;
- in the area of financial reporting, supervision regarding the updating of the regulatory framework and the project activities that have, in fact, extended the scope of audit activities by the Financial Reporting Monitoring and Control Office;
- supervising the progress made on implementing the action plans prepared following the outcome of inspections by Supervisory Authorities;
- the monitoring of the qualitative and quantitative adequacy of the workforce and the evolution of the organisational structures of the Company Control Functions as part of the support provided on the Internal Control System.

In accordance with the above Operational Rules, the Control and Risk Committee has prepared and approved half-yearly reports on the activities carried out thereby, and on the adequacy of the Internal Control and Risk Management System, which were then submitted to the Board of Directors. It also prepared regular reports on the activities carried out in the individual meetings, presented at the first relevant meeting of the Board of Directors.

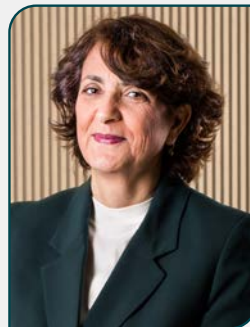
## Related Parties Committee



**Elena Beccalli**  
*Chairperson*



**Marisa Pappalardo**



**Monica Pilloni**

On 23 April 2021, the Board of Directors set up the Related Parties Committee (formerly the Committee of Independent Directors) from among its members.

The operations the Committee are governed by specific Operational Rules.

The Related Parties Committee fulfils the duties and exercises the powers attributed to independent Directors by the applicable legislation on related parties and associated persons.

In particular, with reference to minor transactions, the Committee:

- a) evaluates the Bank's interest in carrying out the proposed transaction;
- b) assesses the convenience and substantial fairness of the conditions of the proposed transaction;
- c) provides a motivated, non-binding opinion, that may also be conditional on the observations made, spelling out the results of the assessments mentioned in a) and b) above.

As regards more significant transactions, in addition to the steps that it has to take in the case of less significance transactions, the Committee also gets promptly involved in the negotiations and preliminary phase by receiving a complete and updated flow of information with the right to ask for information and to make observations to the delegated bodies and to those in charge of carrying out the negotiations and the preliminary phase. The opinion expressed for the purpose of the resolution regarding the transaction is binding; in the case of a conditional opinion, the transaction can only be completed or executed if all of the conditions mentioned in the opinion expressed by the Committee have been fulfilled.

Furthermore, on the occasion of the periodic three-yearly review of the Related Parties and Associated Persons Policy, or in the event of any regulatory and/or organisational changes, the Committee expresses an analytical, binding and prior opinion on the approval of amendments to the Policy by the Board of Directors, assessing their regulatory compliance and their adequacy to the complexity of the Bank's management, formulating any proposals for updating to the Board.

In order to carry out its functions, the Committee: is assisted by the competent corporate functions; has the right of access, through its Chairperson, to the necessary corporate information; has adequate resources at its disposal; may avail itself of the collaboration of independent experts, including external ones, within the spending limits assigned by the Board of Directors in compliance with current internal regulations. These cost limits are not valid in the case of major significance transactions.

With regard to its composition, pursuant to the Operational Rules, the Related Parties Committee is made up of three Non-Executive, all Independent Directors (at least one of whom must be one of the Directors elected by the minority, if any).

The Chairperson of the Board of Directors, the Chief Executive Officer and the members of the Board of Statutory Auditors may attend Committee meetings without voting rights. The Chairperson of the Committee may also invite the other members of the Board of Directors, the General Manager and the representatives of the competent company departments or other persons whose presence may be useful for the best performance of the Committee's functions.

On the Chairperson's proposal, the Committee appoints a Secretary, who need not be one of its members.

Minutes of Committee meetings are taken by the Secretary of the Committee, in agreement with the Chairperson.

The Committee reports at least every six months to the Board of Directors on the overall activities carried out. The Chairperson informs the Board of Directors of the activities carried out at the first possible meeting.

## The Company's Governance structure

### Composition

The Related Parties Committee, until June 2022, was composed of the following three Non-Executive and Independent Directors: Elena Beccalli (Chairperson), Gianni Franco Papa and Marisa Pappalardo.

Given that the Director Gianni Franco Papa no longer met the independence requirements within the Board of Directors of BPER, as a result of his appointment as Chairperson of the Board of Directors of Banca CARIGE S.p.A. and Banca Cesare Ponti S.p.A., the BPER's Board of Directors reviewed the composition of the Related Parties Committee in June 2022, appointing the Director Monica Pilloni as a member of the Committee to replace the Director Papa.

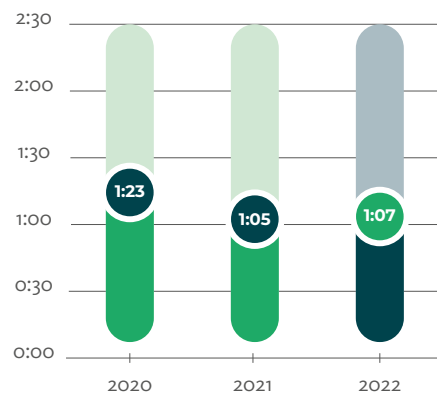
At the end of 2022 and at the date of approval of this Report, the Related Parties Committee was duly composed of the following three Non-Executive and Independent Directors:

- Elena Beccalli (Chairperson);
- Marisa Pappalardo;
- Monica Pilloni.

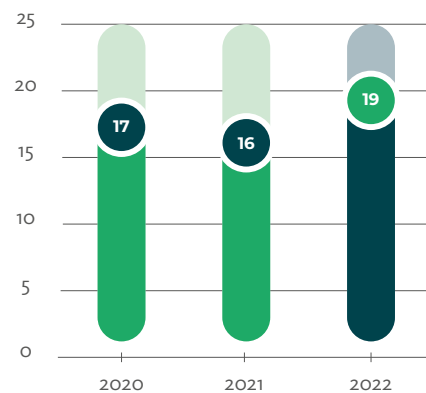
### Meetings

The Committee met 19 times during 2022 and the average duration of each meeting was slightly more than 1 hour.

#### Related Parties Committee: average meeting duration



#### Related Parties Committee: number of meetings



Committee meetings were always attended by at least one member of the Board of Statutory Auditors.

In addition, the Chairperson of the Committee invited the Heads of the relevant corporate functions to attend the meetings in order to provide the appropriate in-depth analysis on specific topics on the agenda.

In 2022, the Deputy General Manager of the Strategy, Finance & Innovation Area, the Chief Business Officer, the Chief Strategy Officer, the Chief General Counsel, the Chief Human Resources Officer, Chief Financial Officer, the Heads of the Credit, Distribution Planning and Marketing, Institutional and Restructured Credit Departments, the Heads of Corporate Development and Real Estate Active Management Services, the Heads of the Investment Offices, Financial Analysis Methodologies, Reporting Pricing and Synergies, as well as the General Management of BPER Factor.

During 2023, the Committee held 7 meetings at the date of approval of this Report. The Committee meets whenever the need arises, usually in the days preceding the dates of the meetings of the Board of Directors.



#### FOCUS: THE ACTIVITIES OF THE RELATED PARTIES COMMITTEE IN 2022

In the context of the 2022 meetings, the Related Parties Committee *inter alia*:

- expressed a favourable opinion on a more significant transaction concerning the renewal of the Bancassurance Agreement in place with UnipolSai Assicurazioni, for the distribution of Life and Non-Life insurance products;
- expressed 19 opinions on minor transactions, mainly involving overdraft transactions, and issued a favourable opinion in all cases;
- examined the following transactions classified as exempt pursuant to the Related Parties and Associated Persons Policy and submitted to its attention for information: (i) renewal of the funding agreement with Albaleasing S.p.A. (ii) draft terms of the merger by absorption of Banca CARIGE S.p.A. and Banca del Monte di Lucca S.p.A. into BPER Banca, (iii) merger by absorption of BPER Credit Management S.C.p.A. into BPER Banca;
- examined the periodic reporting on the transactions concluded with Related Parties and Associated Persons, on the risk activities of the Associated Persons and on the transactions in potential conflict of interest;
- expressed its opinion in relation to major significance transactions pursuant to the Group Regulations on the Process of Managing Significant Interests by Corporate Officers;
- examined the proposed amendments of the Group Regulation of the Process for the Management of Conflicts of Interest of Company Representatives (renamed Group Regulation on the Process for Managing Significant Interests by Corporate Officers), expressing a favourable opinion.

## Nominations and Corporate Governance Committee



**Silvia Elisabetta Candini**  
*Chairperson*



**Roberto Giay**



**Elisa Valeriani**

On 23 April 2021, the Board of Directors of BPER established an internal Nominations Committee. Subsequently, on 14 October 2021, the Board also assigned the Nominations Committee with Corporate Governance responsibilities, consequently changing its name to Nominations and Corporate Governance Committee.

The functioning of the Committee is governed by specific Operational Rules.

The Nominations and Corporate Governance Committee performs consultative, investigative and proposal-making functions in support of the activities of the Board of Directors. In particular, without prejudice to any further powers assigned to it under the applicable legislation, including self-regulation, the Committee is tasked with the following:

- a) support the Board of Directors in the prior identification of its qualitative and quantitative composition (and that of its Committees) considered optimal for the purposes of appointing Directors and in the subsequent phase of verifying the correspondence between this and the actual composition resulting from the appointment process;
- b) carry out preliminary activities for the purpose of verifying, by the Board of Directors, that the Company representatives meet the requirements of current regulations and supervisory provisions as well as support the Board in its adoption, and in the any updates, of the internal regulatory documentation relating to the verification of the requirements of the representatives, and of any other regulatory document adopted by the Bank pertaining to corporate governance, monitoring their actual implementation over time;

- c) provide a reasoned opinion to the Board of Directors on the forfeiture of Directors who no longer meet the requirements laid down by current regulations and supervisory instructions;
- d) express an advisory opinion on proposals for the appointment of members of the Executive Committee (where established). For the purpose of the appointment or the integration of the Executive Committee, it provides support to the Board of Directors and, if needed, to the Executive Committee, in the prior identification of the optimal qualitative and quantitative composition of the latter and in the subsequent verification of the extent to which the optimal composition matches the actual composition resulting from the appointment process;
- e) express an advisory opinion on proposals for the appointment of the Chief Executive Officer, General Manager and the other members of General Management;
- f) support the Board of Directors in preparing, updating, approving and implementing plans aimed at ensuring the orderly succession in Top Management positions, in the event of termination of office or for any other reason, also verifying the existence of adequate procedures for the succession of Top Management;
- g) assist the Control and Risk Committee in the identification of candidates to be submitted to the Board of Directors for the appointment of Heads of company control functions;
- h) support the Board of Directors in preparing the Corporate Governance Report and ownership structures;
- i) monitor the development of national and international regulations and best practices on corporate governance, updating the Board of Directors in the event of significant changes;
- j) verify the alignment of the Banking Group's corporate governance system with external regulations, with the recommendations of the codes of conduct to which the Bank declares its adherence and with national and international best practices, making proposals for the adjustment of said system to the Board of Directors, where it deems this necessary or appropriate;
- k) give an opinion to the Board of Directors on the proposal of the Chairperson of the Board of Directors in relation to the adoption and updating of the policy for the management of dialogue with the generality of shareholders, also taking into account the engagement policies adopted by institutional investors and asset managers;
- l) support the Board of Directors, also when expressing opinions and making proposals in the adoption, updating, implementation and monitoring of diversity policies, without prejudice to the obligations imposed by the laws and regulations, including secondary and self-regulatory provisions, in force from time to time.

## The Company's Governance structure

With reference to banking and financial companies, pursuant to Article 106 of the CBA, asset management and investment securities belonging to the Banking group, the Committee expresses an opinion to the Board of Directors on proposals for the appointment of candidates to the offices of (i) Director, including in the event of co-option; (ii) member(s) of the Executive Committee, where this body is provided for by the respective Articles of Association; (iii) Chief Executive Officer or Director, where these positions are provided for by the respective Articles of Association; (iv) General Manager, Deputy General Manager or similar positions provided for by the respective Articles of Association. In expressing this guidance, the Committee takes into account compliance with diversity objectives, without prejudice to the obligations imposed by the regulations, including secondary and self-regulatory provisions, in force from time to time.

In the framework of the self-assessment processes of the composition and functioning of the Board of Directors and of the Executive Committee (if established), the Committee is in particular called upon to (i) make a proposal to the Chairperson of the Board of Directors regarding the external professional to be entrusted with the self-assessment process, also providing assessments concerning the characteristics of neutrality, objectivity and independence of the same; (ii) make a proposal to the Chairperson of the Board of Directors regarding the corporate functions to be entrusted with the conduct of the process, supporting him in ensuring the adequacy and transparency of the self-assessment process; and (iii) assist the Board of Directors in the self-assessment process in accordance with the provisions of the internal regulations on the matter.

In order to carry out its functions, the Nominations and Corporate Governance Committee: cooperates with the other internal Committees of the Board of Directors, and in particular with the Remuneration Committee; is assisted by the competent corporate functions; has the right of access, through its Chairperson, to the necessary corporate information; has adequate resources at its disposal according to the decisions of the Board of Directors; may leverage the collaboration of experts, including external experts.

With regard to composition, pursuant to the Operational Rules, the Committee consists of three Non-Executive Directors, most of whom are independent. The Chairperson of the Committee is appointed from among the independent members. The members of the Committee must possess, collectively, knowledge, skills and competences commensurate with the tasks of the Committee.

The Chairperson of the Board of Directors, the Chief Executive Officer and members of the Board of Statutory Auditors may attend Committee meetings without voting rights. From time to time, the Chairperson may invite other members of the Board of Directors, the General Manager or other persons whose presence may help to improve the performance of the Committee's functions.

On the Chairperson's proposal, the Committee appoints a Secretary, who need not be one of its members.

Minutes of Committee meetings are taken by the Secretary of the Committee, in agreement with the Chairperson.

The Committee reports annually to the Board of Directors on its overall activity. The Chairperson informs the Board of Directors of the activities carried out at the first possible meeting.

Until September 2022, the Nominations and Corporate Government Committee was composed of the following three Non-Executive Directors, the majority of whom were independent: Silvia Elisabetta Candini (Chairperson), Cristiano Cincotti and Gian Luca Santi.

Following the resignation of the Director Gian Luca Santi on 8 September 2022 and the subsequent appointment of the Director Monica Cacciapuoti by the Shareholders' Meeting of 24 November 2022, as his replacement, the Board of Directors revised the composition of the Committee.

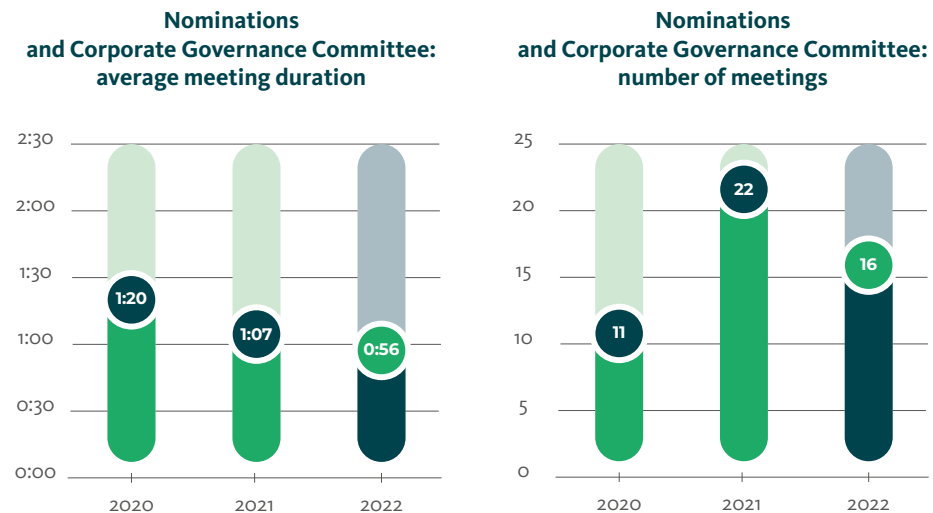
At the end of 2022 and at the date of approval of this Report, the Nominations and Corporate Government Committee was thus composed of the following three non-executive Directors, the majority of whom were independent:

- Silvia Elisabetta Candini (Chairperson);
- Roberto Giay;
- Elisa Valeriani.

The Committee met 16 times during 2022 and the average duration of each meeting was about 1 hour. In 2022, three joint meetings were held with the Remuneration Committee to discuss matters of common interest.

Composition

Meetings





Committee meetings were always attended by at least one member of the Board of Statutory Auditors.

In addition, the Chairperson of the Committee also invited the Heads of relevant corporate functions to attend, with regard to the specific items of their pertinence, in order to provide appropriate details about specific matters on the agenda. It was most frequently the case with the Chief General Counsel, the Chief Human Resource Officer and the Head of Corporate

Governance & Regulatory Affairs. The Chief Executive Officer participated in the Committee on two occasions and the Chairperson of the Board of Directors participated in the Committee in three occasions.

In 2023, the Committee has held 4 meetings by the date of approval of this Report.



### FOCUS: THE ACTIVITIES OF THE NOMINATIONS AND CORPORATE GOVERNANCE COMMITTEE IN 2022

In the context of the 2022 meetings, the Nominations and Corporate Governance Committee, among other things, took action as follows:

- supported the Board of Directors in updating the internal regulations, which establish common rules and regulations for the composition, designation and remuneration of the Bodies of the Subsidiaries that BPER, as Parent Company, is required to apply, with a view to ensuring the sound and prudent management of the Group and for the purpose of exercising management and coordination activities over the Subsidiaries;
- supported the Board of Directors in updating, implementing and monitoring the Group Diversity Policy, which outlines the policies, guidelines and principles adopted by BPER Banca, as Parent Company, with regard to: (i) the composition of the Group Corporate Bodies of BPER Banca and its Subsidiaries and (ii) the entire corporate workforce of the BPER Group;
- proposed to the Board of Directors to make some changes to the responsibilities of the Committee envisaged by the relative Operational Rules: (i) adding a support activity to the Board in the adoption, and in any updates, of the internal regulatory documentation relating to the verification of suitability requirements, as well as any other regulatory document adopted by the Bank pertaining to corporate governance, monitoring their actual implementation over time, (ii) integrating the Committee's responsibilities in relation to diversity issues;
- submitted to the Board of Directors a proposal to update the document containing the Rules for Verifying the Independence Requirement of the Directors;
- examined the Group Regulation of the process for the management of conflicts of interest of the Corporate Representatives (now "Group Regulation of the process for managing Significant Interests of Company Representatives"), making a proposal to update said Regulation to the Board of Directors;
- proposed to the Board of Directors the adoption of the Group Policy on the suitability of corporate Representatives and Heads of the main corporate functions, which outlines the suitability requirements of corporate Representatives and Heads of the main corporate functions and regulates the methods and the timing for the related verification and assessment, also in order to ensure a consistent application within the scope of prudential consolidation;
- expressed its favourable opinion on the adoption of the document on Corporate Bodies Information Flows, which aims to regulate the circulation of information from corporate functions other than the Control Functions to the corporate Bodies and between the same corporate Bodies, in a time frame consistent with the relevance and complexity of the decisions to be taken, and is designed to ensure a complete and effective governance structure;
- examined the proposals to amend the Articles of Association, which were then approved, on the proposal of the aforementioned Committee, by the Board of Directors on 4 August 2022 (and by the Shareholders' Meeting of 5 November 2022). The main interventions concerned the introduction of co-optation in the event of the termination of a Director and the definition in the Articles of Association of the powers of the Chief Executive Officer, leaving instead to the Board of Directors the definition of the powers of the General Management;
- supported the Board of Directors in the assessment of the proposal to adopt the Regulation of the Process for the Definition and Management of the Succession Plans of Top Management, then approved by the Board of Directors;
- carried out the preliminary activities for the purposes of periodic verification, by the Board of Directors: (i) of the possession of the suitability requirements by the members of the Board and the General Manager; (ii) the adequacy of the collective composition of the management body; (iii) the non-existence of situations of incompatibility pursuant to interlocking regulations;
- carried out the preliminary activities for the purposes of the verification by the Board of Directors, pursuant to Article 148, par. 4-*quater*, of the CLF, the absence of causes of ineligibility and forfeiture and the existence of the requirements of integrity and professionalism of (i) the newly elected Standing Auditor Carlo Appetiti, and (ii) to the other members of the Board of Statutory Auditors as part of the annual assessment;
- carried out the relevant preliminary activities for the purposes of verification by the Board of Directors of the requirements and eligibility criteria of the newly elected Director Monica Cacciapuoti and assessed the qualitative and quantitative composition of the Board of Directors as a result of this appointment and its consistency with the optimal composition set out in the Guidelines published in view of the Shareholders' Meeting for the renewal of the Board of Directors on 21 April 2021;
- carried out investigations and orientation relating to the appointment of members of the corporate bodies of certain Subsidiaries, on the occasion of the total or partial renewal of the aforesaid Bodies (both by resolution of the Shareholders' Meeting and by co-option), as well as members of General Management;
- examined the proposal to appoint a new Deputy General Manager;
- carried out the activities related to the self-assessment processes conducted in 2021, supporting the Chairperson of the Board of Directors on the adequacy and transparency of the process, as well as on the choice of the external professional to be appointed;
- examined the Recommendations of the Corporate Governance Committee for the financial year 2022, contained in the annex to the Letter from the Chairperson of the Committee dated 3 December 2021, and made the relevant proposals to the Board of Directors.

## Remuneration Committee



**Maria Elena Cappello**  
*Chairperson*



**Monica Cacciapuoti**



**Cristiano Cincotti**

On 23 April 2021, the Board of Directors of BPER established an internal Remuneration Committee.

The functioning of the Committee is governed by specific Operational Rules, most recently updated to 21 July 2022.

The Remuneration Committee performs consultative, investigative and proposal-making functions in support of the activities of the Board of Directors. In particular, with reference to the Bank, and without prejudice to any further powers attributed to it by the applicable laws and regulations, including secondary and self-regulatory provisions, the Committee is assigned the following tasks:

- submit a proposal to the Board of Directors regarding the remuneration to be awarded to the Board itself and to the Board of Statutory Auditors to be submitted for the approval of the Shareholders' Meeting and how the remuneration approved thereby should be split among the various Directors;
- submit a proposal to the Board of Directors in relation to the remuneration to be paid to Directors holding particular offices;
- submit a proposal to the Board of Directors in relation to the remuneration to be paid to the members of General Management, as identified pursuant to the Company's Articles of Association, to the Heads of the main business lines and corporate functions, as well as to those who report directly to the Bodies responsible for strategic supervision, management and control;

- submit a proposal to the Board of Directors in relation to the remuneration to be paid to the managers and senior personnel of the company's Control Functions, as well as to the Financial Reporting Manager;
- express an opinion to the Board of Directors in relation to the determination of the remuneration of the Material Risk Takers, as identified pursuant to the relevant provisions in force and on the basis of the internal regulations in effect, if the determination of the relative remuneration falls within the remit of the Board of Directors and has not been delegated by the latter to other Top Management bodies of the Bank;
- support the Board of Directors in drawing up remuneration and incentive policies;
- express an opinion on the achievement of performance goals to which the incentive plans are linked and on checks to ensure that other conditions for the payment of remuneration have been met. To this end, the Board makes use of information received from the competent corporate functions;
- support the Board of Directors in monitoring the concrete application of the Remuneration Policy, verifying, in particular, the effective achievement of performance targets;
- express an opinion to the Board of Directors, also making use of the information received from the competent corporate functions, on the results of the identification process of the Material Risk Takers, including any exclusions pursuant to the regulations in force at the time;
- provide an opinion to the Board of Directors, for the purpose of approving the regulations implementing the remuneration and incentive systems;
- support the Board of Directors in the drafting of the Remuneration Report pursuant to Article 123-ter of the CLF to be approved by the Board and subsequently submitted to the Shareholders' Meeting;
- express an opinion, also using the information received from the competent corporate functions, on the adequacy, overall consistency and actual application of the remuneration and incentive policies approved by the Shareholders' Meeting;
- directly supervise, in close cooperation with the Board of Statutory Auditors, the correct application of the rules on the remuneration of the Heads of company Control Functions;
- prepare documentation on remuneration policies and practices to be submitted to the Board of Directors for decision;
- ensure the involvement of the relevant corporate functions in the process of drawing up and monitoring remuneration policies and practices;
- verify that the remuneration system takes into account sustainability issues, including those related to the Gender Pay Gap.

