



BPER:
Gruppo

2023 Report on remuneration Policy and compensation paid

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Glossary

Shareholders' Meeting

Shareholders' Meeting of the Bank

Shares

The ordinary shares of BPER listed on the Italian stock exchange managed by Borsa Italiana

Beneficiaries

The parties to whom the bonuses will be awarded once the conditions envisaged by the Group Remuneration Policies in force at the time have been met

Vested bonus or bonus

Bonus that constitutes a variable part of the remuneration based on the rules defined in the Remuneration Policies of the BPER Group

Bonus Pool

Overall allocation of funds for incentive schemes

Target bonuses or bonus opportunities

Theoretical bonus which corresponds to the amount paid in the event of full achievement of the results

BPER or Issuer or Bank

BPER Banca S.p.A. (hereinafter also referred to as “Bank”, or “BPER” or “Parent Company”)

Claw-back

Mechanism that envisages the return of a bonus if it has already been paid out or if already vested but still subject to a *retention* period

C-Level manager

C-Level members of Top Management as defined in the "*Regulation of the process for defining and managing succession plans for Top Management*": Chief Operating Officer, Chief Financial Officer, Chief Strategy Officer, Chief Corporate & Investment Banking Officer, Chief Retail & Commercial Banking Officer, Chief Private & Wealth Management Officer, Chief Lending Officer, Chief General Counsel, Chief Human Resource Officer, Chief Risk Officer, Chief Audit Officer, Chief Compliance Officer, Chief AML Officer

Remuneration Committee

Remuneration Committee of the Bank

Common equity tier 1 ratio (CET1) - Phased In (or Transitional)

Financial strength indicator, representing the ratio of common equity Tier 1 to total risk-weighted assets (Pillar 1 RWA under the transitional arrangements)

Common equity tier 1 ratio (CET1) - Fully Phased

Financial strength indicator, representing the common equity Tier 1 ratio to total risk-weighted assets (RWA Pillar 1 under the transitional arrangements)¹

Board of Directors

Board of Directors of the Bank

Cost/income ratio

Operational efficiency indicator, calculated using the Group's reclassified consolidated accounting schedules² Measured as the ratio of operating costs to operating income³

Date of allocation/payout

Date on which the equity component of the bonus is deposited into the Beneficiary's securities account

Deferral

Period between the vesting of the bonus (which, conventionally, coincides with the payout date of the *up-*

¹ See Footnote 4.

² Further details on the methods for submission of the reclassified statements are available in the Annex to the separate financial statements entitled "Reconciliation between the consolidated accounting schedules and the reclassified formats". These formats are used internally to develop annual/multi-year forecasts and report the results of operations. See also Footnote 4.

³ See Footnote 4.

frontportion) and the time of allocation/payout of the deferred portions

Executives with Strategic Responsibilities (ESRs)

Persons who have the power and responsibility, directly or indirectly, for planning, managing and controlling the Company's assets, including its directors (whether executive or non-executive), as identified from time to time by the Board of Directors. At the approval date of these Remuneration Policies, the ESRs include the following figures: Directors, Statutory Auditors, members of the General Management (General Manager and Deputy General Managers), Chief Operating Officer, Chief Financial Officer, Chief Corporate & Investment Banking Officer, Chief Retail & Commercial Banking Officer, Chief Private & Wealth Management Officer, Chief Lending Officer, Chief General Counsel, Chief Human Resource Officer, Chief Risk Officer, Chief Audit Officer, Chief Compliance Officer, Chief AML Officer, Head of Finance, Strategy & Innovation and the Manager Responsible for preparing the Company's Financial Report. With reference to the 2022 financial year, the list of ESRs included the following figures: Directors, Statutory Auditors, members of General Management (General Manager and Deputy General Managers), Chief Business Officer, Chief Lending Officer, Chief Operating Officer, Chief General Counsel, Chief Risk Officer, Chief Financial Officer and Manager Responsible for preparing the Company's Financial Report

Entry Gate (or access conditions)

Minimum parameters (equity, profitability and liquidity) which, if surpassed, may lead to a bonus being allocated

ESG

An acronym that refers to environmental sustainability, social development and corporate governance

BPER Banca Group or BPER Group

BPER Banca and its direct and indirect subsidiaries pursuant to current legislation

Hedging

In the specific context, this relates to hedging or personal insurance strategies that protect the actual amount of remuneration against adverse changes in the market price of the shares concerned.

Particularly large amount

Indicates a premium amount higher than the threshold – calculated on the basis of the provisions of Circular No. 285 of the Bank of Italy – and specifically referred to in the Annual Report on the Bank's Remuneration Policy. For the 2022-2025 LTI Plan, the reference year considered is 2025

Key Performance Indicators (KPIs)

Economic, financial⁴ and sustainability indicators that contribute to determining the bonus

Share Ownership Guidelines

Shows the share ownership guidelines applicable to the CEO/GM and to the BPER Executives with Strategic Responsibilities

Liquidity Coverage Ratio (LCR)

Ratio between the stock of high-quality liquid assets and net outflows in the 30 days after the reporting date

Malus clause

Ex-post adjustment mechanisms, based on which vested bonuses can be reduced to zero

Material Risk Takers (MRTs)

Group personnel whose professional activities have or could exert a significant impact on the Bank's risk profile, as defined in the Remuneration Policies of the BPER Group

Top Material Risk Takers (Top MRTs)

Chief Executive Officer and General Managers of the "relevant operating units with RWA > 2%". For BPER Banca also VDG, Executives with Strategic Responsibilities and C-Level first reporting to CEO and GM

Gross NPE Ratio

Risk indicator linked to credit quality, measured as the ratio of gross impaired loans (bad, unlikely-to-pay and past-due loans) to gross loans to customers (performing and impaired)⁶

Retention period

Period between the moment in which the bonus is allocated in financial instruments (equity loading) and the moment

⁴ It should be noted that, as envisaged in the 2022 Remuneration Policies (Chapter 8) and in the 2023 Policies (Chapter 7.1), "it is a consolidated approach in the BPER Group that the measurement of results is adjusted by extraordinary components, in order to eliminate the effects of non-recurring or non-predictable events, such as, for example: M&A transactions, reorganisations concerning the Group's scope, equity transactions, changes of control, compliance with sector regulations, extraordinary accounting normalisations (e.g. impairment of goodwill and equity investments, badwill, personnel costs, etc.). To this end, in line with internal regulations, the Board of Directors is entitled when measuring the Company's performance to adjust items before determining the results to be used for the bonus scheme.

⁵ BPER Banca, Banco di Sardegna, Sardaleasing, and BPER Factor.

⁶ See Footnote 4.

when said equity is actually available to the beneficiary

Vesting period or performance period

Period of time during which a beneficiary's right under an incentive plan is gradually vested

2022-2025 LTI Plan or Long-Term Incentive Plan

The Compensation Plan (hereinafter also the “Plan”) based entirely on financial instruments for the period 2022-2025

2023 MBO Plan

The Remuneration Plan based on shares in cash and financial instruments (where applicable) relating to the year 2023

Post Provisions Profit

Operating result net of credit risk adjustments⁷. This indicator, calculated using the Group's reclassified consolidated accounting schedules, is measured as the difference between the operating result and the net credit risk adjustments/write-backs⁸

Issuer Regulations

CONSOB Regulation No. 11971/99 and subsequent amendments and additions

Return On Risk-Weighted Assets (RORWA)

Ratio between profit (loss) for the period, including non-controlling interests, and Pillar 1 RWAs

Risk Appetite Framework (RAF)

Guidance document for the Group's Internal Control System to steer the synergistic governance of planning, control and risk management. It constitutes the frame of reference, which, in line with risk capacity, defines the business model and strategic plan, risk appetite, tolerance thresholds, risk limits, risk management policies and the key processes needed to define and implement them

ROTE (%)

Profitability indicator calculated on the basis of the Group's reclassified consolidated financial statements⁹. ROTE is measured as the ratio of the Parent Company's net profit to the Group's average tangible equity. Tangible equity is the algebraic sum of the valuation reserve (item 120 + item 125), reimbursable shares (item 130), reserves (item 150), share premiums (item 160), capital (item 170) - treasury shares (item 180), consolidated profit net of dividends distributed (or approved) by the Parent Company or in any case by the consolidating company (item 200) - intangible assets (item 100)

Severance

Compensation envisaged in view of or in the event of early termination of the office or for early termination of the employment relationship

CFA

Legislative Decree No. 58 of 24 February 1998, as amended by Legislative Decree 49 of 10 May 2019, with subsequent amendments and additions

Up-front

Payout of bonuses not subject to deferral conditions

Group Gross Profit

Result from current operations before tax¹⁰

⁷ See Footnotes 2 and 4.

⁸ See Footnotes 2 and 4.

⁹ See Footnote 4.

¹⁰ See Footnote 4.

Table of Contents

Glossary	4
Letter of the Chairperson	10
SECTION I	12
2023 Remuneration Policies of the BPER Group	12
1. Principles and objectives of the Remuneration Policy	13
1.1 Strategic guidelines and ESG objectives	14
1.2 Alignment of the Remuneration Policy with the Sustainability Strategy	16
1.3 Neutrality of the Gender-Based Remuneration Policy	18
1.4 Shareholder support for the Remuneration Policy	18
2. Governance of the remuneration and incentive policies	19
2.1 Shareholders' Meeting	19
2.2 Board of Directors	20
2.3. Remuneration Committee	20
Composition of the Committee	21
Role of the Committee	21
The Committee's work cycle	22
Main activities carried out in 2022 by the Remuneration Committee	22
2.4 Control and Risk Committee	22
2.5 Sustainability Committee	22
3. Identification of Material Risk Takers	23
4. Comparison with market practice and use of external consultants	25
5. Target audience of the remuneration policies	26
6. Remuneration of the Corporate Bodies	26
6.1. Remuneration of the members of the Board of Directors	26
6.2 Remuneration for serving on Board committees	26
6.3 Remuneration for special duties	27
6.4. Remuneration for the office of Chief Executive Officer and General Manager	27
6.5. Remuneration of employees appointed as directors of subsidiaries	27
6.6. Remuneration of members of the Board of Statutory Auditors	28
7. 2023 Remuneration Policy	29
7.1 Ratio of variable to fixed remuneration	29
7.2 Remuneration of the Chief Executive Officer and General Manager	30
Short-term variable incentive plan – “2023 MBO”	31
Variable long-term incentive system – “2022-2025 LTI” Plan	34
Malus and claw back clauses	36
7.3. Remuneration of the Group's Material Risk Takers	37
7.4. Remuneration of Control Functions	40
7.5 Remuneration of remaining personnel (not included in the MRT scope)	40
Incentive System (MBO) and Performance Incentive (IP)	41

7.6 Remuneration of external collaborators	41
7.7 Focus on transparency regulations	42
7.8 Remuneration tools for attraction and retention	43
7.9 Benefits	43
7.10 Compensation granted in sight or on termination of MRT and non-MRT employment	44
7.11 Discretionary pension benefits	45
7.12 Remuneration for personnel of the SGR, Optima SIM and BPER Bank Luxembourg	45
Asset management companies	45
BPER Bank Luxembourg	46
Optima SIM S.p.A.	47
SECTION II	48
2022 Annual Remuneration Report	48
PART I	49
1. Items that make up remuneration	49
Early termination of the employment relationship	49
2. Main 2022 results and Pay-for-Performance	51
3. Information on the implementation of the 2022 Remuneration Policies	55
Annual change in the compensation paid and the performance of the BPER Group	56
Vote expressed by the 2022 Shareholders' Meeting	58
Monitoring of gender neutrality	59
PART II	61
PART III	69
ANNEX	71
Table 1.	84
Certification of the Manager responsible for preparing the Company's financial reports	86

Letter of the Chairperson of the Remuneration Committee



Shareholders,

It is therefore with great pleasure that I present to you, as Chairperson of the Remuneration Committee, the BPER Group's 2023 Report on Remuneration and Compensation Paid in 2022 ("the Report").

2022 was a particularly significant year for BPER Banca, with a number of key events such as successfully completing the integration of Banca Carige and further strengthening of our competitive positioning on a national scale. As a result, we currently have over 5 million customers, ranking as Italy's third largest bank by the number of branches and fourth in terms of total assets.

Market conditions and the macroeconomic framework remain uncertain: the conflict between Russia and Ukraine, an increasingly restrictive monetary policy, the energy crisis and inflationary pressure continue to be felt, requiring a robust and courageous response from customer-centric and sustainability-oriented financial actors.

The BPER Group has shown itself to be resilient and proactive and the 2022-2025 E-Volution Business Plan submitted last June is already yielding tangible benefits in terms of streamlining the operating structure and boosting profitability, alongside an improvement in asset quality, while maintaining a strong capital position.

Amid a challenging time for the market, BPER has put its customers and employees at the forefront.

ESG commitment is an integral part of the business strategy and underpins a credible and reliable partnership with customers on the pathway to creating a more sustainable, equitable and inclusive society. Addressing the challenges that the market poses with increasing insistence, also in terms of sustainability, we developed concrete actions in 2022 with specific targets in terms of reducing environmental impacts, supporting customers in the environmental transition, with a focus ultimately on inclusion and management of diversity in addition to the well-being of all employees.

The 2023 Remuneration Policy, aligned with the Business Plan and approved with broad consensus at the Shareholders' Meeting on 5 November 2022, is closely related to the strategic guidelines set out in the Business Plan, with reference to the operating and financial objectives as well as its environmental, social and governance impact. This policy is our key tool for attracting, retaining and motivating people who reflect high performance standards and who act on a day-to-day basis in line with the principles of collaboration, courage, conscience, dialogue and results.

Specifically, in continuity with the update approved in November 2022, the 2023 Remuneration Policy is guided by the following principles:

- alignment between remuneration and sustainable performance, through a variable Remuneration Policy broken down into short- and long-term incentives targeting an increasingly broader segment of the Company's workforce;
- challenging economic and financial objectives that produce a positive impact on the environment and for society, in keeping with the ESG objectives that the Bank has set;
- allocation of the bonus pool with reference to the overall results achieved by the Group or the segment of personnel to which the specific budget relates;
- stringent deferral mechanisms, mix of financial instruments and materiality threshold;
- consolidating safeguards to ensure the gender neutrality envisioned in the Remuneration Policy;
- proactive alignment with the constantly evolving national and European legislative framework.

In conclusion, also taking into account the input received from the *proxy advisors* and from you Shareholders, we believe that this Report, drawing on the principles of transparency, inclusion and fairness, embodies a Remuneration *Policy* aimed at recognising merit and the achievement of lasting results, confirming our ongoing enhancement approach while offering an effective and balanced remuneration strategy that supports the Group in pursuit of its goal to create sustainable value over time in the interest of all *stakeholders*.

I would like to take this opportunity to express my sincere appreciation for the commitment shown by all the Bank's employees in such an extraordinary year.

Let me conclude by thanking you, on behalf of the Committee, for the attention you have shown us and I invite you to read the following pages of this Report, in the hope that your feedback at the Shareholders' Meeting will be positive.

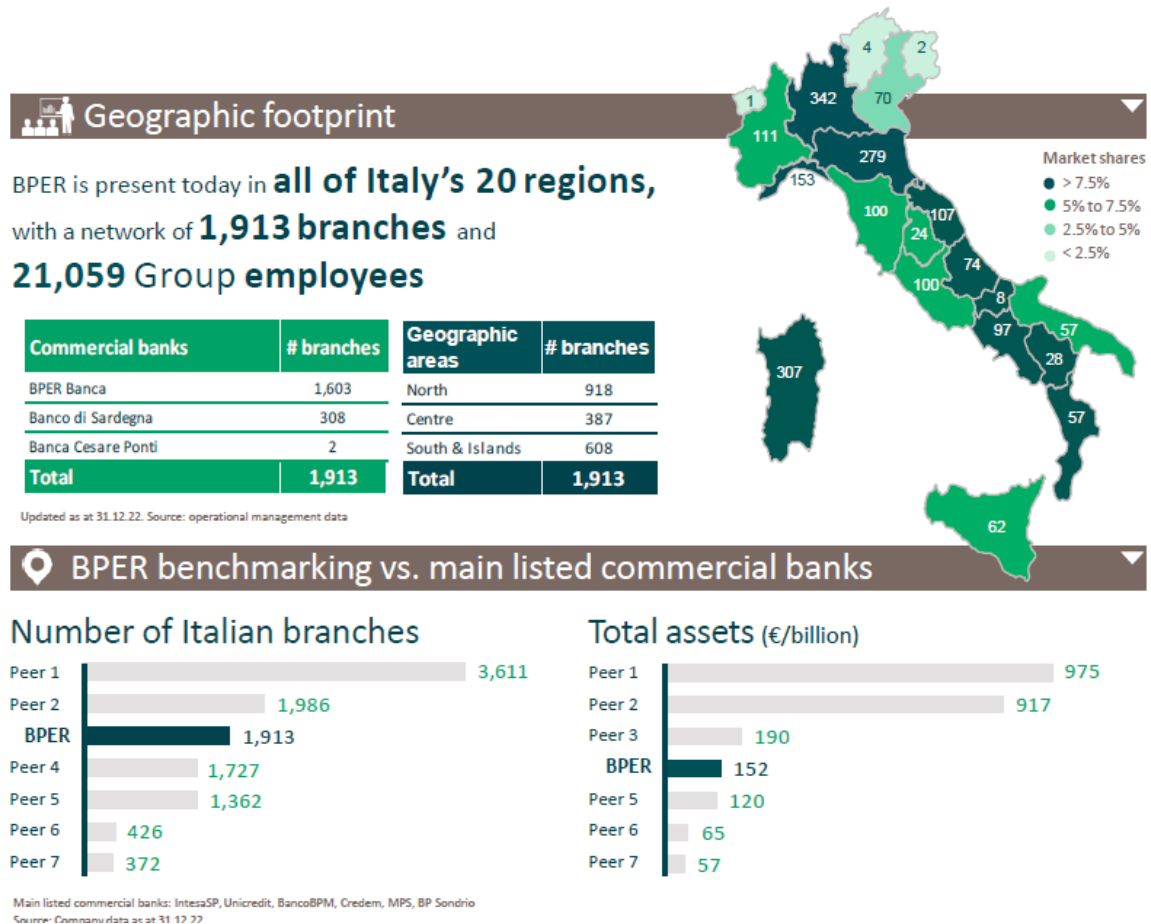
Maria Elena Cappello

SECTION I

2023 Remuneration Policies of the BPER Group

1. Principles and objectives of the Remuneration Policy

During 2022, the BPER Group significantly strengthened its competitive position also thanks to the acquisition of the Carige Group, thus allowing it to rank as Italy's third largest bank by the number of branches and fourth in terms of total assets. The proposed model is that of a modern bank, attentive to the specific needs of people, businesses and territories, and increasingly open to digitalisation, understood as a complementary resource in customer relationships.



The Group's profitability, while yet in the uncertain context that characterised 2022, will continue to be supported by the stability of net commissions and growing revenues that will still benefit from rising interest rates despite the worsening conditions of ECB funding under TLTRO (*Targeted Long-Term Refinancing Operation*). In terms of operating costs, the rationalisation and efficiency actions aimed at limiting the impacts from peak inflation and the investment costs envisaged by the new Business Plan is set to continue. De-risking operations will move ahead thanks to the expected sale of two UTP (*Unlikely to Pay*) loan portfolios. The maintenance of strong coverage levels and a prudent provisioning policy will continue to characterise loan quality. The capital position is expected to remain at high levels.

2023 is marked by major challenges and by the commitment to pursue the current growth path, continuing to improve the Bank's fundamentals. All this took place under the new Business Plan submitted after BPER signed the contract to acquire a controlling stake in Carige, which was finalised on 3 June 2022. Growth and sustainability are hallmarks of the commitment to generate value for the benefit of all *stakeholders*.

The BPER Group bases its activities on sound and shared principles summarised below.

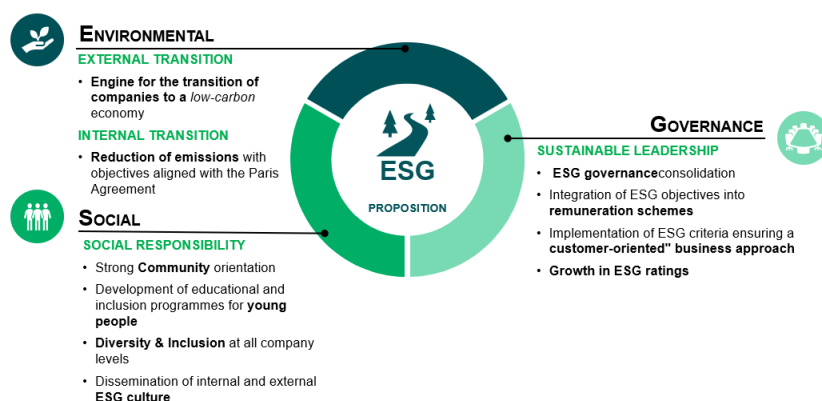
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To create value for	<p>The Customers</p> <ul style="list-style-type: none"> • Awareness of Customers' diverse needs • Products offered in an appropriate way to each segment/market • Attention to the quality of the relationship • Discouraging merely speculative behaviour and financial gambling 	<table border="1"> <thead> <tr> <th colspan="2">Customer Satisfaction Survey</th> </tr> <tr> <th>Segment</th> <th>NPS¹¹</th> </tr> </thead> <tbody> <tr> <td>Family</td> <td>+16</td> </tr> <tr> <td>Personal</td> <td>+13</td> </tr> <tr> <td>Small Business Operators</td> <td>+6</td> </tr> <tr> <td>SME Business</td> <td>+15</td> </tr> </tbody> </table>	Customer Satisfaction Survey		Segment	NPS ¹¹	Family	+16	Personal	+13	Small Business Operators	+6	SME Business	+15
	Customer Satisfaction Survey													
	Segment	NPS ¹¹												
	Family	+16												
Personal	+13													
Small Business Operators	+6													
SME Business	+15													
<p>The Shareholders</p> <ul style="list-style-type: none"> • Increase in profitability and investment value over time • Balanced development • Diversification and expansion of the markets served, pursuing opportunities for organic growth and external acquisitions • Conscious risk management 	<p>Dividends (€)</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Dividend (€)</th> </tr> </thead> <tbody> <tr> <td>2021</td> <td>0.04</td> </tr> <tr> <td>2022</td> <td>0.06</td> </tr> <tr> <td>2023</td> <td>0.12</td> </tr> </tbody> </table>	Year	Dividend (€)	2021	0.04	2022	0.06	2023	0.12					
Year	Dividend (€)													
2021	0.04													
2022	0.06													
2023	0.12													
<p>The Group's People</p> <ul style="list-style-type: none"> • Incentivizing the achievement of superior performance. • Developing distinctive skills • Stimulating human and professional growth. • Implementing a transparent and effective communication system at all levels • Providing continuous education 														
<p>The Environment and Community</p> <ul style="list-style-type: none"> • Adoption of a business approach aimed at creating value for all stakeholders, with a positive impact on the Environment, the Community as a whole and Governance (ESG Factors) 														

1.1 Strategic guidelines and ESG objectives

With reference to sustainability issues, already extensively integrated into the business model, concrete actions have been identified in the 2022-2025 “e-volution” Business Plan to be targeted across all lines of intervention, through precise targets to reduce environmental impacts, supporting customers in the environmental transition and finally devoting attention to the management of diversity and the inclusion of even the most vulnerable groups, with the aim of creating shared value. The new Plan, therefore, will make it possible to evolve towards a business model more focused on *core* activities, making the most of the “product companies” with greater efficiency and a strong drive towards digitalisation guided by sustainability logics for the benefit of all *stakeholders*.

The 2022-2025 Business Plan outlined the ESG line of development to create long-term shared value.



The BPER Group puts people at the forefront of its business world and therefore promotes fairness and objectivity values while undertaking to protect the expression of individual potential as a distinctive feature. The Group has always devoted great attention to Human Resources and targets in particular the creation of pathways to enhance value and develop professional and personal skills.

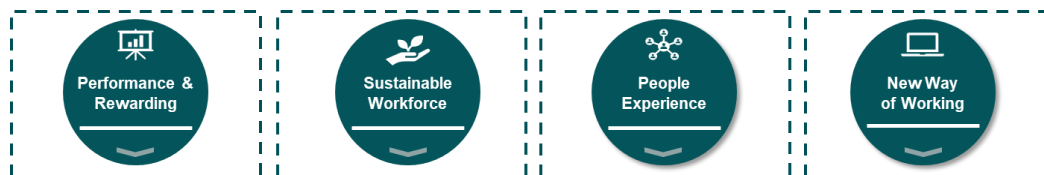
Employees are a crucial resource for the Group to grow since they are the first to affirm its values, providing customers with

¹¹ The Net Promoter Score is a management tool that can be used to gauge customer loyalty. The figure is expressed in absolute terms and shows an improvement compared to the previous year in all segments.

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excellent services and products and maintaining relationships based on mutual trust.

Among the five evolutionary pillars of the Business Plan, “People at the Forefront” was framed on the basis of which four areas of intervention were identified to develop and unite the human capital of BPER, namely:



The BPER Group undertakes to make a significant contribution towards reaching the Sustainable Development Goals set forth 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 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 sustainable industrialisation and foster innovation;
- Goal 11: make cities and human settlements inclusive, safe, resilient and sustainable;
- 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, 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.

Positive impacts were achieved in the ESG area, recognised through the main national and international ratings.



Standard Ethics is an independent rating agency active since 2004, promoting the standard principles of sustainability and governance issued by the EU, the OECD and the United Nations. In 2022, BPER's rating was upgraded to EE+, from Strong in 2021 to Very Strong (range from F to EEE). The Bank is a component of the Standard Ethics Italian Banks Index and the Standard Ethics Italian Index.