With reference to banking and financial companies pursuant to Article 106 of the CBA, of the

Banking Group, the Committee expresses its orientation to the Board of Directors on:

- remuneration to be awarded to members of the Board of Directors and the Board of Statutory Auditors, to members of the Executive Committee, where envisaged by the Articles of Association and to Directors with specific responsibilities;
- remuneration to be awarded to General Managers, to Deputy General Managers or to holders of similar positions, where envisaged by the Articles of Association.

In order to carry out its functions, the Committee: cooperates with the other internal Committees of the Board of Directors, in particular with the Control and Risks Committee and the Nominations and Corporate Governance Committee; is assisted by the competent corporate functions; has the right of access, through its Chairperson, to the necessary corporate information; has adequate resources at its disposal according to the decisions of the Board of Directors; may leverage the collaboration of experts, including external ones, in particular in order to ensure that the incentives underlying the remuneration and incentive system are consistent with the Bank's management of risk, capital and liquidity profiles. In such a case, the Committee, with the support of the competent corporate functions, shall verify in advance that the external expert appointed is not in a situation such as to compromise his/her independence of judgement.

With regard to composition, pursuant to the Operational Rules, the Committee consists of three Non-Executive Directors, most of whom are independent. The Chairperson of the Committee is appointed by the Board of Directors from among the independent members. Committee members must have, individually and collectively, adequate knowledge, skills and competence regarding remuneration policies and practices and risk management and control activities, in particular with regard to the mechanism for aligning the remuneration structure with risk, capital and liquidity profiles. At least one member of the Committee must have adequate knowledge of and experience in finance, to be assessed by the Board of Directors at the time of appointment.

None of the Committee members participate in the discussion of agenda items regarding individually the specific remuneration thereof. The Chairperson of the Board of Directors, the Chief Executive Officer and the members of the Board of Statutory Auditors may attend Committee meetings without voting rights (unless proposals relating to their remuneration are made at the meeting). When it seems appropriate in view of the subject matter dealt with, and in particular when examining the incentives underlying the Bank's and the Group's remuneration and incentive system, the Chairperson of the Control and Risk Committee (or another member designated by the latter) shall be invited to attend the Committee's meetings. From time to time, the Chairperson may invite other members of the Board of Directors, the General Manager or other persons whose presence may help to improve the performance of the Committee's functions. In particular, the Chairperson invites the Chief Risk Officer to attend meetings at which incentive systems are discussed in order to ensure that these Systems take into account all of the risks assumed by the Company, using methods that are consistent with those used in managing risk for internal and regulatory purposes.

On the Chairperson's proposal, the Committee appoints a Secretary, who need not be one of its members.

Minutes of Committee meetings are taken by the Secretary of the Committee, in agreement with the Chairperson.

The Committee reports to the Board of Directors, at least every year, on the activities carried out. The Chairperson informs the Board of Directors of the activities carried out at the first possible meeting. The Committee also responds to the Shareholders' Meeting in circumstances established by applicable law.

Until 24 November 2022, the Remuneration Committee was composed of the following three Non-Executive Directors, the majority of whom were independent: Maria Elena Beccalli Cappello (Chairperson), Roberto Giay; Elisa Valeriani.

Following the appointment of the Director Monica Cacciapuoti by the Shareholders' Meeting of 5 November 2022, the Board of Directors of BPER on 24 November 2022 revised the composition of the Remuneration Committee. At the end of 2022 and at the date of approval of this Report, the Remuneration Committee was composed of the following three Non-Executive Directors, the majority of whom were independent:

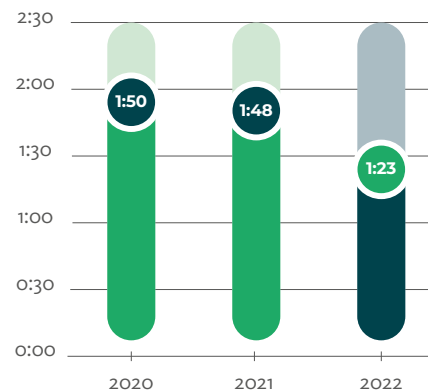
- Maria Elena Cappello (Chairperson);
- Monica Cacciapuoti;
- Cristiano Cincotti.

The Committee met 17 times during 2022 and the average duration of each meeting was 1 hour and 23 minutes. In 2022, three meetings were held jointly with the Nominations and Corporate Governance Committee.

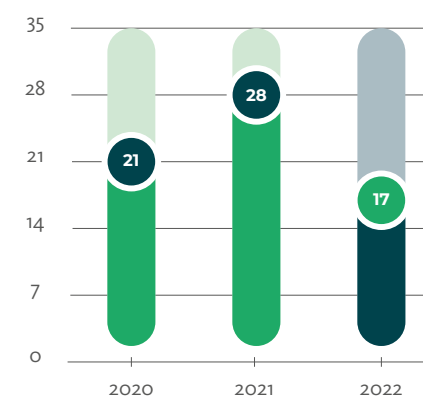
Composition

Meetings

**Remuneration Committee:  
average meeting duration**



**Remuneration Committee:  
number of meetings**



## The Company's Governance structure

Committee meetings were always attended by at least one member of the Board of Statutory Auditors.

The Chairperson of the Committee also invited the Heads of relevant corporate functions to attend, with regard to the specific items of their pertinence, in order to provide appropriate

details about specific matters on the agenda. This was most frequently the case with the Chief Human Resource Officer, the structures reporting to the Chief Risk Officer, the Human Capital Strategy Officer, the Planning Department Officer and the Risk Governance Officer.

In 2023, the Committee held 6 meetings as of the date of approval of this Report by the Board.



### FOCUS: THE ACTIVITIES OF THE REMUNERATION COMMITTEE IN 2022

In the context of the 2022 meetings, the Remuneration Committee *inter alia*:

- issued opinions and indications regarding the definition of the overall framework of BPER Banca's Remuneration Policies for 2022 and 2023, summarised in the annual Reports on Remuneration Policy and Compensation Paid, to be examined by the Shareholders' Meeting. In this context, the Committee also verified the adequacy of the above-mentioned Policies against the latest regulatory updates and oversaw the annual process of identifying the scope of the Material Risk Takers. The Committee also discussed the contents of applications to the European Central Bank for authorisation to purchase and dispose of treasury shares for 2022 and 2023;
- expressed a favourable opinion on the methods identified for the definition of the MBO Plans for 2022 and 2023, the approval of which is the responsibility of the Management Body, in application of current Supervisory regulations;
- assessed, also on the basis of the remuneration analyses carried out by third-party consultants, the correct application of the 2021 and 2022 Remuneration Policies and the compliance with them of the practices adopted by the Group, also through constant comparisons with sector peers;
- expressed an opinion on the overall remuneration to be allocated to members of the company and Group top management and in particular to members of the General Management;
- expressed its favourable opinion on the results of the annual salary review regarding the company's Top Management;
- expressed an opinion on the determination of remuneration for resources falling within the deliberative competence of the Board of Directors, as well as on the methods proposed for the management of severance pay for members of the company's top management. In this context, the Committee also expressed a favourable opinion on a proposal made with regard to the severance treatment of a Deputy General Manager;
- analysed and expressed a favourable opinion on the acceptance of a proposal to adjust the targets used to calculate the Bonus Pool and the Strategy Scorecard based on findings of the 2022 Revised Budget, aimed at better aligning the results with the market dynamics created by the spread of the health crisis and the significant changes that have taken place in the Group's structure in the meantime;

- supervised the activities of analysis and in-depth analysis in order to develop the framework of the 2022-2024 Long-Term Incentive Plan, subsequently approved by the Shareholders' Meeting of 20 April 2022, aimed at aligning the actions of top management with the interests of shareholders in the long term, accompanied by the introduction of Share Ownership Guidelines;
- examined and expressed a favourable orientation towards accepting a proposal to update the duration of the aforementioned LTI Plan, drawn up in consideration of the need to harmonise its duration with that of the Group's 2022-2025 Business Plan and subsequently approved by the Shareholders' Meeting on 5 November 2022. This is to be done while preserving the incentive and motivational value of the instrument, keeping the pay-out level unchanged;
- examined and expressed a favourable opinion on the final results of the application of the 2022 MBO Plans, while focusing on the impact of the final results on the determination of the 2022 Bonus Pools, both at an overall level and with reference to the individual clusters into which the corporate workforce receiving short-term incentive schemes is divided;
- analysed the results of a survey compiled by employees of the BPER Banca Group, with the aim of verifying whether there are any gender-related pay differentials among the workforce operating in Italy;
- expressed its favourable opinion on the content of the proposal submitted to the Shareholders' Meeting concerning the amount of the annual remuneration to be paid to the Members of the Board of Directors for the years 2022 and 2023;
- expressed its favourable opinion on the amount of remuneration to be allocated to the members of the Management Bodies, Control Bodies and Board Committees of Group Banks and Companies, to be submitted to the competent Bodies of the Group Companies for their consideration;
- carried out an investigative activity aimed at supporting the Board of Directors in the allocation of the remuneration determined by the Shareholders' Meeting for the years 2022-2023 and in determining the emoluments to be paid to Directors holding specific offices.

## Sustainability Committee



**Flavia Mazzarella**  
*Chairperson*



**Riccardo Barbieri**



**Elisa Valeriani**

On 14 October 2021, the Board of Directors of BPER set up an internal Sustainability Committee to support the Board's activities in the field of sustainability, with an impact on all the processes, structures and corporate controls through which the Bank ensures, in compliance with Principle I of the Corporate Governance Code and the principles drawn up by the competent international Bodies, the pursuit of sustainable development, with particular reference to environmental, social and governance issues.

In particular, in accordance with the relevant Operating Rules and without prejudice to any further powers assigned to it under the applicable legislation, including self-regulation, the Committee is tasked with the following:

- a) examining and assessing, at least once a year, the contents of the Group's Sustainability Policy as well as its ability to ensure, through constant dialogue with all stakeholders, the achievement of sustainable development objectives;
- b) examining and assessing other policies, final reports and reports – especially the Consolidated Non-Financial Statement – prepared by the corporate functions in charge of controlling and overseeing sustainability issues, in particular the (managerial) Sustainability Committee and the ESG Strategy Office, as well as any reports from the Chief Executive Officer concerning problems and critical issues that have emerged during the performance of his activities or of which he has become aware;
- c) assessing the Bank's positioning within sustainability metrics, indices and market benchmarks;

- d) monitoring relevant initiatives (forums, associations, study and analysis events) organised at international and domestic level in order to promote and strengthen awareness of sustainability issues, also assessing, on the basis of their relevance and effectiveness, the degree of involvement of the Bank in achieving sustainable development objectives;
- e) monitoring initiatives and programmes aimed at disseminating, throughout the Bank's organisational structure, the culture of sustainability and the awareness, on the part of its resources, of the need to pursue sustainable development;
- f) assessing technological, environmental, social, economic, political and geopolitical scenarios and macro-trends that are likely to have a significant impact on society as a whole in the long term and, consequently, on the Bank's corporate purpose and the way it relates to society;
- g) promoting and/or supporting initiatives aimed at analysing these scenarios.

In order to carry out its functions, the Committee: (i) cooperates with the other internal Committees of the Board of Directors; (ii) is assisted by the competent corporate functions; (iii) has the right of access, through its Chairperson, to the necessary corporate information; (iv) has adequate resources at its disposal according to the decisions of the Board of Directors; (v) may leverage the collaboration of experts, including external ones.

Pursuant to the Operational Rules, the Committee consists of a minimum of three and a maximum of five Non-Executive Directors, the majority of whom are independent. The Chairperson of the Committee is appointed from among the independent members. At least one member of the Committee must have adequate experience and knowledge, to be assessed by the Board of Directors at the time of appointment, on the subject of sustainability.

The Chairperson of the Board of Directors (if he/she is not already a member), the Chief Executive Officer and the members of the Board of Statutory Auditors may also attend meetings without voting rights. The Chairperson of the Committee may also invite the other members of the Board of Directors, the General Manager and the representatives of the competent company departments or other persons whose presence may be useful for the best performance of the Committee's functions.

On the Chairperson's proposal, the Committee appoints a Secretary, who need not be one of its members.

Minutes of Committee meetings are taken by the Secretary of the Committee, in agreement with the Chairperson.

The Committee reports annually to the Board of Directors on its overall activity. Furthermore, the Chairperson informs the Board of Directors of the activities carried out by the Committee at the first possible meeting.

## The Company's Governance structure

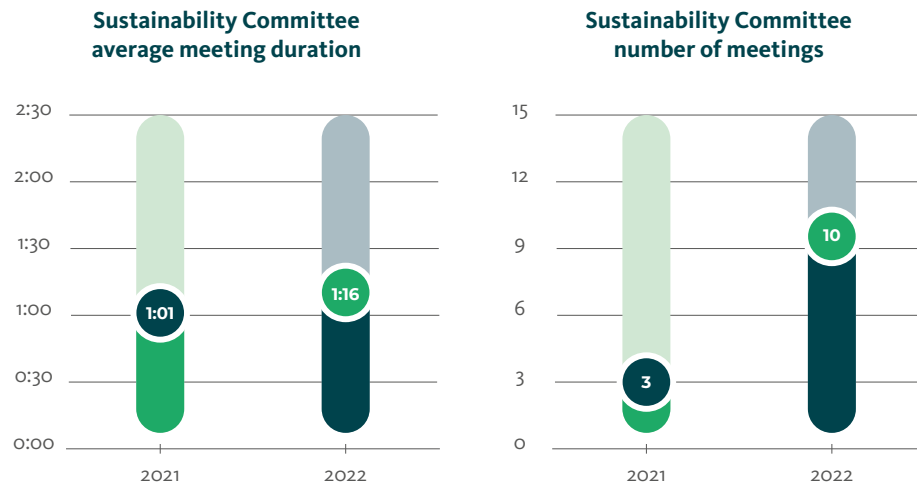
### Composition

At the end of the 2022 financial year and at the date of approval of this Report, the Sustainability Committee was composed of the following three Non-Executive Directors, the majority of whom were independent:

- Flavia Mazzarella (Chairperson);
- Riccardo Barbieri;
- Elisa Valeriani.

### Meetings

The Committee met 10 times in 2022 and the average duration of each meeting was slightly more than 1 hour.



In 2022, one meeting was held jointly with the Board of Statutory Auditors, to examine topics of common interest.

The Committee meeting was attended by at least one member of the Board of Statutory Auditors.

During a meeting, the Committee also invited the Chairperson of the Nominations and Corporate Governance Committee.

In addition, the Committee also invited the Heads of relevant corporate functions to attend the meetings in order to provide appropriate details about specific matters on the agenda. This was most frequently the case with the Deputy General Manager in charge of the Strategy Finance & Innovation Area; the Chief Human Resource Officer; the Chief Compliance Officer; the Chief Financial Officer; the Chief Risk Officer; the Head of the Planning and Control Department; the Head of the Loan Policies and Support Department; the Head of the Risk Governance Service; the Head of the Conduct Risk Service and the Head of the ESG Strategy Office.

In 2023, 5 meetings have been held by the date of approval of this Report.



### FOCUS: ACTIVITIES OF THE SUSTAINABILITY COMMITTEE IN 2022

During 2022, the Committee examined, *inter alia*:

- the Strategy scorecard of the Chief Executive Officer – General Manager, of the members of the General Management, of the C-Level managers and corrective plans for the Risk Appetite Framework;
- 2022-2024 LTI Plan – Focus on ESG component;
- 2022-2024 Business Plan – Social Project;
- the Sustainability Report, containing the Consolidated Non-Financial Statement (CNFS)
- the updating of certain questionnaires relating to the ECB Thematic Review on Climate-Related and Environmental Risks as well as the Thematic Review on Climate-Related and Environmental Risk Strategies, Governance and Risk Management Frameworks: Feedback Letter;
- proposals for the adaptation of internal regulations on sustainability;
- 2022-2024 Business Plan – ESG issues;
- 2022-2025 LTI Plan: ESG Meta-KPI Calibration; Disclosure on the Results of the ECB Climate Stress Test;
- the disclosure to the Sustainability Committee relating to the updating of the disclosures of the Group companies pursuant to Regulation No. 2088/2019 on transparency on the sustainability of financial services and on the updates made to the MiFID questionnaire on sustainability preferences;
- the ESG Compliance programme –2022-2025 Business Plan: monitoring at 30 June 2022;
- the presentation of projects with a positive social impact contained in the Business Plan;
- the presentation of the video on the Business Plan screened at the Giffoni Film Festival;
- approval of the ESG Policy;
- the ESG Compliance Programme – 2022-2025 Business Plan for monitoring at 30 September 2022;
- 2022 materiality analysis;
- the Policy on ESG investments in Securities Portfolio Management;
- the ESG Policy on granting credit.

## 3.4 Board of Statutory Auditors



### Daniela Travella CHAIRPERSON OF THE BOARD OF STATUTORY AUDITORS

Daniela Travella graduated in Economics and Business at the L. Bocconi University in Milan.

Currently the Chairperson of the Board of Statutory Auditors of BPER Banca S.p.A.

She has been a member of the Association of Chartered Accountants since 1992 and a member of the Institute of Internal Auditors since 1995.

She was one of the founders of Pro. & Co. Studio Associato of Milan, specialised in business consulting.

Since 1992, she has been a researcher and lecturer at Bocconi University and SDA Bocconi.

She also holds the following positions: Chairperson of the Board of Statutory Auditors of RE\_View Società tra Professionisti S.p.A.; Standing Auditor of Laboratorio Farmaceutico SIT. - Specialità Igienico Terapeutiche S.r.l., Società Benefit CimArosa 1 S.p.A.

Previously, she held positions in numerous Italian companies, listed and unlisted.

For details of the offices held, please refer to the profile published on the website [www.bper.it](http://www.bper.it) – Institutional > Governance – Board of Statutory Auditors, as well as to the QR Code.

**NATIONALITY:**  
Italian

**PROFESSIONAL  
BACKGROUND:**  
Self-employed  
(Chartered  
Accountant and  
Auditor) and  
Academic

**IN OFFICE SINCE**  
23 June 2021  
(date of first  
appointment)

About me



### Carlo Appetiti STANDING AUDITOR

Carlo Appetiti graduated in Economics and Business at La Sapienza University in Rome.

He has been a Standing Auditor of BPER Banca S.p.A. since 2022.

He has been a member of the Association of Chartered Accountants since 1992 and a member of the Institute of Internal Auditors since 1995.

Since 2018, he has been Certified Anti Money Laundering Specialist.

From March 2021 until present he has been Senior Advisor of The Boston Consulting Group.

Since December 2021 he has been a member of Ned Community, the Italian Association of Non-Executive and Independent Directors.

In April 2022, he completed the Board Academy post-graduate course at Luiss Business School.

He is a Partner of AODV231 and Certified ESG Analyst (CESGA), certification issued by EFFAS - European Federation of Financial Analysts Societies.

Previously, he held managerial positions in Italian and foreign companies, listed and unlisted, operating in the banking sector.

For details of the offices held, please refer to the profile published on the website [www.bper.it](http://www.bper.it) – Institutional > Governance – Board of Statutory Auditors, as well as to the QR Code.

**NATIONALITY:**  
Italian

**PROFESSIONAL  
BACKGROUND:**  
Manager

**IN OFFICE SINCE**  
27 July 2022  
(date of first  
appointment)

About me



### Patrizia Tettamanzi STANDING AUDITOR

Patrizia Tettamanzi graduated in Business Administration at L. Bocconi University in Milan, and she obtained a Ph.D. at the same University.

She has been a Standing Auditor of BPER Banca S.p.A. since 2021; from 2019 to 2021 she was Alternate Auditor of the same Bank.

She has been a Chartered Accountant and Statutory Auditor since 1998 and exercises this activity as a freelance professional.

She is Full Professor of Business Economics at LIUC – Università Cattaneo and Adjunct Professor at Bocconi University for Financial Reporting and Analysis and Financial Accounting courses. Previously she held various academic positions as well as external member of the Supervisory Body and Standing Member of the Supervisory Body of unlisted Italian companies operating in the banking and financial sectors. Since 2020 she has been Alternate Auditor of A2A S.p.A. Member of the Control Body of some listed and unlisted joint-stock companies; she is a Standing Member of the Supervisory Body of several companies, including Giacomini S.p.A.

For details of the offices held, please refer to the profile published on the website [www.bper.it](http://www.bper.it) – Institutional > Governance – Board of Statutory Auditors, as well as to the QR Code.

**NATIONALITY:**  
Italian

**PROFESSIONAL  
BACKGROUND:**  
Self-employed  
(Chartered  
Accountant and  
Auditor) and  
Academic

**IN OFFICE SINCE**  
21 April 2021  
(date of first  
appointment)

About me



About the Board  
of Statutory Auditors



## Appointment and replacement of Auditors

### Appointment

Pursuant to the applicable regulations and the provisions of the Articles of Association, the Shareholders' Meeting elects three Standing Auditors, including the Chairperson, and two Alternate Auditors.

The Statutory Auditors remain in office for three years and their mandate expires on the date of the Meeting called to approve the financial statements for the last year of their appointment, and they may be re-elected.

The Statutory Auditors must meet the requirements, also of independence, established by current law to perform their duties, otherwise they cannot be elected or, if they subsequently fail to meet the requirements, they will be removed from office. Furthermore, the members of the Board of Statutory Auditors must meet the requirements and eligibility criteria provided for in the CLF and its implementing provisions, in the sector regulations and, specifically, in Article 26 of the CBA and Italian Ministerial Decree No. 169/2020.

The limits on the accumulation of directorships and audit appointments laid down by current regulations also apply to the Statutory Auditors. In any case, pursuant to Article 30, paragraph 3, of the Articles of Association, the Statutory Auditors may not hold positions in bodies other than control bodies in other Legal Entities or in which the Company holds, directly or indirectly, a strategic investment, as defined by the Supervisory Authority.

Members of the Board of Statutory Auditors are appointed in compliance with the laws and regulations in force, on the basis of the list voting mechanism.

In particular, the elective system adopted by the Articles of Association of BPER (Articles 31 *et seq.*) is characterised by the following specific features:

- each list is split into two sections, one for the candidates for the position of Standing Auditor and one for the candidates for the position of Alternate Auditor, has to have a number of candidates not exceeding the number of Statutory Auditors that are to be elected;
- at least one of the candidates for the position of Standing Auditor and at least one of the candidates for the position of Alternate Auditor contained in the respective sections of the list must be enrolled in the register of auditors and have practised the profession of auditing for not less than three years;
- the lists that, considering both sections, contain a number of candidates equal to or greater than 3 must ensure compliance with the gender balance at least to the minimum extent required by current legislation, in accordance with the provisions of the meeting notice;
- the lists may be submitted by Shareholders who, individually or collectively, hold at least 0.50% of the share capital represented by ordinary shares, or a lower percentage established by current regulations (the minimum shareholding for the submission of lists for the appointment of the Control Body determined by Consob pursuant to Article

144-*quater* of the Issuers' Regulations for the financial years 2022 and 2023 is 1%, therefore the aforementioned statutory shareholding applies at present);

- if only one list is filed by the deadline or only lists presented by shareholders who are associated with each other can be submitted up to the third day subsequent to the deadline, and the required number for submission is halved;
- at any rate, at least one Standing Auditor and one Alternate Auditor are elected by minority shareholders who are not associated, directly or indirectly, with the shareholders that submitted or voted for the list that obtained the highest number of votes;
- if several lists are validly submitted, the mechanism for the election of the Statutory Auditors is outlined in Article 32 of the Articles of Association;
- if only one valid list is submitted, all the Statutory Auditors to be elected are taken from that list. In this case, the first candidate for the office of Statutory Auditor in the relevant section of the list is elected Chairperson of the Board of Statutory Auditors;
- if no valid list is submitted, or the number of Statutory Auditors to be elected has not been reached, the missing Statutory Auditors are elected on the basis of candidates proposed by shareholders at the General Meeting pursuant to Article 32 of the Articles of Association;
- in the event of a tie between various candidates, the Meeting shall hold a second ballot among the candidates;
- the Chairperson of the Board of Statutory Auditors is appointed by the Shareholders' Meeting from among the Statutory Auditors elected by the minority.