MSCI (Morgan Stanley Complex Index) ESG Ratings aim to measure a company's management of financially relevant ESG risks over the long term. In 2022, BPER Banca recorded a rating upgrade from A to AA (range from CCC to AAA).



ESG Solutions is the business unit of Moody's Corporation that supports organisations in understanding their ESG performance, assessing exposure to climate and environmental risks, strengthening sustainability action plans and communicating with key stakeholders. In 2022, BPER Banca confirmed its Robust rating (range from Weak to Advanced).



The S&P Global Corporate Sustainability Assessment (CSA) is aimed at companies seeking to obtain an independent assessment of their performance, through a wide range of sector-specific economic, environmental and social criteria. In 2022, BPER Banca confirmed its Adequate rating (range from Low to Best in Class). In 2022, BPER Banca was assigned, for the first time, an ESG Rating Solicited S&P Global Ratings ESG Evaluation process. At the end of the ESG assessment process, the rating company assigned a score of 66 (corresponding to Adequate in the range from Low to Best in Class) to BPER Banca.



The Carbon Disclosure Project is an international non-profit organisation that allows companies to declare and report on their risks linked to climate change and communicate their environmental performance to stakeholders. In 2022, BPER Banca was assigned a B rating for the management of climate change issues (range from A to D).



The Institutional Shareholder Services (ISS) group of companies supports investors and companies in building long-term sustainable growth by providing high-quality data, analysis and insights. In continuity with 2021, BPER Banca's ISS ESG Rating is C (range from D- to A+).



In 2021 BPER Banca was included in Borsa Italiana's new MIB ESG Index, dedicated to domestic blue chips, with the aim of ranking large Italian listed issuers with the best ESG practices. Launched by Euronext in partnership with Vigeo Eiris, the index combines the measurement of economic performance with ESG assessments in line with the principles of the UN Global Compact.

1.2 Alignment of the Remuneration Policy with the Sustainability Strategy

The 2023 Remuneration Policy is closely related to the strategic guidelines of the BPER e-volution 2022-2025 Business Plan and contributes to BPER's strategic objectives aimed at creating value for shareholders, employees, customers and all stakeholders in order to ensure the close correlation and consistency between remuneration, results achieved, expected development guidelines, sustainability of the initiatives carried out as well as sound and prudent risk management in addition to compliance with regulatory provisions.

The enhancement of people and the creation of value for the entire ecosystem in which BPER operates underpin the Group's ESG topics and, therefore, the systems designed to incentivise the achievement of our short- and long-term goals in a sustainable manner that also take into account the working conditions of all employees.

Therefore, the performance and reward policies have been progressively aligned with the Group's sustainability strategies. In this direction, the following should be noted:

- integrating ESG priorities into the annual and short-term incentive plans, with a focus on creating value for all stakeholders; More specifically:
 - The **Short-Term Incentive Plan** (so-called MBO) sees an increasingly significant recognition of the weighting of ESG components among the objectives (their weighting ranges from 15% to 20% for 2023). In continuity with 2022, the so-called Strategy Scorecard – which represents the basic element of the MBO system and the definition of objectives for the different scopes of the Company's workforce – in addition to the economic and financial objectives, envisages ESG targets linked to what is set out in the 2022-2025 Business Plan (so-called ESG goal KPI). The Strategy Scorecard is assigned in full to the Chief Executive Officer/General Manager (see details in Chapter 7). The ESG KPI goal is also included in the 2023 MBO scorecards of all C-Level Managers, in order to ensure an overall climate of sharing and empower Management on Company priorities in this area.
 - The **Long-Term Incentive Plan** “2022-2025 LTI Plan” (based on BPER shares) intended for the CEO and the figures considered key to achieving the Bank's results supports the alignment of the interests of managerial figures with those of shareholders and of all *stakeholders*, including in its *targets*, in addition to profitability, operating efficiency and credit quality objectives, also sustainability objectives (with a 15% weighting). These objectives are divided into 4 fundamental guidelines: Sustainable Finance, Energy Transition, Diversity & inclusion, and Training Projects (see the details in Chapter 7).
- *strengthening Pay for Sustainable Performance, reviewing the pay mix and the link between the main part of overall remuneration to the achievement of annual and long-term results, with a strong focus on the multi-year horizon;*
- the presence of common Entry Gates to the LTI and MBO Plan, linked to risk-weighted capital adequacy, liquidity and profitability parameters, ensures their sustainability from an economic and financial standpoint; in general, Entry Gates are envisaged for all variable remuneration systems;
- the financing of these incentive plans with bonus pool funding systems closely correlated with value generated strengthens their alignment with the operating and financial solidity of the Group;
- incentives for the achievement of predetermined objectives and superior performance by all Group personnel are designed to create value for all, consistent with the Group's growth strategy and priorities;
- the enhancement of people is essential for all components of the organisation involved in the digital transformation or the strengthening of the value chain, requiring the implementation of an inclusive development plan designed to support professional growth, agility in the development of skills and gender balance, supported by remuneration policies based on the gender neutrality principle;
- alignment with the interests of customers and the creation of shared value represent drivers of the systems used to incentivise the internal business and commercial organisations.
- the introduction of controls to ensure the gender neutrality of the Remuneration Policy: starting from 2022, the Group adopted a model for the granular analysis of remuneration data related to the role held. The monitoring of the *Gender Pay Gap* is carried out periodically by the Board of Directors, with the support of the Remuneration Committee, which also assesses any corrective actions. Appropriate disclosure in this regard is provided in the Bank's Non-Financial Statement (Sustainability Report) and in Section II of this report;
- As part of the remuneration policies, market analyses and comparisons are constantly carried out in order to verify and ensure pay equity in line with the role performed, the complexity managed and personal merit. By monitoring remuneration-related data and intervening in processes, particularly the Salary Review process, the Group addresses any actions that are inconsistent with company policies.
- the enhancement of the diversity characteristics of each person and attention to female *leadership* in development paths remain specific performance objectives for those who hold positions of responsibility.

In line with current regulations and the Code of Ethics, the BPER Group has forbidden its employees to arrange personal hedging strategies or insurance in relation to their remuneration (“**hedging strategies**”), or other aspects of it, that might

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alter or compromise the effects of the risk alignment inherent in the remuneration mechanisms.

In accordance with current regulations and in compliance with its coordination role, the Parent Company identifies the types of financial transactions and investments made directly or indirectly by MRTs that could affect the risk alignment mechanisms and, more generally, the purpose of these rules.

In this context, Material Risk Takers are required to:

- communicate the existence or opening of custody and management accounts with other intermediaries;
- report any transactions and financial investments that fall under the types identified in the previous paragraph.

To ensure compliance with this, the relevant corporate functions carry out sample checks on the internal custody and administration accounts of the Material Risk Takers concerned, in full compliance with the regulatory provisions.

FOCUS

Diversity & inclusion

The BPER Banca Group recognises the value of diversity as a key resource for innovation, productivity and growth of the organisation and the country. In order to generate the necessary cultural change and foster an inclusive environment that does not discriminate on the basis of gender, age, different abilities, health, ethnicity, sexual orientation and identity or political ideologies, the Group has long promoted initiatives aimed at respecting the values of fairness and objectivity and is committed to protecting the maximum expression of the individual's potential as a distinctive feature.

In 2022, the Board of Directors updated the “Policy on diversity, equity and inclusion in the corporate bodies and in the company workforce of the BPER Banca Group”, a programmatic document with which the BPER Banca Group aimed to formalise the path undertaken to create an environment and enhance the professional contribution of all people, integrating the diversity guidelines for the Corporate Bodies (<https://istituzionale.bper.it/governance/documenti>). The Policy is accompanied by an action plan, in which objectives and expected results are defined. The activities carried out in 2022 are listed below:

Exemplaz is the development pathway dedicated to the professional growth of people working in an organisational position. The programme is aimed at evolving managerial skills in companies and promoting the skills needed to improve employability through advanced training and development programmes. In the Diversity & Inclusion (D&I) area, it pursues the objective of supporting and accelerating the managerial development of women. For this reason, the target group of candidates was defined based on specific criteria according to the male and female population in order to achieve a gender balance.

The D&I training offer is aimed at the entire company workforce and aims to improve employee self-efficacy and involvement, helping them overcome situations that could generate stress, negative impacts on individual well-being and work performance.

BPER has always offered a wide range of corporate welfare services and tools to support the need to maintain the work-life balance, situations involving individual fragility, health and well-being. In particular, the following are applied:

- flexible forms such as part-time work, in its various manifestations;
- smart working;
- collective welfare, health and insurance plans;
- Solidarity Time Bank.

BPER continues its commitment to internal and external awareness-raising activities on D&I issues with the “Equal Merit” programme which in 2022 saw, in particular, the following two initiatives: on the occasion of European Diversity Month, the first edition of Diversity Week and a programme created in partnership with Radio DeeJay. “Okcomesei – Every person is unique” dedicated to promoting an inclusive culture aimed at enhancing uniqueness, defeating stereotypes and prejudices and supporting female empowerment.

1.3 Neutrality of the Gender-Based Remuneration Policy

The Group strives to ensure equal opportunities and treatment via the use of criteria for the assessment of performance based on the recognition of skills, experience, performance and professional qualities without discrimination based on gender, age, disability, state of health, ethnicity, sexual orientation and identity or political ideology.

In order to facilitate the application of gender-neutral policies, to be able to assess the effectiveness and to accurately monitor the application of fairness criteria in terms of remuneration with respect for gender neutrality, the Group, starting from 2022, adopted a model for the granular analysis of remuneration data that integrates the provisions of national (Bank of Italy provisions) and European (EBA Guidelines) supervisory regulations, aligning with industry best practices. This approach, whereby the same role or roles are deemed comparable, makes it possible to identify possible misalignments between organisational positions of equal value, considering market conditions. This, in turn, allows for the most appropriate corrective action needed to ensure full compliance with the remuneration policies adopted. Once assigned, the level of complexity makes it possible to assess constantly:

- internal fairness, checking the consistency of remuneration packages for the same level of classification within the various organisations and business areas;
- external competitiveness, via market benchmarking.

During the periodic review of policies, the Board of Directors – assisted by the Remuneration Committee – analyses the gender neutrality of the Remuneration Policy and considers trends in the Gender Pay Gap, taking the appropriate corrective actions. More specifically, through monitoring remuneration data and intervening in the processes, in particular the *Salary Review*, any interventions aimed at progressive improvement of any gaps target *clusters* of resources that play equal roles and have equal value.

1.4 Shareholder support for the Remuneration Policy

Within the framework of a robust and transparent governance that characterises the Group's remuneration and incentive policy and systems, BPER launched a constructive and continuous dialogue with investors and *proxy advisors*, holding targeted meetings and discussions also on remuneration issues, with the objective of improving and ensuring effective disclosure regarding alignment with the Group's long-term strategy.

This approach, combining continuous alignment with best practices and the connection with company strategies, in the interest of all *stakeholders*, has made it possible to achieve the high consensus rate seen in last year's policies.

The 2023 Remuneration Policy confirms the priorities and strategic guidelines discussed last autumn and, in line with the commitment to the inclusion and well-being of all employees, integrates the specific features of the incentive systems of the company workforce, in addition to the peculiarities of the policies initiated in 2022, aimed at supporting the purchasing power of all colleagues, taking into account the high inflation environment that has characterised these months.

In defining the 2023 Remuneration Policy, the BPER Group took into consideration the outcome of voting at the 2022 Shareholders' Meeting on both Part I and Part II. Starting from this vote, various in-depth analyses were carried out with reference to the market and the changes in the regulatory framework. This resulted in the amendments and improvements to the 2023 Remuneration Policy already made to this document.

For details of the results of the 2022 Shareholders' Meeting season, please refer to Section II of this Report.

2. Governance of the remuneration and incentive policies

The BPER Group has established a governance process in order to regulate the definition, implementation and management of its remuneration policies. This process will involve various control bodies and business functions at different levels, according to their sphere of competence, as detailed below:

Definition of the remuneration and incentive policies

CORPORATE BODIES	BUSINESS FUNCTIONS
Shareholders' Meeting	CHRO - Human Resources
Board of Directors	Planning and Control Management
Remuneration Committee	CRO - Risk Management
Control and Risk Committee	CCO - Compliance
Sustainability Committee	CAO - Internal Audit

2.1 Shareholders' Meeting

On the topic of remuneration, the Shareholders' Meeting:

- determines, in accordance with applicable legal and regulatory requirements, the remuneration payable to the Directors and Statutory Auditors;
- approves the remuneration policies in favour of the bodies with supervisory, management and control functions and the staff;
- is consulted about the remuneration paid in the previous year to the bodies responsible for supervision, management and control activities and to the Executives with Strategic Responsibilities;
- approves any remuneration plans based on the use of financial instruments;
- approves the criteria for calculating any special remuneration to be awarded in the event of early termination of employment or resignation ahead of schedule, including the limits set on such remuneration in terms of the number of years of the fixed portion of remuneration and the maximum amount derived from applying these criteria;
- has the power to resolve, with qualified majorities required by current supervisory regulations, a ratio between the variable and fixed component of individual MRT remuneration higher than 1:1, but not exceeding the limit established in such regulations.

BPER Banca currently extends this rule to all Personnel.

The above maximum limit on the ratio of variable to fixed remuneration for MRTs is currently set at 2:1, except in relation to control functions and similar activities, in order to have the flexibility to make payments ahead or at the time of early termination of the working relationship or office, while also making all operational drivers available for the competitive structuring of remuneration packages designed to attract professionals with strategic skills and ensure availability of the human resources needed to achieve our business objectives. The ratio for other personnel is set at 1:1, except as outlined in Chapter 7, including the specific exceptions envisaged for certain sectors.

2.2 Board of Directors

With respect to remuneration issues and in accordance with its role of body with strategic supervisory powers, the Board of Directors is responsible for the Group's remuneration policies, with the support of the Remuneration Committee and the relevant corporate functions.

In the context of guiding and coordinating the activities of subsidiaries, the BPER Board of Directors – in its role as the management body of the Parent Company – ensures the consistency of the remuneration and incentive systems implemented within the Banking Group, while recognising the specific characteristics of the sectors served by each Group company, as well as their organisational structures and the regulations applicable to them, based on the nature of their businesses and their geographical locations.

In conducting its remuneration activities, the Board of Directors has responsibility for:

- determining the remuneration of Directors with Special Responsibilities, having heard the opinion of the Board of Statutory Auditors;
- approving the process for the identification of Material Risk Takers, assessing full compliance with the relevant regulations, and the list of roles included in this category as a result of the process;¹²
- approving Group remuneration policies, with particular reference to Material Risk Takers and the Report on Compensation Paid, to be submitted to the Shareholders' Meeting for final approval;
- approving the share-based incentive schemes to be submitted to the Shareholders' Meeting for final approval;
- ensuring the gender neutrality of the remuneration policies adopted and, therefore, monitoring the Gender Pay Gap and related changes over time;
- checking proper implementation of the Group's remuneration policies;
- ensuring that the Remuneration Policy is adequately documented and accessible within the organisation, and that the consequences of any infringements of the regulations or codes of ethics/conduct are known to personnel.

As envisaged in Article 123-ter, par. 3-bis, of the CFA, updated most recently on 3 August 2022, and by the update of the Issuer Regulations of 6 September 2022, the Company may make temporary exceptions to the Remuneration Policy after hearing the opinion of the Remuneration Committee, but only under exceptional circumstances when necessary in pursuit of the long-term interests and sustainability of the Company as a whole, or to ensure its survival in the marketplace. Even in these cases, it is still necessary to comply with all regulatory and legal constraints and, with reference to the Chief Executive Officer, General Manager and Executives with Strategic Responsibilities of the Parent Company, the procedure governing related-party transactions.

As part of the Report on Compensation Paid which follows, information is given on any exceptions that have been applied, highlighting any exceptions or exceptional circumstances, why they were needed in terms of the pursuit of the long-term interests and sustainability of the Company as a whole or to ensure its ability to stay on the market long term and, hence, the procedure followed.

Specifically, the policy issues allowing for exceptions, under the circumstances and applying the procedure outlined above, in compliance with legal and regulatory constraints, are as follows:

- annual variable incentive plans – MBO
- long-term incentive plans (LTI)
- additional variable remuneration items, such as entry bonuses and/or retention bonuses.

Examples of some of these issues are:

- with reference to MBO plans:
 - mix of objectives and/or corrective measures;
 - target and maximum incentives, in any case within the limit of the total variable remuneration approved by the Shareholders' Meeting;
 - access and/or malus conditions;
 - vesting and/or payout conditions.
- with reference to LTI plans:
 - mix of objectives and/or related targets;
 - vesting and/or payout conditions.

2.3. Remuneration Committee

In compliance with the principles laid down by the Supervisory Provisions and the Code of Corporate Governance, the Remuneration Committee performs advisory, investigative and proposal-making functions to support the activities of the

¹² Bank of Italy Circular No. 285/2013

Board of Directors and, to the extent of its sphere of competence, those of the Executive Committee (where established), without prejudice to the autonomy of decision-making and the responsibility of these bodies to pass motions within their respective spheres of competence.

Composition of the Committee

The Remuneration Committee is composed of three non-executive directors, the majority of whom meet the independence requirements set forth in the Articles of Association and the primary and secondary regulatory sources as well as the self-regulation referred to therein. 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. Within the Committee, at least one member has adequate knowledge and experience in financial matters or remuneration policies, assessed by the Board of Directors at the time of appointment. The Board of Directors appoints the three members and chooses one of those who meet the independence requirements to act as Chairman. On the Chairman's proposal, the Remuneration Committee appoints a Secretary, who need not be one of its members.

The internal composition of the Committee, formed on 23 April 2021 following the appointment of the Board of Directors for the 2021-2023 by the Shareholders' Meeting held on 21 April 2021 and subsequently updated, most recently on 24 November 2022, also complies with good practices in terms of gender diversity detailed in the 41st update of the Supervisory Instructions on Corporate Governance, adopted on 20 December 2022.

Members of the Remuneration Committee	Office
Maria Elena Cappello	Chairman (independent)
Monica Cacciapuoti ¹³	Member
Cristiano Cincotti ¹⁴	Member (independent)

Role of the Committee

The Committee plays a role of a consultative, investigative and propositional nature in support of the activities of the Board of Directors which is embodied in the following responsibilities:

- making proposals on the remuneration to be paid to the Board of Directors and Board of Statutory Auditors to be submitted for the approval of the Shareholders' Meeting, as well as how the total amount approved should be split among the various Directors;
- submitting proposals in relation to the remuneration to be paid to the Directors having special duties, members of the General Management, the heads of the main business lines and corporate functions, as well as those who report directly to the Bodies responsible for strategic supervision, management and control in compliance with the system of delegated powers in force from time to time;
- submitting proposals 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 Officer;
- expressing an opinion on the assumptions of remuneration relating to the Bank's Material Risk Takers (other than the personnel mentioned above), as identified pursuant to the applicable provisions on the matter and on the basis of the internal regulations in force in compliance with the system of delegated powers in force at the time;
- playing a role of support for the Board of Directors in drawing up remuneration and incentive policies;
- expressing an opinion on the adequacy, overall consistency and practical application of the remuneration and incentive policies approved by the Shareholders' Meeting;
- ensuring the involvement of the relevant corporate functions in the process of drawing up and monitoring remuneration and incentive policies and practices;
- expressing an opinion on the results of the process adopted to identify Material Risk Takers, including any exclusions pursuant to the regulations in force at the time;
- assisting the Board of Directors to prepare the Remuneration Report pursuant to Article 123-ter TUF for approval by the Board and subsequent submission for consideration at the Shareholders' Meeting;
- acting in a support role in proposals for the remuneration of corporate officers of Group companies;
- providing help for the work to verify the gender neutrality of the remuneration policies and to monitor changes in the

¹³ Appointed as a member of the Committee by Board resolution of 24 November 2022 to replace Mr. Roberto Giay.

¹⁴ Appointed as a member of the Committee by Board resolution of 24 November 2022 to replace Ms. Elisa Valeriani.

Gender Pay Gap over time.

The Committee's work cycle

The Committee is convened by the Chairperson and meets at least once every quarter and, in any case, whenever a meeting is needed to discuss important matters.

The Committee met 17 times in 2022 and the average duration of each meeting was approximately 1 hour and 25 minutes. From time to time, depending on the issues being addressed, committee meetings were attended by the Heads of Department in question to provide detailed information on items on the agenda (on average, 2 people were invited to each meeting). The Committee met 3 times in February 2023.

The following is a representation of the main activities of the Remuneration Committee in 2022.

Main activities carried out in 2022 by the Remuneration Committee



January- April

- Analysis and strategic decisions concerning the remuneration systems: pay benchmarking and requests to purchase treasury shares
- Analysis and assessment of the guidance document and remuneration report in support of the Board of Directors
- Monitoring the analyses carried out to identify MRTs within the BPER Group
- Analysis and opinions on the Strategy Scorecard and the 2022 MBO and LTI



May - August

- Pay benchmarking
- Resolutions and decisions on the remuneration of top management and executives



September - December

- Verification of changes in the MRT scope during the year
- Start of MBO projects 2023
- Analysis of the Salary Review process
- Preliminary analysis of the Gender Pay Gap
- Assessments concerning the remuneration of Group management

2.4 Control and Risk Committee

The Control and Risk Committee 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.

2.5 Sustainability Committee

The Sustainability Committee plays an advisory and proposal-making role, providing support to the Board on Environment, Social and Governance (ESG) matters and influencing all processes adopted by BPER to pursue sustainable development, including those relevant to the remuneration and incentive systems.

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

3. Identification of Material Risk Takers

The current Supervisory Instructions on Remuneration specify that “banks establish a policy for identifying Material Risk Takers, as an integral part of their remuneration and incentive policy”.

The policy on the identification process of Material Risk Takers adopted by BPER, as outlined below, defines:

- i) the criteria and procedures used to identify Material Risk Takers,
- ii) procedures for the appraisal of personnel;
- iii) the roles played by corporate bodies and the relevant business functions in devising, monitoring and reviewing the identification process.

Consistent with the duties allocated by current regulations to the Parent Company, BPER identifies the Group's Material Risk Takers with reference to all companies within the Group, whether or not subject to banking regulations on an individual basis, ensuring the overall consistency of the identification process and coordination of the varying instructions that apply in the specific sectors served by each Group company.

In order to identify the Material Risk Takers within the BPER Group, the Parent Company has applied the criteria established in Delegated Regulation (EU) 923 dated 25 March 2021 that, in turn, reflect the criteria established in the Final Report of the EBA issued in June 2020, as well as the supervisory instructions contained in Bank of Italy Circular No. 285.

The Banks belonging to the Banking Group, if not listed, adopt the policy defined by the Parent Company which, in any case, collects the contributions made at local level by the Group entities¹⁵ that are required to make such contribution.

The objective of the process is to identify, among all of the Group's personnel, those who are considered MRTs, being persons who professionally carry out activities with a substantial impact on the Group's risk profile, based on the analysis and assessment of the quantitative criteria given in the above Commission Delegated Regulation.

The self-assessment process consists of the following stages:

1. Analysis of the Group's risk profile and its relevance in terms of contribution to the economic performance of the various *legal entities*.
2. Application of the criteria for the identification of personnel in relation to the organisational position held, hiring and risk management.
3. Application of quantitative criteria

The Group's risk profile is analysed by the Chief Risk Officer and his staff, who analyse the structure of the risks to which the Group is exposed. In particular, they identify:

- The main risk categories that affect the Group as a whole;
- The parameters whereby the risk profile of the Group and individual companies are measured;
- The level of contribution of each component to the overall risk of the Group and the individual types of risks.

Depending on these parameters, "Material Legal Entities" have been identified for the purpose of determining the scope of the MRTs.

The self-assessment process is coordinated at Group level by the Chief Human Resource Officer (CHRO) and his/her staff. After receiving the assessments of the Group's risk profile prepared by the Chief Risk Officer (CRO) together with the Planning and Control Department, they analyse the various organisational positions (or roles) with the support of the Chief General Counsel (CGC) and the Planning and Control Department. Among the latter, only those that are likely to have an impact on the Group's risk profile, according to the relevant legislation and based on salary levels, are analysed (involving the application of qualitative and quantitative criteria).

Group companies actively participate in the process of identifying the Group's MRTs, as carried out by the Parent Company, providing it with the necessary information in accordance with the instructions received. The Human Resources function of each Italian bank, SIM and the SGR within the Group contributes to the preparatory work needed to identify the MRTs and drafts the Self-Assessment for Identifying MRTs, which will be examined and approved by the Board of Directors of each bank and SGR, after obtaining a compliance opinion from the Chief Compliance Officer (CCO) of the Parent Company, if that function has been centralised.

¹⁵ As required by the regulatory guidelines, the results of the analysis carried out at the local level (2 parties) and, as a precaution, for Optima SIM (on the basis of the specific regulations applicable to financial companies) were also included. Two positions were identified as MRTs at the local level: the Head of the Operating Resources Service of Bibanca and the Head of the Business Service at Banca Cesare Ponti.

The CGC of the Parent Company checks any updates of the signing powers granted to particular roles at the individual Group companies, pointing out to the CHRO the main changes with respect to the previous year and the presence of any specific executive appointments involving individual directors in order to identify anyone belonging to companies not included in the list of Material Legal Entities, but who can be identified as MRTs because of the positions held and the impact of their activities on the risk profile. Taking into account the results of the assessments carried out by the individual members of the Group, the CHRO then prepares the Self-Assessment for Identifying MRTs of the Group, which is reviewed by the CCO and then approved by the Board of Directors, after consulting the Remuneration Committee.

Based on the above assessment, if one or more persons identified using the quantitative criteria indicated in the Commission Delegated Regulation are not deemed to be MRTs, because they only exercise powers within an insignificant operating unit/business, or play a role without significant impact on the risk profile of an operating unit/business that is significant within the Group, those persons may be excluded. The list of MRTs is monitored constantly and may be revised by the CHRO and his staff during the second half of the year: in particular, the list of MRTs is revised if situations arising after the annual identification could have a stable impact on the MRT scope (such as corporate reorganisations and changes in loan approval procedures and signing powers).

The outcome of the process described for 2023 led to the identification of the following scope:

Category of personnel	Number of people (2023)
I. Executive Directors (*) (**)	3
II. Non-Executive Directors	46
III. General Managers and Heads of the main Corporate Functions(**)	21
- Parent Company	7
- Banco di Sardegna	4
- Other banks/companies	10
IV. Heads of Control Functions(**)	23
- Parent Company	23
V. Other Risk Takers	47
- Parent Company	40
- Banco di Sardegna	4
- Other banks/companies	3
VI. Application of quantitative criteria	14
TOTAL	154

(*) Including the Chief Executive Officer and General Manager of Arca Fondi SGR

(**) 19 people are included in the definition of Top Management

In the light of those identified by applying the qualitative and quantitative criteria, the scope of MRTs for 2023 consists of 154 people¹⁶.

Category of personnel	2022	2023
Non-Executive Directors	50 (34%)	46 (30%)
MRTs	80 (55%)	85 (55%)
MRTs – Heads of Control Functions	16 (11%)	23 (15%)
TOTAL	146 (100%)	154 (100%)
% Total BPER Group personnel (see definition in Bank of Italy Circular No. 285)	0.78%	0.71%

¹⁶ These include all BPER ESRs

4. Comparison with market practice and use of external consultants

The remuneration policies adopted by the Group are defined in order to support business strategies ensuring a coherent and effective alignment with regard to incentive systems, including staff interests and value creation for the shareholders. In order to ensure the competitiveness of its remuneration policies, which is essential to attract, motivate and retain the best resources, the Group constantly monitors general market trends and practices, so that it can establish levels of compensation that are both fair and competitive.

Consistent with this, the Group periodically benchmarks salaries against those of a panel of companies operating in the same sector, as well as those identified in segment surveys carried out by the trade association, and applies analytical criteria to compare similar roles and positions in order to determine the positioning of our pay levels in terms of fixed, variable and total remuneration.

For the various types of staff, the Group's remuneration policy defines differentiated and competitive remuneration packages in terms of fixed and variable components and fringe benefits.

In carrying out all the activities necessary to ensure the competitiveness and effectiveness of its pay systems, the Group has been supported by external, independent consultancy firms with considerable *expertise* in this area. In particular, the Group now collaborates with an international consultancy: WTM, which helped to revise the incentive schemes and the remuneration policy as well as Mercer, which provided support for the benchmarking of salaries at various levels within the company workforce.

In defining its remuneration policies, with particular reference to the monitoring of the main practices of the market, the Group typically compares itself with a panel of listed banking groups, mostly subject to the Single European Supervisory Mechanism relating to the FTSE MIB or the Mid Cap Index, belonging to the same business sector and size such as to ensure that the panel is balanced and suitable for the needs of the analysis.



The Group also compares remuneration levels by adopting a larger panel of companies, carried out on the basis of a system of evaluation of the positions, to ensure complete consistency and comparability of roles. In carrying out this analysis, the Group integrates the survey specifically commissioned to the consultants with surveys across entire sectors or specific categories of personnel.

5. Target audience of the remuneration policies

In line with the principles and purposes set out in Chapter 1, the remuneration policies are aimed at creating value for all Group personnel, differentiated by category.

They are therefore structured in order to ensure maximum effectiveness compatibly with the type and objectives of the relevant corporate function.

In this direction, the remuneration and incentive policies target the following categories of personnel:

- Corporate bodies;
- Chief Executive Officer and General Manager;
- Material Risk Takers¹⁷;
- Material Risk Takers of the Control Functions¹⁸;
- Remaining personnel (not included in the MRT scope);
- External collaborators.

The details relating to some Group entities are also represented; specifically, these are Arca Fondi SGR, OPTIMA SIM SpA and BPERBank Luxembourg.

6. Remuneration of the Corporate Bodies

The remuneration of the Corporate Bodies is determined at the Shareholders' Meeting of BPER Banca S.p.A., which sets the total compensation of the members of the Board of Directors in compliance with the law and relevant regulations.

The Shareholders' Meeting also sets the annual remuneration of the members of the Board of Statutory Auditors for the entire duration of its mandate.

6.1. Remuneration of the members of the Board of Directors

The compensation of the Directors of BPER Banca S.p.A. is determined in order to remunerate adequately and reward the skills applied and responsibilities accepted in the performance of their assigned duties. For all Directors of the Parent Company, with the exception of the Chief Executive Officer, their remuneration is set entirely on a fixed basis, without any variable remuneration component.

The Shareholders' Meeting of 20 April 2022 established the total annual amount of remuneration to be paid to the Directors for years 2022 and 2023, pursuant to Article 2389, par. 1, of the Italian Civil Code (ICC), as €1,700,000 (of which €1,125,000 for the members of the Board of Directors and €575,000 for the additional remuneration of members of Board Committees), in addition to a fee of €500 for individual attendance at each board meeting.

Given the above and as subsequently resolved at the Board meeting held on 28 April 2022, acting on a proposal from the Remuneration Committee, the annual compensation for the position of Director in 2022 and 2023, excluding any additional emoluments from serving on Board committees and the compensation established for special duties, was set at €75,000 plus the above attendance fees.

In addition to the above, the Directors also benefit from reimbursement of any expenses incurred in the exercise of their duties (travel, accommodation, training costs, etc.) and are not required to pay the premium for the D&O insurance policy for third-party liability, taken out by the Bank on their behalf, all in compliance with applicable legislation and taking current market practice into account.

Lastly, individual Directors may also opt to benefit from a healthcare policy.

6.2 Remuneration for serving on Board committees

The Directors who participate in the Committees established within the Board of Directors receive a fixed remuneration

¹⁷ Including the ESRs, excluding members of the Board of Statutory Auditors and non-executive members of the Board of Directors

¹⁸ See the preceding footnote.

commensurate with the commitment requested and determined, in continuity with the previous year, for the residual duration of the Board's current mandate. The remuneration of committee members is determined by the Board of Directors with support from the Remuneration Committee, having regard for any overall total authorised at the Shareholders' Meeting.

With regard to 2022, the Board of Directors in office at the time, acting on a proposal from the Remuneration Committee, set the annual compensation for serving on Board committees with reference to the overall total established at the Shareholders' Meeting held on 20 April 2022. The relevant amounts are shown in the table below.

Office	Control and Risk Committee	Remuneration Committee	Appointments and Corporate Governance Committee	Related-Party Transactions Committee	Sustainability Committee
Chairman	€60,000	€35,000	€35,000	€35,000	€17,500
Member	€40,000	€25,000	€25,000	€25,000	€12,500

6.3 Remuneration for special duties

Pursuant to Article 11, par. 2, of the Articles of Association, the additional remuneration due to the Directors assigned special duties (to be more specific: the Chairman, Deputy Chairman and Chief Executive Officer/General Manager, as outlined in Section 6.4) is established by the Board of Directors with support from the Remuneration Committee, having received the opinion of the Board of Statutory Auditors, pursuant to Article 2389, par. 3, of the Italian Civil Code.

The meeting of the Board of Directors held on 28 April 2022, acting on a proposal from the Remuneration Committee and having consulted the Board of Statutory Auditors, set the following additional remuneration:

- €315,000 for the Chairman;
- €50,000 for the Deputy Chairman.

6.4. Remuneration for the office of Chief Executive Officer and General Manager

Pursuant to Article 11, par. 2, of the Articles of Association and Article 2389, par. 3, of the Italian Civil Code, the additional remuneration due to the Chief Executive Officer is established by the Board of Directors, with support from the Remuneration Committee and having consulted the Board of Statutory Auditors, and comprises a fixed component and a variable component (consisting of both short- and long-term elements).

The emoluments for the General Manager position are established by the Board of Directors with support from the Remuneration Committee.

With reference to 2022, the remuneration for the roles of Chief Executive Officer and General Manager, held by the same person, was established at the respective Board meetings held on 28 April 2022 and 4 August 2022, having regard for the practices adopted by a comparable peer group.

As an executive director, the Chief Executive Officer and General Manager is also a recipient of the short- and long-term incentive plans. The related details are outlined in Chapter 7.2.

6.5. Remuneration of employees appointed as directors of subsidiaries

The Parent Company established the general guidelines for the composition, designation and remuneration in 2019 for members of the boards of directors of subsidiaries of BPER Banca S.p.A., which were updated most recently on 29 March 2022.

Pursuant to those guidelines, any fees paid to Group employees (primarily senior managers) for positions held in subsidiaries of the Group are repaid by them to the company for which they work.

Without prejudice to the above, the previous version of the guidelines (later amended, as mentioned on 29 March 2022) envisaged the payment of additional remuneration to the employees concerned, in the form of an indemnity linked to the nature of the positions held and governed by a specific internal regulation.

The amount of this indemnity was determined with reference to the features and size of the companies concerned, as well as the operational complexity and riskiness of their activities, without exceeding an annual maximum of €20,000 for each employee, even in the case of multiple appointments.

This indemnity was eliminated in the previous update of the guidelines on 19 January 2022, since remuneration for serving on the boards of subsidiaries is deemed to be already included in the total employment remuneration usually awarded to the persons concerned.

On a transitional basis, this elimination of the above indemnity applies from the first full renewal of the boards of each company subsequent to the entry into effect of the new guidelines (i.e. after 19 January 2022).

6.6. Remuneration of members of the Board of Statutory Auditors

The annual remuneration of members of the Board of Statutory Auditors, including the Chairman, is set at the Shareholders' Meeting that appoints them for their entire term of office.

Given the role and responsibilities of the control body, no variable remuneration is envisaged for the members of the Board of Statutory Auditors.

With reference to the current mandate (2021-2023), the Ordinary Shareholders' Meeting held on 21 April 2021 fixed the annual remuneration of the members of the Board of Statutory Auditors, including the Chairman, for their entire term of office. The amounts are shown in the following table:

Office	Compensation
Chairman	€150,000
Member	€100,000

Any expenses connected with carrying out the office, including the D&O insurance premium for third-party liability, are borne directly by the Bank/Company or reimbursed to the Acting Auditor⁹.

⁹The members of the Board of Statutory Auditors may also opt, at their own expense, to participate in the Group healthcare policy on the conditions reserved for top management.

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

7. 2023 Remuneration Policy

The Group Remuneration and Incentive Policy is designed in compliance with the principles and purposes defined in the previous sections and in accordance with the regulations currently in force. To ensure the effectiveness, competitiveness and strength of the remuneration policies, the Group conducts regular analyses to monitor the main market practices and trends and for this purpose uses external consultants with strong experience in the field.

Particularly as regards MRTs, the Group took particular care to verify the regulatory compliance of all items that make up the remuneration package and monitored investors' expectations on the matter, as expressed by the Proxy Advisors.

The aim of the Remuneration and Incentive Policy is to reward the achievement of company objectives, with a view to creating value for the shareholders. At the same time it is based on clear and defined indicators that regulate the payout of variable bonuses, making their payment, especially for Material Risk Takers, contingent on the fact that there are adequate capital, liquidity and risk-adjusted return ratios, also in compliance with the Bank of Italy's requirements. The structure of the bonus schemes for MRTs can be explained starting from the term for the CEO and outlined in the following sections, highlighting the issues that may differ from it.

7.1 Ratio of variable to fixed remuneration

Consistent with the regulations and the resolutions adopted at the 2020 Shareholders' Meeting, the maximum ratio of variable to fixed remuneration is fixed at 2:1 for all MRTs, excluding the control functions and similar activities, in order to have the flexibility needed to²⁰:

- make payments ahead of or in the event of early termination of employment or term in office, within the maximum limits already established in these policies;
- apply all operational drivers in order to ensure the competitiveness of remuneration packages designed to attract strategic professional skills and ensure the availability of the human resources needed to achieve the established business objectives²¹.

For the rest of the personnel, a maximum ratio between the 1:1 remuneration components is usually adopted, with the exception of MRTs of Corporate Control Functions, for whom their variable remuneration cannot exceed one third of their fixed remuneration.

Nevertheless, the Group also sets the maximum variable and fixed ratio at 2:1 for the rest of the personnel as well (excluding the control functions once again) in the following limited circumstances:

- a) to make payments ahead or in the event of early termination of employment or term of office (severance), within the maximum limits already established in these policies under specific circumstances;
- b) to have appropriate tools to manage in a suitable manner the competitive pressures in the job markets for certain, highly profitable business segments and specific professional families (Wealth Management and Corporate Banking). These professional families comprise a maximum of 900 persons, within which only a very small minority can exceed the 1:1 limit²². Adoption of this 2:1 ratio between variable and fixed remuneration does not have any effect on the Bank's ability to comply with the prudential rules on capital, or the requirements regarding own funds in particular.

The table below shows the short- and long-term variable incentive levels (target and maximum) defined for MRTs and for Control Functions. These limits apply in normal circumstances, without prejudice to any specific situations in which the Bank may decide to use the full regulatory limit.

²⁰ This ratio does not apply to personnel belonging to the SGR within the Group, for whom the regulations envisage the possible application of different limits. See Section 7.12 for further details.

²¹ Without prejudice to the aforementioned objectives, the Group's intention is to maintain the proportion of variable to fixed remuneration well within the ordinary limits, as shown in the table on the following page.

²² Includes the functions directly responsible for business with corporate customers.

Classes	Short-term target bonus		Long-term annual bonus ²³	
	maximum	bonus	maximum	bonus
	(% annual gross income)	(% annual gross income)	(% annual gross income)	(% annual gross income)
CEO/GM	45%	59%	60%	72%
Top Management	40%-45%	53%-59%	60%	72%
Senior management	30%-40%	40%-53%	40%	48%
MRT - high-end	25%-30%	33%-40%	-	-
Other MRTs	15%	20%	-	-
Control functions	15%-30%	15%-30%	-	-

In the event of significant and unexpected changes in market conditions, the Board of Directors can order a review of the annual budget, with subsequent revision of individual targets.²⁴

It is a consolidated approach in the BPER Group that the measurement of results is adjusted by extraordinary components, in order to eliminate the effects of non-recurring or unforeseeable events, such as, for example: M&A transactions, reorganisations concerning the Group's scope, capital transactions, changes of control, *compliance* with sector regulations, extraordinary accounting normalisation (e.g. *impairment* in goodwill and equity investments, *badwill*, costs for personnel manoeuvres, etc.). To this end, in line with internal regulations, the Board of Directors reserves the right to adjust items before determining the results to be used for the bonus scheme.

The Board of Directors of the Parent Company also reserves the right to reduce the bonuses accrued if, in total, they exceed the approved bonus pool.

7.2 Remuneration of the Chief Executive Officer and General Manager

The remuneration of the Chief Executive Officer and General Manager of BPER comprises a fixed component, a short-term variable component and a long-term variable component. The fixed components of the remuneration package for the offices of Chief Executive Officer and General Manager were approved, respectively, at the Board meetings held on 28 April 2022 and 4 August 2022. They are shown below:

- €1,200,000 for the office of Chief Executive Officer;
- €100,000 for the office of General Manager.

Accordingly, the overall fixed remuneration for the offices of Chief Executive Officer and General Manager, inclusive of the Director's fee of €75,000, totals €1,375,000.²⁵

The short-term variable component, explained in greater detail below, is determined with reference to clear and measurable performance parameters contained in the Strategy Scorecard. No discretionary bonuses are awarded. The bonus payout calculations are made after checking that the access conditions envisaged for all MRTs have been achieved. In continuity with previous years, the Strategy Scorecard is expected to be assigned in full to the Chief Executive Officer and serves as a reference for the definition of the objectives assigned to the various scope of the company workforce, representing the basic element of the overall structure of the Short-Term Incentive System for MRTs.

The correlation between the amount of variable remuneration actually paid and the company's medium/long-term results is sustained by applying ex-post correction mechanisms over a multi-year time horizon, based on a verification that adequate levels of capital, liquidity and risk-adjusted return remain, as envisaged in current regulations.

The articulation of strategic objectives is focused on company priorities by pursuing an overall balance between economic-financial issues and risk management and attention to ESG topics in order to ensure the tension towards profitability and ensure the general sustainability of the incentive systems within the framework of alignment to the satisfaction of the interests of all *stakeholders*.

The adoption of qualitative performance parameters ensures that the remuneration system is aligned to the Group's mission and values, supporting its orientation towards the construction of long-term value. It is evaluated from a qualitative point of view by the Board of Directors on the proposal of the Remuneration Committee²⁶, based on an assumption put forward by the Chairman of the Board of Directors.

²³ The opportunity for bonuses on an annual basis remains unchanged with respect to the previously approved three-year LTI Plan. The bonus opportunity on a four-year basis is as follows: target for CEO/GM and Top management 240% (maximum 288%), for Senior management 160% (maximum 192%).

²⁴ Just as, more normally, this need can arise in the case of extraordinary transactions that affect the Group's scopes or the individual companies that make up said scopes.

²⁵ Without counting attendance fees.

²⁶ Collected where necessary the opinions of the additional competent committees on specific areas.

The long-term variable component (LTI Plan 2022-2025) started in 2022, which is explained in greater detail below, is determined on the basis of clear and measurable performance parameters to be achieved by 2025, via an assessment that weights the following areas.

1. Economic-financial results and risk management: Group-level KPIs are provided for profitability, operational efficiency and credit quality;

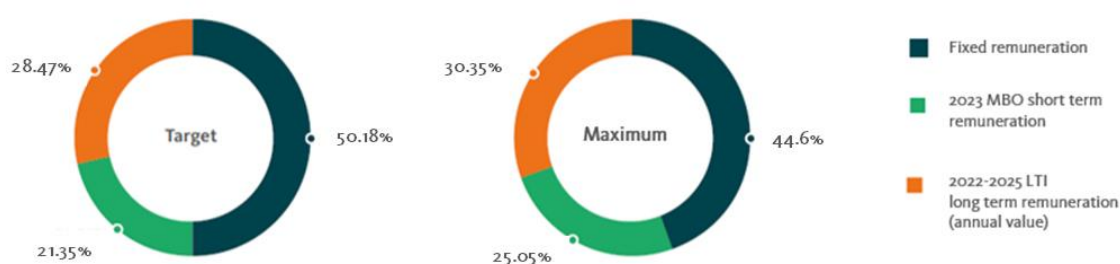
2. “Sustainability” area: challenging ESG objectives are set in line with the strategic guidelines of the Business Plan.

The calculations are made after checking that the access conditions envisaged for all MRTs have been achieved.

The correlation between the variable amount actually paid out and the long-term results is sustained by providing for the measurement of performance over a four-year horizon and by applying ex-post correction mechanisms over a time horizon of a further five years (after the end of the vesting period). In particular, it is based on a verification that adequate levels of capital, liquidity and risk-adjusted return remain, as envisaged in current regulations.

The CEO's remuneration package has been put together in such a way as to ensure an appropriate balance between fixed and variable remuneration. It is also modulated with the aim of ensuring a variable remuneration in proportion to the results achieved, within the limits (the so-called "maximum cap") envisaged by the bonus scheme.

Considering the target level and the maximum level of annual and long-term variable remuneration, the *pay mix* is analysed below:



The maximum *payout* of the variable remuneration, in correspondence with the achievement of the maximum level of the assigned objectives, continues to be well below the maximum limit of 2:1 with respect to the fixed remuneration.

Short-term variable incentive plan – “2023 MBO”

The Group has defined a short-term variable incentive system in order to reward virtuous behaviour and distinctive results and, at the same time, penalise, through the reduction until the non-payout of the incentives themselves, non-positive results and worsening of economic sustainability conditions of the bank. It is, at the same time, an important part of *retention* and attraction for personnel with the best professional skills.

The incentive system provides for the definition of a bonus pool which represents the maximum amount of bonuses that can be paid. The bonus pool for the Chief Executive Officer and Managing Director and for MRTs is set at Group level.²⁷ The amount of the bonus pool for MRTs is correlated with the economic results achieved – measured in terms of the Group Gross Profit as a reference – and constitutes the maximum “jackpot” payable.

In order to discourage excessive risk-taking that can lead to excessive risk-taking, also in compliance with the Bank of Italy's regulatory requirements, payout of the bonus pool, whatever the amount, is without exception subject to compliance with certain indicators, called “entry gates” based on indicators of capital strength, liquidity and risk-adjusted profitability.

The entry gates for 2023, all of which have to be achieved at the same time, are as follows:

Entry gate	Minimum threshold
Common Equity Tier 1 (CET1) – consolidated ratio	> Tolerance RAF
Liquidity Coverage Ratio (LCR) consolidated	> Capacity RAF
Return On Risk-Weighted Assets (RORWA) consolidated	> Tolerance RAF

Failure to achieve even only one of the entry gates means that no bonus will be paid out under this scheme²⁸.

In the event of a recovery resolution by the Board of Directors, this triggers off a suspension of payout of the variable

²⁷ With the exception of MBO bonuses for Control Functions, which are of limited amount and not even indirectly correlated with the financial results, and those for the asset management company, included in a separate pool at the Company level.

²⁸ As will become clearer from reading the following paragraphs, CET1 Transitional and LCR are binding for all MBO systems, while RORWA does not apply to the Control Functions.

remuneration (both the up-front and the deferred portion).

The Board of Directors can decide that, instead of merely a suspension, there should be:

- a reduction or elimination of bonuses still to be determined;
- a reduction or elimination of bonuses already determined but not yet paid out;
- a reduction or elimination of deferred portions or those subject to retention.

The Board of Directors of the Parent Company can also order the reduction or elimination of bonuses allocated to all categories of personnel in the event of particularly low net profitability or a loss, both at the consolidated and separate level, at Companies in which the combined capital requirements set by the Supervisory Authorities are not observed.

After checking that the Entry Gates have been exceeded, the bonus allocation and the extent of the variable remuneration are defined by evaluating individual performances using a process that includes the analysis of various qualitative and quantitative indicators.

Also for 2023, the scorecard of the Chief Executive Officer and General Manager consists of both quantitative and qualitative targets, as detailed below.

CEO and GM SCORECARD	2023 MBO	Payout (min-target-max)
Operating and financial objectives	80%	
Group Gross Profit (€/Mln)	40%	50%-100%-150%
Group Gross NPE Ratio (%)	20%	50%-100%-120%
Group Fully Phased CET1 ratio (%)	20%	50%-100%-120%
ESG objectives	20%	50%-100%-120%

Composite metric including six objectives considered strategic in the short term as an enabling factor for achieving the ESG targets attributable to areas of the Business Plan:

- **Assets under management:** increase in investments focused on ESG
- **Green Credit Ceiling:** provision of credit earmarked for investments in the field of sustainability (ESG)
- **Implementation of BEMS (Building Energy Management System):** increase in coverage on the Bank's branches of solutions designed to monitor and optimise the energy performance of buildings
- **Net Zero Banking Alliance:** calculation of the carbon footprint of loan and investment portfolios; definition of decarbonisation targets by 2030 and 2050 for high emissions sectors; implementation of monitoring tools for indirect emissions generated by the company value chain (so-called Scope 3)
- **Advancement in the path of diversity, equity and inclusion:** early achievement of the intermediate objectives set in the Business Plan with regard to the categories of managers and Executives
- **ESG Ratings:** maintenance of the current Moody's ESG Solution, S&P ESG Evaluation and CDP ratings

The aforementioned objectives have a percentage weighting on the individual bonus and their evaluation is based on increasing thresholds from the minimum level to the target (between 50% and 100%), from the target to the maximum level (between 100% and 120%).²⁹

For ESG objectives, the minimum, target and maximum thresholds are represented, respectively, by the achievement of 4³⁰, 5 or 6 objectives. Each individual objective is on/off based on precise deliverables. Therefore, the payout curve is 50%-100%-120%.

Once the results have been measured by the Board of Directors, the system provides for the application of risk-adjusted parameters based on those contained in the Risk Appetite Framework (RAF), with an assessment aimed at defining any adjustments with respect to the vested incentive. Upon achievement of the objectives set out in the CEO and GM's personal scorecard, the adjustments can reduce the vested bonus by up to 50%.

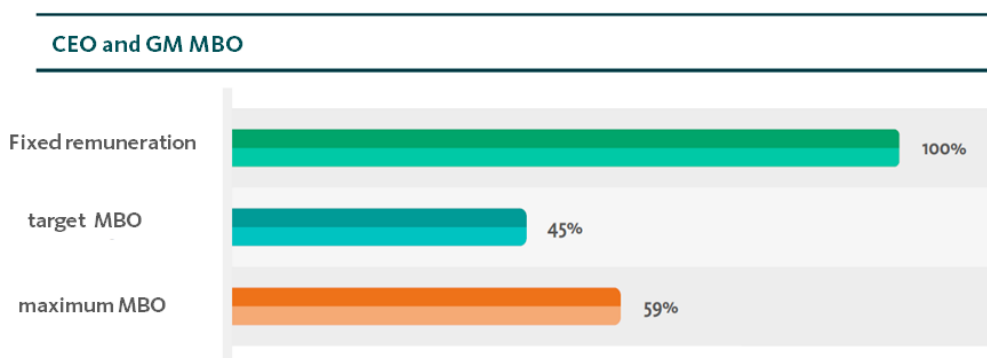
RAF ADJUSTMENTS (in order of impact)
CET1% Transitional
LCR (%)
Cost Income
Economic Capital Adequacy Ratio
MREL TREA%

The maximum short-term bonus of the Chief Executive Officer and General Manager is capped at 59% of his fixed remuneration.

²⁹ With the exception of Group Gross Profit, the maximum level of which is 150%.

³⁰ Of the first five objectives.