For more information on how to appoint the Statutory Auditors of BPER, please refer to the Articles of Association, published on the Bank's website [www.bper.it](http://www.bper.it) - Institutional > Governance > Documents and available by framing the QR Code.

### The BPER Banca Articles of Association



Pursuant to Article 33 of the Articles of Association, if the Chairperson of the Board of Statutory Auditors ceases to serve, the Alternate Auditor taken from the same list as the former Chairperson takes office until the number of auditors on the Board has been completed pursuant to Article 2401 of the Italian Civil Code.

If, on the other hand, an Standing Auditor is no longer available, the Alternate Auditor from the same list takes over. The new Auditor remains in office until the next Shareholders' Meeting, which shall complete the number of members of the Board of Statutory Auditors.

If the Meeting is required to elect the Standing and/or Alternate Auditors required to complete the Board of Statutory Auditors, the Meeting shall proceed according to the provisions of Article 33 of the Articles of Association.

Also on the occasion of the replacement of a Statutory Auditor, the Bank shall ensure compliance with the regulatory provisions on gender balance.

### Replacement



## Composition of the Board of Statutory Auditors

The Board of Statutory Auditors in office at the end of the 2022 financial year and at the date of approval of this Report was appointed for the three-year period 2021-2023 by the Shareholders' Meeting of 21 April 2021 and subsequently supplemented by the Shareholders' Meetings of 23 June 2021 and 27 July 2022.

The outcome of the election of the new Statutory Auditors by the Shareholders' Meeting of 21 April 2021 is reported below, during which, at the time of submission of the lists and

appointment, there were no reports of connection and/or significant relations pursuant to Article 147-ter of the CLF and CONSOB Communication No. DEM/9017893 of 26 February 2009. For further information, see the minutes of the Shareholders' Meeting filed at the register office of the Issuer, available on the 1INFO storage mechanism and on the website [www.bper.it](http://www.bper.it) – Institutional > Governance Section > Shareholders' Meeting.

List	Submitting shareholders'	Candidates	Votes obtained
List No. 1	Legal Firm on behalf of 11 managers <sup>5</sup> of 19 UCITS, with a 1.73% stake in the share capital of BPER	1. Paolo De Mitri (standing)* 2. Patrizia Tettamanzi* <sup>1</sup> (alternate)	votes 331,019,097 (43.72% of votes cast and 23.42% of total share capital)
List No. 2	Fondazione di Sardegna, with a 10.22% stake in BPER's share capital	1. Mario Salaris (standing) 2. Donatella Rotilio (alternate)	149,600,796 votes (19.76% of votes cast and 10.59% of total share capital)
List No. 3	Unipol Gruppo S.p.A., with a 9.56% stake in the share capital of BPER	1. Nicola Bruni* <sup>2</sup> (standing) 2. Daniela Travella (standing) 3. Andrea Scianca* (alternate) 4. Rossella Porfido (alternate)	267,239,667 votes (35.29% of votes cast and 18.91% of total share capital)

\* Candidates who were elected.

- 1 Patrizia Tettamanzi, who was initially elected Alternate Auditor by the Shareholders' Meeting of 21 April 2021, took over as Standing Auditor on the same date until the Shareholders' Meeting of 23 June 2021, due to the need to complete the composition of the Board of Statutory Auditors pursuant to Article 33, paragraph 2 of the Articles of Association, since only two Standing Auditors were elected; subsequently, the aforementioned Shareholders' Meeting of 23 June 2021 appointed Patrizia Tettamanzi as Standing Auditor on the basis of the candidature submitted on behalf of 12 managers of 19 UCITS. In replacement of Patrizia Tettamanzi (in the meantime appointed Standing Auditor), the same Shareholders' Meeting of 23 June 2021, again on the basis of a proposal submitted by Legal Firm on behalf of 12 managers of 19 UCITS, elected Sonia Peron as the new Alternate Auditor.
- 2 As anticipated, Nicola Bruni, who resigned with effect from the Shareholders' Meeting of 23 June 2021, was replaced by Daniela Travella appointed by the said Shareholders' Meeting of 23 June 2021 on the proposal of the shareholder Unipol Gruppo S.p.A.

<sup>5</sup> Specifically: (i) Amundi Asset Management SGR S.p.A., manager of the Amundi Risparmio Italia and Amundi Sviluppo Italia funds; (ii) Bancoposta Fondi S.p.A. SGR, manager of the Bancoposta Rinascimento fund; (iii) Eurizon Capital SGR S.p.A., manager of the funds Eurizon PIR Italia Azioni; Eurizon Progetto Italia 40, Eurizon Azioni Italia and Eurizon Progetto Italia 70; (iv) Fideuram Asset Management Ireland, manager of the fund Fonditalia Equity Italy; (v) Fideuram Intesa Sanpaolo Private Banking Asset Management SGR S.p.A., manager of the funds Fideuram Italia, Piano Azioni Italia and Piano Bilanciato Italia 50; (vi) Interfund Sicav - Interfund Equity Italy; (vii) Kairos Partners SGR S.p.A., in its capacity as Management Company of Kairos International Sicav - Italy section and Management Company of Kairos International Sicav - PIR section; (viii) Mediobanca SGR, manager of the fund Mediobanca Mid and Small Cap Italy; (ix) Mediolanum Gestione Fondi SGR S.p.A., manager of the funds Mediolanum Flessibile Futuro Italia and Mediolanum Flessibile Sviluppo Italia; (x) Mediolanum International Funds Limited - Challenge Funds - Challenge Italian Equity; and (xi) Pramerica Sicav - Italian Equity. Furthermore, at the subsequent Shareholders' Meeting of 23 June, Legal Firm acted on behalf of 12 managers. Specifically, in addition to those represented at the Shareholders' Meeting of 21 April, it also acted on behalf of Eurizon Capital SGR S.A., manager of the fund Eurizon Fund Italian Equity Opportunities.

## The Company's Governance structure

On 19 May 2021, the Board of Statutory Auditors ascertained that the suitability requirements and criteria envisaged by current legislation were met, also with regard to compliance with the limit on the number of offices held. On 20 May 2021, the Board of Directors, for the purposes of Article 148, paragraph 4-*quater*, of the CLF, confirmed the absence of causes of ineligibility and disqualification, as well as the existence of the requirements of reputation and professionalism for each of the members of the Board. The Board of Statutory Auditors also verified the compliance of its composition with the qualitative and quantitative composition indicated as optimal in the document containing the Guidelines to Shareholders on the Qualitative and Quantitative Composition of the Board of Statutory Auditors, approved by the outgoing Board of Statutory Auditors in view of the Shareholders' Meeting of 21 April 2021.

Subsequently, following the resignation of the Chairperson Nicola Bruni and the need to complete the Board of Statutory Auditors, the subsequent Shareholders' Meeting of 23 June 2021 appointed:

- Daniela Travella, as Chairperson of the Board of Statutory Auditors, to replace Nicola Bruni, who resigned from office at the same Shareholders' Meeting of 23 June 2021;
- Patrizia Tettamanzi, as Standing Auditor; and
- Sonia Peron, as Alternate Auditor to replace Patrizia Tettamanzi (due to the latter's appointment as Standing Auditor).

On 21 July 2021, the Board of Statutory Auditors therefore again ascertained the existence of the requirements and eligibility criteria envisaged by current legislation, as well as the adequate composition of the Body as a whole. On 22 July 2021, the Board of Directors, for the purposes of Article 148, paragraph 4-*quater*, of the CLF, confirmed the absence of causes of ineligibility and disqualification, as well as the existence of the requirements of reputation and professionalism for each of the newly-elected members.

Finally, as a result of the resignation on 6 June 2022, effective immediately by the Standing Auditor Paolo De Mitri, the Shareholders' Meeting of 27 July 2022 arranged for the relative replacement through the appointment of Carlo Appetiti as Standing Auditor.

On 1° August 2022, the Board of Statutory Auditors therefore ascertained that the newly-elected Auditor met the requirements and eligibility criteria both for the newly elected and for the other members, also with regard to compliance with the limit on the number of offices held and the prohibition on interlocking, the possibility of dedicating adequate time to the office, the possession of independent judgement and the independence requirements envisaged by current legislation and the Corporate Governance Code. On that occasion, the Board of Statutory Auditors also again assessed the composition of the Body as a whole, ascertaining its adequacy to ensure the independence and professionalism of its function. On 4 August 2022, the Board of Directors, for the purposes of Article 148, paragraph 4-*quater*, of the CLF, confirmed the absence of ineligibility and disqualification causes, as well as the existence of the requirements of reputation and professionalism for each of the newly-elected and incumbent members.

In view of the foregoing, the Board of Statutory Auditors in office at the end of the financial year 2022 and at the date of approval of this Report is composed as follows:

- Daniela Travella, Chairperson;
- Carlo Appetiti, Standing Auditor;
- Patrizia Tettamanzi, Standing Auditor;
- Sonia Peron, Alternate Auditor;
- Andrea Scianca, Alternate Auditor.

The summary of the personal and professional characteristics of each appointed Acting Auditor, identifying their professional experience and skills, is published on the website [www.bper.it](http://www.bper.it) – Institutional > Governance > Board of Statutory Auditors.

The list of offices held by each member of the Board of Statutory Auditors, as stated in the latest reports to the Bank, is shown in Table 6, attached to this Report.

### Board of Statutory Auditors



## Diversity criteria and policies in the composition of the Board of Statutory Auditors

With regard to gender diversity, the Articles of Association stipulate that the composition of the Board of Statutory Auditors must ensure a balance between genders in accordance with current regulations. In this regard, it should be noted that: (i) Article 148, paragraph 1-*bis*, of the CLF provides that at least 2/5 of the standing members of the Board of Statutory Auditors must belong to the less represented gender, with the specification that if, as in the case of BPER, the Control Body is composed of three members, the rounding takes place downwards to the lower unit (see Article 144-*undecies*.1, paragraph 3, of the Issuer Regulation); (ii) Circular No. 285/2013 also establishes that in the Bodies with strategic supervision and control functions, the number of members of the less represented gender is at least 33% of the members of the Body, approximating the lower integer if the first decimal is 5 or less; otherwise it approximates the higher integer; (iii) Recommendation 8 of the Corporate Governance Code establishes that at least one third of the management body and the control body is made up of members of the less represented gender.

Compliance with this criteria is ensured by statutory provisions governing the composition of the lists of candidates and the election of Board members, including the application of a sliding mechanism.

In compliance with the above, at the end of the financial year 2022 and at the date of approval of this Report, one third of BPER's Board of Statutory Auditors is made up of male members and two thirds of female members.

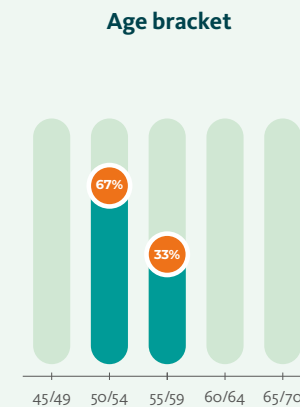
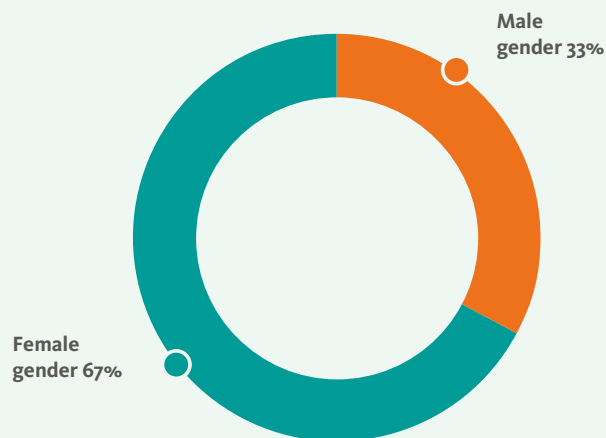
In addition, the composition of the Board is in line with the provisions of Italian Ministerial Decree No. 169/2020, which calls for adequate diversification in terms of age, gender, length of stay in office and skills, in order, among other things, to encourage comparison and dialectic within the Body and encourage the emergence of a plurality of approaches and perspectives.

On the basis of the above, the Board of Statutory Auditors in office is thus adequately diversified, especially with reference to gender and seniority, as well as professional experience.

Given the above, as anticipated in the paragraph of this Report on the Board of Directors, in order to ensure full compliance with the principles of diversity and inclusion within the BPER Group and to ensure adequate diversification of the Corporate Bodies, the Board of Directors of 28 April 2022, with the favourable opinion of the Nominations and Corporate Governance Committee, approved the Policy on Diversity, Equity and Inclusion in the Corporate Bodies and in the Company Population of the BPER Banca, which defines the Principles and commitments that the Group intends to accept to promote inclusion and equal opportunities within its own organisation, including the Corporate Bodies, the Subsidiaries and all company personnel. For more information, please refer to the Policy published on the Bank's website [www.bper.it](http://www.bper.it) - Institutional > Governance > Documents.

With regard to the corporate bodies of the subsidiaries, the Bank has also adopted the General Guidelines for the Composition, Designation and Remuneration of the Members of the Corporate Bodies of the Subsidiaries of BPER Banca S.p.A. This document includes provisions intended to ensure an adequate diversification in the above-mentioned corporate bodies, also in terms of gender balance, establishing that at least 20% of members must belong to the least represented gender (with arithmetic rounding).

**Policy on Diversity, Equity and Inclusion in the Corporate Bodies and in the Company Population of the BPER Banca**



As anticipated, the periodic assessment of the possession of the independence requirements of the Statutory Auditors was carried out by the Board of Statutory Auditors on 1° August 2022, which verified compliance with the provisions of Article 148, paragraph 3, of the CLF, Article 14 of Italian Ministerial Decree No. 169/2020, as well as Recommendations 7 and 9 of the Corporate Governance Code.

In particular, this verification was carried out taking into account the "Rules for Verifying the independence requirement of the Directors", which the Board of Statutory Auditors adopted on 19 July 2022 (on this point, please refer to the preceding paragraph "Independent Directors and Lead Independent Director").

Without prejudice to the foregoing, it should be noted that during the term of office, the verification of independence shall be carried out by the Board of Statutory Auditors at least once a year and, in any case, upon the occurrence of any situation that may compromise the ongoing validity of the independence requirements.

## Functioning of the Board of Statutory Auditors

The operation of the Board of Statutory Auditors, without prejudice to the provisions of the law, is governed by the Articles of Association and the Operating Rules of the Board of Statutory Auditors, approved by the latter.

Pursuant to the aforementioned Operating Rules, the Board of Statutory Auditors is usually convened prior to the meetings of the Board of Directors and, in any case, whenever it is necessary to deal with the matters for which it is responsible.

The meeting notice shall be sent, except in cases of urgency, at least five days prior to the date of the meeting.

With regard to support documentation and prior information, the Operating Rules provide that the Chairperson of the Board of Statutory Auditors, with the assistance of the competent corporate organisational unit, shall ensure that the documentation to be submitted in support of the activities falling within the competence of the Board of Statutory Auditors is adequate, in terms of quality and quantity, with respect to the matters to be discussed at each meeting.

Pursuant to the aforementioned Operating Rules, the above-mentioned documentation is made available to the members of the Board, as a rule, on the fifth day prior to each meeting. If, for particular organisational reasons, the documentation made available within this deadline is not exhaustive, subsequent additions shall in any case be provided, subject to authorisation by the Chairperson, no later than the day of the meeting.

With regard to the provision of the aforementioned documentation, the Operating Rules provide that such documentation be filed at the competent corporate organisational unit, as well as through the special confidential platform used for the management of meetings of the Bank's governing bodies.

Meetings are held at the company's registered office or at other premises of the Bank's management or elsewhere in Italy. Where required, meetings of the Board may be held using remote connection systems in accordance with the Articles of Association.

Resolutions are valid if attended by a majority of its current Statutory Auditors. Resolutions are adopted by a majority of those present.

The Board of Statutory Auditors may, from time to time, and in relation to specific items on the agenda, invite to its meetings persons whose contribution may enhance the information available to the Statutory Auditors.

As regards the taking of minutes at meetings, the Operating Rules provide that the Chairperson, with the help of the organisational unit supporting the Board, is responsible for drafting the minutes and resolutions.

The aforementioned organisational unit makes the draft minutes of each meeting available to all the members of the Board for sharing and approval.

The Board usually operates on a collegial basis, without prejudice to the fact that activities may also be carried out individually and by means of direct audits, where deemed necessary and appropriate. The outcome of the activities carried out is recorded and transcribed in the Board's book of meetings and resolutions.



### FOCUS : TASKS OF MEMBERS OF THE BOARD OF STATUTORY AUDITORS

The Board of Statutory Auditors monitors compliance with the law, regulations and the Articles of Association, compliance with the principles of correct administration of the Company, the adequacy of the organisational and accounting structures, and the functionality of the overall Internal Control System; it verifies that the personnel involved in the Control System operate effectively and are coordinated properly, reporting any weaknesses or irregularities and requesting suitable corrective action; it monitors the adequacy of the risk management and control system; it exercises such other functions and powers provided by law as well as the duties and functions that the provisions of Bank of Italy and the other Supervisory Authorities assign to the body that has the control function.

The Board of Statutory Auditors also: (i) informs the Board of Directors of the outcome of the statutory audit and transmits to the Board of Directors the additional report sent by the auditing firm, accompanied by any observations; (ii) monitors the financial reporting process and submits recommendations or proposals aimed at ensuring its integrity; (iii) checks the effectiveness of the company's internal quality control and risk management systems and internal audit, with regard to the Bank's financial reporting, without violating its independence; (iv) monitor the statutory audit of the annual and consolidated financial statements, including taking into account any

findings and conclusions of quality audits of audit firms carried out by CONSOB, where available; (v) verifies and monitors the independence of auditing firms, in particular with regard to the adequacy of the provision to the Bank of non-audit services; (vi) be responsible for the procedure for the selection of audit firms and recommend to the Board of Directors the appointment of the audit firms to be designated.

The Board of Statutory Auditors shall notify the Supervisory Authorities, in accordance with current legislation, of all facts or events that it becomes aware of and which could constitute management irregularities or a breach of the rules that govern banking.

For the activities carried out by the Board of Statutory Auditors in 2022, please refer to the Report prepared by the Board of Statutory Auditors pursuant to Article 153 of the CLF, available on the website [www.bper.it](http://www.bper.it) – Institutional > Governance > Shareholders' Meetings.

**Report of the Board  
of Statutory Auditors  
pursuant to Article  
153 of the CLF**

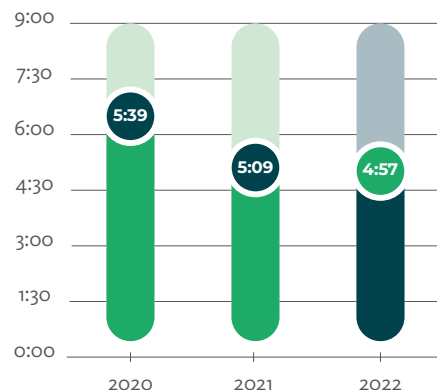


## The Company's Governance structure

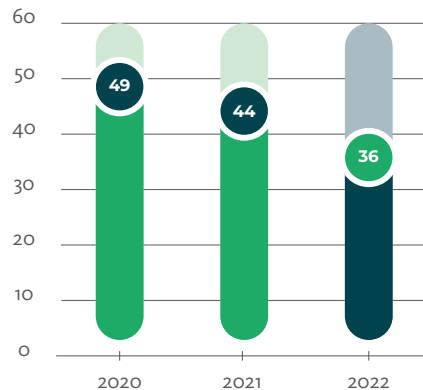
Meetings of the Board of Statutory Auditors during 2022

In 2022, the Board of Statutory Auditors held 36 meetings, each lasting an average of about 5 hours.

**Board of Statutory Auditors: average meeting duration**



**Board of Statutory Auditors: number of meetings**



In 2022, the Board of Statutory Auditors held: (i) 16 meetings held jointly (or in part jointly) with the Control and Risks Committee; (ii) 1 meeting held in part jointly with the Sustainability Committee. In any case, at least one member of the Board of Statutory Auditors was present at all meetings of the Board of Directors and the other Board Committees. Pursuant to Art. 150 of the CLF, the Board of Statutory Auditors was periodically informed on the activities carried out and on the most significant transactions carried out by the Company and by the Subsidiaries, both at the meetings of the Board of Directors and at certain meetings with the Chief Executive Officer.

Moreover, in 2022, the Board of Statutory Auditors held special meetings with the corresponding bodies of the main Group companies, dedicated to the exchange of information and discussion of issues of common interest.

With reference to training activities, the members of the Board of Statutory Auditors took part, in 2022 and in the first months of 2023, in conferences, workshops and other initiatives for in-depth analysis and/or updating promoted and/or reported by the Bank. The Statutory Auditors also regularly participate in induction initiatives organised for the benefit of the Board of Directors.

During 2023, 10 meetings were already held at the date of approval of this Report.

Pursuant to the Articles of Association, in performing the necessary verification work and checks, the Board of Statutory Auditors makes use of the Company's internal control structures and functions. The Board of Statutory Auditors can carry out audits or inspections at any time, also individually. They can also ask the Directors for information on the Company and its Subsidiaries regarding the results of operations or of specific transactions. Such information can also be requested directly from the subsidiaries' Directors and Statutory Auditors.

The Board of Statutory Auditors can also exchange information on the administration and control systems and on business trends in general with the corresponding Boards at subsidiaries.

Coordination with Control Functions



### FOCUS: THE RELATIONSHIP BETWEEN THE BOARD OF STATUTORY AUDITORS AND INTERNAL CONTROL FUNCTIONS

Pursuant to the Operational Rules, in carrying out its duties, the Board of Statutory Auditors is responsible for establishing appropriate contacts with the other corporate bodies, with the Executive in charge of preparing the Company's financial reports, with the company appointed to perform the statutory audit and with the Supervisory Board pursuant to Legislative Decree No. 231/2001, for the coordination and exchange of information of mutual interest, in compliance with their respective competences and in line with the provisions of the Supervisory Provisions and the document on the coordination of control functions approved by the Board of Directors. The Board of Auditors may also make use of the internal control functions, and in particular of the Internal Audit Function, to carry out the checks and inspections deemed necessary.

In performing its work, the Board of Statutory Auditors collaborates with the Internal Audit Function by:

- periodically inviting the Head of the above-mentioned Function to the meetings of the Board (in 2022, the Board held 40 meetings with the above-mentioned Function, usually attended by its Head);

- examining the documentation provided to the Board by the Internal Audit Function (e.g. "support" for analyses carried out, inspection reports) and other information relating to the system of controls, as well as the results of the checks carried out by that Function;
- the request of specific inspections.

The Board of Statutory Auditors also benefited from the contribution of the other Control Functions, with whom it met several times during the year (47 meetings with the Risk Function, 35 meetings with the Compliance Function, 10 meetings with the Anti-Money Laundering Function, and 38 meetings with the Executive in charge/Financial Reporting Control Department).

The Board also met with the other corporate functions (Chief Strategy Officer, Chief Human Resource Officer, Chief Lending Officer, Chief Operating Officer, Chief Financial Officer, Chief Business Officer, Head of the Wealth & Investment Management Department, and Chief General Counsel) according to the established schedule, or for specific needs.

## Self-Assessment of the Board of Statutory Auditors

With particular reference to the 2022 financial year, the self-assessment process of the Board of Statutory Auditors (the “2022 Self-Assessment Process”) was carried out with the help of an external advisor, identified in the Sector company Russell Reynolds Associates (“RRA”), selected from a shortlist of candidates.