MBO bonus opportunity (comparison with fixed remuneration)

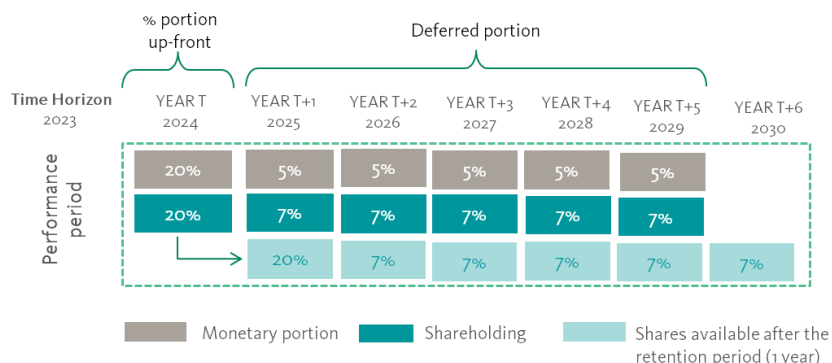


The method for paying out vested bonuses after the final calculation of the results of the scorecard has been set by the Board of Directors in line with the regulatory requirements, with the dual aim of achieving alignment with the ex-post risk and supporting the medium and long-term orientation, as well as managing to correlate the variable component with the actual results. The Board also decided to use BPER Banca shares in order to align the MBO plan with the best market practices and the requests of investors and proxy advisors, starting from 2021.³¹

In line with the above, payout of the CEO' and General Manager's bonus is structured as follows:

- 45% is allocated on the date the bonus is granted (up-front portion): 20% cash and 25% through BPER Banca shares subject to a retention period of 1 year³².
- The other 55% (25% cash and 30% BPER Banca shares) is deferred in equal annual portions over 5 years with a 1-year retention period (during which the shares cannot be sold). The deferred portions are subject to malus conditions that are applicable to other MRTs.
- In the event of a particularly high bonus³³, the up-front portion is 40% (20% cash and 20% in BPER Banca shares subject to a 1-year retention period), while the remaining 60% (25% cash and 35% in BPER Banca shares) is deferred in equal annual portions over 5 years with a 1-year retention period (during which the shares cannot be sold).

MBO deferral scheme for particularly high amounts



The variable components are subject to ex-post adjustment mechanisms (malus and claw-back) in order to reflect the performance levels net of the risks actually undertaken or achieved in terms of capital, taking into account individual behaviour, as specified below.

The *up-front* and deferred portions are subject to malus rules that can reduce the portion to zero in the event of failure to achieve the *Entry Gates*) envisaged for the year prior to the payout year of each deferred portion.

The malus mechanism, which can block payment of the portions of the bonus, also applies in cases where clawback clauses are activated.

No change-of-control clauses apply to the Chief Executive Officer and General Manager.

³¹ The amount of remuneration based on financial instruments may not be allocated entirely in the form of Shares if the Bank decides to pay out a portion by means of other kinds of instruments according to the specific regulations (such as convertible bonds).

³² Without prejudice to the possibility of "sell to cover" (selling securities to pay any tax or social security contributions generated by delivery of the securities subject to retention), which is associated with all quotas subject to retention.

³³ See Bank of Italy Circular No. 285: "A particularly high amount" means the lower of: i) 25% of the average total remuneration of Italian high earners resulting from the most recent report published by the EBA; ii) 10 times the average total remuneration of bank employees". In the BPER Banca Group, the level of variable remuneration which represents a particularly high amount is €435,000 and is the lower of i) and ii), derived from the application of point i). The situation is monitored constantly and updated at least every three years.

Variable long-term incentive system – “2022-2025 LTI” Plan

In 2022, a long-term variable incentive system was introduced (“the Plan” or “the LTI Plan”) linked to the launch of the new 2022-2025 “e-volution” business plan³⁴ in which the CEO and GM also participates. This provides for the free allocation of ordinary BPER Banca shares and is based on a multi-year *performance* assessment period consistent with the Group’s strategic guidelines.

This Plan aims to:

- recognise an incentive exclusively in BPER Banca Ordinary Shares, according to methods that comply with the relevant provisions and in line with what is defined in the 2022-2025 Business Plan of 9 June 2022;
- align management’s interests with the creation of long-term shareholder value;
- motivate management to implement the long-term business strategies, whose targets, outlined below were set out in the context of the 2022-2025 Strategic Plan;
- strengthen key persons’ sense of belonging in order to implement the Group’s medium-long term strategy;
- reward virtuous behaviour and positive results while penalising failure to achieve results and any deterioration in the Group’s capital, liquidity and profitability by not paying out any bonuses.

The Plan envisages clear, predetermined performance conditions that are checked both during the plan period and on termination of said Plan. The bonus is recognised at the end of the performance evaluation period.

The Plan applies to about 50 top managers within the Group who are considered fundamental for the success of the 2022 – 2025 Business Plan³⁵. A maximum of 20 additional key resources may be added later for the achievement of plan objectives. The LTI System also provides for the definition of a bonus pool which represents the maximum amount of bonuses payable and is set at Group level. The amount of the bonus pool is related to the results achieved and constitutes a maximum limit. Its distribution is entirely subject to compliance with certain Entry Gates, based on indicators of capital strength, liquidity and risk-adjusted profitability.

The Entry Gates for the 2022-2025 LTI Plan, all of which have to be achieved, are in line with those established for the MBO, to which reference is made.

Failure to achieve even only one of the Entry Gates means that none of the bonuses under this scheme will be paid out. If the Entry Gates are achieved, the Plan provides for an assessment of the Group’s key performance indicators (KPIs) at the end of the four-year vesting period (2025). Continuous monitoring of the indicators is carried out during this period to verify compliance with the objectives of the Strategic Plan.

Based on this approach, the amount of the bonus is determined in proportion to the results actually achieved.

In the event of a recovery resolution by the Board of Directors, this triggers off a suspension of payout of the variable remuneration (both the up-front and the deferred portion). The Board of Directors can decide that, instead of merely a suspension, there should be:

- a reduction or elimination of bonuses still to be determined;
- a reduction or elimination of bonuses already determined but not yet paid out;
- a reduction or elimination of deferred portions.
- The Board of Directors of the Parent Company can also order the reduction or elimination of bonuses allocated to all categories of personnel in the event of particularly low net profitability or a loss, both at the consolidated and separate level, at Companies in which the combined capital requirements set by the Supervisory Authorities³⁶ aren’t observed.

After checking that the Entry Gates have been exceeded, the actual allocation of the bonus and the related amount, within the maximum limits³⁷ set for the variable remuneration, are defined through a process of corporate performance evaluation that includes an analysis of 4 KPIs.

For the four-year 2022-2025 period, the scorecard of the LTI Plan, which is the same for all beneficiaries, is made up of profitability, operating efficiency, credit quality objectives as well as ESG objectives.

The target values of the KPIs of the Long-Term Incentive Plan, shown below, are consistent with what is defined in the 2022-2025 Strategic Plan (the “Strategic Plan”) approved by the Board of Directors on 9 June 2022 and disclosed to the market on 10 June 2022. Following this event, the duration of the *vesting* period of the LTI Plan³⁸ (originally structured over three years) was also aligned with the four-year orientation of the new 2022-2025 Strategic Plan.

The choice of indicators is intended to ensure their full external transparency and ready comparison with sector peers.

The measurement and weighting mechanism of the LTI Plan, which is meant to balance the various types of objectives and

³⁴ For further details, see also the Information Document relating to the long-term incentive plan “2022-2025 LTI” drawn up pursuant to Article 114-bis of the Consolidated Law on Finance and art. 84-bis of the Issuer Regulations as resolved by the Shareholders’ Meeting of BPER on 5 November. To access the 2022-2025 LTI Plan it is necessary, by the end of the plan period, to hold a position within the scope determined by the Board of Directors of the Parent Company, provided this occurred by April 2025.

³⁵ Bonuses allocated to beneficiaries who have held positions within the scope for only part of the period of the Plan are calculated on a time-apportioned basis.

³⁶ “In the event of non-compliance with the requirements referred to in articles 141 or 141-ter of the CRD or in the situations referred to in Article 16-bis of Directive 2014/59/EU (BRRD), variable remuneration may be recognised and/or paid within the limits and under the conditions specified in the provisions implementing these articles.” (See Bank of Italy Circular No. 285 of 17 December 2013, Section V, paragraph 2).

³⁷ The bonus pool, i.e. the theoretical maximum amount of bonus payable, is the sum of the maximum bonuses that can be received at an individual level.

³⁸ Amendments to the LTI Plan on the proposal of the Board of Directors, with a positive opinion of the Remuneration Committee, were submitted for approval, in a separate item on the Agenda, to the Shareholders’ Meeting of 5 November 2022. On that occasion, the updated version of the 2022 Remuneration Report, previously approved on 20 April 2022, was also submitted for approval.

support the motivation and incentive to achieve company results within a framework of sound and prudent risk management and ESG sustainability, is as follows :

2022-2025 LTI scorecard

KPIs	WEIGHT	TARGET ³⁹
ROTE as at 31/12/2025	50%	10%
Cost/Income as at 31/12/2025	20%	58%
Gross NPE Ratio at 31/12/2025	15%	3,6%
ESG	15%	100%

In particular, the ESG target (15% weight) is composed of:

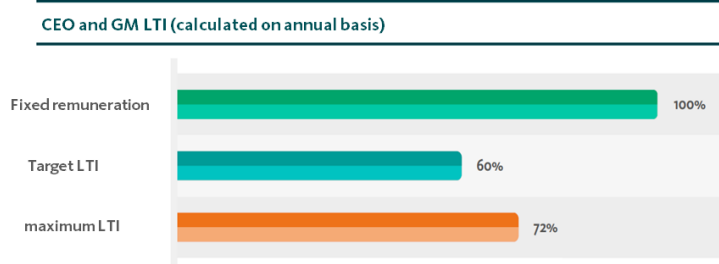
Area (Weight)	Objective	Target
Sustainable finance (25%)	Green loans	€7 billion allocated to businesses and households by 2025
Energy transition (25%)	Reduction of CO2 emissions	-23% emissions by 2025
Diversity and inclusion (25%)	Gender gaps: less represented gender between Middle Managers and Executives	25% female Executives and 33% female managers (Executives and Middle Managers) by 2025
Futuro Project (25%)	Increase of financial education programmes and rollout of a youth inclusion project	Qualitative judgement assigned by the Board of Directors for the overall assessment of the project ⁴⁰

The above objectives carrying a percentage weighting within the individual bonus and their assessment is based on increasing thresholds, from minimum to target (between 70% and 100%) and from target to maximum (between 100% and 120%), with an associated linear interpolation mechanism for payouts (70%/100%/120%).

In the event of extraordinary or unforeseeable events, the Board of Directors will be able to make any changes to the plan structure that may be necessary or appropriate to neutralise the effects on Entry Gates and KPIs.

The maximum annual bonus of the Chief Executive Officer/General Manager is capped at 72% of his fixed remuneration:⁴¹

LTI bonus opportunity (comparison with fixed remuneration)



The method for paying out bonuses, structured as shown below, was set by the Board of Directors in line with the regulatory requirements, with the dual aim of achieving alignment with the ex-post risk and supporting the long-term orientation, as well as managing to correlate the variable component with the actual results and the risks assumed. The Board also decided to use BPER Ordinary Shares for 100% of the long-term bonus.

At the end of the four-year period, 45% is granted at the bonus allocation date (up-front portion), but subject to a 1-year retention period. The other 55% vests in equal annual portions over five years with a 1-year retention period⁴². Bonuses are subject to ex-post adjustment, malus and claw-back conditions, as for short-term incentive schemes.

Payout of the LTI 2022-2025 bonus for the CEO and GM⁴³

³⁹ The quantitative KPI targets were approved by the Board of Directors on 9 June and disclosed to the market on 10 June (see page 2 of the press release, available at the following link: https://istituzionale.bper.it/documents/133577364/o/BPER_Industrial_Piano_22-25_S.pdf)

⁴⁰ Following the opinion expressed by the Sustainability Committee, on the basis of the evidence for the overall assessment of the project, produced by an independent external company, or on the basis of an Impact Report with evidence of the SROI of the project and value generated for each stakeholder, also in reference to national and international sustainability standards.

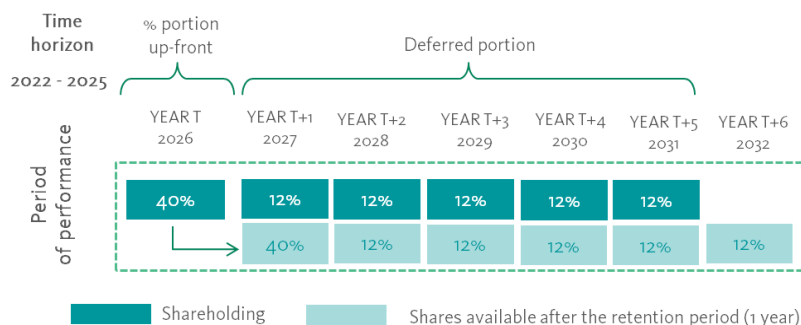
⁴¹ This portion is determined annually over a period of 4 years. The cumulative value is therefore equal to 240% (Target) and 288% (Maximum).

⁴² Without prejudice to the possibility of "sell to cover" (selling securities to pay any tax or social security contributions generated by delivery of the securities subject to retention).

For a "particularly high" amount, the up-front tranche will be equal to 40% and the five deferred tranches will be equal to 12% of the bonus. Example of 5-year

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

LTI deferral scheme for particularly high amounts



The free allocation of shares in execution of the Plan will take place using the Bank's treasury shares that arise from purchases authorised by the Shareholders' Meeting, pursuant to Article 2357 and 2357-ter of the Italian Civil Code. The target number of shares promised at the start of the Plan's four-year period is calculated based on the ratio between the amount of the target bonus in absolute terms and the value of the stock (a straight average of the official price of the BPER Banca ordinary shares posted in the 30 days preceding the date of the Shareholders' Meeting). No change-of-control clauses apply to the Chief Executive Officer and General Manager.

Share Ownership Guidelines

With a view to strengthening the “pay for sustainable performance” link, the extension of the obligations to maintain the financial instruments arising from the LTI Plan was envisaged as early as 2022 through the introduction of Share Ownership Guidelines for the Chief Executive Officer and Executives with Strategic Responsibility (ESRs) of BPER Banca. On the basis of these Guidelines, the recipients undertake not to transfer until the expiry of the mandate/end of the employment relationship or permanence in the scope of the ESRs, a percentage of the Available Shares, vested in each *up-front* portion or each vested portion within the scope of the “2022-2025 LTI Plan”, until the achievement of a so-called “Target Amount” determined respectively in 1 year of fixed remuneration for the CEO/GM and 50% of the annual RAL for the ESRs. Once the Target Amount has been exceeded, it is possible to freely dispose of the shares assigned, without prejudice to the *retention* period of each share.

Malus and claw back clauses

As required by current legislation, bonuses are subject to ex-post correction mechanisms (malus and claw-back) in order to reflect the performance levels net of the risks actually undertaken or achieved in terms of capital, taking into account individual behaviour.

Therefore, the allocation of individual bonuses and the payment of deferred portions are subject to malus rules that lead to the zeroing out of the portion in the event of failure to reach the access thresholds (so-called *Entry Gates*) envisaged for the year prior to the payout year of each *up-front* or deferred portion.

The malus mechanism, which can block payment of the up-front and deferred portions of the bonus, also applies in cases where clawback clauses are activated (malus condition at individual level).

Indeed, all incentives paid are subject to claw-back clauses, although their effective application depends on predetermined events taking place:⁴⁴

- types of behaviour that do not comply with the law, regulations and/or the Articles of Association and/or the Code of Ethics and/or Conduct applicable to the Group, resulting in a significant loss for the Bank and/or for its customers;
- ex-post adjustment of the results of the Bank and/or of the person concerned, which gave rise to the payout of the bonus, following circumstances not known at the time of the payout. In such circumstances, the clause applies in the event that the review of the results involves adjustments exceeding €1 million or if it was made unforeseeable or difficult/impossible because of a deed or fault of the person concerned;
- breaches of the obligations imposed pursuant to Article 26 or, when the employee is the person concerned, of Article 53, paragraphs 4 et seq. of the Consolidated Banking Act or obligations in the field of remuneration and incentives;
- types of behaviour subject to disciplinary initiatives and proceedings that may have led to termination of employment due to just cause or for a justified subjective reason and in any case of termination for just cause;
- fraudulent behaviour or gross negligence to the detriment of the Bank or its customers, whether or not they

vesting; if the vested amount is higher than the maximum variable amount, the up-front portion falls to 40% and the vested portion rises to 60%

⁴⁴ Including special one-off reward bonuses.

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

resulted in a third-party sanction;

- implementation of personal hedging or remuneration insurance strategies following ex-post controls in order to alter the remuneration systems, undermining the effects of the risk alignment inherent in the remuneration mechanisms.

Specific *claw-back* clauses may also be envisaged for personnel other than MRTs, in relation to the individual incentive systems, as specified in the relative operating regulations.

Activation of the *claw-back* clause against the persons concerned differs according to the position held by them at the time of activation of the clause or on termination from the last position held within the BPER Group.

The situations and circumstances underlying activation of the *claw-back* clauses are relevant if they took place or could take place within five years from disbursement/payout of the performance-related benefits.

The *claw-back* clauses can also be activated after termination of the employment relationship and/or termination of the office.

In the case of the Chief Executive Officer and General Manager, the clause may be activated through a resolution passed by the Board of Directors. The resolution should be drawn up by the Remuneration Committee and the Board of Statutory Auditors, who can work and make pronouncements jointly or severally and, if necessary, make their own proposal to the Board of Directors.

7.3. Remuneration of the Group's Material Risk Takers

The remuneration of MRTs consists of a fixed component and a short-term variable component that for some key persons may be long-term. The variable incentive component for this specific category of personnel is governed by particularly stringent rules, as required by the Bank of Italy's regulations.

Without prejudice to the limits referred to in Section 7.1, the maximum limit of the variable component is maintained, for the majority of this category of personnel, within the regulatory limit of 100% of the fixed component, except for top management and specific situations in which that percentage can be raised to the limit defined in a specific shareholders' resolution⁴⁵.

MRTs are beneficiaries of the MBO variable incentive scheme detailed in Section 7.2.

The short-term 2023 MBO scheme provides incentive opportunities for MRTs of up to 45% of their fixed remuneration, except in the case of Control Functions, as detailed below.

Determination of the bonus pool for MRTs follows the same criteria set out in Section 7.2 (linked to changes in the reference indicator).

The individual objectives sheet for MRTs derives directly from the Strategy Scorecard assigned to the Chief Executive Officer and General Manager. Therefore, it is structured in quantitative and qualitative objectives and is linked to objectives consistent with the role held⁴⁶ and the responsibilities assumed. For the MRTs, the ESG KPI goal of the Strategy Scorecard is envisaged, which acts for 2023 in different ways depending on whether it refers to a C-Level Manager or not. In the first case, in addition to exceeding the minimum threshold of the KPI goal, the achievement of the specific ESG objectives related to one's area of responsibility is also required. This target normally has a minimum weight of no less than 10%.

With reference to the remaining MRTs, on the other hand, the ESG KPI is not viewed as a composite metric, but, where possible, specific objectives are identified in relation to the area of responsibility monitored (otherwise, the weight of the Managerial Assessment KPI is expected to increase). In this case, the combined weight of the Managerial Assessment KPI and the ESG KPI is no less than 15%.

Since, in a limited number of cases, it is not feasible to identify quantitative indicators representative of the functions held by certain persons, the parameters applicable to the broader organisations to which they belong are used.

Payment of vested variable remuneration takes place consistently with the provisions of banking regulations. Bonuses are paid in different ways depending on their amount and whether or not the recipient is an MRT belonging to top management (CEO, Chief Executive Officers and/or General Managers of "significant business units" with RWA >2%⁴⁷ and, for the Parent Company, Deputy General Managers, Executives with strategic responsibilities and C-Level managers reporting directly to the CEO).

Payout for top MRTs:

Variable remuneration > €435,000 (particularly high amount)⁴⁸:

⁴⁵ In order to apply all operational drivers to ensure the competitiveness of remuneration packages designed to attract strategic professional skills and ensure the availability of the human resources needed to achieve the established business objectives Note also the special provisions applicable to the control functions and similar activities (see the following paragraph).

⁴⁶ Measured using KPIs and adjustments that are derived from the Strategic Framework linked to the card shown in Section 7.2 with reference to the CEO. The parameters take on different weightings according to the activities that the person concerned performs, the responsibilities that they have been assigned and the operating levers that they manage.

⁴⁷ BPER Banca, Banco di Sardegna, Sardaleasing, and BPER Factor

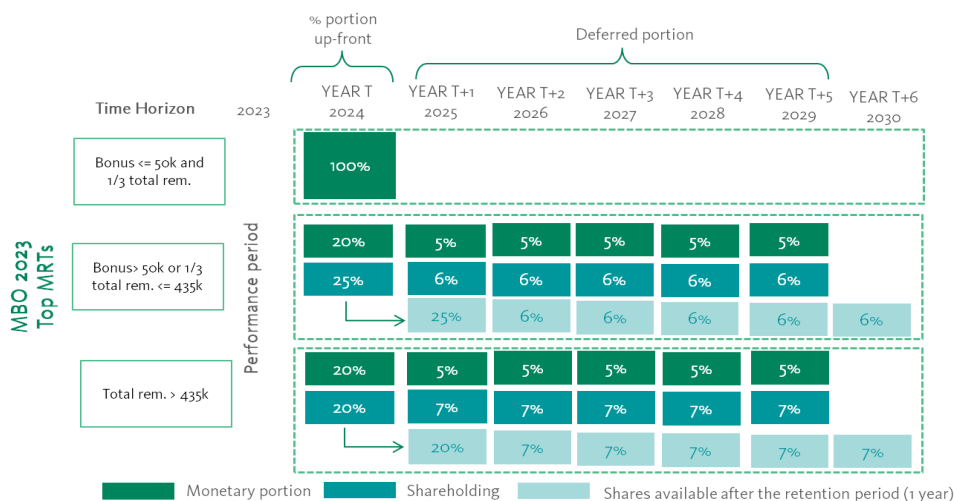
⁴⁸ As defined by Bank of Italy's Circular No. 285, 37th update. See Footnote 23.

- 40% is allocated at the date the bonus is granted (up-front portion): 20% cash and 20% through BPER Banca shares subject to a 1-year retention period (during which the shares cannot be sold). The remaining 60% (25% cash and 35% through BPER Banca Shares) is deferred in equal annual portions over five years from the year of allocation, subject to a 1-year retention period (during which the shares cannot be sold) from the vesting date of each deferred tranche.

Variable remuneration > €50,000 (or 1/3 of total annual remuneration) and ≤ €435,000:

- 45% is allocated on the date the bonus is allocated (up-front portion): 20% cash and 25% through BPER Banca shares subject to a 1-year retention period (during which the shares cannot be sold). The remaining 55% (25% cash and 30% through BPER Banca shares) is deferred in equal annual portions over 5 years from the year of allocation, and is subject to a 1-year retention period (during which the shares cannot be sold) from the vesting date of each deferred tranche.

If variable remuneration is ≤ €50,000 and ≤ 1/3 total annual remuneration, the bonus will be paid up-front and 100% in cash.



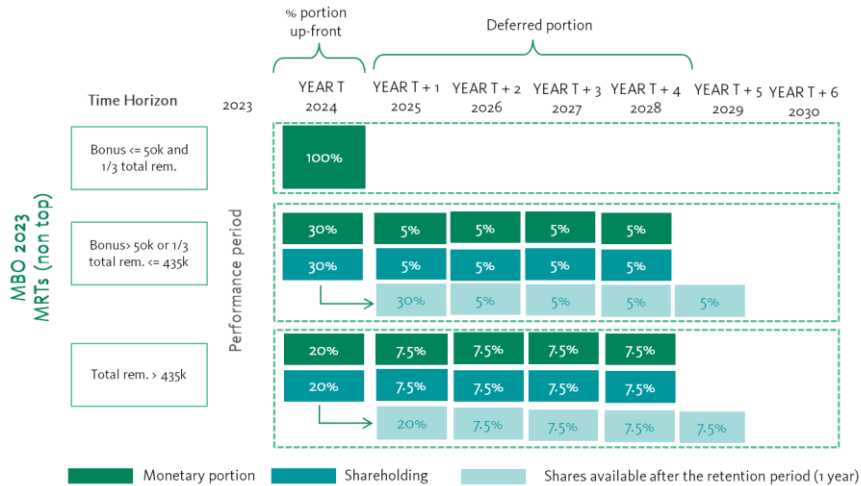
Payout for MRTs (non top):

Variable remuneration > €435,000 (particularly high amount):

- 40% is allocated at the date the bonus is allocated (up-front portion): 20% cash and 20% through BPER Banca shares subject to a 1-year retention period. The remaining 60% (30% cash and 30% through BPER Banca shares) is deferred in equal annual portions over 4 years from the year of allocation, and is subject to a 1-year retention period (during which the shares cannot be sold) from the vesting date of each deferred tranche.

Variable remuneration > €50,000 (or 1/3 of total annual remuneration) and ≤ €435,000:

- 60% is allocated at the date the bonus is granted (up-front portion): 30% cash and 30% through BPER Banca shares subject to a 1-year retention period (during which the shares cannot be sold). The remaining 40% (20% cash and 20% through BPER Banca shares) is deferred in equal annual portions over 4 years from the year of allocation, subject to a 1-year retention period (during which the shares cannot be sold) from the vesting date of each deferred tranche.
- If variable annual remuneration is ≤ €50,000 and ≤ 1/3 total annual remuneration, the bonus will be paid up-front and 100% in cash.