The self-assessment process provided for:

- an initial preparatory meeting held with the Chairperson of the Board of Statutory Auditors and the Chief General Counsel, during which the methodology applied and the planning of the works were explained;
- further meetings extended to the members of the Board, also in the presence of the team of RRA consultants;
- the provision, to all members of the Board of Statutory Auditors, of a specific questionnaire concerning questions relating to the following areas of assessment: (i) size and composition of the Board of Statutory Auditors; (ii) meetings and documents; (iii) Chairperson of the Board of Statutory Auditors; (iv) dynamics of the Board of Statutory Auditors; (v) self-assessment of the Statutory Auditor; (vi) relations with other Management Bodies, Committees and Control Functions; (vii) Powers and functions of the Board of Statutory Auditors; (viii) Environment, Social, Governance (ESG).

The questionnaire data - collected and processed by the aforementioned Company in anonymous and aggregate form - were discussed in individual interviews and in a meeting with the Body.

The opinion resulting from the 2022 Self-Assessment Process expresses overall adequacy with reference to the operations of the Board of Statutory Auditors, the relations with the other Corporate Bodies and the Company Functions, together with some ideas that could contribute to a further evolution of the operations of the Control Body.

## Remuneration

The remuneration of the members of the Board of Statutory Auditors, including that of the Chairperson, was determined by the Shareholders' Meeting, at the time of appointment, for the entire duration of the mandate, taking into account the role and responsibilities of this Body. Variable remuneration is forbidden for the members of the Board of Statutory Auditors. For more detailed information, please refer to the Remuneration Report published on the website [www.bper.it](http://www.bper.it) – Institutional > Governance > Shareholders' Meetings.

## Management of interests

In accordance with the provisions of the Operating Rules of the Board of Statutory Auditors, any Auditor who, on his own behalf or on behalf of third parties, has an interest in a given Bank transaction shall promptly and fully notify the other Auditors and the Chairperson of the Board of Directors of the nature, terms, origin and extent of his/her interest.

Statutory Auditors are required to comply with company Regulations on related parties “Group Policy for the Governance of Non-Compliance Risk regarding Conflicts of Interest with Related Parties and Risk Activities with Associated Persons” and the Group Regulations “Group Regulation on the Process of Managing Significant Interests by Corporate Representatives”. For more information on the content of these documents, please refer to Chapter 5 of this Report.

# Chapter 4



# Internal Control and Risk Management System

The Internal Control System is the set of rules, functions, structures, resources, processes and procedures aimed at ensuring that the Company's activities are aligned with internal standards and practices.

At the meeting of 28 April 2022, the Board of Directors of the Parent Company approved an update to the Internal Control System Group Policy (SCI Policy), a guideline document that defines the principles relating to the design, implementation and assessment of the Internal Control System of the BPER Group, as well as the positions of the Bodies and functions involved in it.

All Banks and Companies of the Group have an Internal Control System consistent with the Group's strategy and policy on risks and controls and in compliance with the rules applicable to each Legal Entity on an individual basis.

The System is structured to allow the Parent Company, also within the scope of its management and coordination activities for the Group Companies, to carry out:

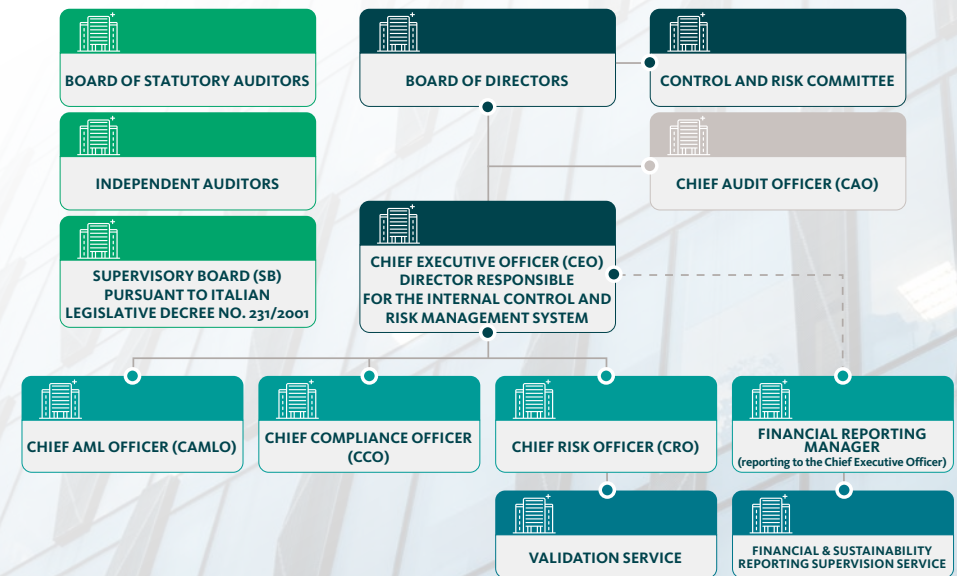
- strategic control over the evolution of the business areas in which the Group operates and the related risks emerging;
- management control to ensure that economic, financial and capital equilibrium is maintained;
- technical-operational control for the holistic assessment of the risks associated with the Group's businesses.

The Internal Control System envisages the direct involvement of the Corporate Bodies, the Control Functions and the line structures and is designed in compliance with the principles of:

- proportionality in the application of rules on size and operations;
- gradual and progressive transfer to more advanced methodologies and processes for measuring risk;
- unity in the definition of the approaches used by the Group's organisational structures;
- effectiveness and efficiency in risk management.

In general, the Group's Internal Control System envisages the centralisation of Level 2 and 3 Company Control Functions in the Parent Company through outsourcing contracts and provides for a set of coded information flows for the benefit of the Corporate Bodies, the various structures concerned and the Group companies

The Board of Directors of the Parent Company periodically assesses the adequacy and effectiveness of the Risk Appetite Framework (RAF) and the compatibility between the risk objectives and actual risk; In addition, the Board periodically assesses, with the support of the Control and Risk Committee, the adequacy and compliance of the Group's Internal Control System, identifying possible improvements and defining the steps needed to correct any weaknesses.



## Control Functions

The Internal Control System of the BPER Group, in compliance with the supervisory regulations in force, defines the following lines of control:

- Level 3 controls:
  - Internal Audit Function;
- Level 2 controls "Risk and compliance controls":
  - Anti-Money Laundering Function;
  - Compliance Function (which includes the Data Protection Officer – DPO);
  - Risk Management Function;
  - Validation Function;
- Level 1 controls:
  - Line controls placed in the Group's processes and organisational units.

Level 2 and Level 3 Control Functions are independent, separate from each other and distinct from the organisational point of view from the structures that assume the risks and are responsible for carrying out line controls.

The Internal Control System, as a further Control Function, includes the Executive in Charge pursuant to Italian Law No. 262/2005, who uses the Financial Reporting Unit to carry out his/her duties, and the Financial & Sustainability Reporting Supervision Service (formerly the Financial Information Department).

Additional monitoring tasks are assigned to the Supervisory Body pursuant to Italian Legislative Decree No. 231/2001.

In addition to the Control Functions outlined above, there is the whistleblowing channel for reporting violations, available to employees to communicate, in a non-anonymous form, facts or behaviours that may constitute a breach of the rules governing banking/financial activities. The reporting system ensures the confidentiality of the whistleblower, excluding the risk of retaliatory, unfair or discriminatory behaviour.

Below are the references of those who, during 2022, held the roles of heads of Company Control Functions, updated as at the date of approval of this Report:

- Roberto Rovere, Chief Audit Officer– CAO;
- Michele Pisani, Chief AML Officer – CAMLO;
- Carla Gardani, Chief Compliance Officer – CCO;
- Emanuele Cristini, Chief Risk Officer – CRO;
- Dario Alessi, Head of the Internal Validation Service, appointed on 26 July 2022 with effect from 1 August 2022.

As anticipated, in line with regulatory requirements, additional control tasks are assigned to the following specific functions:

- Financial Reporting Manager (Marco Bonfatti), who ensures the reliability of the separate and consolidated financial statements, the financial information, the supervisory reports on an individual and consolidated basis, as well as any other financial communication (e.g. Article 154-*bis* of the Consolidated Law on Finance);
- Financial & Sustainability Reporting Supervision Service (formerly the Financial Information Department, headed by Gianvito Campanella), who designs implements and maintains the Financial Reporting Control Model to be applied to the Parent Company and, with reference to the procedures for the preparation of consolidated financial statements, to subsidiary banks and companies, whether or not they form part of the Banking Group.

## Identification of risks

The BPER Group, in line with the prudential supervisory regulations<sup>6</sup>, periodically carries out an accurate identification of the risks to which it is or could be exposed, taking into account its operations and reference markets.

The risk identification process forms a basis for regular updates to the Group Risk Map, prepared by the Risk Management Function, which, in line with the Supervisory regulations in force, explains the position of the individual Group companies with respect to Pillar I and Pillar II risks<sup>7</sup>, from both a current and future perspective. The latest update of the Group Risk Map document was submitted to the Audit and Risk Committee and to the Board of Statutory Auditors on 27 September 2022 and to the Board of Directors on 29 September 2022.

This activity is carried out centrally by the Parent Company. The Risk Map is viewed as having management and risk governance purposes, making it the cornerstone of the Internal Control System.

## Risk Management | Risk Appetite Framework

The BPER Group identifies the Risk Appetite Framework (RAF) as a tool for overseeing the risk profile that the Group intends to take in the implementation of its business strategies, considering it as an essential element to ensure that the risk management policy and process by which risks are handled comply with the principles of sound and prudent business management.

The key principles of the RAF are formalised and approved by the Parent Company, which revises them periodically, assuring their alignment with strategic guidelines, with the business model and with the regulatory requirements in force from time to time.

<sup>6</sup> Bank of Italy Circular No. 285/13 Title III, Chapter 1 (and subsequent updates).

<sup>7</sup> Bank of Italy Circular No. 285/13, Title III - Chapter 1 - Attachment D.

The RAF formalises, through a coordinated and representative set of metrics, the risk targets (risk appetite), any tolerance thresholds (risk tolerance) and the operating limits both in normal operating conditions and in stress conditions, which the Group intends to apply in the pursuit of its own strategic lines, defining their levels consistently with the maximum assumable risk (risk capacity).

To assure an effective and pervasive transmission of the risk targets, the Group articulates its own overall risk appetite by setting out the risk limits that regulate the operations of the recipient organisational structures (“risk takers”) within a structural framework that is consistent with the policies for managing and controlling individual risks.

The activities comprising the process are updated annually, or more frequently, and whenever necessary following changes in the internal or external conditions.

During 2022, the Risk Appetite Statement was calibrated at different times considering the evidence of the business plan and the inclusion of the CARIGE Group, involving the Corporate Bodies: the current version was examined by the Board of Statutory Auditors and the Control and Risk Committee on 27 September 2022 and approved by the Board of Directors on 29 September 2022.

The Group periodically monitors the RAF metrics in order to monitor on a timely basis any overruns of the risk tolerance thresholds identified and/or assigned risk limits and included in the individual risk management policies and, if appropriate, direct the necessary communication processes to the Corporate Bodies and for subsequent remedial actions.

The results of the quarterly monitoring of the RAF metrics, included in the quarterly risk reporting, were submitted to the Corporate Bodies in the following meetings relating respectively to the data as at 31 December 2021; 31 March 2022 and 30 June 2022:

- Control and Risk Committee and Board of Statutory Auditors of 22 February, 24 May, 6 September 2022;
- Board of Directors' Meeting of 24 February, 26 May, and 8 September 2022.

## Information flows

The Board of Directors:

- approves annually – after consulting with the Board of Statutory Auditors, the Control and Risk Committee and the Chief Executive Officer – the Audit Plan and Level 2 Control Functions;
- receives, either directly or through the CEO, the information flows required to gain a full awareness of the various risk factors and the ability to govern them, in order to plan and implement interventions to ensure the compliance and adequacy of the Internal Control System;
- is the recipient, together with the Board of Statutory Auditors, the Control and Risk Committee and the Chief Executive Officer, of reports drawn up by the Control Functions.

On an annual basis, the Parent Company sends the Internal Audit report to the Supervisory Body, which contains: (i) the Internal Audit checks and findings on the Parent Company and Group Companies; (ii) the shortcomings and related corrective actions to monitor the Internal Control System.

The Internal Audit Function also prepares an Overall Assessment of Internal Control Systems, which capitalises on the results of the activities carried out by the Control Functions.

## Coordination of all those involved in the Internal Control and Risk Management System

To encourage interaction between the Control Functions, BPER has also established the Control Functions Coordination Committee, which oversees the activities for the proper functioning of the Internal Control System and for the continuous dissemination of the culture of risks and controls, supporting the Chief Executive Officer - Chairperson of the same Committee - in the exercise of his powers regarding the Internal Control System.

The main documents issued by the Committee are:

- *Tableau de bord*, which reports the most significant critical issues in terms of impacts on the achievement of the Group's corporate objectives; a comprehensive representation of the findings formulated by the Control Functions and the timing for their resolution; the evidence, including planning, of the activities carried out by the Control Functions as part of the Coordination Committee;
- Synoptic framework for the planning of the Control Functions, which promotes constructive dialogue and orderly collaboration between the Control Functions and facilitates an integrated monitoring of the Group's Internal Control System.

The Chairperson of the Board of Statutory Auditors or another member designated by him attends the meetings of the Control and Risk Committee. The Committee ensures the establishment of appropriate functional links with the Board of Statutory Auditors for the coordination and exchange of information of mutual interest, in compliance with their respective competences.

## 4.1 Chief Executive Officer – Director responsible for the Internal Control System

The Board of Directors of the Parent Company assigns to the Chief Executive Officer the tasks, powers and adequate means to implement the strategic guidelines, the RAF and the risk management policies defined by the Board when designing the Internal Control System. The Chief Executive Officer is responsible for taking all actions necessary to ensure the adherence of the organisation and the Internal Control System to the principles and requirements of the supervisory regulations, and for monitoring compliance on an ongoing basis.

For this purpose, the CEO, for the Group as a whole and for its components:

- ensures the structure of the Control Functions and the company control functions involved in the risk management process and in the Internal Control System, ensuring the completeness, adequacy, functionality and reliability of the latter on an ongoing basis;
- defines and oversees implementation of the risk management process, establishing operating limits for the acceptance of various types of risk, and ensuring its consistency in line with risk appetite and risk management policies, explicitly taking account of the results of stress tests and developments in the economic situation as well as domestic and foreign conditions;
- for major significance transactions (MSTs) falling within the scope of its decision-making powers, the CEO passes, if deemed appropriate, the same resolution even in the event of a negative opinion of consistency with respect to the RAF by the Chief Risk Officer. For the MSTs under the responsibility of the other Company Functions, subject to a negative opinion by the Chief Risk Officer, the Chief Executive Officer may authorise it by informing the Board of Directors and the Board of Statutory Auditors;
- implements the Internal Capital Adequacy Assessment Process (ICAAP) and the Internal Liquidity Adequacy Assessment Process (ILAAP), ensuring their consistency with the RAF;

- defines internal information flow mechanisms to ensure that the Corporate Bodies and Control Functions are fully aware of the various risk factors and have the ability to govern them and the assessment of compliance with RAF;
- as part of the RAF, where a risk tolerance is defined, authorises overruns of risk appetite within the limit represented by the risk tolerance and gives notice to the Board of Directors, identifying the management actions needed to bring the risk back down to below the set target;
- defines and oversees the implementation of the Group policy for outsourcing business functions;
- is responsible for the establishment/operation of the Internal Risk Measurement Systems;
- is responsible for the implementation and performance of the stress test programme.

In addition, the Chief Executive Officer has the power to require audits or investigations to be carried out, also with regard to specific irregularities, without prejudice to similar power of the Bodies of strategic supervision, management and control, of the Parent Company and/or of the Group Companies.

During 2022, and until the date of approval of this Report, the Chief Executive Officer, appropriately supported by the responsible Control Functions:

- contributed to the process of identifying the main corporate risks, taking into account the features of the activities carried out by the individual Group companies: the updated Risk Map was then submitted for review by the Board of Directors;
- implemented the guidelines defined by the Board, set out in the document Group Policy on the Internal Control System, handling the design, implementation and management of the Internal Control and Risk Management System, constantly checking its adequacy and effectiveness, as well as adapting it to the dynamics of the operating conditions and the legislative and regulatory framework.

During 2022, the Chief Executive Officer did not exercise the power to request the Internal Audit Function to carry out checks on specific operational areas and on compliance with internal rules and procedures in the execution of corporate transactions.

For information concerning the roles and tasks of the Control and Risk Committee, please refer to Section 3, in the section on Board Committees.

## 4.2 Company Control Functions

### Chief Audit Executive of the Group Internal Audit Department

BPER Banca has set up an Internal Audit Department (hereinafter also Internal Audit), which is tasked with identifying violations of procedures and regulations and to periodically assess the completeness, suitability, functionality (in terms of efficiency and effectiveness) and reliability of the Internal Control System and Information System (ICT audit), with a set timing in relation to the nature and intensity of the risks involved.

The Chief Audit Officer appointed by the Board of Directors of the Parent Company, after consulting the Control and Risk Committee and the Board of Statutory Auditors:

- reports directly to the Board of Directors, through the Chairperson;
- is not responsible for any operational area under control;
- has direct access to all information useful for carrying out the tasks assigned;
- has at its disposal, upon approval by the Board of Directors, the resources and a specific expenditure budget necessary to carry out its tasks;
- defines, at least annually and in line with its own audit strategy, the multi-annual risk-based and process-oriented plan of activities (*i.e.* Audit Plan), which, after obtaining the opinion of the Control and Risk Committee, and consulting the Board of Statutory Auditors, is submitted to the Board of Directors for approval. In particular, with reference to the 2022 financial year, the Audit Plan was approved by the Board during the meeting held on 24 February 2022, following the opinion of the Control and Risk Committee issued on 22 February 2022 and consulting with the Board of Statutory Auditors on the same date.

The Chief Audit Officer regularly reports to the Corporate Bodies and prepares on a quarterly basis the Report on Activities Carried Out by the Internal Audit Function, summarising the activities carried out.

During 2022, the main areas of intervention were consistent with the planning approved by the Board of Directors or of an extraordinary nature to monitor emerging risks (*i.e.* Special Investigation) and the requests from Regulators.

The Chief Audit Office also submits to the Corporate Bodies:

- the results of the assessment activities of the Quality Assurance and Improvement Programme (QAIP) process with a dedicated annual report, in compliance with the international standards for the professional practice of internal auditing of the Institute of Internal Auditors (IIA);

- a periodic assessment of the completeness, suitability, functionality and reliability of the Internal Control System and makes the reports available to the relevant Company on the information system in accordance with the supervisory regulations.

The Companies of the Banking Group, in line with what is defined by the Policy on Internal Control System, identify an internal Contact Person of the Parent Company's Internal Audit Department in charge of providing the information and data requested and making the reports prepared by Internal Audit available to the Company.

Although the model envisages the centralization of the Company Control Functions in the Parent Company, BPER Bank Luxembourg and ARCA Fondi SGR maintain their own Internal Audit Function: for BPER Bank Luxembourg, the choice is based on the peculiarity of the activity that is carried out in the context of a different regulatory environment compared to the Italian regulatory environment; for ARCA Fondi SGR, the choice is based on reasons of effectiveness and cost-effectiveness in the management and control of risks.

### Anti-Money Laundering Officer

BPER Banca, as the Parent Company, is responsible for defining the guidelines on governance and management of the risk of money laundering for the entire Group. In this context, the Anti-Money Laundering Function of the BPER Group, in line with the Bank of Italy Provisions of 26 March 2019 (Provisions on organisation, procedures and internal controls aimed at preventing the use of intermediaries for money-laundering purposes and terrorism financing) is responsible for ensuring the adequacy, functionality and reliability of the anti-money laundering controls, in addition to the Level-2 monitoring activities on anti-money laundering and anti-terrorism, for the Parent Company and for the Banks and Companies of the Group falling within the scope of application of the reference regulations.

The Group's Internal Control System generally envisages outsourcing to the Parent Company the Anti-Money Laundering Function of Italian Group Companies. However, as required by the regulations, the latter still remain responsible for their performance, and which are responsible for ensuring the correct execution of operations, specifically by carrying out line checks. Each of the outsourcing entities has appointed a Contact Person for the Group Anti-Money Laundering Function, which functionally depends on the Function itself. The decentralisation of the risk control function on the subsidiary ARCA SGR continues, in light of the specific nature of the business carried out and the presence of a structured risk control function, without prejudice to the powers/duties of management, control and coordination of the Parent Company. Although not subject to Italian regulations, BPER Bank Luxembourg is in any case a recipient of the Group Anti-Money Laundering Policy, observes the "control

## Internal Control and Risk Management System

objectives” set annually by the Group Anti-Money Laundering Function and is included in the annual self-assessment of money laundering and financing risks of terrorism carried out pursuant to Article 15 of Italian Legislative Decree No. 231/07.

The money laundering risk governance model adopted by the Parent Company is formalised in the Group Policy for the Management of Money Laundering Risk and Terrorist Financing, which outlines the general standards in terms of procedures and controls defined by the Parent Company in order to guarantee, at Group level, compliance with current regulations on AML/CFT, with regard to the main areas of reference of said regulations, and ensure the consistency and sharing of information at the consolidated level.

The Anti-Money Laundering Function reports hierarchically to the Chief Executive Officer of the Parent Company and, in order to correctly carry out its mandate:

- act independently, since it is separate from the other Control Functions and is detached, in terms of organisation, from the functions involved in risk assumption;
- be provided with suitable resources, in terms of quality and quantity, to perform the tasks required with regard to staff numbers, composition and technical-professional knowledge;
- reports directly to the Bodies with strategic supervision functions and has access to all relevant data and information for the complete and timely performance of its duties.

The responsibilities and duties of the Anti-Money Laundering Function of BPER Banca, or of its manager (Chief AML Officer - CAMLO) and of the organisational units that report to it, are defined in the Anti-Money Laundering Function Regulations.

The following roles are assigned to CAMLO, appointed by the Board of Directors of the Parent Company after consulting the Control and Risk Committee and the Board of Statutory Auditors:

- Anti-Money Laundering Officer pursuant to the Provisions on organisation, procedures and internal controls adopted by the Bank of Italy on 26 March 2019;
- Anti-Money Laundering Officer, reported pursuant to the Communication of 7 June 2011 of the Bank of Italy, for all Group companies under Italian law;
- Responsible Officer for BPER Banca pursuant to Article 36, paragraph 6, of Italian Legislative Decree No. 231/2007;
- Responsible Officer for Italian Group Companies, that have delegated the role envisaged in Article 36, paragraph 6, of Italian Legislative Decree No. 231/2007 (Group Responsible Officer);
- Group Responsible Officer for foreign companies without assignment of the delegation of the role as provided for by Article 36, paragraph 6, of Italian Legislative Decree No. 231/2007.

Annually – on the basis of the assessment carried out on the Group's actual exposure to the risk of money laundering and terrorism financing and taking into account, at least, the outcome of the risk identification and assessment activities carried out, the regulatory changes that have taken place or that will intervene, of the projects in progress or to be launched – the Function formalises the plan of its activities. This plan is submitted for the approval of the Board of Directors of the Parent Company and, subsequently, of the Banks and Companies of the Group under Italian law and is also transmitted to the relative Boards of Statutory

Auditors. Likewise, on an annual basis, the “Report of the Group Anti-Money Laundering Function” is prepared, which, once approved by the Board of Directors of the Parent Company, is submitted for approval, limited to the relevant sections, to the Boards of Directors and the Boards of Statutory Auditors of the subsidiaries within the scope, as well as to the Supervisory Bodies pursuant to Italian Legislative Decree No. 231/2001 of the Group Banks.

In line with what was defined by the Parent Company in the Risk Appetite Statement of the BPER Group (RAS), with reference to the risk of money laundering and terrorist financing, the Group expresses a “zero” Risk Appetite, given that, in this context, compliance with the rules and the correctness, formal and substantial, in the operations assume an absolute importance, as they are aimed at avoiding the involvement, even unwittingly, of the Group banks and companies in phenomena of money laundering and terrorist financing, avoiding their proliferation into financial flows of unlawful origin or the performance of unverified transactions. The risk tolerance threshold falls within the first two levels (within the Low level) of the grading scale of the risk assessment model proposed by the Supervisory Authority and adopted by the BPER Group, which envisages four levels as a whole.