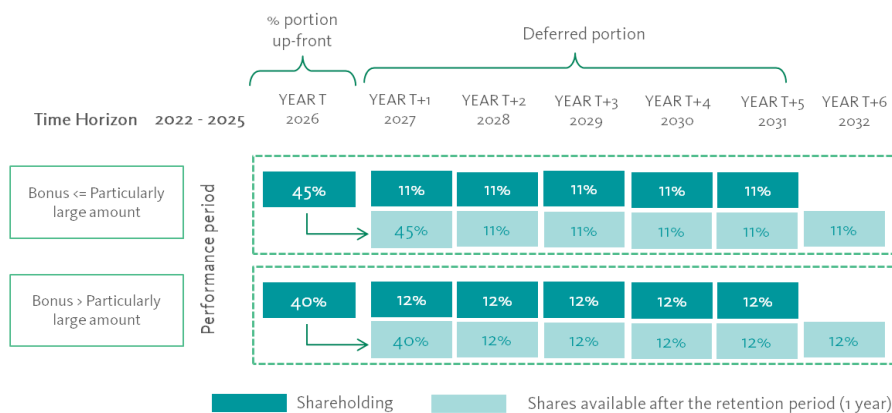
Once the results have been measured, also in this case, a verification of the risk adjustment parameters, derived from those contained within the *Risk Appetite Framework (RAF)* as indicated for the CEO and GM, is envisaged. These parameters act as a corrective with respect to the incentive vested upon achievement of the objectives set by the individual scorecard of the CEO and GM. If these objectives are not met, the bonus earned may be reduced by a maximum of 50% for Deputy General Managers and C-Level managers, and up to 30% for the remaining personnel. The ex-post correction mechanisms (malus and claw-back conditions) are similar to those illustrated for the CEO and GM (as detailed in Chapter 7.2).

Change of Control clauses are not currently foreseen for any MRTs. No discretionary bonuses are awarded. Some figures included in the scope of MRTs (excluding control functions and similar activities) based on the role and potential contribution to achieving the objectives of the 2022-2025 Business Plan, are also recipients of the long-term variable incentive system outlined in Chapter 7.2 with the additions made to this Chapter. Each Beneficiary is associated with a target bonus, understood as the reference theoretical bonus that can be achieved once all the conditions are met and whose total amount (*bonus pool*) has been defined and approved by the Board of Directors. The size of this theoretical amount is determined, according to a percentage of the individual gross annual remuneration (so-called RAL) for each of the following segments:

- Top management and C-Level (these include the Chief Executive Officer and General Manager of the Parent Company): 60% (240% on a four-year basis);
- Senior management: 40% (160% on a four-year basis);
- Beneficiaries identified among selected key resources for the achievement of the strategic guidelines: 15% (60% on a four-year basis).

The payout methods in financial instruments (BPER shares) are illustrated in the figure below and vary according to the amount of the bonus vested.

LTI Plan deferral scheme



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

7.4. Remuneration of Control Functions

The remuneration of the figures belonging to the Control Functions falling within the scope of the MRTs, within the scope of which for the purposes of the Remuneration Policies, includes, in addition to the Corporate Control Functions⁴⁹ envisaged by the regulations, also other positions identified at company level, as these are also similar to the Control Functions (for example, the Financial Reporting Manager, Data Protection Officers, or some of the Human Resources Managers). It consists of a fixed component, supplemented by any specific function indemnity and a variable component that does not exceed 33% of the fixed component.

The latter does not depend on meeting financial targets (subject to any agreements with the trade unions, valid for all employees and also applicable to these professional figures), but is related to the specific objectives of the function, in order to safeguard the independence that is required of these functions⁵⁰. The size of the bonus pool, defined within the MBO incentive scheme, is not related to the economic and financial results achieved, but is set as a fixed amount.

Unlike what applies for MRTs, the payment of bonuses for the control functions is subject only to the Entry Gates based on capital (CET1) and liquidity (LCR) ratios.

Once the Entry Gates have been surpassed, the size of the annual bonus is linked to role-related objectives that may be quantitative and/or qualitative. People in this category have applied to them the vesting rules for the variable portion, use of financial instruments, the malus and claw-back clauses defined for the other MRTs as outlined in Chapter 7.3.

The figures belonging to the Control Functions are not recipients of the 2022-2025 LTI Plan.

7.5 Remuneration of remaining personnel (not included in the MRT scope)

The remuneration of the remaining personnel⁵¹, not falling within the scope of the MRTs, is also composed of a fixed component and a variable component.

The variable part is of limited amount and in any case remains within a maximum of 50% of the fixed component⁵², and in any case within the limit set by the law and by the Articles of Association.

Payouts are made on a selective basis, linked to results of particular importance as part of the annual performance review. This approach also applies to Executives, with the necessary features.

A significant portion of this personnel benefits from incentive schemes linked to both qualitative and quantitative criteria⁵³. The most important relate to the Network, Private Bankers and Corporate Banking⁵⁴. The operating rules envisaged for this scope (e.g. Network, Private Bankers) are applied to the recipients of incentive schemes reserved for specific organisational scopes (e.g. additional Entry Gates, KPIs, qualitative and corrective assessments). Certain resources, considered crucial for the achievement of the Business Plan objectives, may be admitted to participate in the Long-Term Incentive System (2022-2025 LTI). In this case, the conditions envisaged for MRTs as detailed in Chapter 7.3 apply.

Personal MBO scorecards are linked to results that are relevant to their respective roles and responsibilities and are based on quantitative and qualitative objectives⁵⁵. Since, in a limited number of cases, it is not feasible to identify quantitative indicators representative of the functions held by certain persons, the parameters applicable to the broader organisations to which they belong are used, considering from a managerial standpoint, where applicable, their actual contributions to achieving these results.

For personnel with significant responsibilities in the Control Functions (other than those in charge of such Functions), who are not included among MRTs, except as required by the National Labour Contract (CCNL) and collective agreements with the Trade Unions, the variable element is related to specific objectives of the function in question and not to the achievement of financial targets.

The incentive systems are anchored to minimum activation requirements known as Gate Indicators. In the event that the minimum levels associated with the Entry Gate parameters applied to MRTs are not reached, the Board of Directors of the Parent Company can decide whether to recognise bonuses of a limited amount, within a buffer that could be significantly lower than the original bonus pool.

If the bonus exceeds €50,000 or 50% of the fixed remuneration (always within the maximum limit), a part will usually be

⁴⁹ As defined by Circular No. 285/2013, these are the "Compliance Function, the Risk Management Function and the Internal Audit Function" as well as the Anti-Money Laundering Function, and the Validation Function as governed by the relative provisions.

⁵⁰ The CHRO is assimilated to the Control Functions as regards the overall rules, without prejudice to the possibility of assigning specific economic and financial objectives to the function.

⁵¹ If an Executive Director does not belong to the MRT category (as a director of companies not defined as significant according to the analysis conducted by the CRO structures and receives variable remuneration) the provisions of this Section shall apply.

⁵² Except for specific situations in which it is possible to increase that percentage, but not beyond 100%, in order to apply all operational drivers to ensure the competitiveness of remuneration packages designed to attract strategic professional skills and ensure the availability of the human resources needed to achieve the established business objectives.

⁵³ The allocation of bonuses linked to performance or exceptional situations in addition to those envisaged by incentive schemes is not excluded.

⁵⁴ Specific MBO systems are envisaged for some professional figures belonging to the Banks and Companies of the Group.

⁵⁵ Measured with KPIs that derive from the Strategy Scorecard. The parameters take on different weightings according to the activities that the person performs, the responsibilities that they have been assigned and the operating levers that they manage.

deferred for at least one year of 50% of the bonus subject to malus conditions (where not otherwise specified, the malus conditions that apply to MRTs are used) and claw-back provisions in the manner and upon occurrence of the cases outlined in Chapter 7.2.

Incentive System (MBO) and Performance Incentive (IP)

The MBO system is mainly intended for those who hold commercial roles, and in order to reward the best performance taking into account the specific features of the functions, the activities carried out and the position held.

The 2023 MBO system is subject to passing the *Entry Gate* indicators, which represent the minimum conditions for its activation and are linked to indicators of capital strength, liquidity and risk-adjusted profitability, provided for the other incentive systems at group level. Failure to achieve even only one of the Entry Gates means that no bonus will be paid out under this MBO scheme.

For some personnel categories, additional performance indicators have been defined, linked to the individual or team's ability to generate revenue, and to supplement the current *Entry Gates* of the MBO system.

To ensure the link with company *performance*, the size of each *bonus pool*, identified in relation to specific *clusters* of functions or companies, measured with respect to *budget objectives and overall profitability (gross income)*. The amount of the target bonus usually refers to the position held; for client portfolio managers it is generally linked to the size/margins of the managed portfolio. Individual bonus amounts are linked to achievement of the objectives set in the respective scorecards, which are strictly quantitative in nature, supplemented by qualitative indicators and an overall management assessment.⁵⁶ Adjustment factors linked to compliance parameters (*compliance breach*) and quality are subsequently applied to the results, which can increase, decrease or cancel the vested bonus.

In order to ensure ongoing consistency with the objectives laid down in the Plan, individual and Group targets are reviewed during the year.

For some specific figures not belonging to the MRT category, extended MBOs are possible over a multi-year period, possibly to supplement the ordinary annual MBO.

Alongside the annual incentive system MBO, defined in continuity with previous years, in 2023 the so-called Performance Incentive becomes fully operational (after an experimentation phase): in this way almost all of the Group's workforce becomes the recipient of a calibrated variable remuneration system based on the type of activity carried out.

The 2023 Performance Incentive is intended for personnel not falling within the scope of the beneficiaries of the 2023 MBO system of the Banks and companies to which this system applies. It identifies forms of incentive remuneration linked to the individual results achieved as part of the Performance Management sheet (objectives score) – understood as the managerial assessment of the resource by the hierarchical Manager – in order to reward the best performance achieved by the resources.

The actual recognition of the bonus, subject to passing the *Entry Gates* at the Group level referred to above, depends on positioning with respect to the score of the other recipients of the system, belonging to the same organisational cluster.

In line with the other Group incentive systems, the fair distribution and incidence of the incentive recognised with respect to gender is appropriately considered, both with reference to the number of resources that can be rewarded and with reference to the amounts.

In line with current legislation, the application of the ex-post correction mechanisms (malus and *claw-back*) is envisaged when certain cases occur (see Chapter 7.2).

7.6 Remuneration of external collaborators

In order to achieve its strategic objectives and provide services to customers, the Group also makes use of financial advisers, hired under agency contracts (for Wealth Management services), and financial agents (for consumer credit⁵⁷).

The structure of their remuneration, usually entirely variable due to the autonomous nature of their contracts, distinguishes between a "recurring" component (similar to fixed) and a "non-recurring" component (similar to variable), in line with the Bank of Italy's Instructions.

The former represents the most stable part of the remuneration of the adviser/agent. This relates to the routine activities carried out, reflecting the main characteristics of the agency contract: the payment of percentage commissions agreed in advance between the Bank and the Agent and linked to "conclusion of the business" (e.g. formal agreement to purchase financial products offered by third parties or Group companies) introduced by the adviser/agent.

The latter, on the other hand, has an incentive and/or loyalty value. In general terms, alongside incentive systems that reward the development of activities and the achievement of certain objectives (e.g. net inflows, development of the customer's portfolio or the Bank's customers, etc.) and which are subject to specific gates represented by the minimum regulatory requirements for capital and liquidity at the time when the payout of the commission, "short-term" incentive

⁵⁶ Performance management process.

⁵⁷ The Group also works with insurance agents, none of whom have been identified as MRTs and who are always remunerated on a current basis.

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

systems may be envisaged, in line with the general structure of variable remuneration systems.

These systems are defined in a manner that does not reward conduct inconsistent with customers' interests. Similarly, said systems devote special attention to the evaluation of individual conduct of the consultant or agent, as well as the control over operational and reputational risks (e.g. compliance with the regulations and internal procedures and transparency in customer relations). This ensures that the work of financial advisers and agents is focused on meeting the interests of customers, in compliance with sector regulations. "Non-recurring" remuneration is therefore subject to partial or total reduction (malus) and/or return (claw-back) mechanisms in the event of fraudulent behaviour or gross negligence, without which the bonus would not have been awarded.

Furthermore, non-recurring remuneration can be affected by specific quality clauses, examples of which are listed below: audits with adverse or partly adverse outcomes, justified customer complaints about facts attributable to the adviser or agent, penalties levied by Supervisory Authorities etc.

Group companies benefit from the contribution of a very limited number of freelancers who do not have a full-time employment contract with the company. These are usually people who have specific skills required for a limited period of time, or as part of specific projects, which are complementary and/or of support to the activities performed by employees. As a rule, the remuneration of freelance collaborators only consists of a fixed element. However, there is the possibility for variable remuneration to be awarded, still within the limits of 50% of the fixed component⁵⁸ and in any case within the limit set by law and the Articles of Association. The amount of the variable component will be determined on a case-by-case basis according to specific indicators for the activity carried on.

Any costs involved in performing their duties are incurred directly by the Bank or Company, or reimbursed to the collaborator.

The activities and remuneration of freelance collaborators (consultants, financial advisors qualified for door-to-door selling and agents) are evaluated as part of the process of identifying MRTs for inclusion or exclusion, following specific procedures, in accordance with the relevant regulations.

The non-recurring remuneration of any financial advisers and/or agents identified as MRTs within the Group is subject to the same rules (Entry Gates, ratio of non-recurring/recurring components, deferrals, malus and claw-back clauses) envisaged for payout of the variable remuneration of other MRTs as well as the malus and claw-back mechanisms and the balance between recurring and non-recurring remuneration provided for in this Chapter.

7.7 Focus on Transparency regulations

The Banking Group identified the MRTs for the purposes of the selling banking goods and services and credit intermediaries pursuant to the Supervisory Provisions *Transparency of Banking and Financial Transactions and Services –Fairness of Relations Between Intermediaries and Customers*. In general terms, this category includes "parties that offer banking products and services and their managers", i.e. those who are in direct contact with customers (branch employees, private bankers, etc.) and their hierarchical references. Therefore, for the purposes of this analysis at Group level, 14,763 resources in the area of network and similar activities⁵⁹ (of which 482 managers or similar managers⁶⁰) and 191 in the Private area (of which 28 managers or similar managers⁶⁰); financial agents and consultants amounted to 425 resources.

There are no credit brokers.

In accordance with the reference regulatory framework, MRT remuneration does not provide incentives to work in their own interests or that of the intermediary, to the detriment of the customer. In particular, the variable component of the remuneration:

- is linked to quantitative and qualitative criteria;
- does not incentivise the offer of a specific product or category or combination of products that fails to meet the objectives and financial needs of the customer;
- is suitably balanced with respect to the fixed component of the remuneration;
- is subject to adjustment mechanisms that allow for its reduction (even significantly) or elimination in the event of conduct that resulted in or contributed to significant losses for customers.

The assessment that the commercial and economic-financial objectives have been met is verified as part of a management evaluation that focuses, in particular, on the contribution made to customer satisfaction and loyalty, as well as to the development and dissemination of team spirit. In order to contain exposures within the limits defined in the risk management policies of the Banking Group, having regard for the applicable regulatory limits, the remuneration and incentive systems for personnel responsible for the assessment of creditworthiness also include indicators that monitor prudent risk management, including credit risk in particular.

⁵⁸ Except for specific situations in which it is possible to increase that percentage, in order to apply all operational drivers to ensure the competitiveness of remuneration packages designed to attract strategic professional skills and ensure the availability of the human resources needed to achieve the established business objectives.

⁵⁹ Including the figures employed in BPER Factor.

⁶⁰ The calculation does not include personnel falling within the scope of MRTs.

⁶¹ See the preceding note.

The overall assessment takes account of monitoring by the functions responsible for checking the propriety of customer relations, as well as adjustments linked to the assessment of other compliance and quality indicators (e.g. MiFID profiling, mandatory training).

The results of checks carried out by the Control Functions are also considered.

These issues, used to assess proper personal conduct (compliance with internal regulations and procedures and transparency in customer relations), are given due consideration when assigning the variable component.

As required by the aforementioned regulations, with reference to participants in incentive systems or in general in variable remuneration plans:

- for staff responsible for handling complaints, any incentives take into account, among other things, the results achieved in the management of complaints and the quality of customer relations;
- for personnel responsible for assessing creditworthiness, the individual objectives take due account of prudent risk management.

7.8 Remuneration tools for attraction and retention

To encourage the attraction of new resources, it is possible to recognise *entry bonuses*, *welcome bonuses*, etc. For resources from the external market, it is also possible to envisage the enhancement of their commercial contribution in terms of new volumes and/or customers, envisaging variable rewards that can on the one hand be perceived as attractive for the resources in question and on the other hand protective for the Company in terms of sales and stability of the resources acquired.

When the need to safeguard the Group's competitiveness and particular professional skills, as well as to protect commercial goodwill and customers' interests, requires or makes it appropriate, the Group can enter into no-competition agreements with specific categories of personnel and/or on an individual basis, whether in an ongoing working relationship or upon severance. These agreements must comply with the Bank of Italy's Supervisory Instructions, jurisprudential interpretations, market practices and the criteria and limits approved at the Shareholders' Meeting.

For similar purposes, the Group can also sign agreements aimed at extending employees' period of notice in the event of resignation. Such agreements, which also aim to meet the Group's need to ensure over time the collaboration of particularly qualified workers, envisage the payout of small amounts for periods of effective compliance with the commitment assumed. Any forms of retention bonuses and/or stability agreements will be governed in accordance with the rules, regulations and labour law applicable at the time.

Payments to remunerate agreements that cover ongoing working relationships⁶² must meet the entry gates represented by the minimum supervisory requirements for capital adequacy and liquidity, as determined at the time of payment.

The amounts paid under such agreements are subject to the specific provisions laid down in the latest update of the Bank of Italy's Circular No. 285.

Notably, in the event that said remuneration is partially paid in financial instruments, in addition to the payout rules provided for in this document, for the determination of the allocation price of the remuneration, reference shall be made to the provisions of the Information Document on the 2023 Short-Term Remuneration Plan based on financial instruments, prepared for the purposes of CONSOB regulations.

7.9 Benefits

The working conditions of the entire Company workforce are an integral part of the remuneration policy for the BPER Group, which is constantly committed to supporting the development of people and ensuring a positive work environment in which all employees contribute to creating shared value.

The total remuneration package for the various positions can be supplemented by fringe benefits for all employees or for particular positions, depending on the functions that they perform, the level in the organisation or specific limited attributions, also with the aim of increasing motivation and retention of resources. Personal and family benefits derive from national and/or second-level bargaining and/or derive from internal reference policies. More specifically, collective welfare, health and insurance plans are envisaged, specifically regulated, assistance and cafeteria services, as well as better conditions for access to the various products and services offered by the Company. Within the Group, the assignment of company cars for both business and personal use and accommodation is envisaged and regulated.

The allocation of such remuneration components is regularly compared with the best market practices in order to assess the competitiveness of the treatment accorded to Group employees.

For more details, please refer to the Sustainability Report available on the Bank's institutional website.

⁶²In particular, this applies to the amounts paid, for no-competition agreements, notice extension agreements and stability agreements (and/or retention bonuses) during working relationship.

7.10 Compensation granted in sight or on termination of MRT and non-MRT employment

The Supervisory Provisions on the subject of remuneration provide that the remuneration agreed upon either in case of early termination of the employment relationship or early termination of the office, are defined by any agreements for payments or other benefits to MRTs ("golden parachute" or additional remuneration) are subject to specific terms and conditions set forth in said Supervisory Provisions, to which reference should be made.

Without prejudice to the exemptions foreseen by the Supervisory Provisions (Bank of Italy Circular No. 285, Part 1, Title 4, Chapter 2, Section III, 2.2.3), which will be applied by the Group if the circumstances arise, and without prejudice to the specific regulations envisaged for the various categories of personnel, it should be noted that the following amounts are not part of the additional remuneration mentioned above:

- amounts paid in lieu of notice, within the limits established by law and collective labour contract;
- amounts paid for non-competition agreements, for the portion that does not exceed the last year of fixed remuneration;
- amounts paid in execution of a decision by an independent third party (judge or arbitrator) on the basis of applicable legislation.

If there are, or are expected to be, cases of termination of employment on the initiative and/or in the interests of the Group, whether in a unilateral or an agreed form, additional compensation may also be awarded as a pre-retirement leaving incentive or in order to avoid the risks associated with legal proceedings and court rulings (assuming that said compensation is designed to settle a current or potential dispute).

The amount of such additional remuneration, not including the treatments indicated above, cannot exceed 2 years of fixed remuneration – whether arising from the executive employment relationship or from any positions as director – and will be subject to a maximum limit of €2.4 million (gross per employee).

In any case, without prejudice to the foregoing, with reference to the Chief Executive Officer, the General Manager and Managers with Strategic Responsibilities, the total amount of additional remuneration, of any no-competition agreements and amounts paid in lieu of notice cannot exceed 2 years of total remuneration⁶³.

As regards the ratio of fixed to variable remuneration, the criteria mentioned in the Supervisory Provisions shall be observed (taking into account any exemptions, such as the exclusion – for the purposes of this relationship – of any amounts paid for that part of a no-competition agreement not exceeding the last year of fixed remuneration and the use of a predefined formula).

The remuneration in question will take account of the performance achieved over time and the risks taken on by the person concerned and by the Company.

Determination of these additional amounts of remuneration must therefore take into account, in addition to the purposes set out above, an overall assessment of the person's work in the various positions held and the presence or absence of individual penalties imposed by the Supervisory Authority, having particular regard for the levels of the Group's capitalisation and liquidity (specifically, at the time the remuneration agreement is signed, the Bank's liquidity and capital must exceed the minimum requirements laid down by the Supervisory Authorities).⁶⁴

The additional remuneration is subject to vesting mechanisms and the use of financial instruments envisaged for the payment of variable remuneration to MRTs and is subject, as far as applicable, to the same claw-back (and related malus) clauses. Any deferred portions will be subject, by way of further malus clauses, to passing the capital and liquidity gates defined for the annual incentive plans.⁶⁵

The Supervisory Instructions issued by the Bank of Italy also allow for the use of a predetermined formula, contained in the Bank's Remuneration Policy, that defines the amount payable on early termination of the employment relationship or term in office, in the context of an agreement between the bank and its personnel – howsoever reached – in order to settle a current or potential dispute. The additional compensation determined by applying that formula is not included in the calculation of the above maximum limit on the ratio of variable to fixed remuneration.

In the appropriate circumstances regarding the above personnel (MRTs), the Group may apply the following predetermined formula:

- Standard incentive (or additional compensation): 18 months of fixed remuneration;

⁶³ The amount of one year's salary used to calculate this total is determined by considering the current fixed remuneration plus the average of the incentives actually awarded in the last three years prior to termination, including the portion of incentives paid in shares. Variable remuneration arising from long-term incentive plans is excluded.

⁶⁴ This requirement also applies to all other personnel.

⁶⁵ This requirement also applies to all other personnel.

- If over 30 years of service with the Group: 20 months of fixed remuneration;
- If less than 5 years of service: 9 months of fixed remuneration.

The above numbers of months are halved if:

- individual performance in the past 2 years was insufficient⁶⁶
- direct access to standard retirement benefits.

The formula does not apply in the event of negligent or fraudulent conduct identified in the last 5 calendar years from the date of termination.

The formula also does not apply on access to the Solidarity Fund.

All personnel belonging to the MRTs category, including Control Functions, may enter into early retirement incentive agreements defined with the Trade Unions, including those for access to the banking sector's Solidarity Fund. In this case, quantification of the incentive is considered a "predefined formula" pursuant to the Supervisory Provisions⁶⁷. In any case, the 2-year limits of total remuneration envisaged for the amount of additional remuneration for the Chief Executive Officer, the General Manager and Executives with Strategic Responsibilities remain unaffected.

If the above formulas are applied, the resulting amounts are not considered when determining the variable/fixed remuneration ratio.

Similar agreements may be envisaged for managers not deemed to be MRTs, within the limits established in the national labour contract for specific mediation proceedings.

For persons not deemed to be MRTs, the Group can raise the maximum variable/fixed remuneration to 2:1 in order to make payments ahead or at the time of severance, without prejudice to the specifics envisaged for the personnel of Arca Fondi SGR and embodied in the specific remuneration policies of the Company, while complying in all cases with the maximum limits stated in these policies.

The effects of termination on the rights assigned under current or previous incentive plans are outlined in the corresponding information document prepared pursuant to Article 114-bis of the TUF, without prejudice to individual agreements..

7.11 Discretionary pension benefits

There is no provision for discretionary pension benefits for anyone in the company for early termination of employment or office. In the event of an exceptional assignment, the rules provided for under current legislation will be applied.

7.12 Remuneration for personnel of the SGR, Optima SIM and BPER Bank Luxembourg

The Banking Group includes a company operating in the asset management sector (UCITS-AIF), a securities firm (OPTIMA SIM S.p.A.) and a bank based in Luxembourg which are also subject to specific regulation.

Asset management companies

Arca Fondi SGR is subject to the sector legislation arising from the transposition into Italy law of Directives 2014/91/EU (UCITS V) and 2011/61/EU (AIFMD), most recently integrated by an update in December 2022 of the Bank of Italy Regulation in implementation of articles 4-undecies and 6, c.1, letters b) and c-bis), of the CFA as well as Supervisory Provisions with reference to banking group companies subject to specific sector regulations.

The Company prepares the Remuneration and Incentives Policy for its personnel in application of the principles and objectives embodied in the Group's Remuneration Policy, including the gender neutrality principle, having regard for the applicable regulatory requirements and, in particular:

- the role of the Shareholders' Meeting, the Corporate bodies, the Remuneration Committee and the governance processes at company level at the level of the individual companies and regarding the coordination and control role of the Parent Company⁶⁸;

⁶⁶ Annual performance score against target was less than 60.