## Compliance Officer

The Compliance Function is responsible for monitoring the risk of non-compliance with the regulations with regard to all company activities and exercises its responsibilities with reference to the following corporate perimeter:

- management and coordination: Companies of the Banking Group;
- company: Parent Company and Group Companies with a Compliance Risk Management Function outsourced to the Parent Company.

The Group's Internal Control System generally envisages outsourcing to the Parent Company the Compliance Function of Italian Group companies, without prejudice to the responsibilities which, by law, remain with the latter. Each of the outsourcing entities has appointed a Contact Person for the Group Compliance Function, which functionally depends on the Function. The decentralisation of the non-compliance risk control function on the subsidiary ARCA SGR continues, in view of the specific nature of the business carried out and the presence of a structured risk control function, without prejudice to the powers/duties of management, control and coordination of the Parent Company, as well as on BPER Bank Luxembourg, as a company incorporated under foreign law.

The Chief Compliance Officer appointed by the Board of Directors of the Parent Company, having consulted the Risk Control Committee and the Board of Statutory Auditors, reports and works in close contact with the aforementioned Bodies. The Chief Compliance Officer operates on the basis of a specific appointment, which establishes its independence and defines its role, skills and responsibilities.

The Chief Compliance Officer is placed in an adequate hierarchical-functional position in order to meet the requirements of the regulations, which are based on professionalism, independence and authoritativeness.

The Chief Compliance Officer meets the professionalism and independence requirements, and has sufficiently extensive knowledge, experience and a sufficiently high level of competence to be able to assume responsibility and ensure its effectiveness.

He/she has in-depth knowledge of the Company's organisation, corporate culture and decision-making processes and the authority necessary to carry out his/her tasks effectively.

Based on the need for its activity, he/she can access any activity/information relevant to the performance of his/her duties.

Supports the Bank's bodies and functions in all cases where the risk of non-compliance is significant; in particular, the Chief Compliance Officer must be consulted in advance whenever innovative projects are to be undertaken, in order to prevent conflicts of interest, both with reference to the various company activities and with reference to employees and company Representatives.

The Function headed by the Chief Compliance Officer:

- supervises, according to a risk-based approach, the management of the compliance risk with regard to all activities of the Company, verifying that the internal procedures are adequate to prevent this risk.

The method for managing the risk of non-compliance with the regulations adopted by the BPER Group is conventionally defined as the Compliance Model and envisages:

- the direct supervision of the core regulatory areas by the Compliance Function. To this end, the Company workforce has a high level of specialisation and knowledge of the legislation with regard to the areas for which the Regulator requires a direct approach;
- cooperation, according to a risk-based approach, between the Compliance Function and the Specialised Controls Function, which ensure the oversight of Compliance Risk within the spheres of their competence;
- the functional reporting of Specialised Controls to the Chief Compliance Officer in relation to the performance of the activities defined for the oversight and management of non-compliance risk;
- plays an important advisory role in the design of the processes and projects that the Bank intends to undertake, providing assistance and advice to the Bank's Corporate Bodies in all matters in which the risk of non-compliance is relevant and collaborating in personnel training activities with regard to the provisions applicable to the activities carried out.

Within the Compliance Function there is the Data Protection Officer (DPO), a figure with expert knowledge of the legislation and practices on the protection of personal data, envisaged by Regulation (EU) No. 2016/679 to which the legislation assigns primary tasks of verifying compliance and monitoring compliance with privacy provisions.

## Risk Management Officer

The Risk Management Function aims to collaborate in the definition and implementation of the RAF and the related risk governance policies, through an adequate risk management process.

In application of the principles outlined, the Internal Control System of the Group envisages outsourcing to the Parent Company the Risk Management Function of the Banks and Legal Entities of the Italian Group companies. However, as required by the regulations, the latter still remain responsible for their performance. Pursuant to current Luxembourg supervisory regulations, companies with registered office in Luxembourg are an exception.

The Function exercises its responsibilities with reference to the following corporate scope:

- management and coordination: Group Companies included in the Risk Map;
- company: Parent Company and Group companies with a Risk Management Function outsourced to the Parent Company.

The Contact Persons of the Risk Management Function, identified at the Companies falling within the sphere of competence, functionally depend on the function itself.

The Chief Risk Officer (CRO) appointed by the Board of Directors of the Parent Company after consulting with the Control and Risk Committee and the Board of Statutory Auditors, meets the professionalism requirements appropriate to the duties and responsibilities of the function and also to the size and operational complexity of the Group.

The Chief Risk Officer reports directly to the Chief Executive Officer of the Parent Company.

The CRO, for the purposes envisaged by current Supervisory regulations, covers the following roles:

- Risk Control Officer with reference to Bank of Italy Circular No. 285 of 2013 (and subsequent updates – Supervisory provisions for banks) and Bank of Italy Circular No. 288 of 2015 (and subsequent updates – Supervisory provisions for financial intermediaries);
- Risk Management Officer with reference to the Bank of Italy Provision of 5 December 2019 – Regulation Implementing Articles 4-*undecies* and 6, paragraph 1, letters b) and c-*bis*), of the CLF.

He/she has no direct responsibility for operating areas subject to control, nor is it hierarchically subordinate to the managers of these areas.

He/she reports directly to the Corporate Bodies and reports to these Bodies for the performance of his/her duties and responsibilities.

The Chief Risk Officer and the structures hierarchically dependent on him/her, in compliance with the specific autonomies:

- have full autonomy, complete independence and final decision-making power with regard to the choices regarding risk classifications and provisions on credit exposures;
- authorise the approval of the rating within the terms envisaged by the macro process of assignment and monitoring of the official rating.

The Validation Function, identified within the Risk Management Function and entrusted to a structure independent from the units responsible for the development of the internal risk measurement systems, carries out the qualitative and quantitative validation of the internal risk measurement systems adopted by the Parent Company itself, ensuring both compliance with the provisions of the Supervisory Authority, and consistency with the company's operating needs and with the evolution of the reference market.

The Function exercises its responsibilities with reference to the Parent Company and verifies, on an ongoing and iterative basis, the compliance and adequacy of the internal measurement systems adopted by the Parent Company to estimate capital and/or internal capital requirements or for which validation activities are envisaged in line with the evidence of the model management. The same, through quantitative and qualitative analysis methods and tools:

- assesses the accuracy of the estimates of the relevant risk components;
- verifies compliance with the organisational requirements for the internal rating system;
- ascertains that the internal rating system adopted is actually used in the various areas of management;
- ensures the maintenance and development of the validation system;
- handles the preparation of the annual report(s) on the risk measurement systems and the reporting to the corporate bodies with regard to the results of the assessments carried out;
- carried out a Level 2 control.

## 4.3 Financial Reporting Manager – Financial & Sustainability Reporting Supervision

The Financial Reporting Officer is responsible for overseeing the management and accounting procedures for the preparation of the financial statements of the consolidated financial statements as well as any other communication of a financial nature: pursuant to current legislation and the Articles of Association, his/her appointment is resolved by the Board of Directors, subject to the opinion of the Board of Statutory Auditors.

The appointment of the current Financial Reporting Officer, Marco Bonfatti, was resolved by the Board of Directors from the date of the Meeting held for the approval of the 2016 financial statements on 8 April 2017, after having obtained the mandatory opinion of the Board of Statutory Auditors and having ensured that Marco Bonfatti met the requirements of the position according to regulations in force and the Articles of Association.

The Financial Reporting Manager uses the Financial & Sustainability Reporting Supervision Service, which reports directly to him/her; the Financial Reporting Manager and this Service are therefore part of the Internal Control System of the BPER Group.

As regards specifically the obligations arising under Article 154-bis of the CLF, the Executive in charge of preparing the Company's financial reports certifies, in accordance with the obligations assigned thereto by law, jointly with the competent corporate bodies:

- the suitability and effective application of the administrative and accounting procedures to the accounting records in the reporting period;
- the compliance of the accounting records with international accounting standards;
- the consistency of the accounting records and financial reports with internal evidence, the ledgers and accounting entries;
- whether the financial reports present a true and fair view of the financial position and results of operations of the issuer and the companies included within the scope of consolidation;
- with respect to the separate financial statements and the consolidated financial statements, whether the report on operations includes a reliable analysis of performance and the results of operations, as well as of the financial position of the issuer and the companies included within the scope of consolidation, together with a description of the principal risks and uncertainties to which they are exposed;
- for the condensed half-year financial statements, the existence in the interim report on operations of a reliable analysis of at least the information relating to the important events that occurred in the first six months of the year and their impact on the condensed half-year financial statements, together with a description of the main risks and uncertainties for the other six months of the year, as well as information on significant transactions with related parties.

Financial Reporting Manager:

- has unrestricted access to all corporate functions, records, property and personnel of the Parent Company and consolidated banks and companies, in order to acquire data/information pertaining to administrative-accounting processes. This includes information appropriate for carrying out controls/assessments on outsourced corporate processes;
- is empowered to obtain from the Parent Company and consolidated banks and companies, internal information about events, risk indicators and proposed technical-organisational changes to the administrative-accounting processes;
- in the context of the line controls over accounting reconciliations, identifies the appropriate organisational units within consolidated banks and companies, and assigns them responsibility for reconciling the accounts included in the chart of accounts used;
- is empowered to obtain from subsidiary companies the information/data required by Article 43 of Italian Legislative Decree No. 127/1991, in order to prepare the certification envisaged by law on the consolidated financial statements, with specific reference to:

**Tasks of the  
Financial  
Reporting  
Manager**

**Powers and  
means**



- the information needed for the consolidated financial statements;
- the adjustments necessary when different accounting policies are adopted;
- information regarding intercompany items to be eliminated when drawing up the consolidated financial statements;
- the statistical information needed to prepare the Notes to the Financial Statements.

As regards the resources granted by the Board of Directors of the Parent Company, the Executive in charge of preparing the Company's financial reports:

- may, in the conduct of his/her activities, make use of specialist resources pertaining to:
  - the Parent Company or to Group banks and Companies;
  - third parties outside the Group;
- has appropriate financial autonomy. To this end, he/she manages an expense budget for the activities associated with his/her functions, in accordance with the relevant internal regulations;
- has access to appropriate personnel in terms of numbers and technical-professional skills.

The Board of Directors, with the support of the Control and Risks Committee, supervises on a half-yearly basis, through the examination of the report on the activities carried out by the Financial & Sustainability Reporting Supervision Service, that the Executive in charge of preparing the Company's financial reports has adequate powers and means to perform the assigned tasks, including the power to access, without restrictions, to all corporate functions, as well as the possibility of having financial autonomy and adequate personnel in terms of numbers and technical and professional skills.

The Financial & Sustainability Reporting Supervision Service, Function in support of the Financial Reporting Manager:

- designs, implements and maintains the Financial Reporting Control Model to be applied to the Parent Company and, with reference to the procedures for the preparation of consolidated financial statements, to subsidiary banks and companies, whether or not they fall within the scope of consolidation of the Banking Group;
- constantly strengthens the methodological tools to be adopted for the supervision and control of financial reporting at BPER Banca Group level, also taking into account the various regulatory changes and the governance and operational structure of the BPER Group over time;
- ensures the preparation of adequate administrative and accounting procedures and the related assessment of adequacy and effective application, as well as the checks the effective application thereof in the reporting processes under his/her responsibility, in the public disclosure and in the sustainability report;
- manages the process of assigning tasks to the independent auditors and their network (Regulation (EU) No. 537/2014);
- manages the reporting activities to the Top Bodies and other Functions involved in risk management, as well as, where required, to the Supervisory Authorities.

Further information on the risk management system related to financial reporting and the Function of the Financial Reporting Manager and the Financial & Sustainability Reporting Supervision Service is contained in the section "Main features of the existing risk management and Internal Control Systems in relation to the process of financial disclosure, pursuant to Article 123-bis, paragraph 2, letter b), of the CLF, of this Report.

**Tasks  
Financial &  
Sustainability  
Reporting**

## 4.4 Financial reporting process – Existing Risk Management and Internal Control System

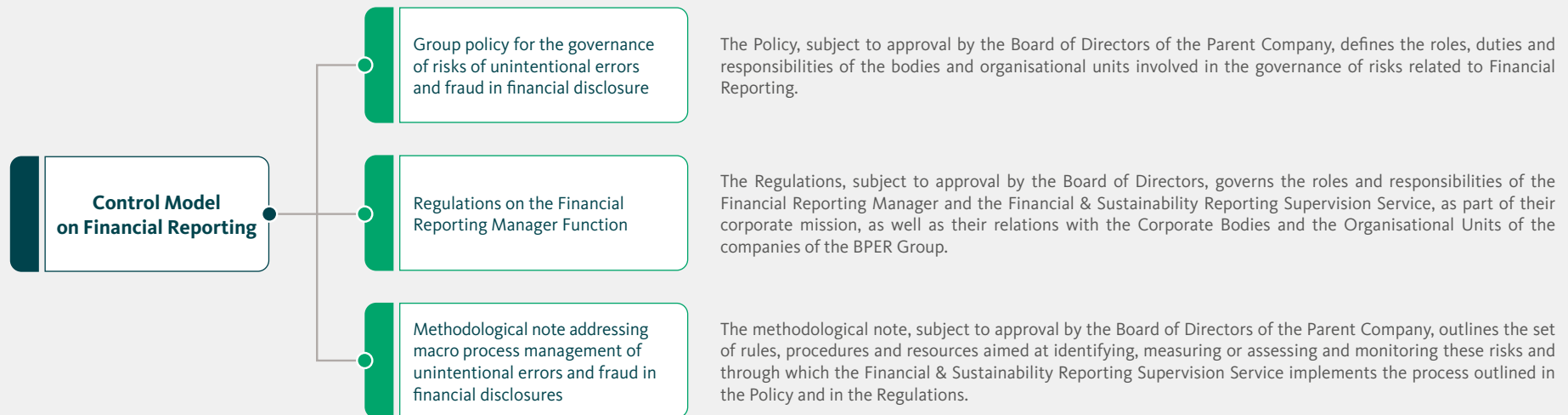
We illustrate below the "main characteristics of risk management and internal control systems in relation to the financial reporting process", according to Article 123-bis, paragraph 2, letter b) of the Consolidated Law on Finance.

The Financial Reporting Process of BPER Banca is overseen by the Financial Reporting Manager, who uses the Financial & Sustainability Reporting Supervision Service for this purpose.

At the meeting of 19 January 2023, the Board of Directors approved an organisational and operational strengthening and streamlining of the structure headed by the Financial Reporting Manager, previously called Financial Information Control Unit, contextually renamed as Financial & Sustainability Reporting Supervision which designs, implements and maintains the Financial Reporting Control Model to be applied to the Parent Company and, with reference to the procedures for the preparation of the consolidated financial statements, to banks and subsidiaries whether or not registered with the Banking Group.



### FOCUS: THE FINANCIAL REPORTING CONTROL MODEL<sup>8</sup>



<sup>8</sup> In the period December 2022 - February 2023, the Function launched a project for the review and recalibration of the parameters used for the selection of the corporate scope, the significant financial statement items and the significant accounting data, more oriented to the specific features of each Group Company and more aligned industry practices and benchmarks as well as an overall review of the methodologies relating to the execution of activities (e.g. ESG, Resolution Plan). Following the revisions made, the internal regulations listed above will be updated during the first half of 2023.

Consistent with the Policy and the RAF defined by the Parent Company, the management of the risk of unintentional errors and fraud in financial reports can be broken down into the following components:

- the risk objectives (or "risk appetite") and tolerance thresholds ("risk tolerance") – risk appetite;
- the process of risk assumption;
- the risk management process.

### RISK APPETITE

The risk of unintentional errors and fraud in financial reports has the features of a pure risk that is difficult to measure. As a result, the risk appetite is zero. The Group adopts specific governance arrangements that envisage that this risk is:

1. identified;
2. assessed;
3. monitored continuously;
4. mitigated;
5. reported to appropriate levels of management.

Accordingly, based on the Risk Appetite Statement, the overall risk tolerance related to the risk of unintentional errors and fraud in BPER Group's financial reporting is not nil and is categorised within the first two levels of the grading scale of the overall model for the adequacy and effective application of the accounting and administrative procedures (graded as positive or partially positive).

If the assessment is in the remaining two rating levels (thus exceeding the tolerance threshold), the Chief Executive Officer will take the necessary actions, also with the support of the Control and Risk Committee of the Parent Company, increasing as the rating level worsens, to quickly restore the risk level to the established tolerance level and promptly notify the Control and Risk Committee, the Board of Directors and the Board of Statutory Auditors.

### RISK ASSUMPTION AND MITIGATION

It is represented by the set of activities in which decisions are taken that affect the level of the Group's exposure to current (risk profile) and desired (risk appetite) risks, in compliance with the established risk appetite framework. The risk of unintentional errors and fraud in financial reports is not deliberately taken on by the Bank, but is a consequence of decisions taken in relation thereto, to which it is intrinsically linked.

### RISK MANAGEMENT

Risk management in financial reporting is formalised in a specific Operating Model which is structured according to a cycle of sequential activities, aimed at:

- achieving a complete plan of the administrative and accounting processes;
- assessing the adequacy and functionality of the related controls, through executing tests of controls;
- certifying/declaring the company accounting information required by legislative and regulatory provisions with awareness resulting from the existence/adequacy of the processes and the actual execution of accounting controls.



To support the Function of the Financial Reporting Manager and the Financial & Reporting Supervision Service, specific Contact Persons of the Financial Reporting Manager are identified at the companies within the scope of consolidation, who functionally report to the Financial Reporting Manager of the Parent Company with regard to methodologies, tools, reporting and processes and operate according to the Model defined by the Parent Company.

**Financial & Sustainability Reporting Service Supervision**

The Financial & Sustainability Reporting Supervision Service assists the Financial Reporting Manager in all the activities within its sphere of competence relating to management of the risk of unintentional errors and fraud in financial reports. In performing the duties assigned, it is vested with the powers derived from the Financial Reporting Manager.

The Service, supported by a staff structure and three offices reporting directly to the hierarchy:

- defines for the Parent Company and the subsidiaries, whether registered with the Banking Group or not, the methods, processes and reports to be used in carrying out the activities concerning the management of the Financial Reporting Control Model, ensuring its application;
- ensures the preparation of adequate administrative and accounting procedures and the related assessment of adequacy and effective application, as well as the checks the effective application thereof in the reporting processes under his/her responsibility, in the public disclosure and in the sustainability report;
- ensures the execution of specific quality assurance controls on the data and information relating to the processes of preparation of the Sustainability Report and Resolution Reports;
- manages the reporting activities to the Top Bodies and other Functions involved in risk management, as well as, where required, to the Supervisory Authorities. The reporting envisages two half-yearly reports and an annual Risk-Based Planning, carried out in coordination with the synoptic planning framework of the Company Control Functions.

The offices forming part of the Service, in line with the defined Model, carry out the following activities:

- identify the relevant scope, finding the Group Companies deemed relevant in terms of the financial reporting, as well as the related items in the financial statements and significant accounting statements. The latter are subject to periodic internal certification by the process managers and subject to specific sample checks (so-called "Accounting Reconciliations");
- identify the sources of risk, by associating the accounting sheets with the last level of the process tree, and management of the administrative-accounting issues of company processes through the creation and maintenance, autonomously, of a special repository (known as the management and accounting hub) and identifies/assesses the risks on financial reporting in the administrative-accounting processes;
- verify the correspondence with the documentary results, books and accounting records of the deeds and communications of the Parent Company disclosed to the market containing accounting data and the carrying out of structure and effective application checks of the administrative-accounting processes of the Parent Company;
- carry out specific tests on the various areas covered, which include the Pillar III, the Supervisory Reports, the Sustainability Report, the Financial Reporting Package at the Group Companies consolidated on a line-by-line basis, as well as *ad hoc* audits on extraordinary and particular transactions of the Parent Company and of the Group Companies with impacts on financial reporting and IT applications;

- monitor and control the indicators capable of signalling the increase in the risk of unintentional errors and fraud in the Group's financial reporting;
- monitor the updates of the external regulations and the relevant instructions for the areas of the Executive in Charge and the international accounting standards for the preparation of the separate financial statements and the consolidated financial statements.

The Service also makes use of a self-assessment system by the process organisational managers, which are carried out as:

- Fraud Risk Questionnaire (based on International Auditing Standard (ISA Italy) No. 240), Questionnaires on Financial Reporting and Certifications of Procedures for the Preparation of the Consolidated Financial Statements distributed to all Companies within the scope of consolidation;
- Self-Assessment Questionnaire regarding Credit to Group Companies that contribute most to the Consolidated Financial Statements;
- Specific "Sub-Certifications" on valuation processes (e.g. Equity investments and goodwill, ICT processes, IFRS 9, etc.).

Lastly, within the scope of the duties and responsibilities of the Service, the management at Group level of the process of assigning the tasks to the Independent Auditors and related network and the monitoring of compliance with regulatory limits (Regulation No. 537/2014).

## 4.5 Independent Auditors

The Shareholders' Meeting of 26 November 2016, pursuant to Italian Legislative Decree No. 39 of 27 January 2010, appointed Deloitte & Touche S.p.A. for the period 2017-2025.

The Auditors hold discussions with the Financial Reporting Manager and the Financial & Sustainability Reporting Supervision Service, with a view to constant dialogue and an exchange of information about the evaluation of the administrative-accounting procedures and the Financial Reporting Control Model, as well as with the Corporate Bodies and Board Committees in accordance with current regulations.

The Board of Directors, having consulted the Board of Statutory Auditors, takes annual note of the letter of suggestions received from the external auditors on the annual financial statements and the consolidated financial statements, as well as the related replies formulated by the Bank and managed by the Financial & Sustainability Reporting Supervision Service, giving the Chief Executive Officer the mandate to forward them to the Independent Auditors. In this regard, the response to the Management Letter on the financial statements and the consolidated financial statements at 31 December 2021, dated 28 March 2022, was examined by the Board of Statutory Auditors at its meeting of 22 April 2022 and subsequently assessed by the Board of Directors at its meeting of 28 April 2022, and was submitted on the same date to the independent auditors signed by the Chief Executive Officer.

The Internal Audit Function, for the purposes of Risk Assessment for its planning and for the performance of audit activities, takes into account the exceptions identified by the Independent Auditors.

## 4.6 Organisation model pursuant to Italian Legislative Decree No. 231/2001 and Supervisory Board

The Bank has adopted an Organisation and Management Model pursuant to Italian Legislative Decree No. 231/2001 (hereafter OMM or Model) to prevent the commission or attempted commission of the offences envisaged in this Decree.

In particular, the Organisation and Management Model comprises two parts, one general and the other specific, containing a number of annexes.

The General Section defines the administrative liability regime of entities pursuant to the reference legislation Italian Legislative Decree No. 231/2001 and illustrates the basic components of the Model (purpose, structure, guiding principles and recipients), with reference to the Code of Ethics and Disciplinary System.

The Special Part identifies, for each category of presumed offences - considered by the Bank to be associated with an Organisational Unit - "sensitive" business areas and, within each area, the business activities that may underlie the risk of commission of the offences (so-called "sensitive activities"); for each sensitive activity, controls and behaviours are subsequently defined.

The Model was last updated in November 2022.

The Bank has a Supervisory Body (SB) which is responsible for supervising the observance, functioning and regular updating of the OMM. These tasks are also carried out through the performance of regular verification activities.

The SB, which leverages the support of a Secretary, consists of three members:

- two external consultants with the necessary skills, one of whom is the Chairperson of the SB;
- an employee of the Bank, holding the appropriate expertise, who does not have operational duties in the Bank.

The SB has an internal communication system to:

- facilitate reports about non-compliance with the Model and the Code of Ethics, as well as all relevant information pursuant to Italian Legislative Decree No. 231/2001;
- obtain timely data and documents needed for its supervisory activities from the Corporate Bodies, Organisational Units and personnel of the Bank, the data and documents necessary to carry out the supervisory task.

Additionally, the SB receives a series of specific information flows that are provided, periodically or on an ad hoc basis, by the competent internal organisations within the Bank.

The Supervisory Board of the Parent Company coordinates with the Supervisory Boards of those companies that are the recipients of Group Instructions regarding Italian Legislative

Decree No. 231/2001 (specifically Banco di Sardegna, Bibanca, BPER Credit Management, Optima SIM, BPER Real Estate, Sifà, BPER Factor, Finitalia, BPER Leasing (Sardaleasing) Arca Fondi SGR, Banca Cesare Ponti and Carige Reoco), thus facilitating the mutual exchange of information, knowledge and methodologies.

Except for any particularly serious cases, the SB reports on the results of its activities to the Corporate Bodies in a dedicated half-yearly report which also includes – where necessary – proposals for corrective actions.

At the date of this Report, the Supervisory Board is composed of:

- Désirée Fondaroli (Chairperson – external member);
- Luca Bocci (external member);
- Roberto Rovere (internal member, Chief Audit Officer BPER).

During 2022, the Supervisory Board held 12 meetings. The Chairperson also participated in 1 joint meeting with the Board of Statutory Auditors and/or the Control and Risk Committee for more effective coordination and mutual information exchange.

With reference to 2022, the following activities were carried out, among others:

- throughout the company, identification, mapping and monitoring of the risks of committing significant offences pursuant to Italian Legislative Decree No. 231/2001, requesting constant updates on the matter;
- in the context of the risk areas and sensitive processes identified, checking the adequacy of the protocols adopted to prevent and impede unlawful conduct;
- in the context of the risk areas and sensitive processes identified, checking compliance with the protocols adopted to prevent and impede unlawful conduct;
- checking the efficacy of the organisational/managerial changes following the update of the Model;
- monitoring the evolution of regulations governing the administrative liability of entities pursuant to Italian Legislative Decree No. 231/2001;
- incorporating amendments to the internal organisation and/or business activities;
- interviewing parties able to provide useful indications or information about the matters subject to supervision and control;
- benchmark analysis assigned to Plenum Consulting s.r.l. with reference to the main competitors in the sector, on the process of updating the Organisation Model, concluded in September 2022.

For further information, please refer to the footer on the BPER website - ([www.bper.it/footer/informative-normative/dleg-231-01](http://www.bper.it/footer/informative-normative/dleg-231-01) - Institutional Site, Information & Regulations section, Italian Legislative Decree No. 231/2001), which contains the extract from the OMM of BPER Banca, its Code of Ethics and a document illustrating the reporting procedure to the Supervisory Board (accompanied by a facsimile of the reporting form).

**Legislative Decree  
No. 231/2001**



# Chapter 5

# Directors' interests in transactions with Related Parties and Associated Persons

In compliance with the overall rules on related parties and associated persons set out in CONSOB Related Parties Regulation No. 17221/2010 and Bank of Italy Circular No. 285/2013, BPER Banca set up a Related Parties Committee (better described in the section "Board Committees" of Chapter 3 of this Report) and adopted a specific Group Policy for the

Governance of Compliance Risk regarding Conflicts of Interest with Related Parties and Risk Activities with Associated Persons" (hereinafter the "Related Parties and Associated Persons Policy" or "Policy").



## FOCUS: THE RELATED PARTIES AND ASSOCIATED PERSONS POLICY

The Related Parties and Associated Persons Policy determines for the entire BPER Group, *inter alia*:

- the criteria for the identification and classification of related parties and associated persons as well as of transactions of minor and major relevance;
- cases of exception and exemption from the application of the Policy, without prejudice to any disclosure requirements. These cases of exemption concern in particular: intra-group transactions, in the absence of significant interests of other related parties or associates; ordinary transactions concluded at market or standard conditions; transactions involving minor amounts, meaning transactions whose value is less than or equal to Euro 200,000, if the counterparty is a natural person (including professional associations to which the related party belongs), or less than or equal to Euro 500,000, if the counterparty is an entity other than a natural person;
- the regulation of transactions relating to the remuneration of Corporate Officers, *i.e.* of the transactions with Significant Persons pursuant to the CONSOB Regulation No. 17221/2010 concerning remuneration due to members of the Board of Directors, the Executive Committee, (if appointed) Directors vested with special powers, and Executives with Strategic Responsibilities, for which, without prejudice to disclosure requirements, the decision-making process provided for in the Policy may not apply, provided that they comply with the Remuneration Policy approved by the Shareholders' Meeting and the policy does not involve discretionary assessments with respect to the criteria defined in said policy;
- the rules and procedures concerning the investigation, negotiation, decision-making and approval stages of transactions, distinguishing between: (i) Major significance Transactions, the approval of which is the exclusive responsibility of the Board of Directors, subject to the favourable opinion of the Related Parties Committee, which is involved in advance in the negotiation and preliminary stages of the transaction; and (ii) Minor Significance Transactions, in respect of which the prior, non-binding opinion of the Related Parties Committee is required. In line with the new provisions of CONSOB Regulation No. 17221/2010, in transactions falling within the competence of the Board

of Directors, the Board must decide with the abstention of any Directors involved in the transaction, *i.e.* any Directors who have an interest in the transaction, on their own behalf or on behalf of third parties, that conflicts with that of the Company;

- the regulation of Major Significance Transactions under the responsibility of the Shareholders' Meeting, for which it is envisaged that the Board of Directors may approve the proposed resolution to be submitted to the Shareholders' Meeting even when the Related Parties Committee has expressed a negative opinion, in the manner and within the terms specified by the Policy;
- the regulation of Transactions falling within the scope of Article 136 of the CBA, providing that in cases where, with reference to the same party, both the provisions pursuant to Article 136 of the CBA and transactions involving related parties and/or associated persons, the special resolution formalities pursuant to Article 136 of the CBA shall apply, without prejudice to the additional disclosure requirements provided for in this regard by the Related Parties and Associated Persons Policy;
- the oversights to be applied to transactions, if these give rise to losses, transfers to non-performing loans, and in court or out-of-court settlements;
- the criteria for verifying the independence of any experts used by the Related Parties Committee;
- the information flows to be provided to the Related Parties Committee and to the other Corporate Bodies on related party transactions, also with reference to transactions eligible for exemptions;
- the information to be provided to CONSOB and the market, including in the context of periodic financial reporting;
- rules with regard to cases whereby the Parent Company reviews or approves transactions of its Italian or foreign banks and Subsidiaries and suitable controls for Italian non-banking companies and foreign banks.

### The Related Parties and Associated Persons Policy



## Directors' interests in transactions with Related Parties and Associated Persons

In support of the aforementioned Related Parties and Associated Persons Policy, other internal regulation documents have been introduced, which contain specific provisions addressing organisational and procedural issues, to provide detailed instructions on how to manage the process in the various operational areas.

In compliance with the Supervisory Instructions, the Policy and the aforementioned internal provisions also regulate the regulatory, organisational and procedural controls suitable for ensuring compliance with the prudential limits set by the Bank of Italy for risk activities in relation to associated persons.

The Related Parties and Associated Persons Policy, the information documents published in accordance with the CONSOB Related Party Regulations are available on the BPER Banca website [www.bper.it](http://www.bper.it) – Governance > Related Party transactions.

In addition to the foregoing, the Bank operates in compliance with the regulatory requirements concerning the interests of Directors.

In this regard, the Bank has also adopted a specific internal regulatory document called Group Regulations for the Management of Significant Interests by Corporate Officers.



### **FOCUS: GROUP REGULATIONS FOR THE MANAGEMENT OF SIGNIFICANT INTERESTS BY CORPORATE REPRESENTATIVES**

The Group Regulations for the Management of Significant Interests by Corporate Representatives apply, according to the proportionality principle and taking into account the relevant specific features, to all the companies of the BPER Group and, in particular, to the relevant Corporate Representatives, a concept which, pursuant to the aforementioned Regulations, includes the parties that perform administrative, management and Control Functions at each company belonging to the Group.

The Document regulates, *inter alia*:

- the process for recognising Significant Interests pursuant to the Regulations (a notion aimed at encompassing the Personal Interests and Conflicts of Interest of Company Representatives), through an identification check and line controls;
- the process of managing significant interests, aimed at managing any transactions in which one or more Company Representatives have a Personal Interest or are in a situation involving a Conflict of Interest;
- monitoring of significant interests and the related periodic information flows;
- the roles and responsibilities, as well as the duties of the Corporate Bodies and Organisational Units of the Parent Company and the Group Companies involved.

This process is designed to ensure the independence of judgement of the Representatives and the absence of interests likely to influence their ability to carry out the tasks assigned to them in an independent and objective manner, in line with the reference regulations and with the guidelines of the competent Supervisory Authorities.



# Tables

## Table No. 1: Information on Ownership Structure

Structure of Share Capital				
Type of shares	Number of shares	% of share capital	Listed (indicate the markets)/ unlisted	Rights and obligations
Ordinary shares	1,415,850,518	100%	Euronext Milan	"Voting right Equity rights"
Multiple voting shares	/	/	/	/
Shares with limited voting right	/	/	/	/
Shares with no voting right	/	/	/	/
Other	/	/	/	/
Other financial Instruments (assigning the right to subscribe newly issued shares)				
Types of financial instruments	Listed (indicate the markets)/ unlisted	Number of instruments in circulation	Category of shares relative to the conversion/exercise	Number of shares relative to the conversion/exercise
Convertible bonds	unlisted	600 <sup>(1)</sup>	Ordinary shares	35,714,286
Warrants	/	/	/	/
Significant holdings of share capital <sup>(2)</sup>				
Declarant	Direct shareholders	% portion of ordinary share capital	% portion of voting capital	
Unipol Gruppo S.p.A.	Unipol Gruppo S.p.A.	10.53	10.53	
	UnipolSai Assicurazioni S.p.A.	9.32	9.32	
		<b>19.85</b>	<b>19.85</b>	
Fondazione di Sardegna	Fondazione di Sardegna	<b>10.20</b>	<b>10.20</b>	
Norges Bank	Norges Bank	<b>3.02</b>	<b>3.02</b>	
<p>(1) "Additional Tier 1" convertible bond issued on 25 July 2019 for a total nominal amount of Euro 150,000,000, initially subscribed in full by Fondazione di Sardegna for a total price of Euro 180,000,000 (the bond conditions allow their conversion into BPER Banca shares with a maximum nominal value of Euro 150,000,000 and premium of Euro 42,857,142, via the issue of up to 35,714,286 ordinary shares at a unit price of Euro 4.2, of which Euro 3 allocated to capital and Euro 1.2 to share premium). The number of instruments in circulation is 600 (unit nominal value of Euro 250,000).</p> <p>(2) Data updated based on the communications received pursuant to the legislation in force and other information available to the Issuer. The composition of the shareholding structure reported above is the result of analyses conducted by using mixed sources of data, such as entries in the Shareholders' Register, communications issued to CONSOB, communications and documentation relating to the attendance of the company's Shareholders' Meeting and the exercise of company rights. The mixed sources, the different dates when they were updated and the transactions regarding the company's shares ensure that the representation provided constitutes the best estimate of the composition of the shareholding structure, but are not as such to ensure they match the actual situation at the time of consultation.</p>				

## Table No. 2: Structure of the Board of Directors at 31/12/2022

Board of Directors														
Office	Members (name and surname)	Year of birth	Date of first appointment <sup>(*)</sup>	In office since	In office until the approval of the financial statements at	List (submitters) <sup>(**)</sup>	List <sup>(***)</sup>	Exec.	Non-Exec.	Indep. (Code)	Indep. CLF	Indep. CBA <sup>(5)</sup>	No. of other directorships <sup>(****)</sup>	Attendance at meetings <sup>(*****)</sup>
Chairperson	Flavia Mazzarella	24/12/58	21/04/21	21/04/21	31/12/23	Shareholders	3		X	X	X	X	4	30/30
Chief Executive Officer (•)	Piero Luigi Montani	12/04/54	21/04/21	21/04/21	31/12/23	Shareholders	3	X					0	30/30
Deputy Chairperson	Riccardo Barbieri	31/01/64	14/04/18	21/04/21	31/12/23	Shareholders	2		X		X <sup>(4)</sup>		1	30/30
Director	Elena Beccalli	25/07/73	21/04/21	21/04/21	31/12/23	Shareholders	3		X	X	X	X	0	30/30
Director	Monica Cacciapuoti <sup>(1)</sup>	28/09/68	05/11/22	05/11/22	31/12/23	Shareholders	-		X		X <sup>(4)</sup>		2	4/5
Director	Silvia Elisabetta Candini	02/07/70	06/07/20	21/04/21	31/12/23	Shareholders	1		X	X	X	X	0	29/30
Director	Maria Elena Cappello	24/07/68	21/04/21	21/04/21	31/12/23	Shareholders	3		X	X	X	X	2	27/30
Director	Cristiano Cincotti	30/03/75	21/04/21	21/04/21	31/12/23	Shareholders	2		X	X	X	X	0	30/30
Director	Gianfranco Farre	06/03/58	21/04/21	21/04/21	31/12/23	Shareholders	2		X		X <sup>(4)</sup>		1	30/30
Director	Alessandro Robin Foti	26/03/63	14/04/18	21/04/21	31/12/23	Shareholders	1		X	X	X	X	1	27/30
Director	Roberto Giay	10/11/65	21/04/21	21/04/21	31/12/23	Shareholders	3		X		X <sup>(4)</sup>		6	26/30
Director	Gianni Franco Papa	06/04/56	21/04/21	21/04/21	31/12/23	Shareholders	3		X		X <sup>(4)</sup>		6	30/30
Director	Marisa Pappalardo	25/01/60	14/04/18	21/04/21	31/12/23	Shareholders	1		X	X	X	X	1	29/30

Board of Directors														
Office	Members (name and surname)	Year of birth	Date of first appointment <sup>(*)</sup>	In office since	In office until the approval of the financial statements at	List (submitters) <sup>(**)</sup>	List <sup>(***)</sup>	Exec.	Non-Exec.	Indep. (Code)	Indep. CLF	Indep. CBA <sup>(5)</sup>	No. of other directorships <sup>(****)</sup>	Attendance at meetings <sup>(*****)</sup>
Director	Monica Pilloni	20/02/63	21/04/21	21/04/21	31/12/23	Shareholders	2		X	X	X	X	6	30/30
Director	Elisa Valeriani <sup>(2)</sup>	22/08/72	23/06/21	23/06/21	31/12/23	Shareholders	-		X	X	X	X	0	30/30
Directors leaving during the year														
Director	Gian Luca Santi <sup>(3)</sup>	04/09/64	21/04/21	21/04/21	08/09/22	Shareholders	3		X		X		5	20/21
<b>Number of meetings held during the reference year:</b>														<b>30</b>

Quorum required for lists submitted at the latest renewal: 1% of share capital

NOTES:

(\*) The Chief Executive Officer is also the Director in charge of Internal Control and Risk Management.

(\*) Date of first appointment of each Director means the date on which the Director was appointed for the first time (ever) to the Company's Board of Directors.

(\*\*) This column indicates whether the list from which each Director was drawn was submitted by shareholders or by the Board of Directors.

(\*\*\*) With regard to the Directors appointed during the Meeting held on 21 April 2021, the number of the list from which each Director was drawn is shown in this column. It should be noted in this regard that following the voting: (i) List No. 1 came first in terms of number of votes; (ii) List No. 3 came second in terms of number of votes; (iii) List No. 2 came third in terms of number of votes. Elisa Valeriani was elected on the basis of an individual candidacy submitted by a minority shareholder, replacing Alessandra Ruzzu, who resigned and was removed from List No. 2.

With regard to the Directors appointed for the three-year period 2018-2020 and who left office in financial year 2021, the list with the highest number of votes was the one submitted by the outgoing Board of Directors (List No. 1). The Directors who, on the occasion of the Shareholders' Meeting of 14 April 2018, had been drawn from the list that came second in terms of number of votes (Alessandro Robin Foti and Marisa Pappalardo) were re-elected at the Shareholders' Meeting of 21 April 2021 (see the section on Directors in office). Silvia Elisabetta Candini had been elected for the first time by the Shareholders' Meeting of 6 July 2020, at the proposal of institutional investors (specifically, managers of 3 investment funds), and was subsequently re-elected at the Shareholders' Meeting of 21 April 2021 (see the section on Directors in office).

(\*\*\*\*) This column shows the total number of directorships or audit appointments as detailed in Table 5.

(\*\*\*\*\*) This column illustrates the participation of each Director in the meetings of the Board of Directors with respect to the total number of meetings.

(1) Monica Cacciapuoti was appointed as a Director by the Shareholders' Meeting of 5 November 2022 following the resignation, on 8 September 2022, with immediate effect, by the Director Gian Luca Santi, who also held the position Member of the Nominations and Corporate Governance Committee.

(2) On 23 June 2021, the Shareholders' Meeting appointed Elisa Valeriani as Director to replace Alessandra Ruzzu, who was previously appointed by the Shareholders' Meeting on 21 April 2021 and resigned from office on 20 May 2021.

(3) On 8 September 2022, with immediate effect, the Non-Executive Director of the Company and member of the Nominations and Corporate Governance Committee Gian Luca Santi resigned from the aforementioned offices. During the period in which the Director was in office, the Board of Directors met 21 times. The figure relating to the number of other directorships refers to the number of directorships held by the Director at the date of termination of the office of Director.

(4) Pursuant to Article 17(4) of the Articles of Association, Directors who meet the independence requirements established by Article 148(3) of the CLF, Italian Ministerial Decree No. 169/2020 (implementing Article 26 of the CBA) and the 2020 Corporate Governance Code, are considered independent. By virtue of the above, the Director, despite meeting the independence requirements pursuant to the CLF, is not considered an Independent Director.

(5) Independence pursuant to Italian Ministerial Decree No. 169/2020.

## Table No. 3: Structure of Board Committees at 31/12/2022

Board of Directors		Related Parties Committee (formerly Independent Directors' Committee)		Control and Risk Committee		Nominations and Corporate Governance Committee		Remuneration Committee		Sustainability Committee	
Office	Members (name and surname)	Attendance at meetings <sup>(*)</sup>	C/M <sup>(**)</sup>	Attendance at meetings <sup>(*)</sup>	C/M <sup>(**)</sup>	Attendance at meetings <sup>(*)</sup>	C/M <sup>(**)</sup>	Attendance at meetings <sup>(*)</sup>	C/M <sup>(**)</sup>	Attendance at meetings <sup>(*)</sup>	C/M <sup>(**)</sup>
Chairperson of the Board of Directors Non-Executive and Independent Director <sup>(*)</sup>	Flavia Mazzarella									10/10	C
Executive Director Chief Executive Officer	Piero Luigi Montani										
Deputy Chairperson Non-Executive Director	Riccardo Barbieri									9/10	M
Non-Executive - Independent <sup>(*)</sup> Director	Elena Beccalli	19/19	C	21/22	M						
Non-Executive Director	Monica Cacciapuoti <sup>(2)</sup>							1/1 <sup>(2)</sup>	M		
Non-Executive - Independent <sup>(*)</sup> Director	Silvia Elisabetta Candini					16/16	C				
Non-Executive - Independent <sup>(*)</sup> Director	Maria Elena Cappello							17/17	C		
Non-Executive - Independent <sup>(*)</sup> Director	Cristiano Cincotti					16/16	M	1/1 <sup>(3)</sup>	M		
Non-Executive Director	Gianfranco Farre			22/22	M						
Non-Executive - Independent <sup>(*)</sup> Director	Alessandro Robin Foti			21/22	M						
Non-Executive Director	Roberto Giay					0/0 <sup>(4)</sup>	M	15/16 <sup>(4)</sup>	M		
Non-Executive Director	Gianni Franco Papa	9/9 <sup>(5)</sup>	M	21/22	M						
Non-Executive - Independent <sup>(*)</sup> Director	Marisa Pappalardo	18/19	M								
Non-Executive - Independent <sup>(*)</sup> Director	Monica Pilloni	10/10 <sup>(6)</sup>	M	22/22	C						

Board of Directors		Related Parties Committee (formerly Independent Directors' Committee)		Control and Risk Committee		Nominations and Corporate Governance Committee		Remuneration Committee		Sustainability Committee	
Office	Members (name and surname)	Attendance at meetings <sup>(*)</sup>	C/M <sup>(**)</sup>	Attendance at meetings <sup>(*)</sup>	C/M <sup>(**)</sup>	Attendance at meetings <sup>(*)</sup>	C/M <sup>(**)</sup>	Attendance at meetings <sup>(*)</sup>	C/M <sup>(**)</sup>	Attendance at meetings <sup>(*)</sup>	C/M <sup>(**)</sup>
<b>Non-Executive - Independent<sup>(1)</sup> Director</b>	Elisa Valeriani					0/0 <sup>(7)</sup>	M	16/16 <sup>(7)</sup>	M	10/10	M
<b>Directors leaving during the year</b>											
<b>Non-Executive Director</b>	Gian Luca Santi					12/12 <sup>(8)</sup>	M				
<b>Total number of meetings held during the reference financial year:</b>		<b>RPC: 19</b>		<b>CRC: 22</b>		<b>NCG: 16</b>		<b>RC: 17</b>		<b>SC: 10</b>	

- (1) It should be noted that pursuant to Article 17(4) of the Articles of Association, Directors who meet the independence requirements established by Article 148(3) of the Consolidated Law on Finance, Italian Ministerial Decree No.169/2020 and the Corporate Governance Code, are considered independent.
- (3) Monica Cacciapuoti was appointed as a Director by the Shareholders' Meeting of 5 November 2022 following the resignation, on 8 September 2022, with immediate effect, by the Director Gian Luca Santi, who also held the position Member of the Nominations and Corporate Governance Committee. Monica Cacciapuoti was appointed as a member of the Remuneration Committee by the Board of Directors meeting on 24 November 2022. From the date of appointment to 31 December 2022, the Remuneration Committee has met only once.
- (3) On 24 November 2022, the Board of Directors appointed Cristiano Cincotti as a member of the Remuneration Committee to replace Elisa Valeriani. From the date of appointment to 31 December 2022, the Remuneration Committee has met only once.
- (4) Roberto Giay was appointed as a member of the Appointments and Corporate Governance Committee by the Board of Directors meeting on 24 November 2022. From the date of appointment to 31 December 2022, the Nominations and Corporate Governance Committee did not meet. During the period in which he was in office as a member of the Remuneration Committee, the Committee met 15 times.
- (5) Gianni Franco Papa was a member of the Related Parties Committee until 15 June 2022. During the period in which he was in office as a member of the Related Parties Committee, the Committee met 9 times.
- (6) Monica Pilloni was appointed as a member of the Related Parties Committee by the Board of Directors on 16 June 2022. During the period in which she was in office as a member of the Related Parties Committee, the Committee met 10 times.
- (7) Elisa Valeriani was appointed by resolution of the Board of Directors on 24 November 2022 as a member of the Nominations and Corporate Governance Committee. From the date of appointment to 31 December 2022, the Nominations and Corporate Governance Committee has not met.
- (8) The Non-Executive Director of the Company and member of the Nominations and Corporate Governance Committee Gian Luca Santi resigned from the aforementioned offices, effective immediately, on 8 September 2022. During the period in which he was in office as a member of the Nominations and Corporate Governance Committee, the Committee met 12 times.
- (\*) This column refers to the participation of each Director in the Committee meetings with respect to the total number of meetings.
- (\*\*) This column indicates the title of the Director within the Committee: "C": Chairperson; "M": Member.

## Table No. 4: Structure of the Board of Statutory Auditors at 31/12/2022

Board of Statutory Auditors									
Office	Members (name and surname)	Year of birth	Date of first appointment (*)	In office since	In office until the appr. of the financial statements at	List(**)	Indep. Code	Participation in Board meetings(***)	Number of other directorships (****)
<b>Chairperson</b>	Daniela Travella	05/09/67	23/06/21	23/06/21	31/12/23	3 <sup>(1)</sup>	X	36/36	6
<b>Standing Auditor</b>	Carlo Appetiti	12/05/66	27/07/22 <sup>(2)</sup>	27/07/22	31/12/23	-	X	12/12 <sup>(3)</sup>	0
<b>Standing Auditor</b>	Patrizia Tettamanzi	11/12/69	17/04/19 <sup>(4)</sup>	21/04/21	31/12/23	1 <sup>(5)</sup>	X	36/36	1
<b>Alternate Auditor</b>	Sonia Peron	26/12/70	23/06/21	23/06/21	31/12/23	- <sup>(6)</sup>	X	-	-
<b>Alternate Auditor</b>	Andrea Scianca	24/07/69	21/04/21	21/04/21	31/12/23	3	X	-	-
Statutory Auditors who left office in 2022									
<b>Standing Auditor</b>	Paolo De Mitri	14/10/63	14/04/18 <sup>(7)</sup>	21/04/21	06/06/22	1	X	17/18 <sup>(7)</sup>	15
<b>Number of meetings held during the reference year:</b>									<b>36</b>

Quorum required for the submission of lists by minority interests for the election of the Board of Statutory Auditors: 0.50% of the share capital.