⁶⁷ This requirement also applies to all other personnel.

⁶⁸ The Parent Company prepares the Remuneration and Incentives Policy for the entire Banking Group, ensures its overall consistency, provides necessary guidance for its implementation and checks its proper application, without prejudice to the responsibility of the SGR to comply with those regulations that are

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- identification of MRTs at SGR level and support for the process of identifying the MRTs at Group level;
- clear distinction between fixed and variable remuneration;
- short- and long-term incentive schemes linked to the performance indicators of the SGR and of the Undertaking for the Collective Investment of Transferable Securities (UCITS) and of the Alternative Investment Funds (AIF), as managed and measured net of any risks associated with their operations, and taking account – via the definition of Entry Gates⁶⁹ and mechanisms for determining the Bonus Pool – of the capital resources and liquidity needed to finance the activities and investments of the SGR and the funds;
- application of specific deferral procedures for the different categories of risk taker, envisaging allocation of part of the variable remuneration in the form of mutual fund units on passing a materiality threshold, set in line with sector practice at €80,000;
- limits on variable remuneration including the definition of the company's own specific bonus pool, which includes all personnel belonging to the company, none excluded, also in relation to membership of the Banking Group and the regulations applicable to it (see Chapter 7 of the 2023 Remuneration Policy "Ratio of variable remuneration to fixed remuneration" and application of the exception to the limit on the ratio of variable to fixed remuneration⁷⁰);
- specific malus conditions⁷¹ and claw-back mechanisms;
- specific conditions with regard to severance payments;
- disclosure requirements.

The Parent Company includes SGR personnel in the process followed to identify MRTs. Inclusion involves adoption of the qualitative criteria envisaged in the Supervisory Provisions, with particular reference to the possibility that the activities of those persons at significant operating units might have a significant impact on the risks faced by the Group, including its economic, financial and/or reputational risks. Inclusion also involves adoption of the quantitative criteria envisaged by the regulations that govern the exclusion mechanisms and procedures.

For the year 2023, in addition to the members of the Board of Directors, the Chief Executive Officer is included in the scope of the Group's MRTs according to the application of the criteria highlighted in Chapter 3 .

In keeping with the exceptions envisaged in Bank of Italy Circular No. 285, the above criteria also apply to the SGR personnel identified among the Group's MRTs, except for the malus⁷² and claw-back rules.

With reference to the Entry Gates, in addition to the SGR-specific conditions and the minimum regulatory requirements for capital adequacy and liquidity, the monetary component of the annual incentive is subject to the capital adequacy and liquidity requirements envisaged for the Group MRTs.

The above requirements for persons identified as MRTs within the Group who also hold a position in the Parent Company supplement the Remuneration Policy of the SGR and its specific requirements.

BPER Bank Luxembourg

BPER Bank Luxembourg S.A. provides a full range of banking services (current accounts and liquidity management, custody and administration, etc.) and investment services (asset management, receipt and transmission of orders, management of life insurance policies) to private and corporate customers and institutional investors.

The Bank also makes loans to customers and banks and operates in trade finance.

In accordance with Bank of Italy Circular No. 285, the remuneration and incentive policies of the BPER Group take into account the characteristics of the Luxembourg bank, which is regulated by the local supervisory authority, Commission de Surveillance du Secteur Financier (C.S.S.F.)⁷³ (i.e. size of the Company, risk level brought to the Group, type of activity, presence of specific rules based on the sector that it belongs to). BPER Bank Luxembourg S.A. adopts the Policies developed by the Parent Company in the terms outlined above, submitting them to its Board of Directors for approval. It remains in any case responsible for compliance with the legislation directly applicable to it and for correct implementation of the guidelines provided by the Parent Company.

In this context, the following aspects are assessed on the basis of the proportionality principle and within the broader consolidated banking regulatory framework:

- role of the corporate bodies of BPER Bank Luxembourg and of governance processes in general;

directly applicable and implement properly the guidance provided by the Parent Company.

⁶⁹In addition to the minimum supervisory requirements for the capital adequacy and liquidity of the Banking Group.

⁷⁰In this regard, it should be noted that on 22 April 2020 the BPER Shareholders' Meeting approved the exception to the limit on the ratio of variable to fixed remuneration and at the same time raising it to 3:1 compared with the Group cap (2:1) for the Management of Arca Fondi SGR (including those that are considered the Group MRTs) and the resources involved in the investment process and sales and marketing, including the development of digital platforms.

⁷¹In addition to the malus conditions linked to the minimum supervisory requirements for the capital adequacy and liquidity of the Group.

⁷²As for the other MRTs in the Group, the deferred components are subject to the same Entry Gates for the payout of bonuses, in this case being the capital adequacy and liquidity gates envisaged for Group MRTs that are applied to the cash portion.

⁷³In particular, it is subject to CSSF Circular 10/437 (guidelines on remuneration policies in the financial sector); CSSF Circular 11/505 (details relating to the application of the proportionality principle in the definition and application of remuneration policies consistent with sound and effective risk management); CSSF Circular 15/620 (transposition of the CRD IV directive into the Luxembourg regulatory framework) and CSSF Circular 17/658 (adoption of the EBA Guidelines on sound remuneration policies).

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- identification of the individual MRTs (General Manager, Deputy General Manager and Heads of the Control Functions);
- any applications of specific procedures for deferral and payout of the variable component characterised by greater detail;
- any limits on variable remuneration.

For 2023, the General Manager and Deputy General Manager of BPER Bank Luxembourg SA, in addition to members of the Board of Directors, are identified among the Group's Material Risk Takers, applying the criteria detailed in Chapter 3.

Optima SIM S.p.A.

The Group remuneration policy, in line with the provisions of the December 2022 update of the Bank of Italy Regulation implementing Articles 4-undecies and 6, paragraph 1, letters b) and c-bis) of the CFA, as well as with the Supervisory Provisions with reference to companies belonging to a banking Group subject to specific sector regulations, also applies to Optima SIM, which, as a sub-threshold⁷⁴, is not required to prepare its own Remuneration Policy. This Remuneration Policy defined by the Parent Company will be implemented by the SIM and the related incentive systems that will in any case be subject to resolution by the SIM's Board of Directors, therefore take into consideration the specific features of the investment services in order to ensure regulatory compliance and alignment with customers' interests.

For the year 2023, as a precaution, the SIM conducted the process of identifying the Main Risk Takers at individual level, applying the criteria for this purpose provided for by the legislation on SIMs recently issued and provided the Parent Company with the information necessary for the identification of Group MRTs.

Therefore, at the end of this process, the figures falling within the scope of the Group's MRTs according to the application of the criteria highlighted in Chapter 3 are, in addition to the members of the Board of Directors, the Chief Executive Officer and the Head of the Investment Service.

⁷⁴ Pursuant to EU Regulation 2019/2033 so-called IFR Directive Article 12

SECTION II

2022 Annual Remuneration Report

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PART I

1. Items that make up remuneration

The 2022 Remuneration Policy, approved by the Shareholders' Meeting of 20 April 2022 and subsequently updated by the Shareholders' Meeting on 5 November 2022, was defined with the aim of ensuring consistency with the principles and purposes guiding the Group. It is divided into various remuneration components, differing from each other according to the objective for which they have been established. The main components envisaged in the BPER Group's Remuneration Policy for 2022 are:

FIXED REMUNERATION

- Envisaged for all levels of responsibility and calibrated according to specific factors such as the complexity of the role, measured by adopting appropriate valuation methodologies, individual responsibilities, professionalism and experience.
- Fixed remuneration, which is constantly monitored for internal and external equity, is determined with reference to the members of the Board of Directors, also in relation to the particular positions held in the various Group companies and participation in Board Committees.
- The definition of remuneration levels is conducted in compliance with the principle of sound and prudent management of the Bank, with a view to sustainability.
- Fixed remuneration may be complemented by fringe benefits that, depending on the type, may be given to all employees or only to certain specific positions or roles.
- No discretionary pension benefits are envisaged.

VARIABLE REMUNERATION

- Incentive schemes are designed to ensure consistent and effective alignment with the Company's strategic objectives and, hence, to contribute to the creation of shareholder value, with a view to medium- and long-term sustainability.
- The incentive schemes are designed to be consistent with the remuneration levels offered by the market for similar functions and in similar structures and are differentiated depending on the pool of beneficiaries to allow greater efficiency, reflected in the ability to link bonuses to the specific activity carried out by the resources to whom they are intended.
- Particular attention is paid to the definition of performance targets that are objective and measurable, also with reference to so-called "qualitative" parameters for which assessments are made on the basis of metrics that are in turn based as much as possible on clear and defined indicators.
- The variable incentive schemes, particularly with reference to MRTs, are structured so as to ensure maximum consistency with the Bank's medium/long-term strategic objectives in accordance with the regulations. In particular, depending on the amount of vested bonuses, the MBO system provides different methods of payment and deferral. The portion payable in financial instruments is paid in the form of BPER Banca shares with a 1-year retention period. In 2022, the Group defined a long-term variable incentive plan based on an assessment of performance over an extended period (2022-2025), consistent with the objectives and duration of the Group's Strategic Plan. The plan initially applied to about 50 top managers within the Group who are considered fundamental for the success of the 2022-2025 Business Plan. A maximum of 20 additional MRTs may be added later for the achievement of plan objectives. The bonus is paid out entirely in BPER Banca shares, part up-front and part vested over 5 years in equal portions.
- Incentive systems are also envisaged for the Control Functions and similar functions. For these resources, the incentive schemes are linked to the objectives of the role and, in any case, they are not related to economic performance, except for any agreements provided for under collective contracts, which apply to all employees and are applicable also to these professional roles.
- Incentives are subject to ex-post adjustments (malus and claw-back clauses).

Early termination of the employment relationship

The Remuneration Policy offers the possibility to grant indemnities linked to early termination of the employment relationship (in addition to what is envisaged in collective contracts) or of the office. The policy relative to such remuneration also provides

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for maximum payouts and constraints, in line with current regulations, on the manner and timing of payment (retention, types of instruments, etc.).

During the 2022 financial year, the Group signed consensual termination agreements for 6 resources falling within the scope of MRTs whose last day of employment is in 2022. An Executive with Strategic Responsibilities (Deputy General Manager) with whom an agreement was reached for the termination of the employment relationship defined in accordance with the reference Remuneration Policy and therefore, taking into account, between the other, the *performance* achieved over time by the manager and the absence of *compliance breaches* known to date. In accordance⁷⁵ with the reference Remuneration Policy, €485,000 gross in *cash* and *up-front*⁷⁶ as a non-compete agreement (with a duration of one year), and €893,000 gross was recognised as a leaving incentive⁷⁷, to be paid for the part exceeding the indemnity in lieu of the notice (€375,000 gross) partly in cash (45%) and partly in BPER Banca Shares (55%)⁷⁸. 45% is paid *up-front* (20% in cash and 25% through BPER shares), while 55% is vested in equal annual portions in the 5 years following the year of termination (25% in cash and 30% through BPER shares). Any rights arising on the basis of the results actually achieved were also maintained: i) from the 2022 MBO Short-Term Incentive System and ii) from the 2022-2025 Long-Term Incentive System (the latter re-proportioned pro rata temporis), as well as iii) the rights relating to the deferred amounts, in cash and in *phantom stock* and in shares regarding the short and long-term incentive schemes already vested.

⁷⁵ Disclosure arising from the combined provisions of CONSOB regulations (Annex 3, Scheme No. 7-bis – Issuer Regulations 11971/99 and subsequent amendments) and Bank of Italy Supervisory Provisions (Section VI, point 1 – paragraph 2) Part I, Title IV, Chapter 2 – Circulation 285/2013 as amended)

⁷⁶ In particular, in two instalments, at the beginning and at the end of the period of validity of the agreement.

⁷⁷ In addition to €20,000 gross as consideration for the waivers made as part of the agreement, also paid out *up-front*.

⁷⁸ Subject to the so-called *retention* periods envisaged by the Remuneration Policy

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2. Main 2022 results and Pay-for-Performance

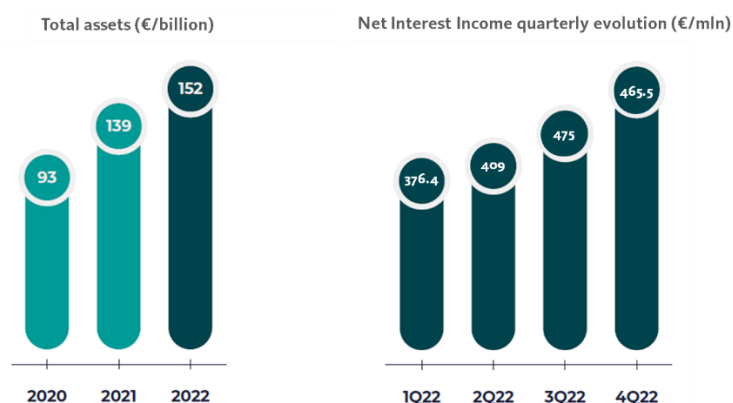
Remuneration policies are designed with the aim of ensuring an alignment between the results actually achieved and the remuneration paid. In this sense, the BPER Group policy envisages variable incentive schemes based on measurable performance indicators that are clear and directly related to Group and individual objectives, with different methods and weightings depending on the role, responsibilities and professional level.

2022 was characterised by an uncertain macroeconomic context. Despite the conflict between Russia and Ukraine, an increasingly restrictive monetary policy, the energy crisis and inflationary pressure, the BPER Group showed itself to be resilient and proactive. This allowed it to achieve excellent results in terms of size, revenues and de-risking.

Net profit for 2022 amounted to €1,449 million, up sharply from the previous year, due to stellar commercial performance and significant strengthening of the competitive position.

“2022 was a particularly significant year for BPER Banca, marked by important initiatives. First of all, I would like to emphasise the successful completion of the integration of Banca Carige, a transaction that was concluded at the end of November with the merger deed and with the complete migration of the information systems. (...) The Group also intends to strengthen its leadership in the management of ESG issues to become a credible and reliable partner for its customers in the process of creating a more sustainable, equitable and inclusive society (...). We can now focus on consolidating the position achieved by BPER Banca at national level by continuing to implement the actions set out in the Business Plan, mindful that the results achieved will allow us to generate additional value for the benefit of all our stakeholders, albeit in a challenging macroeconomic framework”.

Piero Luigi Montani, Chief Executive Officer

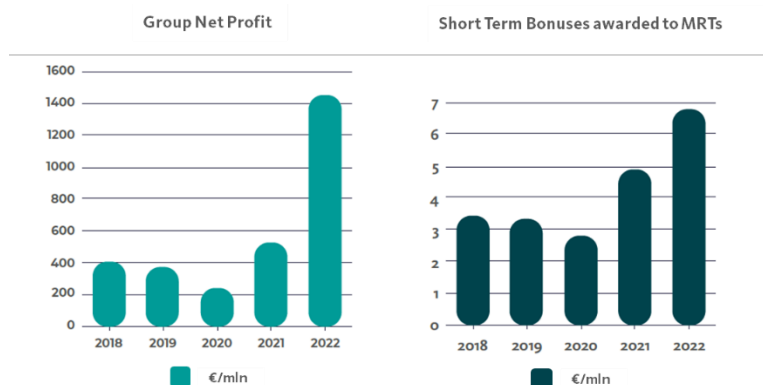


The BPER Group is committed to working for an innovative, inclusive and sustainable economy. Well aware of the results we wish to achieve, we have long since started a process of integrating Sustainability into our work, continuing to create value for our customers, the environment and society.

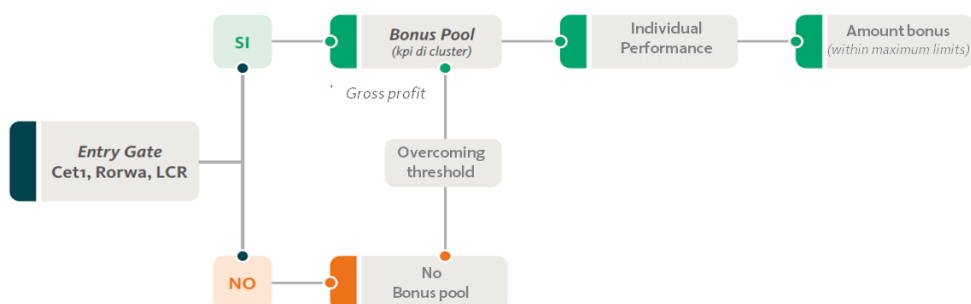
The special acquisition completed in 2022 has increased numerous parameters significantly. Following the transaction, the Group is present in 20 Italian regions with a network of 1,913 bank branches (in addition to the Luxembourg headquarters of BPER Luxembourg SA). The Group had 21,059 employees compared to 18,128 at the end of 2021. The structural growth of ordinary profitability, coupled with strong improvement in the quality of activities and the maintenance of a solid capital position, continue to characterise the BPER Group. Further *de-risking* made it possible to continue to reduce non-performing loans. And our solid capital position made it possible to propose a double dividend compared to the previous year.

The interest of the Group, and especially of all corporate functions and corporate bodies involved in the definition of remuneration policies, is to further strengthen the link between results and bonuses, in order to create greater consistency and effectiveness, especially for variable incentive schemes.

As in prior years, implementation of the 2022 Remuneration Policy confirmed the consistency of the incentives earned with respect to the results achieved, as shown in the following tables for MRTs.



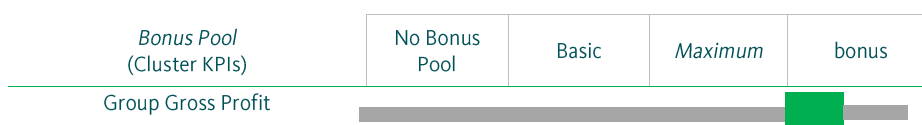
The 2022 payout mechanism for MRT bonuses was designed in continuity with the previous year and is exemplified as follows:



The process for defining the bonus envisaged by the 2022 MBO System provides for the preliminary verification of the opening of the Group *Entry Gates*⁷⁹ envisaged for the activation of the Group's annual incentive schemes (MBO) and, therefore, also with specific reference to the Chief Executive Officer and General Manager. The conditions set at Group level ensure the necessary connection with the capital strength, liquidity and risk-adjusted profitability ratios laid down in the RAF. In particular, the Board of Directors meeting of 9 March 2023 verified that the *Entry Gates* recorded as at 31 December 2022 had been passed.

Entry gate	Minimum threshold	Bonus
Common Equity Tier 1 (CET1) - consolidated ratio	> Tolerance RAF	✓
Liquidity Coverage Ratio (LCR) consolidated	> Capacity RAF	✓
Return On Risk-Weighted Assets (RORWA) consolidated	> Tolerance RAF	✓

The next step is to check the capacity of the *Bonus Pool*. The Board of Directors of BPER Banca approved a total allocation (so-called "*Bonus Pool*") for the 2022 variable remuneration schemes, broken down at Group level taking into consideration the expected profitability, the number and type of workforce, and the relative theoretical bonus levels (Bonus Targets). With reference to the Chief Executive Officer and General Manager and MRTs, this value is linked to the *performance* of the Group's Gross Profit KPI. In the final assessment phase, the size of the *Bonus Pool* actually available varies up and down depending on the result of the aforementioned indicator. On 9 March 2023, the Board of Directors verified the capacity of the MRT Bonus Pool.



⁷⁹ As noted above, for the personnel belonging to the control functions and similar activities, only the first two *Entry Gates* are applied in order to avoid, in line with the provisions of current legislation, the connection between the measurement of the respective performance and the Bank's operating results.

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The variable remuneration of the Chief Executive Officer and General Manager with reference to the year 2022 is commensurate with the achievement of quantitative financial and sustainability performance indicators contained in an individual *scorecard*. In particular, with regard to the individual performance section, the 2022 MBO Scheme for the Chief Executive Officer and General Manager is based on 5 specific indicators that exceeded the levels envisaged to contribute to the Incentive System and are generally positioned between the target threshold and the level maximum achievable.

INDIVIDUAL PERFORMANCE	Indicator	Weight	performance vs target	MBO BOARD LEVEL			MBO data sheet result
				Min	Target	max	
Economic and financial KPIs (85%)	Group Gross Profit	30%	118% (+86.3 € /mln)				143%
	Group Gross NPE Ratio (%)	20%	91% (-0.22 pp)				120%
	Group commercial volume	20%	100% (+313 €/mln)				101%
	Group Fully Phased CET1 ratio (%)	15%	102% (+0.20 pp)				113%
ESG KPIs	ESG qualitative objectives	15%	120%				120%
OVERALL LEVEL OF ACHIEVEMENT 122%							

KPI SUSTAINABILITY Metric consisting of no. 6 strategic objectives (on / off)	Indicator	Description of activity outsourced	Result
	RECEIVABLES AND FINANCE	Definition of ESG policies on credit granting and own investments	✓
	ESG OFFER TO CUSTOMERS	Definition and inclusion of the "Green Loan" in the product catalogue intended for corporate customers	✓
	GOVERNANCE	Revision of the organizational model according to the ESG criteria defined in the Group strategy	✓
	REDUCTION OF CLIMATE EMISSIONS	Complete the transition to the use of electricity from renewable sources as part of the strategies to reduce greenhouse gas emissions.	✓
	VALUE FOR SOCIETY (CULTURE)	Redevelopment and enhancement of the artistic and real estate assets owned by the Group	✓
	VALUE FOR SOCIETY (SOCIAL)	Implementation of planned initiatives aimed at younger generations regarding higher education, financial education and <i>youth empowerment</i>	✓
LEVEL OF ACHIEVEMENT OF ESG OBJECTIVES no. 6/6 (120%)			
<small>For ESG objectives, the minimum, target and maximum thresholds are represented, respectively, by the achievement of 4, 5 or 6 objectives. Every single goal is on/off. The payout curve is 50% (4) - 100% (5) - 120% (6)</small>			

Following the measurement of KPIs and the *compliance breachchecks*, the actual quantification of the bonus vested in 2022 is further subject to the assessment of risk-adjustment parameters and derived from those contained within the *Risk Appetite Framework* (RAF) so-called RAF adjustments. These adjustments may reduce the calculated bonus by up to 50%⁸⁰.

ADJUSTMENT FACTORS 2022 MBO	Level of achievement (on/off)
LCR(%) (Group)	✓
CET1% Transitional (Group)	✓
Economic Capital Adequacy Ratio (as part of ICAAP) (Group)	✓
MREL TREA (%) (Group)	✓

Therefore, as illustrated graphically, the overall performance result for 2022 is 122%.

The total bonus allocated to the Chief Executive Officer and General Manager is equal to €714,445, which represents 34% of total remuneration, the ratio between variable and fixed remuneration⁸¹ stands at 51%.

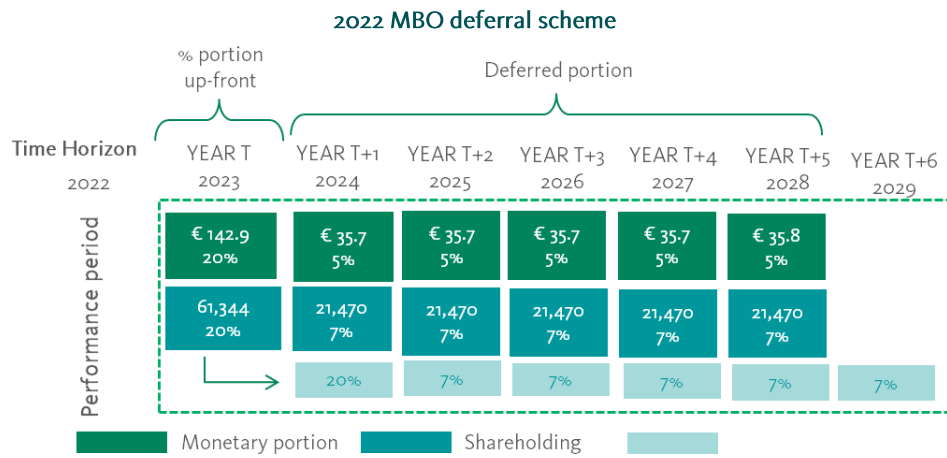
As shown below, as part of the 2022 MBO Plan, the method for allocating the bonus to the CEO/GM is structured in an *up-front* portion, i.e. paid immediately – and in a deferred portion in annual portions in 5 years subsequent to the year of allocation, subject to a 1-year *retention* period (unavailability) starting from the vesting date of each deferred portion. The deferred portions

⁸⁰ for top MRTs (CEOs, GMs, VGMs and C-Level managers) and up to 30% for other MRTs, based on the position held by the latter, and the presence within the KPIs of parameters/performance indicators already representative of risk-adjusted components. The RAF adjustments apply to all MRTs with the exception of the Control Functions.

⁸¹ for fixed remuneration, see Table 1 CONSOB column 1 Fixed Remuneration; for variable remuneration, only the vested amount of the 2022 MBO is considered (CONSOB Table 1 sum of column 3 and column 7)

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(both in monetary form and in financial instruments) are subject to malus rules that lead to the zeroing out of the portion in the event of failure to reach the access thresholds (so-called access thresholds) *Entry Gates*) envisaged for the year prior to the payout year of each vested portion. The vested bonuses are also subject to the application of *claw-back* clauses in the same manner and circumstances as were detailed.