NOTES:

- (\*) Date of first appointment of each Statutory Auditor means the date on which the Auditor was appointed for the first time (ever) to the Company's Board of Statutory Auditors.
- (\*\*) This column indicates the number of the list from which each Auditor was taken. It should be noted that 3 lists were provided at the Shareholders' Meeting of 21 April 2021: (i) List No. 1 came first in terms of number of votes; (ii) List No. 3 came second in terms of number of votes; (iii) List No. 2 came third in terms of the number of votes (no Auditor was therefore taken from this list).
- (\*\*\*) This column indicates the participation of the Statutory Auditors in Board of Statutory Auditors' meetings out of the total number of meetings that could have been attended.
- (\*\*\*\*) This column shows for the Auditors the total number of administration or control positions detailed in Table 6
- (1) Daniela Travella was appointed by the Shareholders' Meeting of 23 June 2021, called for the purpose of reconstituting the Board of Statutory Auditors and appointing the new Chairperson of the Board of Statutory Auditors to replace Nicola Bruni, appointed by the Shareholders' Meeting of 21 April 2021 (taken from List No. 3, ranked second in terms of the number of votes) and resigned with effect from the aforementioned Shareholders' Meeting of 23 June 2021. It should be noted that, in view of the Shareholders' Meeting of 21 April 2021, Daniela Travella was placed in second position in the Standing Auditors section of List No. 3 (behind Nicola Bruni). Following this Shareholders' Meeting, she was not elected. Article 33, Section 5 of the Articles of Association provides that, "if it is necessary to replace an Auditor drawn from a list other than the one that came first in terms of the number of votes obtained and that is not connected, even indirectly, with the shareholders who submitted or voted for the list that came first, the Shareholders' Meeting shall select them, where possible, from among the unelected candidates indicated in both sections of the list to which the Auditor to be replaced belonged [...]". On the basis of this provision, at the Shareholders' Meeting of 23 June 2021, Daniela Travella was appointed Chairperson of the Board of Statutory Auditors at the proposal of the shareholder Unipol Gruppo S.p.A. (which had submitted the aforementioned List No. 3).
- (2) Following the resignation of the Standing Auditor Paolo De Mitri, resigned on 6 June 2022 with immediate effect, Carlo Appetiti was appointed as Standing Auditor by the Shareholders' Meeting of 27 July 2022. Carlo Appetiti's candidacy was submitted on behalf of the following shareholders, who jointly own a percentage equal to 1.7111% of the share capital: Amundi Asset Management SGR S.p.A., manager of the funds: Amundi Dividendo Italia, Amundi Accumulazione Italia PIR 2023, Amundi Risparmio Italia, Amundi Sviluppo Italia; BancoPosta Fondi SGR S.p.A., manager of the Bancoposta Rinascimento fund; Eurizon Capital SGR S.p.A., manager of the funds Eurizon Progetto Italia 70; Eurizon Azioni Italia, Eurizon PIR Italia Azioni, Eurizon Progetto Italia 40; Fideuram Asset Management Ireland, manager of the fund Fonditalia Equity Italy; Fideuram Intesa Sanpaolo Private Banking Asset Management SGR S.p.A., manager of the funds: Fideuram Italia, Piano Azioni Italian, Piano Bilanciato Italia 50, Piano Bilanciato Italia 30; Interfund SICAV – Interfund Equity Italy; Mediobanca SGR S.p.A., manager of the Mediobanca Mid & Small Cap Italy fund; Mediolanum International Funds Limited – Challenge Funds – Challenge Italian Equity; Mediolanum Gestione Fondi SGR S.p.A., manager of the funds: Mediolanum Flessibile Futuro Italia and Mediolanum Flessibile Sviluppo Italia.
- (3) From the appointment of Carlo Appetiti as Standing Auditor to 31 December 2022, the Board of Statutory Auditors met in 12 meetings.
- (4) Patrizia Tettamanzi was appointed, for the first time, as Alternate Auditor by the Shareholders' Meeting of 17 April 2019, replacing Paolo De Mitri, who in the meantime was appointed Chairperson of the Board of Statutory Auditors.
- (5) Patrizia Tettamanzi - taken from List No. 1 - was elected Alternate Auditor by the Shareholders' Meeting of 21 April 2021; from the same date and until the next Shareholders' Meeting, she assumed the role of Standing Auditor due to the need to complete the Control Body. She was subsequently elected Standing Auditor by the Shareholders' Meeting of 23 June 2021.
- (6) Sonia Peron was appointed as Alternate Auditor by the Shareholders' Meeting of 23 June 2021, called to reconstitute the Board of Statutory Auditors. Sonia Peron's candidacy was submitted on behalf of a group of institutional investors holding an overall stake of 1.70% of the share capital.
- (7) Paolo De Mitri was appointed, for the first time, as Alternate Auditor by the Shareholders' Meeting of 14 April 2018. Following the resignation of the then Chairperson of the Board of Statutory Auditors, Giacomo Ramenghi, Paolo De Mitri took over as Chairperson of the Board of Statutory Auditors with effect from 8 May 2018. Paolo De Mitri was then confirmed in the role of Chairperson of the Board of Statutory Auditors by the Shareholders' Meeting of 17 April 2019. On 6 June 2022, the Standing Auditor Paolo De Mitri resigned from office with immediate effect. For the period in which it was in office, the Board of Statutory Auditors met in 18 meetings.

## Table No. 5: List of offices held by the members of the Board of Directors

The information shown here reflects what is known by the Bank at the date of this Report.

Member of the Board of Directors	Position	Company
<b>Flavia Mazzarella</b>	Director	WEBUILD S.p.A.
	Director	FITD - Fondo Interbancario di Tutela dei Depositi
	Deputy Chairperson of the Board of Directors	Schema Volontario di Intervento del FITD - Fondo Interbancario di Tutela dei Depositi
	Director	ABI - Associazione Bancaria Italiana
<b>Piero Luigi Montani</b>	-	-
<b>Riccardo Barbieri</b>	General Manager	Fidicoop Sardegna Società Cooperativa di Garanzia Collettiva Fidi
<b>Elena Beccalli</b>	-	-
<b>Monica Cacciapuoti</b>	Director	Gruppo UNA S.p.A.
	Director	UnipolRental S.p.A.
<b>Silvia Elisabetta Candini</b>	-	-
<b>Maria Elena Cappello</b>	Member of the Supervisory Council	Luminor Bank AS (Estonia)
	Member of the Management Committee	Fondazione Artistica Poldi Pezzoli Onlus 2020
<b>Cristiano Cincotti</b>	-	-
<b>Gianfranco Farre</b>	Chairperson of the Board of Directors	Banco di Sardegna S.p.A.
<b>Alessandro Robin Foti</b>	Sole Director	AS.CAR.I S.r.l.
<b>Roberto Giay</b>	Chairperson of the Board of Directors	UnipolSai Finance S.p.A.
	Chairperson of the Board of Directors	Unipol Finance S.r.l.
	Chairperson of the Board of Directors	Unipol Investment S.p.A.
	Chairperson of the Board of Directors	UnipolPart I S.p.A.
	Deputy Chairperson of the Board of Directors	Tenute del Cerro S.p.A.
	Deputy Chairperson of the Board of Directors	Gruppo Una S.p.A.
<b>Gianni Franco Papa</b>	Chairperson of the Board of Directors	Banca Cesare Ponti S.p.A.
	Deputy Chairperson	Relatech S.p.A.

Tables

Member of the Board of Directors	Position	Company
	Chairperson of the Board of Directors	Casa di Cura La Madonnina S.p.A.
	Director	Istituti Clinici Zucchi S.p.A.
	Director	H San Raffaele Resnati S.r.l.
	Sole Director	FIN.SE S.r.l.
<b>Marisa Pappalardo</b>	Director	Pirelli & C. S.p.A.
<b>Monica Pilloni</b>	Chairperson of the Board of Directors	Società Gestione Aeroporto S.p.A. (SO.G.AER.)
	Chairperson of the Board of Statutory Auditors	Auto Vendita Veicoli e Meccaniche S.p.A. (AUTOVAMM S.p.A.)
	Standing Auditor	Sardaeolica S.r.l.
	Standing Auditor	Sarlux S.r.l.
	Alternate Auditor	Pressteck S.p.A.
	Alternate Auditor	Pressteck Service S.p.A.
<b>Elisa Valeriani</b>	-	-



## Table No. 6: List of offices held by the members of the Board of Statutory Auditors

The information shown here reflects what is known by the Bank at the date of this Report.

<b>Representative Board of Statutory Auditors</b>	<b>Position</b>	<b>Company</b>
<b>Daniela Travella</b>	Chairperson of the Board of Statutory Auditors	RE_View Società tra Professionisti S.p.A.
	Standing Auditor	Laboratorio Farmaceutico S.I.T. - Specialità Igienico Terapeutiche S.r.l.
	Standing Auditor	Società Benefit CimArosa 1 S.p.A.
	Alternate Auditor	MC Prefabbricati S.p.A.
	Alternate Auditor	Officina Meccanica Sestese S.p.A.
	Alternate Auditor	Brioschi Sviluppo Immobiliare S.p.A.
<b>Carlo Appetiti</b>	-	-
<b>Patrizia Tettamanzi</b>	Alternate Auditor	AzA S.p.A.
	Limited Partner	Idea S.a.s. di Enrico Vergani

# Public disclosures pursuant to the Supervisory Provisions for Banks, Bank of Italy Circular No. 285/2013, Part I, Title IV, Chapter 1, Section VII<sup>1</sup>

Information requested by the Supervisory Provisions for Banks	Chapters/Sections of the Report in which the information is provided
Disclosure on the general lines of the organisational structures and of corporate governance adopted in implementation of the provisions of Chapter 1, Title IV, Part I, Bank of Italy Circular 285/2013.	Chapter 1 (Company Profile)
Justified reference to the category in which the Bank is included following the valuation process pursuant to Paragraph 4.1, Section I, Chapter 1, Title IV, Part I, Bank of Italy Circular No. 285/2013.	Chapter 1 (Company Profile)
Overall number of members of the Joint Bodies and reasons, represented in detail, for any situations where the limits set in the application guidelines of Section IV, Chapter 1, Title IV, Part I, Bank of Italy Circular No. 285/2013, were exceeded. Breakdown of members at least by age, gender and length of term in office.	Chapter 3 (Governance structure of the Company) - Section 3.2 (Board of Directors: appointment and replacement - composition), Table 2 and Section 3.4. (Board of Statutory Auditors: Appointment and replacement of Statutory Auditors - Composition of the Board of Statutory Auditors) and Table 4.
Number of directors who meet the independence requirements.	Chapter 3 (Corporate Governance Structure) - Section 3.2. (Board of Directors - Independent Directors and Lead Independent Director), Table 2.
Number of directors expressed in minority lists.	Chapter 3 (Corporate Governance Structure) - Section 3.2. (Board of Directors: appointment and replacement), Table 2.
Number and type of engagements held by each company representative in other companies or entities.	Table 5 (Board of Directors) and Table 6 (Board of Statutory Auditors).
Number and name of Board Committees established, their functions and duties.	Chapter 3 (Corporate Governance Structure) - Section 3.2. (Board of Directors); Section 3.3. (Board Committees) - (Control and Risk Committee); (Related Parties Committee); (Remuneration Committee); (Nominations and Corporate Governance Committee); (Sustainability Committee), Table 3 (Structure of Board Committees).
Any succession policies prepared, number and types of offices concerned.	Chapter 3 (Corporate Governance Structure) - Section 3.2. (Board of Directors - Self-assessment and succession of Directors)
<p>(1) Bank of Italy Circular No. 285/2013, Part I, Title IV, Chapter 1, Section VII, Public disclosure obligations: "The banks, in addition to the disclosure requirements arising from the European Union's regulatory provisions and from Bank of Italy's supervisory provisions, shall make public in a clear and detailed manner and shall constantly update the following information: [Editor's note: see list on the left-hand side of the table]. The banks shall publish the above information on their website. The information to be published on the bank's website, including the disclosure of an outline of the organisational structure and corporate governance, may also be provided via reference to other documents available on the website itself, comprising the Articles of Association, as long as the relevant information is easily consultable and accessible via a clear, working link".</p>	

# Correspondence table with respect to the Corporate Governance Code

Principles and Recommendations of the Corporate Governance Code		Applied/ applied with any improvements	Not applied	Report page
<b>Article 1 - Role of the management body</b>				
<b>Pr. I</b>	The management body guides the company by pursuing its sustainable success.	✓		pages 27 - 30
<b>Pr. II</b>	The management body defines the strategies of the company and the group it heads in line with principle I and monitors their implementation.	✓		pages 27 - 30
<b>Pr. III</b>	The management body sets forth the most functional corporate governance system for the performance of the Company's activities and the pursuit of its strategies, taking into account the room for autonomy offered by the legal system. If necessary, it assesses and promotes the appropriate changes, submitting them, when applicable, to the Shareholders' Meeting.	✓		page 59
<b>Pr. IV</b>	The management body promotes, in the most appropriate forms, dialogue with shareholders and other stakeholders relevant to the company.	✓		pages 38 - 39
<b>Rec. 1</b>	<p>Management Body:</p> <p>a) examines and approves the business plan of the company and the group it heads, also on the basis of the analysis of the relevant issues for the generation of long-term value carried out with the possible support of a committee of which the management body determines the composition and functions;</p> <p>b) periodically monitors the implementation of the business plan and assesses the general operating performance, periodically comparing results achieved with those planned;</p> <p>c) defines the nature and level of risk compatible with the strategic objectives of the company, including in its assessments all the issues that may be relevant with a view to the sustainable success of the company;</p> <p>d) defines the corporate governance system of the company and the structure of the group it heads and assesses the adequacy of the organisational, administrative and accounting structure of the company and of the subsidiaries with strategic relevance, with particular reference to the Internal Control and Risk Management System;</p> <p>e) resolves on the transactions of the company and its subsidiaries that have significant strategic, economic, equity or financial importance for the company itself. To this end, it establishes the general criteria for identifying significant transactions;</p> <p>f) in order to ensure the correct management of corporate information, adopts, on the proposal of the Chairperson in agreement with the Chief Executive Officer, a procedure for the internal management and external communication of documents and information concerning the company, with particular reference to inside information.</p>	✓		pages 59 - 60

<b>Principles and Recommendations of the Corporate Governance Code</b>		<b>Applied/ applied with any improvements</b>	<b>Not applied</b>	<b>Report page</b>
<b>Rec. 2</b>	<p>If deemed necessary to define a corporate governance system more capable of meeting the Company's needs, the management body draws up justified proposals to be submitted to the Shareholders' Meeting on the following topics:</p> <p>a) choice and characteristics of the corporate model (traditional, "one-tier", "two-tier");</p> <p>b) size, composition and appointment of the management body and term of office of its members;</p> <p>c) breakdown of the administrative and equity rights of the shares;</p> <p>d) percentages established for the exercise of the prerogatives designed to protect minorities.</p> <p>In particular, if the management body intends to propose to the Shareholders' Meeting the introduction of the increased vote, it provides in the explanatory report to the Shareholders' Meeting adequate reasons on the purposes of the choice and indicates the expected effects on the ownership structure and control of the company and its future strategies, accounting for the decision-making process followed and any contrary opinions expressed by board members.</p>	✓		page 59
<b>Rec. 3</b>	<p>The management body, on the proposal of the Chairperson, formulated in agreement with the Chief Executive Officer, adopts and describes in the corporate governance report a policy for the management of dialogue with shareholders, also taking into account the engagement policies adopted by institutional investors and asset managers.</p> <p>The Chairperson ensures that the management body is in any case informed, at the first relevant meeting, about the development and significant content of the dialogue that has taken place with all the shareholders.</p>	✓		page 38
<b>Article 2 – Composition of the Corporate Bodies</b>				
<b>Pr. V</b>	The management body is composed of Executive Directors and Non-Executive Directors, all with professionalism and skills appropriate to the tasks assigned to them.	✓		page 55
<b>Pr. VI</b>	The number and competence of Non-Executive Directors is such as to make sure that they have a significant influence on Board resolutions, to guarantee a significant weight in the adoption of board resolutions, and to ensure effective monitoring of management. A significant component of the Non-Executive Directors is independent.	✓		page 55
<b>Pr. VII</b>	The company applies diversity criteria, including gender, for the composition of the management body, in compliance with the priority objective of ensuring adequate competence and professionalism of its members.	✓		pages 56 - 57
<b>Pr. VIII</b>	The control body has an adequate composition to ensure the independence and professionalism of its function.	✓		pages 88 - 90
<b>Rec. 4</b>	The management body defines the assignment of management powers and identifies who among the executive directors holds the position of Chief Executive Officer. If the Chairperson is assigned the position of Chief Executive Officer or is assigned significant management powers, the Board of Directors explains the reasons for this choice.	✓		page 64
<b>Rec. 5</b>	<p>The number and skills of the independent directors are commensurate with the needs of the company and the functioning of the management body, as well as the establishment of the respective committees.</p> <p>The management body includes at least two independent directors, other than the Chairperson.</p> <p>In large companies with concentrated ownership, independent directors make up at least one third of the management body.</p> <p>In the other large companies, the independent directors make up at least half of the management body.</p> <p>In large companies, the independent directors meet, in the absence of the other directors, on a regular basis and in any case at least once a year to assess the issues deemed of interest with respect to the operations of the management body and Company management.</p>	✓		pages 65 - 67

Principles and Recommendations of the Corporate Governance Code		Applied/ applied with any improvements	Not applied	Report page
Rec. 6	<p>The management body assesses the independence of each Non-Executive Director immediately after their appointment as well as during the course of their mandate in the event of circumstances relevant to independence and in any case at least once a year.</p> <p>For this purpose, each Non-Executive Director provides all the information necessary or useful for the assessment of the management body which considers, on the basis of all the information available, every circumstance that affects or may appear to be suitable to affect the independence of the director.</p>	✓		pages 66 - 67
Rec. 7	<p>The circumstances that compromise, or appear to compromise, the independence of a director are at least the following:</p> <p>a) if it is a significant shareholder of the company;</p> <p>b) if he/she is, or has been in the previous three financial years, an executive director or an employee:</p> <ul style="list-style-type: none"> <li>- of the company, of a subsidiary of strategic importance or of a company subject to joint control;</li> <li>- of a significant shareholder of the Company;</li> </ul> <p>c) if, directly or indirectly (for example through subsidiaries or of which he/she is an executive director, or as a partner of a professional firm or consulting company), has, or has had in the three previous years, a significant commercial, financial or professional relationship:</p> <ul style="list-style-type: none"> <li>- with the company or its subsidiaries, or with the related executive directors or top management;</li> <li>- with a party who, also together with others through a shareholders' agreement, controls the company; or, if the parent company is a company or entity, with the relative executive directors or top management;</li> </ul> <p>d) if he/she receives, or has received in the previous three financial years, from the company, its subsidiary or the parent company, a significant additional remuneration with respect to the fixed remuneration for the office and that envisaged for participation in the committees recommended by the Code or required by current legislation;</p> <p>e) if he/she has been a director of the company for more than nine financial years, even if not consecutive, in the last twelve financial years;</p> <p>f) if he/she holds the office of executive director in another company in which an executive director of the company holds the office of director;</p> <p>g) if he/she is a shareholder or director of a company or an entity belonging to the network of the company appointed to audit the company;</p> <p>h) if he/she is a close relative of a person who is in one of the situations referred to in the previous points.</p> <p>The management body pre-defines, at least at the beginning of its mandate, the quantitative and qualitative criteria for assessing the significance referred to in letters c) and d) above.</p> <p>In the case of the director who is also a partner in a professional firm or consultancy company, the management body assesses the significance of the professional relationships that may have an effect on his position and role within the firm or the consulting firms or companies that in any case pertain to important transactions of the company and the group it heads, even regardless of the quantitative parameters.</p> <p>The chairperson of the management body, who has been indicated as a candidate for this role in accordance with recommendation 23, may be assessed as independent if none of the above circumstances occur. If the independent Chairperson participates in the committees recommended by the Code, the majority of the members of the committee is composed of other independent directors. The independent Chairperson does not chair the Remuneration Committee and the Control and Risk Committee.</p>	✓		page 66

<b>Principles and Recommendations of the Corporate Governance Code</b>		<b>Applied/ applied with any improvements</b>	<b>Not applied</b>	<b>Report page</b>
<b>Rec. 8</b>	The company defines the diversity criteria for the composition of the administration and control bodies and identifies, also taking into account its own ownership structures, the most suitable instrument for their implementation. At least one third of the management body and the control body, where autonomous, is made up of members of the less represented gender. The companies adopt measures to promote equal treatment and opportunities between genders within the entire company organisation, monitoring their concrete implementation.	✓		pages 56 - 57 page 91
<b>Rec. 9</b>	All members of the control body meet the independence requirements set forth in Recommendation 7 for directors. The assessment of independence is carried out, with the timing and methods envisaged by Recommendation 6, by the management body or the control body, based on the information provided by each member of the control body.	✓		page 92
<b>Rec. 10</b>	The outcome of the independence assessments of the directors and members of the control body, pursuant to recommendations 6 and 9, is made known to the market immediately after their appointment by means of a specific press release and, subsequently, in the Corporate Governance Report. On these occasions, the criteria used to assess the significance of the relationships in question are indicated and, if a director or a member of the control body has been deemed independent despite the occurrence of one of the situations indicated in Recommendation 7, a clear indication is provided and reasoned justification for this choice in relation to the position and individual characteristics of the assessed entity.	✓		pages 66-67 page 92
<b>Article 3 – Operations of the management body and role of the chairperson</b>				
<b>Pr. IX</b>	The Board of Directors sets the rules and procedures for its operations, in particular in order to ensure effective management of the Board's disclosure.	✓		pages 60-61
<b>Pr. X</b>	The Chairperson of the Board of Directors plays a liaison role between the Executive Directors and the Non-Executive Directors and oversees the effective operation of the Board's work.	✓		page 62
<b>Pr. XI</b>	The management body ensures an adequate internal distribution of its functions and establishes board committees with preliminary, proposal-making and advisory functions.	✓		page 72
<b>Pr. XII</b>	Each director ensures adequate time availability for the diligent fulfilment of the tasks assigned to him/her.	✓		page 58
<b>Rec. 11</b>	The management body adopts a regulation that defines the rules for the operations of the body itself and its committees, including the methods for recording the minutes of the meetings and the procedures for the management of information to the directors. These procedures identify the terms for the prior submission of information and the methods for protecting the confidentiality of the data and information provided so as not to jeopardise the timeliness and completeness of the information flows. The Corporate Governance Report provides adequate information on the main contents of the regulations of the management body and on compliance with the procedures relating to the timeliness and adequacy of the information provided to the directors.	✓		page 60