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3. Information on the implementation of the 2022 Remuneration Policies

In accordance with the Bank of Italy's Guidelines and the remuneration policies introduced by the BPER Group for 2022, the following information is provided on implementation of the remuneration policies and compensation plans that were introduced:

- a. Information on the total remuneration of the Chairman of the strategic supervisory body and of each member of the management body, the General Manager, Assistant General Managers and Deputy General Managers (where present). This information as regards BPER Banca is shown in CONSOB's Table 1 "Remuneration paid to members of the Boards of Directors and Statutory Auditors, General Managers and other Executives with strategic responsibilities" published in Section II of this document. The remuneration of members of the Board of Directors shown here is the amount actually received for the position held in the specific bank. For the remuneration of the General Managers and Deputy General Managers of the Italian Banks, taxable income for social security purposes earned in 2022 has been taken into account, while the corresponding amount has been considered for the foreign bank. The variable remuneration earned in 2022 is indicated for MRTs at 31 December 2022. With regard to 2022, three persons benefited from remuneration in excess of €1 million.
- b. aggregate quantitative information on remuneration, broken down among the various categories of MRTs, indicating the following issues:
 - i. the amounts of remuneration for the year, split into fixed and variable elements⁸² and the number of beneficiaries;
 - ii. the amounts and forms of variable remuneration, split into cash, shares, share-linked instruments and other types;
 - iii. the amounts of outstanding deferred remuneration, split between the vested and unvested portions;
 - iv. the amounts of deferred Remuneration recognised during the year, paid and reduced through mechanisms for correcting the results;
 - v. any "welcome bonuses" and "termination payments" paid during the year and the number of beneficiaries;
 - vi. the amounts of severance awarded during the year, the number of beneficiaries and the highest amount paid to a single person.
- c. The performance-related variable remuneration is estimated with reference to pre-closing data and is subject to change when the final figures become available.

⁸² It is worth specifying that amounts awarded for non-competition and notice extension agreements are considered variable remuneration

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Annual change in the compensation paid and the performance of the BPER Group

In accordance with the updated version of the Issuer Regulations published on 11 December 2020, with reference to 2019-2022, we show here the annual change in the total remuneration⁸³ of each person whose information is provided by name in this section, Part II, the average total remuneration⁸⁴ and the results of the BPER Group.

Board of Directors of BPER Banca

Full Name	Office	Length of term in office	Total remuneration				Change		
			2019	2020	2021	2022	2020-2019	2021-2020	2022-2021
FLAVIA MAZZARELLA	Chairperson	21/04/2021-31/12/2022	-	-	283	423	-	-*	49%*
RICCARDO BARBIERI	Director and Deputy Chairman	01/01/2019 - 21/04/2021 Director then Deputy Chairman until 31/12/2022	110	106	133	152	-4%	25%	14%
ELENA BECCALLI	Director	21/04/2021-31/12/2022	-	-	112	165	-	-*	47%*
MONICA CACCIAPUOTI	Director	5/11/2022-31/12/2022	-	-	-	18**	-	-	-*
SILVIA ELISABETTA CANDINI	Director	06/07/2020-31/12/2022	-	57	127	125	-*	123%*	-2%
MARIA ELENA CAPPELLO	Director	21/04/2021-31/12/2022	-	-	85	124	-	-*	46%*
CRISTIANO CINCOTTI	Director	21/04/2021-31/12/2022	-	-	78	115	-	-*	47%*
GIANFRANCO FARRE	Director	21/04/2021-31/12/2022	-	-	89	212 ⁸⁵	-	-*	138*
ALESSANDRO ROBIN FOTI	Director	01/01/2019-31/12/2022	114	110	125	129	-4%	14%	3%
ROBERTO GIAY	Director	21/04/2021-31/12/2022	-	-	77**	113**	-	-*	47%*
GIANNI FRANCO PAPA	Director	21/04/2021-31/12/2022	-	-	120	354 ⁸⁶	-	-*	195%*
MARISA PAPPALARDO	Director	01/01/2019-31/12/2022	102	100	112	114	-2%	12%	2%
MONICA PILLONI	Director	21/04/2021-31/12/2022	-	-	88	154	-	-*	75%*
GIAN LUCA SANTI	Director	21/04/2021-08/09/2022	-	-	78**	78**	-	-*	-*
ELISA VALERIANI	Director	23/06/2021-31/12/2022	-	-	59	128	-	-*	117%*

*Change not meaningful, as relating to an office held for just part of one of the two years

**Compensation not received but repaid to the company of origin

Figures in €/ooo

⁸³For persons whose remuneration information is provided individually, total remuneration is taken to be the cash portion of the overall remuneration relating to the year, while the portion paid in financial instruments is included in the year actually earned (meaning vested and attributable), i.e. the sum of column 6 in the CONSOB Table 1 and, where applicable, column 11 of CONSOB Table 2.

⁸⁴For MRTs, total remuneration is calculated as indicated in the previous note, while for other personnel the remuneration actually received during the year is used (cash basis).

⁸⁵Including remuneration in subsidiaries

⁸⁶ including remuneration relating to the office of Director at Carige (until the merger date) and Banca Cesare Ponti

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Board of Statutory Auditors of BPER Banca

Full Name	Office	Length of term in office	Total remuneration				% change		
			2019	2020	2021	2022	2020-2019	2021-2020	2022-2021
DANIELA TRAVELLA	Chairperson of the Board of Statutory Auditors	23/06/2021-31/12/2022	-	-	78	150	-	-*	92%*
PAOLO DE MITRI	Chair of BoSA/Acting Auditor	01/01-21/04/2021 Chair S.A. then Acting Auditor until 6/6/2022	142	142	113	43	0%	-20%*	-62%*
CARLO APPETITI	Acting Auditor	27/07/2022-31/12/2022	-	-	-	43	-	-	-*
PATRIZIA TETTAMANZI	Acting Auditor	21/4/2021 - 31/12/2022	-	-	70	100	-	-*	43%*

*Change not meaningful, as relating to an office held for just part of one of the two years, or different offices

Figures in €/ooo

Chief Executive Officer and General Manager BPER Banca

Full Name (Position)	Total remuneration				% change		
	2019	2020	2021	2022	2020-2019	2021-2020	2022-2021
PIERO LUIGI MONTANI (CEO since 21/4/21 and CEO/GM since 5/8/21)	-	-	1,154	1,877 ⁸⁷	-	- ⁸⁸	+63%*

* The fixed remuneration, on an annual basis, of the Chief Executive Officer and General Manager, including the remuneration of the Director, did not change compared to 2021. The change is not fully significant as it refers to the duration of the assignment, which for 2021 was per year, as well as the best results achieved in the 2022 MBO, which impacted the amount of variable remuneration.

Figures in €/thousand

Average total remuneration of the BPER Group

Total average remuneration				% change		
2019	2020	2021	2022	2020-2019	2021-2020	2022-2021
48.8	49.1	51	51.4 (without Carige: 52.5)	+0.6%	+3.9% ⁸⁹	+0.8% (without Carige: +2,8%)

figures in €/thousand

Average total remuneration has been calculated since 2022 with reference to all employees of the Italian banks and companies in the BPER Banca Banking Group, adjusted on an FTE basis as of 31 December. The 2022-2021 change represented is particularly affected by the extraordinary acquisition of Carige due to the structure of the variable remuneration of personnel. For purposes of comparability with previous years, therefore, the figure calculated for the Group's perimeter without the Carige personnel was also included (in brackets).

⁸⁷ More details are provided in CONSOB Table 1 contained in Section II. Total remuneration is considered the total remuneration for the year for the cash part while the part paid out in financial instruments is included in the calculation in the year of actual accrual (vested and attributable) or the sum between column 6 of CONSOB Table 1 and where present column 11 of CONSOB Table 2.

⁸⁸ No change calculated, as the offices were taken in 2021

⁸⁹ Increase mainly due to the entry into force of a contractual salary increase and to the personnel included following special transactions during the year.

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Information on the results of the BPER Group

Indicator	BPER Group results				% change		
	2019	2020	2021	2022	2020-2019	2021-2020	2022-2021
Post Provisions Profit	140	326	63 (740 ordinary)	864 (869 ordinary)	+133%	-81% (+127%)	1,271% (+17%)
Gross performing loans	49,169	51,048	77,964	90,590	+4%	+53%	+16%
Asset management and life insurance policies	48,535	50,021	84,113	84,876	+3%	+68%	+1%

figures in €/thousand

Profit for the year pertaining to the parent company, equal to €1,449 million (ordinary proforma of €503 million), corresponding to a pre-tax profit from continuing operations of €1,500 million (ordinary proforma of €556 million), benefited from the full contribution of Carige starting from the third quarter and was positively influenced by the strong growth in revenues supported by the former margin. The Group's Post Provisions Profit, amounting to €864 million (ordinary proforma of €869 million), was also up compared to 2021.

The total *stock* of Gross Performing Loans, amounting to €90.6 billion as at December 2022, is up sharply compared to the 2021 figure (€78 billion), thanks to the positive commercial performance and the contribution of Carige.

The total *stock* of assets under management including life investment policies, amounting to €84.9 billion at the end of 2022, is substantially in line with the figure for 2021 (€84.1 billion).

The changed overall size of the Group and the quarterly trend in net inflows, still positive during the year, more than offset the negative market effect generated as a result of the performance of the financial markets and geopolitical tensions.

Vote expressed by the 2022 Shareholders' Meeting

Also in 2022, BPER initiated a constructive and continuous dialogue with investors and proxy advisors with the aim of providing adequate information on remuneration policies and achieving maximum alignment with the interests of all stakeholders. This approach, alongside continuous alignment with *best practices* and the connection with company strategies, made it possible to achieve the high rate of consensus expressed last year.

The 2022 Report on the Remuneration Policy and Remuneration Paid for 2021 reported widespread appreciation among proxy advisors and shareholders.

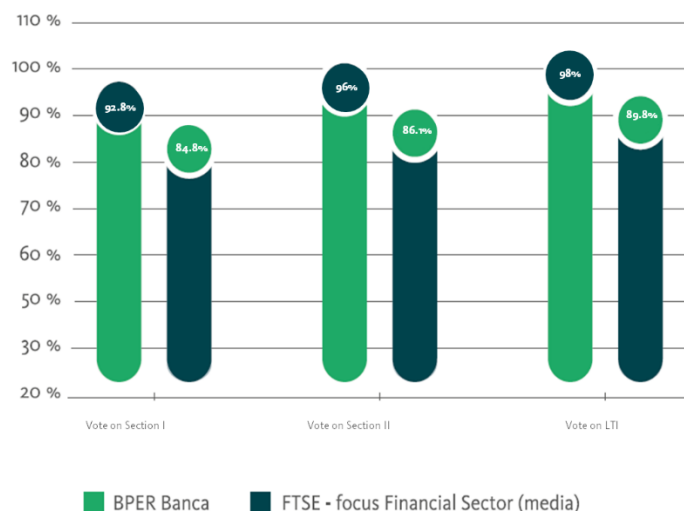
Below is a comparison of the BPER Shareholders' Meeting vote⁹⁰ with the average vote recorded among the FTSE financial companies with reference to the vote on:

- Section I – Remuneration Policy 2022;
- Section II – Report on Remuneration Paid for 2021;
- 2022-2025 Long-Term Incentive Plan

Pursuant to Article 123-ter CFA, the Shareholders' Meeting held on 5 November 2022 expressed a favourable consultative vote (92.8% of the votes cast, representing 48.56% of total share capital) on the 2022 Report on Remuneration Policy, in line with what was resolved by the Shareholders' Meeting of 20 April 2022 which also approved, with an advisory vote, Section II on the fees paid.

⁹⁰ Percentage of ordinary shares represented respectively at the Shareholders' Meeting of 5 November 2022 with reference to the update of the Remuneration Policy for 2022 and the Long-Term Incentive Plan, and at the Shareholders' Meeting of 20 April 2022 with reference to the 2021 Report on Remuneration Paid.

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Source: WTW

The alignment of the Remuneration Policy and the Long-term Incentive Plan with the objectives outlined in the 2022-2025 Business Plan was approved with broad consensus, well above sector averages.

Monitoring of gender neutrality

In relation to the process, already launched some time ago and which continues with the new projects of the 2022-2025 Strategic Plan on ESG illustrated in Section I of the document, also in 2022 the Group was committed to continuing to ensure equal professional opportunities and of remuneration, through the use of neutral, objective and inclusive criteria for the assessment of performance, based on the recognition of skills, experience, performance and professional qualities.

In line with Bank of Italy Circular No. 285/2013 on remuneration policies and with the EBA 2021 Guidelines, the Board of Directors, assisted by the Remuneration Committee, monitored the gender pay gap and verified the gender neutrality of the remuneration policies, confirming their effectiveness as part of the annual review relating to:

- members of the Board of Directors (excluding the Chief Executive Officer);
- the Material Risk Takers (other than the persons referred to in the previous point);
- the remaining personnel.

The pay gap analysis for the same role or role of equal value, carried out in line with the EBA Guidelines, confirms the gender neutrality of the salary review policy and processes. In particular, the *Gender Pay Gap analysis*⁹¹ (GPG) based on an “adjusted”⁹² methodology of the pay gaps integrated with the objective factors that may justify any gaps (such as, for example, role, professional area, performance, geographical area or the start of classification), showed a statistically limited residual gap. The regression model confirms the correlation between remuneration and the variables underlying the remuneration policy adopted, thus noting their substantial gender neutrality.

The differences recorded with reference to the overall GPG, given the neutrality of the remuneration policies, arise mainly from the different gender composition recorded in the managerial brackets and/or from the individual professional path often outside the Group. Added to this are the numerous acquisitions made by the Group in recent years, including the integration of Carige finalized on 3 June 2022.

More specifically, the GPG of the macro clusters envisaged by the regulations presents the following initial evidence:

- at the level of administrative bodies, for the Parent Company BPER Banca (excluding CEO/GM and Chairman), there are gaps slightly in favour of the female component of the Board of Directors, while for the other Group companies, the male gender pay gaps tends to prevail. In both cases, the gap arises from the different distribution of internal board offices;
- for Identified Staff employees, the pay gap in favour of men is affected by the prevalence of men holding top management or *senior management positions*. The gap is improving confirming the effectiveness of the controls activated to support equal opportunities and remuneration opportunities. Considering the cluster of MRTs, in fact, the weighted average gaps for similar and/or equal roles are reduced;
- for the remaining personnel, the analysis highlighted the small gaps in favour of the male gender, with substantial parity with reference to Network personnel and some situations of gap in favour of the male gender among the personnel

⁹¹ GPG was calculated as the ratio between the difference between the average male gender remuneration and the average female gender remuneration compared to the average male gender remuneration.

⁹² Developed according to the models and with the support of WTW consulting company .

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of the central offices, on which the Bank plans to intervene.

These issues, on the whole, highlight the neutrality of the remuneration policies with respect to gender and represent a measure of the Group's progress towards the ambition of equal opportunities, equity and inclusion.

The above will be monitored over time and represents the starting point for future corrective actions that have already been included in the guidelines of the 2022-2025 Business Plan, as outlined in Section I.

Lastly, it should be noted that the Sustainability Report, to which reference should be made, reports, according to the logic of presentation envisaged by the specific regulations, the details of the issue (gender pay gap) in the Group by professional categories for the year 2022.

PART II

The following tables in Part II analyse in detail the compensation paid during the year, for whatever reason and in whatever form, by the Company and its subsidiaries and associates.

Table 1. Compensation paid to members of the Boards of Directors and Statutory Auditors, General Managers and other Executives with Strategic Responsibilities.

(CONSOB Table 1, amounts of compensation at 31/12/2022 in thousands of Euros)

(A) Full Name	(B) Office	(C) Period in which the position was held*	(D) End of term in office	(1) Fixed remuneration	(2) Remuneration for participating in committee meetings	(3) Variable non equity-based compensation		(4) Non-monetary benefits	(5) Other	(6) Total	(7) Fair value of equity-based compensation ^A	(8) Compensation for loss of office or termination of employment
						Bonuses and other incentives	Participation in profits					
FLAVIA MAZZARELLA	Chairperson	1/1-31/12	2024 Shareholders' Meeting									
				(I) Remuneration in company preparing the financial statements	405	18				423		
				(II) Remuneration from subsidiaries								
				(II) Remuneration from associates								
				(III) Total	405	18				423		
PIERO LUIGI MONTANI	Chief Executive Officer and General Manager	1/1-31/12	2024 Shareholders' Meeting									
				(I) Remuneration in company preparing the financial statements	1,390		321			1,711	393	
				(II) Remuneration from subsidiaries								
				(II) Remuneration from associates								
				(III) Total	1,390		321			1,711	393	
RICCARDO BARBIERI	Director and Deputy Chairman	1/01-31/12	2024 Shareholders' Meeting									
				(I) Remuneration in company preparing the financial statements	140	12				152		
				(II) Remuneration from subsidiaries								
				(II) Remuneration from associates								
				(III) Total	140	12				152		
ELENA BECCALLI	Director	1/01-31/12	2024 Shareholders' Meeting									
				(I) Remuneration in company preparing the financial statements	90	75				165		
				(II) Remuneration from subsidiaries								

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(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Full Name	Office	Period in which the position was held*	End of term in office	Fixed remuneration	Remuneration for participating in committee meetings	Variable non equity-based compensation		Non-monetary benefits	Other	Total	Fair value of equity-based compensation ^A	Compensation for loss of office or termination of employment
						Bonuses and other incentives	Participation in profits					
(II) Remuneration from associates												
(III) Total				90	75					165		
MONICA CACCIAPUOTI	Director	5/11-31/12	2024 Shareholders' Meeting									
(I) Remuneration in company preparing the financial statements ^(E)				14	4					18		
(II) Remuneration from subsidiaries												
(II) Remuneration from associates												
(III) Total				14	4					18		
SILVIA ELISABETTA CANDINI	Director	01/01-31/12	2024 Shareholders' Meeting									
(I) Remuneration in company preparing the financial statements				90	35					125		
(II) Remuneration from subsidiaries												
(II) Remuneration from associates												
(III) Total				90	35					125		
MARIA ELENA CAPPELLO	Director	1/01-31/12	2024 Shareholders' Meeting									
(I) Remuneration in company preparing the financial statements				89	35					124		
(II) Remuneration from subsidiaries												
(II) Remuneration from associates												
(III) Total				89	35					124		
CRISTIANO CINCOTTI	Director	1/01-31/12	2024 Shareholders' Meeting									
(I) Remuneration in company preparing the financial statements				90	25					115		
(II) Remuneration from subsidiaries												
(II) Remuneration from associates												
(III) Total				90	25					115		

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(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Full Name	Office	Period in which the position was held*	End of term in office	Fixed remuneration	Remuneration for participating in committee meetings	Variable non equity-based compensation		Non-monetary benefits	Other	Total	Fair value of equity-based compensation ^A	Compensation for loss of office or termination of employment
						Bonuses and other incentives	Participation in profits					
GIANFRANCO FARRE	Director	1/01-31/12	2024 Shareholders' Meeting									
				(I) Remuneration in company preparing the financial statements	90	40				130		
				(II) Remuneration from subsidiaries	82					82		
				(II) Remuneration from associates								
				(III) Total	172	40				212		
ALESSANDRO ROBIN FOTI	Director	01/01-31/12	2024 Shareholders' Meeting									
				(I) Remuneration in company preparing the financial statements	89	40				129		
				(II) Remuneration from subsidiaries								
				(II) Remuneration from associates								
				(III) Total	89	40				129		
ROBERTO GIAY	Director	1/01-31/12	2024 Shareholders' Meeting									
				(I) Remuneration in company preparing the financial statements ^(E)	88	25				113		
				(II) Remuneration from subsidiaries								
				(II) Remuneration from associates								
				(III) Total	88	25				113		
GIANNI FRANCO PAPA	Director	01/01-31/12	2024 Shareholders' Meeting									
				(I) Remuneration in company preparing the financial statements	90	60				150		
				(II) Remuneration from subsidiaries ^(B)	204					204		
				(II) Remuneration from associates								
				(III) Total	294	60				354		
MARISA PAPPALARDO	Director	01/01-31/12	2024 Shareholders' Meeting									
				(I) Remuneration in company preparing the financial statements	89	25				114		
				(II) Remuneration from subsidiaries								
				(II) Remuneration from associates								
				(III) Total	89	25				114		

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(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Full Name	Office	Period in which the position was held*	End of term in office	Fixed remuneration	Remuneration for participating in committee meetings	Variable non equity-based compensation		Non-monetary benefits	Other	Total	Fair value of equity-based compensation ^A	Compensation for loss of office or termination of employment
						Bonuses and other incentives	Participation in profits					
MONICA PILLONI	Director	01/01-31/12	2024 Shareholders' Meeting									
(I) Remuneration in company preparing the financial statements				90	64					154		
(II) Remuneration from subsidiaries												
(II) Remuneration from associates												
(III) Total				90	64					154		
GIAN LUCA SANTI	Director	01/01- 08/09										
(I) Remuneration in company preparing the financial statements ^(E)				61	17					78		
(II) Remuneration from subsidiaries												
(II) Remuneration from associates												
(III) Total				61	17					78		
ELISA VALERIANI	Director	01/01-31/12	2024 Shareholders' Meeting									
(I) Remuneration in company preparing the financial statements				90	38					128		
(II) Remuneration from subsidiaries												
(II) Remuneration from associates												
(III) Total				90	38					128		
DANIELA TRAVELLA	Chairman of the Board of Statutory Auditors	01/01-31/12	2024 Shareholders' Meeting									
(I) Remuneration in company preparing the financial statements				150						150		
(II) Remuneration from subsidiaries												
(II) Remuneration from associates												
(III) Total				150						150		
PAOLO DE MITRI	Acting Auditor	01/01-6/06										
(I) Remuneration in company preparing the financial statements				43						43		
(II) Remuneration from subsidiaries												
(II) Remuneration from associates												
(III) Total				43						43		

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(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Full Name	Office	Period in which the position was held*	End of term in office	Fixed remuneration	Remuneration for participating in committee meetings	Variable non equity-based compensation		Non-monetary benefits	Other	Total	Fair value of equity-based compensation ^A	Compensation for loss of office or termination of employment
						Bonuses and other incentives	Participation in profits					
CARLO APPETITI	Acting Auditor	27/7-31/12	2024 Shareholders' Meeting									
				(I) Remuneration in company preparing the financial statements	43					43		
				(II) Remuneration from subsidiaries								
				(II) Remuneration from associates								
				(III) Total	43					43		
PATRIZIA TETTAMANZI	Acting Auditor	1/1-31/12	2024 Shareholders' Meeting									
				(I) Remuneration in company preparing the financial statements	100					100		
				(II) Remuneration from subsidiaries								
				(II) Remuneration from associates								
				(III) Total	100					100		
3 DEPUTY GENERAL MANAGERS												
				(I) Remuneration in company preparing the financial statements	1,171	293		29		1,493	378	1,398 ^(D)
				(II) Remuneration from subsidiaries ^(C)								
				(II) Remuneration from associates	33					33		
				(III) Total	1,204	293		29		1,526	378	1,398
5 EXECUTIVES WITH STRATEGIC RESPONSIBILITIES												
				(I) Remuneration in company preparing the financial statements	1,239	278		29		1,546	237	
				(II) Remuneration from subsidiaries ^(C)	1					1		
				(II) Remuneration from associates								
				(III) Total	1,240	278		29		1,547	237	

*The dates shown here refer to: a) office of director for members of the Board of Directors, regardless of their role; b) office of statutory auditor for members of the Board of Statutory Auditors, regardless of their role.

^(A) Including, where present, the current year portion of the 2019-2021 LTI Plan.

^(B) Remuneration in subsidiaries relates to the office of Director at Carige (until the merger date) and Banca Cesare Ponti

^(C) This remuneration does not include any amounts earned for positions held in subsidiaries or associates, as they are paid directly to the company that employs the person.

^(D) Paid as follows: €357,000 as a leaving incentive, €485,000 for a no-competition agreement, €518,000 in lieu of notice, and €20,000 as a settlement for waivers.