Principles and Recommendations of the Corporate Governance Code		Applied/ applied with any improvements	Not applied	Report page
Rec. 12	<p>The Chairperson of the management body, with the help of the body's secretary, is responsible for:</p> <p>a) ensuring that the pre-meeting information, and the additional information provided during the meetings, was adequate to enable directors to act in an informed manner in performing their roles;</p> <p>b) ensuring that the activity of the board committees with preliminary, proposal-making and advisory functions be coordinated with the activities of the management body;</p> <p>c) ensuring, in agreement with the Chief Executive Officer, that the executives of the company and those of the Group companies it heads, responsible for the competent corporate functions according to the matter, attend board meetings, also at the request of individual directors, to provide the necessary in-depth information on the items on the agenda;</p> <p>ensures, with the help of the Secretary, that all members of the management and control bodies can participate, after their appointment and during their term of office, in initiatives aimed at providing them with adequate knowledge of the sectors of activity in which the Bank operates, of corporate dynamics and their evolution, also with a view to the sustainable success of the Bank, as well as of the principles of proper risk management and of the reference regulatory and self-regulatory framework;</p> <p>e) ensuring the adequacy and transparency of the self-assessment process of the management body, with the support of the Appointments Committee.</p>	✓		page 62
Rec. 13	<p>The management body appoints an independent director as Lead Independent Director:</p> <p>a) if the Chairperson of the management body is the Chief Executive Officer or holds significant managerial powers;</p> <p>b) if the office of Chairperson is held by the person who controls, even jointly, the Company;</p> <p>c) in large companies, even in the absence of the terms and conditions specified in letters a) and b), if required by the majority of Independent Directors</p>	✓		pages 65 - 70
Rec. 14	<p>Lead Independent Director</p> <p>a) represents a point of reference and coordination of the requests and contributions of Non-Executive Directors and, in particular, of Independent Directors;</p> <p>b) coordinates the meetings of the Independent Directors only.</p>	✓		pages 65 - 68
Rec. 15	<p>In large companies, the management body expresses its opinion on the maximum number of offices in the management or control bodies in other listed or large companies that can be considered compatible with an effective performance of the office of director of the company, taking into account the commitment arising from the role held</p>	✓		page 58

<b>Principles and Recommendations of the Corporate Governance Code</b>		<b>Applied/ applied with any improvements</b>	<b>Not applied</b>	<b>Report page</b>
<b>Rec. 16</b>	<p>The Board of Directors establishes internal committees with preliminary, propositional and advisory functions on appointments, remuneration and control and risks. The functions that the Code assigns to the committees may be distributed differently or even merged into a single committee, provided that adequate information is provided on the tasks and activities carried out for each of the functions assigned and the recommendations of the Code for the composition of the relative committees are observed.</p> <p>The functions of one or more committees may be assigned to the entire management body, under the coordination of the Chairperson, provided that:</p> <p>a) the Independent Directors represent at least half of the management body;</p> <p>b) the Board of Directors dedicates adequate space within the Board meetings to the performance of the functions typically assigned to said committees.</p> <p>In the event that the functions of the Remuneration Committee are reserved for the management body, the last sentence of recommendation 26 applies.</p> <p>Companies other than large companies may assign to the management body the functions of the Control and Risk Committee, even in the absence of the condition referred to above in letter a).</p> <p>Concentrated ownership companies, including large companies, may assign the functions of the Appointments Committee to the Board of Directors, even in the absence of the condition referred to in letter a) above.</p>	✓		page 72
<b>Rec. 17</b>	<p>The Board of Directors defines the duties of the committees and determines their composition, favouring the expertise and experience of the relative members and avoiding, in large companies, an excessive concentration of offices in this area.</p> <p>Each committee is coordinated by a Chair who informs the management body about the activities carried out at the first relevant meeting.</p> <p>The Chairperson of the committee may invite the Chairperson of the management body, the Chief Executive Officer, the other directors and, informing the Chief Executive Officer, the representatives of the company functions competent for the matter to individual meetings. Members of the control body may attend the meetings of each committee.</p> <p>The committees have the right to access the information and company functions necessary for the performance of their duties, have financial resources and make use of external consultants, within the terms established by the management body.</p>	✓		page 72
<b>Rec. 18</b>	<p>The Board of Directors resolves, on the proposal of the Chairperson, on the appointment and dismissal of the Secretary of the Board and defines the professional requirements and powers in its own regulations.</p> <p>The Secretary supports the activities of the Chairperson and provides impartial assistance and advice to the management body on any issue relevant to the proper functioning of the company governance system.</p>	✓		page 63
<b>Article 4 – Appointment of Directors and self-assessment of the management body</b>				
<b>Pr. XIII</b>	The management body shall ensure, to the extent of its competence, that the process of appointment and succession of the Directors is transparent and designed to achieve the optimal composition of the management body according to the principles of Article 2.	✓		pages 50 - 52 pages 68 - 69
<b>Pr. XIV</b>	The management body periodically assesses the effectiveness of its activities and the contribution made by its individual members, through formalised procedures, the implementation of which it oversees.	✓		page 68



Principles and Recommendations of the Corporate Governance Code		Applied/ applied with any improvements	Not applied	Report page
Rec. 19	The Board of Directors assigns the Appointments Committee the task of assisting it in the activities of: a) self-assessment of the management body and its committees; b) defining the optimal composition of the management body and its committees; c) identifying candidates for the office of director in the event of co-option; d) submitting, if necessary, a list from the outgoing management body to be implemented in a manner that ensures its formation and transparent submission; e) preparing, updating and implementing any plan for the succession of the Chief Executive Officer and the other Executive Directors.	✓		pages 79 - 80
Rec. 20	The Appointments Committee is composed primarily of Independent Directors.	✓		page 80
Rec. 21	Self-assessment concerns the size, composition and actual operations of the management body and its committees, also considering the role it played in defining the strategies and monitoring the performance of the management and the adequacy of the Internal Control and Risk Management System.	✓		page 68
Rec. 22	Self-assessment is conducted at least every three years, in view of the renewal of the management body. In large companies other than those with concentrated ownership, the self-assessment is conducted on an annual basis and can also be carried out by different methods during the mandate of the body, evaluating the opportunity to make use of an independent consultant at least every three years.	✓		page 68
Rec. 23	In companies other than those with concentrated ownership, the management body: - expresses, in view of each renewal, an orientation on its quantitative and qualitative composition considered optimal, taking into account the results of the self-assessment; - requires those submitting a list that contains more than half the number of candidates to be elected to provide adequate information, in the documentation submitted for the filing of the list, on the compliance of the list with the guidelines expressed by the management body, also with reference to the diversity criteria envisaged by Principle VII and Recommendation 8, and to indicate their candidate for the office of Chairperson of the management body, whose appointment takes place according to the procedures identified in the articles of association.  The guidelines of the outgoing management body are published on the company's website well in advance of the publication of the notice of call of the Shareholders' Meeting relating to its renewal. The guidance identifies the managerial and professional profiles and skills deemed necessary, also in light of the company's sectoral characteristics, considering the diversity criteria indicated by Principle VII and Recommendation 8 and the guidelines expressed on the maximum number of positions in application of Recommendation 15.	✓		pages 53 - 54
Rec. 24	In large companies, the management body: - defines, with the support of the Appointments Committee, a plan for the succession of the Chief Executive Officer and executive directors that identifies at least the procedures to be followed in the event of early termination of office; - ascertains the existence of adequate procedures for the succession of top management.	✓		pages 68 - 69

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<b>Article 5 – Remuneration</b>				
<b>Pr. XV</b>	The Remuneration Policy for directors, members of the Control Body and Top Management is designed to achieve the sustainable success of the Company and takes into account the need to employ, retain and motivate people with the expertise and professionalism required by the role held in society.	✓		page 71
<b>Pr. XVI</b>	The Remuneration Policy is drawn up by the management body through a transparent procedure.	✓		page 71
<b>Pr. XVII</b>	The management body ensures that the remuneration paid and vested is consistent with the principles and criteria defined in the Policy, in view of the results achieved and other circumstances relevant to its implementation.	✓		page 71
<b>Rec. 25</b>	<p>The Board of Directors assigns the Remuneration Committee the task of:</p> <ul style="list-style-type: none"> <li>a) assisting it in drawing up the Remuneration Policy;</li> <li>b) submitting proposals or expressing opinions on the remuneration of Executive Directors and other Directors who hold particular offices as well as on setting performance objectives related to the variable component of that remuneration;</li> <li>c) monitoring the concrete application of the Remuneration Policy, verifying, in particular, the effective achievement of performance targets;</li> <li>d) assessing periodically the adequacy and overall consistency of the Remuneration Policy for directors and top management.</li> </ul> <p>In order to have people with proper expertise and professionalism, the remuneration of both Executive and Non-Executive Directors and members of the Control Body is defined taking into account the remuneration practices widespread in the reference sectors and for companies of similar size, also considering comparable experiences abroad and making use of an independent consultant if necessary.</p>	✓		pages 82 - 84
<b>Rec. 26</b>	The Remuneration Committee is composed only of Non-Executive Directors, the majority of whom are independent and is chaired by an Independent Director. At least one member of the Committee must have adequate knowledge of and experience in finance or remuneration policies, to be assessed by the management body at the time of appointment. No director takes part in the meetings of the Remuneration Committee in which proposals relating to their remuneration are put forward	✓		page 83

Principles and Recommendations of the Corporate Governance Code		Applied/ applied with any improvements	Not applied	Report page
<b>Rec. 27</b>	<p>The Remuneration Policy for Executive Directors and top management defines:</p> <p>a) a balance between the fixed component and the variable component adequate and consistent with the Company's strategic objectives and the risk management policy, taking into account the features of the business and the sector in which it operates, providing for in any event that the variable part represents a significant part of the total remuneration;</p> <p>b) maximum limits on the disbursement of variable components;</p> <p>c) performance objectives, to which the payment of variable components is linked, predetermined, measurable and linked in a significant part to a long-term horizon. They are consistent with the Company's strategic objectives and are aimed at promoting its sustainable success, including, where relevant, also non-financial parameters;</p> <p>d) an adequate period of deferral – with respect to the time of vesting – for the payment of a significant part of the variable component, in line with the characteristics of the business activity and the related risk profiles;</p> <p>e) the contractual agreements that allow the company to request the return, in whole or in part, of variable components of the remuneration paid (or to withhold amounts subject to deferral), determined on the basis of data that subsequently proved to be manifestly incorrect and of the any other circumstances identified by the Company;</p> <p>f) clear and predetermined rules for the possible payout of indemnities for the termination of the directorship, which define the maximum limit of the total amount payable, linking it to a certain amount or a certain number of years of remuneration. This indemnity is not paid if the termination of the relationship is due to the achievement of objectively inadequate results.</p>	✓		page 71
<b>Rec. 28</b>	<p>The share-based remuneration plans for Executive Directors and Top Management encourage alignment with the interests of shareholders over the long term, providing that a predominant part of the plan has an overall vesting period for rights and maintenance of the shares allocated equal to at least five years.</p>	✓		page 71
<b>Rec. 29</b>	<p>The Remuneration Policy for Non-Executive Directors provides for a remuneration adequate to the competence, professionalism and commitment required by the tasks assigned to them within the management body and in the board committees. This remuneration is not linked, except for an insignificant part, to financial performance objectives.</p>	✓		page 71
<b>Rec. 30</b>	<p>The remuneration of the members of the Control Body provides for a remuneration adequate to the competence, professionalism and commitment required by the relevance of the role held and the size and sectoral characteristics of the company and its situation.</p>	✓		page 95

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<b>Rec. 31</b>	<p>Upon termination of the office and/or dissolution of the relationship with an executive director or general manager, the management body makes known by means of a press release, disseminated to the market as a result of the internal processes that lead to the assignment or recognition of any indemnities and/or other benefits, detailed information on:</p> <p>a) the allocation or awarding of indemnities and/or other benefits, the case in point that justifies their vesting (e.g. due to expiry of the office, dismissal or settlement agreement) and the decision-making procedures followed for this purpose within the company;</p> <p>b) the total amount of the indemnity and/or other benefits, the related components (including non-monetary benefits, the maintenance of rights related to incentive plans, the consideration for non-competition commitments or any other remuneration) attributed for any reason and in any form) and the timing of their payout (distinguishing the part paid up-front from that subject to vesting mechanisms);</p> <p>c) the application of any claw-back or malus clauses of part of the sum;</p> <p>d) compliance of the items referred to in letters a), b) and c) above with respect to what is laid down in the Remuneration Policy, with a clear indication of the reasons and the decision-making procedures followed in the event of discrepancy, even if only partial, by said Policy;</p> <p>e) information about the procedures that have been or will be followed for the replacement of the Executive Director or General Manager who has left office.</p>	-	-	During 2022, there were no cases of termination of office and / or dissolution of the relationship with an executive director or general manager.
<b>Article 6 – Internal Control and Risk Management System</b>				
<b>Pr. XVIII</b>	The Internal Control and Risk Management System consists of the set of rules, procedures and organisational structures aimed at an effective and effective identification, measurement, management and monitoring of the main risks, in order to contribute to the sustainable success of the Company	✓		page 97
<b>Pr. XIX</b>	The management body defines the guidelines of the Internal Control and Risk Management System in line with the company’s strategies and annually assesses its adequacy and effectiveness.	✓		page 59 page 97
<b>Pr. XX</b>	The management body defines the principles concerning the coordination and information flows between the various parties involved in the Internal Control and Risk Management System in order to maximise the efficiency of the system, reduce the overlapping of activities and ensure effective performance of the duties of the control body.	✓		pages 99 - 100
<b>Rec. 32</b>	<p>The organisation of the Internal Control and Risk Management System involves, each in accordance with its own responsibilities:</p> <p>a) the management body, which carries out a role of guidance and assessment of the adequacy of the system;</p> <p>b) the Chief Executive Officer and Director responsible for the Internal Control and Risk Management System;</p> <p>c) the Control and Risk Committee, set up within the management body, with the task of supporting the assessments and decisions of the management body relating to the internal control and risk management system and the approval periodic financial and non-financial reports. In companies that adopt the one-tier or two-tier corporate model, the functions of the Control and Risk Committee can be assigned to the control body;</p> <p>d) the head of the Internal Audit Function, responsible for verifying that the Internal Control and Risk Management System is functioning, adequate and consistent with the guidelines defined by the management body;</p> <p>e) the other company functions involved in the controls (such as the risk management and legal and non-compliance risk monitoring functions), broken down in relation to the size, sector, complexity and risk profile of the Company;</p> <p>f) the Control Body that supervises the effectiveness of the Internal Control and Risk Management System.</p>	✓		pages 97 - 104

Principles and Recommendations of the Corporate Governance Code		Applied/ applied with any improvements	Not applied	Report page
Rec. 33	<p>The management body, with the support of the Control and Risk Committee:</p> <p>a) defines the guidelines of the Internal Control and Risk Management System in line with the company's strategies and evaluates, at least annually, the adequacy of said System with respect to the characteristics of the Company and the risk profile assumed, as well as its effectiveness;</p> <p>b) appoints and dismisses the Head of the Internal Audit Function, defining his/her remuneration in line with company policies, and ensuring that he/she has adequate resources to carry out his/her duties. If it decides to assign the Internal Audit Function, as a whole or by operating segments, to a party outside the company, it ensures that the latter meets the appropriate requirements of professionalism, independence and organisation and provides adequate justification for this choice in the Corporate Governance Report;</p> <p>c) approves, at least once a year, the work plan prepared by the Head of the Internal Audit Function, after consulting the Control Body and the Chief Executive Officer;</p> <p>d) assesses the opportunity to adopt measures to ensure the effectiveness and impartiality of judgement of the other corporate functions indicated in Recommendation 32, lett. e), verifying that they are equipped with adequate professionalism and resources;</p> <p>e) assigns the supervisory functions pursuant to Article 6, paragraph 1, lett. b) of Italian Legislative Decree No. 231/2001. If the body does not coincide with the control body, the management body assesses the opportunity to appoint within the body at least one Non-Executive Director and/or a member of the control body and/or the owner of legal or control functions of the Company, in order to ensure coordination between the various parties involved in the Internal Control and Risk Management System;</p> <p>f) assesses, after consulting the control body, the results reported by the Statutory Auditor in any letter of suggestions and in the additional report addressed to the control body;</p> <p>g) describes, in the Corporate Governance Report, the main characteristics of the Internal Control and Risk Management System and the methods of coordination between the parties involved, indicating the reference models and national and international best practices, expresses its overall assessment of the adequacy of the system itself and gives an account of the choices made regarding the composition of the supervisory body referred to in letter e) above.</p>	✓		page 59 pages 73 - 74 pages 97 - 109
Rec. 34	<p>Chief Executive Officer</p> <p>a) oversees the identification of the main corporate risks, taking into account the characteristics of the activities carried out by the Company and its subsidiaries, and periodically submitted the updated Risk Map for review by the management body;</p> <p>b) implements the guidelines defined by the management body, set out in the document Guidelines for the Internal Control System, taking care of the design, implementation and management of the Internal Control and Risk Management System, constantly checking its adequacy and effectiveness, as well as adapting it to the dynamics of the operating conditions and the legislative and regulatory framework.</p> <p>c) may assign the internal audit function to carry out checks on specific operating areas and on compliance with internal rules and procedures in the execution of company transactions, simultaneously notifying the Chairperson of the Board of Directors, the Chairperson of the Control Committee and risks and the Chairperson of the control body;</p> <p>d) promptly reports to the Control and Risk Committee on problems and critical issues that have emerged in the performance of its activities or of which it has become aware, so that the committee can take the appropriate initiatives.</p>	✓		page 100

Principles and Recommendations of the Corporate Governance Code		Applied/ applied with any improvements	Not applied	Report page
<b>Rec. 35</b>	<p>The Control and Risk Committee is composed only of Non-Executive Directors, the majority of whom are independent and is chaired by an Independent Director.</p> <p>As a whole, the committee has adequate expertise in the business sector in which the company operates, and is capable of assessing the related risks. At least one member of the committee has adequate knowledge and experience in accounting and financial matters or risk management.</p> <p>The Control and Risk Committee, in assisting the management body:</p> <ul style="list-style-type: none"> <li>a) assesses, after consulting the Financial Reporting Manager, the Statutory Auditor and the Control Body, the correct use of the accounting principles and, in the case of groups, their homogeneity for the purposes of preparing the Consolidated Financial Statements;</li> <li>b) evaluates the suitability of periodic financial and non-financial information, in correctly representing the business model, the company's strategy, the impact of its activities and the performances recorded, coordinating with any committee envisaged by Recommendation 1, lett. to);</li> <li>c) examines the content of periodic non-financial information relevant to the Internal Control and Risk Management System;</li> <li>d) expresses opinions on specific aspects relating to the identification of the main corporate risks and supports the assessments and decisions of the management body relating to the management of risks deriving from prejudicial events of which the latter has become aware;</li> <li>e) examines the periodic reports and those of particular relevance prepared by the Internal Audit Function;</li> <li>f) monitors the autonomy, adequacy, effectiveness and efficiency of the Internal Audit Function;</li> <li>g) may task the Internal Audit Function with performing audits in specific operating areas, while concurrently informing the Chairperson of the control body;</li> <li>h) reports to the management body, at least when approving the annual and half-yearly financial report, on the activity carried out and on the adequacy of the Internal Control and Risk Management System.</li> </ul>	✓		pages 73 - 76
<b>Rec. 36</b>	<p>The Head of the Internal Audit Function is not responsible for any operational area and reports hierarchically to the management body. He/she has direct access to all information useful for carrying out the assignment;</p> <p>Chief Audit Executive</p> <ul style="list-style-type: none"> <li>a) verifies, both on an ongoing basis and in relation to specific needs and in compliance with international standards, the operation and suitability of the Internal Control and Risk Management System, through an audit plan approved by the management body, based on a structured process of analysis and prioritisation of the main risks;</li> <li>b) prepares periodic reports containing adequate information on its activities, on the methods with which risk management is carried out as well as on compliance with the plans defined for their containment. The periodic reports contain an assessment of the suitability of the Internal Control and Risk Management System;</li> <li>c) also at the request of the control body, promptly prepares reports on events of particular importance;</li> <li>d) sends the reports referred to in letters b) and c) to the chairmen of the Control Body, the Control and Risk Committee and the management body, as well as to the Chief Executive Officer, except in cases where the subject of such reports specifically concerns the activities of these parties;</li> <li>e) verifies, as part of the audit plan, the reliability of the information systems including the accounting systems.</li> </ul>	✓		page 101

<b>Principles and Recommendations of the Corporate Governance Code</b>		<b>Applied/ applied with any improvements</b>	<b>Not applied</b>	<b>Report page</b>
<b>Rec. 37</b>	<p>The member of the Control Body who, on his own behalf or on behalf of third parties, has an interest in a specific transaction of the Company shall promptly and exhaustively inform the other Statutory Auditors of the same body and the Chairperson of the management body about the nature, terms, origin and scope of the relevant interest.</p> <p>The control body and the Control and Risk Committee promptly exchange relevant information for the performance of their respective duties. The Chairperson of the Control Body, or another member designated by him/her, participates in the work of the Control and Risk Committee.</p>	✓		<p>pages 94 - 95 page 74</p>

# Glossary

## ECB

European Central Bank

## BPER Banca or BPER or Issuer or Bank or Parent Company or Company

BPER Banca S.p.A., with registered office in Modena (Italy), via San Carlo 8/20, Parent Company of the Banking Group of the same name.

## Borsa Italiana or Borsa

Borsa Italiana S.p.A.

## Corporate Governance Code 2020

The Corporate Governance Code for listed companies approved in January 2020 by the Corporate Governance Committee.

## Board of Statutory Auditors or Statutory Auditors

The Board of Statutory Auditors of BPER Banca.

## Corporate Governance Committee

The Italian Committee for the Corporate Governance of listed companies, promoted not only by Borsa Italiana, but also by ABI, Ania, Assogestioni, Assonime and Confindustria.

## Board of Directors or Board or BoD

The Board of Directors of BPER Banca.

## CONSOB

National Commission for Companies and the Stock Exchange

## Executive in charge

The Financial Reporting Manager pursuant to Article 154-*bis* of the CLF.

## Supervisory Provisions

Supervisory Provisions for Banks issued by Bank of Italy in Circular No. 285 of 17 December 2013 and subsequent amendments and additions.

## EBA

European Banking Authority.

## ESG

Environmental, Social, Governance.

## ESMA

European Securities and Markets Authority.

## Euronext Milan

The regulated market for medium and large capitalisation companies organised and managed by Borsa Italiana (formerly Mercato Telematico Azionario - MTA).

## BPER Banca Group or BPER Group or Group

The Banking Group headed by BPER Banca.

## Letter of the Chairperson of the Committee

The letter dated 25 January 2023 from the Chairperson of the Corporate Governance Committee, Prof. Lucia Calvosa, addressed to the Chairperson of the Boards of Directors of listed companies and containing the Corporate Governance Committee's Recommendations for 2023 as an Annex.

## Recommendations of the Corporate Governance Committee for 2023

The recommendations of the Corporate Governance Committee are attached to the Letter from the Committee Chairperson.

## Issuer Regulation

The Regulation issued by CONSOB under Resolution No. 11971 of 1999 on issuers (as subsequently amended and supplemented).

## CONSOB Related Parties Regulation

The Regulation issued by CONSOB under Resolution No. 17221 of 12 March 2010 on related party transactions (as subsequently amended and supplemented).

## Corporate Governance Report or Report

This Report on Corporate Governance and Ownership Structure was prepared pursuant to Article 123-*bis* of the CLF.

## Remuneration Report

The Report on Remuneration Policy and Compensation Paid, which companies are required to draw up and publish pursuant to Article 123-*ter* of the CLF.

## Large company

Under the Corporate Governance Code, companies whose capitalisation exceeded €1 billion on the last trading day of each of the three preceding calendar years.

## Concentrated ownership companies

Pursuant to the Corporate Governance Code, companies in which one or more shareholders participating in a shareholders' agreement hold, directly or indirectly (through subsidiaries, trustees or intermediaries), the majority of the votes exercisable at the ordinary shareholders' meeting.



**Articles of Association or Articles**

BPER Banca's Articles of Association, in force at the date of this Report (published on the website [www.bper.it](http://www.bper.it) – Sito Istituzionale > Governance > Documents).

**Sustainable success**

Pursuant to the Corporate Governance Code, objective guiding the action of the Board of Directors and consisting in the creation of long-term value for the benefit of shareholders, taking into account the interests of other stakeholders relevant to the Company.

**Consolidated Banking Act or CBA**

Italian Legislative Decree No. 385 dated 1 September 1993 (Consolidated law on banking and lending matters) with subsequent amendments and additions.

**Consolidated Law on Finance or CLF**

Italian Legislative Decree No. 58 of 24 February 1998 (Consolidated Law on Financial Intermediation) with subsequent amendments and additions.



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**We would like to thank** the colleagues who contributed to  
this

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