^(E) Compensation not received but repaid to the company of origin

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Table 2. Equity-based remuneration plans, other than stock options, for members of the Board of Directors, General Managers and Executives with strategic responsibilities. (CONSOB Table 3A, amounts of compensation in thousands of Euros)

(A)	(B)	(1)	Financial instruments allocated in prior years not vested during the year		Financial instruments allocated during the year					Financial instruments vested during the year and not allocated	Financial instruments vested during the year and attributable		Financial instruments for the year
			(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Full name	Office	Plan	Number and type of financial instruments	Vesting period	Number and type of financial instruments	Fair value at allocation date	Vesting period	Allocation date	Market price at time of allocation	Number and type of financial instruments	Number and type of financial instruments	Value at vesting date	Fair value
PIERO LUIGI MONTANI	Chief Executive Officer and General Manager												
(I) Remuneration in company preparing the financial statements		2022 Remuneration Policy 20/04/2022	-	-	168,696 BPER Banca shares*	393	Bonus allocated in equal annual tranches over the subsequent five years	09/03/2023	2.33	-	61,344 BPER Banca shares	143	393
		2021 Remuneration policies 21/04/2021	39,108 BPER Banca shares	Bonus allocated in equal annual tranches over the subsequent four years	-	-	-	-	-	-	9,777 BPER Banca shares	23	-
		2022-2025 LTI Plan 20/04/2022	-	-	1,965,231 BPER Banca shares**	3,120	Performance period: 2022-2025 up-front (2026): 40% Pro rata temporis deferral between 2027 and 2031	20/12/2022	1.59***	-	-	-	-
(II) Remuneration from subsidiaries and associates		Not applicable	-	-	-	-	-	-	-	-	-	-	-
(III) Total						3,513						166	393

* Bonus for the year 2022, allocated in 2023 on the results of the 2022 financial year. ** Target number of shares allocated, on a four-year basis with reference to the 2022-2025 LTI Plan. Only at the end of the vesting period (31 December 2025) will it be possible to define the actual number of shares vested *** Average price of the BPER Banca share recorded in the 30 days prior to the date of the shareholders' meeting (20 April 2022) which held long-term incentive plan approved **** Data not quantified, in line with the provisioning approach followed by the Bank

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(A)	(B)	(1)	Financial instruments allocated in prior years not vested during the year		Financial instruments allocated during the year					Financial instruments vested during the year and not allocated	Financial instruments vested during the year and attributable		Financial instruments for the year	
			(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Full name	Office	Plan	Number and type of financial instruments	Vesting period	Number and type of financial instruments	Fair value at allocation date	Vesting period	Allocation date	Market price at time of allocation	Number and type of financial instruments	Number and type of financial instruments	Value at vesting date	Fair value	
6 EXECUTIVES WITH STRATEGIC RESPONSIBILITIES														
(I) Remuneration in company preparing the financial statements		2022 Remuneration Policy 20/04/2022	-	-	247,755 BPER Banca shares	577	Bonus allocated in equal annual tranches over the subsequent five years	09/03/2023	2.33	-	112,616 BPER Banca shares	262	577	
		2021 Remuneration policies 21/04/2021	61,859 BPER Banca shares	Bonus allocated in equal annual tranches over the subsequent four years	-	-	-	-	-	-	15,465 BPER Banca shares	36	-	
		2020 Remuneration policies 22/04/2020	15,978 Phantom Stocks	Bonus allocated in equal annual tranches over the subsequent three years	-	-	-	-	-	-	5,326 Phantom Stocks	12	-	
		Remuneration policies for 2019 17/04/2019	2,819 Phantom Stocks	Bonus allocated in equal annual tranches over the subsequent two years	-	-	-	-	-	-	1,410 Phantom Stocks	3	-	
		2022-2025 LTI Plan 20/04/2022	-	-	2,877,759 BPER Banca shares**	4,569	Performance period: 2022-2025 up-front (2026): 45% Pro rata temporis deferral between 2027 and 2031	20/12/2022	1.59****	-	-	-	-	..***
		2019-2021 LTI Plan 17/04/2019	74,326 BPER Banca shares*****	Performance period (2019-2021) upfront (2022): 45% deferral: pro rata temporis between 2023 and 2027	-	-	-	-	-	-	18,581 BPER Banca shares	43	38	
(II) Remuneration from subsidiaries and associates		Not applicable	-	-	-	-	-	-	-	-	-	-	-	
(III) Total						5,146						356	615	

* Bonus for the year 2022, allocated in 2023 on the results of the 2022 financial year. ** Target number of shares allocated, on a four-year basis with reference to the 2022-2025 LTI Plan. Only at the end of the vesting period (31 December 2025) will it be possible to define the actual number of shares vested *** Unquantified figure, in line with the allocation logic followed by the Bank**** Average price of BPER Banca share recorded in the 30 days preceding the date of the Shareholders' Meeting (20 April 2022) which approved the Long-Term Incentive Plan*****Number of shares actually vested in consideration the level of performance achieved (including the adjustment,

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resolved by the Board of Directors on 25 February 2021 and disclosed in the 2020 Report on Remuneration Paid, aimed at neutralising the technical effects on the price of the BPER Banca share attributable to the capital increase (TERP) of October 2020.

Table 3. Monetary remuneration plans for members of the Board of Directors, General Managers and other Executives with Strategic Responsibilities. (CONSOB Table 3B, amounts of compensation in thousands of Euros)

(A) Full name	(B) Office	(1) Plan	(2) Bonus for the year			(3) Bonus of previous years			(4) Other bonuses
			(A)	(B)	(C)	(A)	(B)	(C)	
			Payable/Paid	Deferred	Deferral period	No longer payable	Payable/Paid	Still deferred	
PIERO LUIGI MONTANI	Chief Executive Officer and General Manager								
(I) Remuneration in company preparing the financial statements	2022 Remuneration policy 21/04/2022		143	178	Bonus allocated in equal annual tranches over the subsequent five years	-	-	-	-
	2021 Remuneration policies 21/04/2021		-	-	-	-	16	62	-
(II) Remuneration from subsidiaries and associates	Not applicable		-	-	-	-	-	-	-
(III) Total			143	178	-	-	16	62	-
8 EXECUTIVES WITH STRATEGIC RESPONSIBILITIES									
(I) Remuneration in company preparing the financial statements	2022 Remuneration Policy 20/04/2022		309	262	Bonus allocated in equal annual tranches over the subsequent five years	-	-	-	-
	2021 Remuneration policies 21/04/2021		-	-	-	-	25	98	-
	2020 Remuneration policies 22/04/2020		-	-	-	-	7	21	-
	Remuneration policies for 2019 17/04/2019		-	-	-	-	-	-	-
(II) Remuneration from subsidiaries and associates	Not applicable		-	-	-	-	-	-	-
(III) Total			309	262	-	-	32	119	-

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PART III

(Table 7-TER) Shares held in the company and subsidiaries by members of the Boards of Directors and Statutory Auditors, General Managers and other Executives with Strategic Responsibilities, as well as their spouses, if not legally separated, and minor children, directly or through subsidiaries, trustees or nominees.

Table 1. Shares held by members of the boards of Directors and Statutory Auditors and General Managers.

Name and surname	Investee company	No. Shares held at 31/12/2021(*)	No. shares purchased	No. shares sold	No. Shares held at 31/12/2022(*)
Board of Directors					
RICCARDO BARBIERI	BPER Banca	-	-	-	-
ELENA BECCALLI	BPER Banca	-	-	-	-
MONICA CACCIAPUOTI	BPER Banca	-	-	-	-
SILVIA ELISABETTA CANDINI	BPER Banca	-	-	-	-
MARIA ELENA CAPPELLO	BPER Banca	-	-	-	-
CRISTIANO CINCOTTI	BPER Banca	-	-	-	-
GIANFRANCO FARRE	BPER Banca	-	-	-	-
ALESSANDRO ROBIN FOTI	BPER Banca	-	-	-	-
ROBERTO GIAY	BPER Banca	-	-	-	-
FLAVIA MAZZARELLA	BPER Banca	-	-	-	-
PIERO LUIGI MONTANI	BPER Banca	-	40,737	19,806	20,931
GIANNI FRANCO PAPA	BPER Banca	-	-	-	-
MARISA PAPPALARDO	BPER Banca	-	-	-	-
MONICA PILLONI	BPER Banca	-	-	-	-
GIAN LUCA SANTI	BPER Banca	-	-	-	-
ELISA VALERIANI	BPER Banca	-	-	-	-
Board of Statutory Auditors					
CARLO APPETITI	BPER Banca	-	-	-	-
PAOLO DE MITRI	BPER Banca	326	-	-	326
PATRIZIA TETTAMANZI	BPER Banca	-	-	-	-
DANIELA TRAVELLA	BPER Banca	-	-	-	-

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(*) or start/end date of term in office, if different from the reference period indicated.

The changes indicated arise from the allocation during the year of free ordinary shares as part of the Incentive System and to sales deriving from the exercise of the so-called "sell to cover"

Table 2. Shares held by other Executives with Strategic Responsibilities

Name and surname	Investee company	No. of shares held 31/12/2021 (*)	No. of shares purchased	No. of shares sold	No. of shares held 31/12/2022 (*)
Other Executives with Strategic Responsibilities					
Executives with Strategic Responsibilities	BPER Banca	80,129	140,452	37,699	182,882
Spouses of Executives with Strategic Responsibilities	BPER Banca	12,215	-	-	12,215
Minor children of Executives with Strategic Responsibilities	BPER Banca	1,357	-	-	1,357
TOTAL		93,701	140,452	37,699	196,454

(*) or start/end date of term in office, if different from the reference period indicated.

The changes indicated arise from the allocation during the year of free ordinary shares as part of the Incentive System and to sales deriving from the exercise of the so-called "sell to cover"

ANNEX

Bank of Italy Circular 285/2013 - Section VI – Disclosures and transmission of data – par. 1 Public disclosure obligations (Article 450 CRR and Article 17 of Implementing Regulation (EU) 637 of 15 March 2021)

REM A: Table Remuneration policy – qualitative information

a) Information about the bodies responsible for the supervision of remuneration. The information includes:
– name, composition and mandate of the principal body (management body and Remuneration Committee, if applicable) that supervises Remuneration Policy and the number of meetings held by that body during the year;
The Remuneration Committee is composed of three non-executive directors, the majority of whom meet the independence requirements set forth in the Articles of Association and the primary and secondary regulatory sources as well as the self-regulation referred to therein. The Committee plays a consultative, investigative and propositive role in support of the Board of Directors. The Committee met 17 times in 2022. Further details can be found in Chapter 2 of the 2023 Report on Remuneration Policy and Compensation paid.
– external consultants used, the body that appointed them and in which area of remuneration;
In carrying out all the activities necessary to ensure the competitiveness and effectiveness of its pay systems, the Group was supported by external, independent consultancy firms with considerable expertise in this area. In particular, the internal functions concerned have commenced collaboration with international consultancies: Willis Towers Watson, which helped to revise the incentive schemes, and with Mercer, which provided support for the benchmarking of salaries at various levels within the company workforce.
– A description of the scope of the institution's Remuneration Policy (e.g. by regions, business lines), including the extent to which it is applicable to subsidiaries and branches located in third countries;
Group Policy ensures the consistency of the remuneration and incentive schemes applied within the Banking Group, having regard for the specific characteristics of the sectors in which Group companies operate, their organisational structures, the regulations applicable to their businesses and their geographical location.
– description of the personnel or categories of personnel whose professional activities have a significant impact on the risk profile of the company
BPER identifies the Group's Material Risk Takers with reference to all companies within the same Group, whether or not subject to banking regulations on an individual basis, ensuring the overall consistency of the identification process and coordination of the varying instructions that apply in the specific sectors served by each Group company. To this end, in line with the applicable regulatory provisions, BPER adopts a Policy for the Identification of Material Risk Takers, set out below, which defines: i) the criteria and procedures used to identify Material Risk Takers; ii) procedures for the appraisal of personnel; iii) the roles played by corporate bodies and the relevant business functions in devising, monitoring and reviewing the identification process. Group companies actively participate in the process of identifying the Group's MRTs, as carried out by the Parent Company, providing it with the necessary information in accordance with the instructions received. Further information is available in Section 3 of the 2023 Report on Remuneration Policy and Compensation Paid ("Identification of Material Risk Takers").
b) Information about the characteristics and structure of the system for remunerating material risk takers. The information includes:
– a summary of the characteristics and main objectives of the Remuneration Policy and information about the decision-making process followed for defining the Remuneration Policy and the roles of the parties involved;
The Remuneration Policy was prepared with reference to the key challenges facing the BPER Group, as identified in the Strategic Guidelines and considering the evolution of the regulatory framework for the sector. The BPER Group has established a governance process in order to regulate the definition, implementation and management of its remuneration policies. This process will involve various control bodies and business functions at different levels, according to their sphere of competence: the Report on remuneration policy and compensation paid is approved each year at the Shareholders' Meeting, following approval by the Board of Directors following receipt of the opinion of the Remuneration Committee and relevant consultations with the Control and Risk Committee and the Sustainability Committee. Details are set out in Chapter 1 of the 2022 Report on Remuneration Policy and Compensation Paid (Governance of Remuneration and Incentive Policies).
– information on the criteria used to assess performance and adjust for ex-ante and ex-post risks;

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The Group defined a short-term variable incentive plan to align the interests of management with the creation of value for the shareholders, so as to reward good behaviour and positive results, while penalising, through non-payment of bonuses, both failure to achieve the results and any deterioration in the Group's capital, liquidity and profitability ratios.

The incentive system provides for the identification of a bonus pool which represents the maximum amount of bonuses payable. The bonus pool for the Chief Executive Officer and Managing Director and for MRTs is set at Group level. The amount of the bonus pool for MRTs is correlated with the operating results achieved, in terms of Group gross profit, and represents a maximum limit. In order to discourage excessive risk-taking which can lead to a deterioration in the Group's "state of health", also in compliance with the Bank of Italy's regulatory requirements, payout of the bonus pool, whatever the amount, is without exception subject to compliance with certain metrics, called Entry Gates, which are related to the capital, liquidity and risk-adjusted return ratios.

After verification that the Entry Gates have been achieved, the actual allocation of bonuses and the resulting amount of variable remuneration are defined following an assessment of individual performance. This analyses a wide range of quantitative and qualitative indicators that supplement the checks on compliance with the indicators specified in the Risk Appetite Framework and risk policies.

In addition, the Group framed in 2022 a long-term variable incentive system based on a long-term period of performance assessment (2022-2025), consistent with the objectives and duration of the Group's Strategic Plan. Considering that the plan is in continuity with what is envisaged in 2022, for details see Chapter 7 of the 2023 Report on the Remuneration Policy and Compensation Paid.

— if the management body or the Remuneration Committee, if established, has reviewed the Remuneration Policy during the past year, summarised any changes made, the reasons for them and their impact on remuneration;

The main changes introduced to the remuneration policies for 2022 are as follows:

▪ **Strengthening the concept of pay for sustainable performance by:**

- revising the pay mix and linking the greater part of total remuneration to the delivery of annual and long-term results, with a particular focus on the longer term, while always respecting the maximum ratio of variable remuneration to fixed remuneration defined in the Remuneration Policy;
 - incentivising the achievement of "superior" performance, by revising the incentive criteria applying to all Group employees to reflect more closely the annual and medium/long-term priorities and prudent risk management strategies adopted by the Group, having regard for the internal fairness and external competitiveness objectives;
 - integrating the ESG priorities into the annual and long-term incentive plans, with a view to creating value for all stakeholders;
 - introducing an Long-Term Incentive Plan (2022-2025 LTI PLAN), with allocation made in BPER shares, linked to business plan targets;
- extending the obligation to retain the financial instruments allocated under the LTI Plan to the Chief Executive Officer/General Manager and the other Directors with Strategic Responsibilities by introducing Share Ownership Guidelines in line with best practices in terms of alignment with investors' interests;

▪ **Introducing checks to ensure the gender neutrality of the Remuneration Policy, consistent with the new Bank of Italy instructions, affirming the commitment to equal treatment and inclusion policies, regardless of gender and other diversities;**

▪ **Revising the Severance Policy by introducing a predetermined formula, consistent with the practices followed by Italian Banking Groups, while maintaining unchanged the maximum limits envisaged for amounts and the number of annual payments.**

The principal effects on remuneration will mainly be recognisable by a clearer emphasis on rewarding superior performance, resulting in a pay mix in which long-term variable remuneration has a greater weighting.

— information about how the company ensures that personnel with Internal Control Functions are remunerated with reference to the activities checked by them;

The remuneration of those performing Control Functions within the MRT scope consists of a fixed component, supplemented by a specific function indemnity and a variable component, which can be up to a maximum of 33% of the fixed component. The latter does not depend on meeting financial targets, but is related to the specific objectives of the function linked to qualitative and quantitative issues, in order to safeguard the independence that is required of these functions.

The size of the bonus pool, defined within the MBO incentive scheme, is not related to the economic and financial results achieved, but is set as a fixed amount. Unlike what applies for MRTs, the payment of bonuses for the control functions is subject only to the Entry Gates based on capital (CET1) and liquidity (LCR) ratios.

People in this category have applied to them Entry Gates and the rules for deferment of the variable portion, use of financial instruments and the malus and claw-back clauses applicable to the other MRTs.

— policies and criteria applied for the recognition of guaranteed variable remuneration and severance indemnities.

There are no forms of guaranteed variable remuneration outside the cases envisaged by current legislation and referred to in the Bank's remuneration policies. Without prejudice to the exemptions foreseen by the Supervisory Provisions, which will be applied by the Group if the circumstances arise, and without prejudice to the specific regulations envisaged for the various categories of personnel, it should be noted that the following amounts are not part of the additional remuneration mentioned above:

- amounts paid in lieu of notice, within the limits established by law and collective labour contract;
- amounts paid for non-competition agreements, for the portion that does not exceed the last year of fixed remuneration;
- amounts paid in execution of a decision by an independent third party (judge or arbitrator) on the basis of applicable legislation.

If there are cases involving termination of employment on the initiative and/or interest of the Group, in a unilateral or consensual form, additional compensation may be envisaged as a leaving indemnity or early retirement or paid for the settlement of a current or potential dispute, in order to avoid the risk of a court ruling against the Group.
 The amount of such additional remuneration for 2022 cannot exceed 2 years of fixed remuneration – arising from the executive employment relationship and from any positions as director – and will be subject to a maximum limit of €2.4 million (gross per employee).
 In any case, without prejudice to the foregoing, the total amount of additional remuneration, of any no-competition agreements and amounts paid in lieu of notice to the Chief Executive Officer, the General Manager and Executives with Strategic Responsibilities cannot exceed 2 years of total remuneration.
 For further details, see Section 8.11 Compensation Granted in view of or on Termination of Employment of MRTs of the 2022 Report.

c) Description of the way in which current and future risks are taken into account in the remuneration process. The information includes a summary of the principal risks, their measurement and how those measurements affect remuneration.

In order to discourage excessive risk-taking that can lead to a deterioration in the Group's "health", also in compliance with the Bank of Italy's regulatory requirements, payout of the *bonus pool*, whatever the amount, is without exception subject to compliance with certain indicators, called Entry Gates, based on indicators of capital strength, liquidity and risk-adjusted profitability.
 The Entry Gates for 2022, all of which have to be achieved at the same time, are as follows:
 - Common Equity Tier 1 (CET 1) consolidated ratio under the transitional arrangement > RAF Tolerance
 - Consolidated Liquidity Coverage Ratio (LCR) > RAF Capacity.
 - Consolidated Return On Risk-Weighted Assets (RORWA > RAF Tolerance
 After measuring the results of the assigned objectives the system envisages, for all the MRTs, except the Control Functions, an assessment by the Board of Directors of the risk-adjusted parameters taken from those contained in the *Risk Appetite Framework* (RAF) for the purpose of making any adjustments with respect to the vested incentive. Upon achievement of the objectives set by the CEO and GM, the adjustments may reduce the vested bonus by up to 50% (for the CEO/GM and for MRTs).

d) Ratio of fixed to variable remuneration established pursuant to Article 94, par. 1, letter g), CRD.

In line with the regulatory requirements and the resolutions passed at the Shareholders' Meeting held in 2020, the ratio between variable and fixed remuneration is set at 2:1 for all MRTs (except for control functions and similar activities). This should provide the flexibility to make payments ahead or in the event of early termination of employment or term of office, within the maximum limits stated in this Policy and to use all operational drivers in order to achieve the Group's objectives.
 For the rest of the personnel, a maximum ratio between the 1:1 remuneration components is usually adopted, with the exception of MRTs of Corporate Control Functions, for whom their variable remuneration cannot exceed one third of their fixed remuneration.
 Nevertheless, the Group also sets the maximum variable and fixed ratio at 2:1 for the rest of the personnel as well (excluding the control functions once again) in the following limited circumstances:
 a. to make payments ahead or in the event of early termination of employment or term of office (severance), within the maximum limits already established in these policies under specific circumstances;
 b. to have appropriate levers to manage in a suitable manner the competitive pressures in the job markets for certain, highly profitable business segments and specific professional families (Wealth Management and Corporate Banking).
 These professional families comprise a maximum of 739 persons (2022 data), among whom only a very small minority can exceed the 1:1 limit.
 Adoption of this 2:1 ratio between variable and fixed remuneration does not have any effect on the Bank's ability to comply with the prudential rules on capital, the requirements regarding own funds in particular.

e) Description of how the company seeks to link performance in the assessment period with remuneration levels. The information includes:

- a summary of the principal criteria and performance metrics used in relation to the Company, its lines of business and individuals;
- The Strategy Scorecard, summary of the priorities for 2022, underpins the MBO Plan and the definition of objectives for the entire organisation. Since 2021, this document has included the ESG priorities that are closely correlated with the SDGs (Sustainable Development Goals) identified in the Sustainability Report available at <https://istituzionale.bper.it/en/sostenibilita/bilancio-di-sostenibilita>.
 In addition, the presence of common *Entry Gates* to the MBO and LTI plans, linked to risk-weighted capital adequacy, liquidity and profitability parameters, ensures their sustainability from an economic and financial standpoint.
- a summary of how the amounts of individual variable remuneration are linked to both individual and company performance;
- Individual variable remuneration is based primarily on the overall performance of the Group and each Entity/Business Unit, in order to determine the size of the bonus pools available, and then on individual performance.

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– information about the criteria used to achieve balance among the various types of instrument recognised, including shares, similar equity instruments, options and other instruments;

Work to update the pay mix analysed, with assistance from the external advisor, both a peer group and broader market references. As a result, it was decided to shift the variable/fixed ratio significantly, albeit in a prudent manner, by increasing the variable component. In consideration of forecast growth over the medium-term strategic horizon, a decision was taken to privilege the long-term variable component of MRT remuneration.

– information on the measures that the company will adopt to adjust the variable component of remuneration if the performance metrics are weak, including the criteria used by the company to determine that these metrics are “weak”.

In order to discourage excessive risk-taking that can lead to a deterioration in the Group's "health", also in compliance with the Bank of Italy's regulatory requirements, payout of the *bonus pool*, whatever the amount, is without exception subject to compliance with certain indicators, called Entry Gates, based on indicators of capital strength, liquidity and risk-adjusted profitability. Failure to achieve even only one of the Entry Gates means that no bonus will be paid out under this scheme. With regard to the CEO/GM, after measuring his results against the assigned objectives, the system provides for assessment by the Board of Directors of the application of risk-adjustment parameters, based on those contained in the Risk Appetite Framework (RAF). The assessment aims to identify any adjustments that may need to be made with respect to the vested incentive. Upon achievement of the objectives set out in the CEO and GM's personal scorecard, the adjustments can reduce the vested bonus by up to 50%.

f) Description of how the company seeks to adjust remuneration to take account of long-term performance. The information includes:

– a summary of the company policy for the deferral, payment in instruments, retention periods and vesting of variable remuneration, including where this differs between individuals or categories of personnel;

The payment of bonuses to beneficiaries of the long-term incentive plan, including the Chief Executive Officer and General Manager, is structured as follows: at the end of the four-year period, 45% is allocated at the bonus allocation date (up-front portion), but is subject to a 1-year retention period. The remaining 55% is deferred in equal annual portions over five years with a 1-year retention period. Bonuses are subject to ex-post correction, malus and claw-back conditions, as for short-term incentive schemes. If the amount is particularly high, the up-front portion is reduced to 40% and 60% is deferred.

The payment of bonuses to the beneficiaries of the short-term incentive plan is outlined below:

For TOP Material Risk Takers, including the Chief Executive Officer and General Manager:

Variable remuneration > €435,000 (particularly high amount):

40% is allocated at the date the bonus is allocated (up-front portion): 20% cash and 20% through BPER Banca shares subject to a 1-year retention period. 60% (25% cash and 35% through BPER Banca Shares) is deferred in equal annual portions over five years from the year of allocation, subject to a 1-year retention period (during which the shares cannot be sold) from the vesting date of each deferred tranche.

Variable remuneration > €50,000 (or 1/3 of total annual remuneration) and < €435,000:

45% is allocated on the date the bonus is allocated (up-front portion): 20% cash and 25% through BPER Banca shares subject to a 1-year retention period (during which the shares cannot be sold). 55% (25% cash and 30% through BPER Banca shares) is deferred in equal annual portions over 5 years from the year of allocation, and is subject to a 1-year retention period (during which the shares cannot be sold) from the vesting date of each deferred tranche.

For Material Risk Takers (non Top):

Variable remuneration > €435,000 (particularly high amount):

40% is allocated at the date the bonus is allocated (up-front portion): 20% cash and 20% through BPER Banca shares subject to a 1-year retention period. 60% (30% cash and 30% through BPER Banca shares) is deferred in equal annual portions over 4 years from the year of allocation, and is subject to a 1-year retention period (during which the shares cannot be sold) from the vesting date of each deferred tranche.

Variable remuneration > €50,000 (or 1/3 of total annual remuneration) and < €435,000:

60% is allocated at the date the bonus is granted (up-front portion): 30% cash and 30% through BPER Banca shares subject to a 1-year retention period (during which the shares cannot be sold). 40% (20% cash and 20% through BPER Banca shares) is deferred in equal annual portions over 4 years from the year of allocation, subject to a 1-year retention period (during which the shares cannot be sold) from the vesting date of each deferred tranche.

If variable remuneration is \leq €50,000 and \leq 1/3 total annual remuneration, the bonus will be paid up-front and 100% in cash.

– information on the company criteria for making ex-post adjustments (malus during the deferral period and return after vesting, if allowed by national laws);

As required by current legislation, long- and short-term bonuses are subjected to ex-post adjustment mechanisms (malus and claw-back) in order to reflect the performance levels net of the risks actually undertaken or achieved in terms of capital, taking into account individual behaviour. The deferred portions are subject to malus rules that can reduce the portion to zero in the event of failure to achieve the *Entry Gates* envisaged for the year prior to the payout year of each up-front or deferred portion. The malus mechanism also applies in cases where *claw-back* clauses are activated.

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The incentives paid are subject to repayment clauses if certain cases occur within 5 years from the disbursement/payout of bonuses. The cases in question, applicable to MRTs, are reported in Section 7.2. Specific clauses may also be envisaged for the remaining personnel, in relation to specific incentive systems, as specified in the relative operating regulations.

— if applicable, any share ownership requirements that may be imposed on MRTs.

The Chief Executive Officer-General Manager and the other Executives with Strategic Responsibilities of the Parent Company agree not to transfer, while they remain in office and/or as Executives with Strategic Responsibilities of the Parent Company, a percentage of their shares arising from the LTI Plan, having respective targets of one year of fixed remuneration for the Chief Executive Officer-General Manager and 50% of the fixed remuneration of the Executives with Strategic Responsibilities.

g) Description of the principal parameters and reasons for any variable remuneration plans and all other non-monetary rewards pursuant to Article 450, par. 1, letter f), CRR. The information includes:

— data about the specific performance indicators used to determine the variable components of remuneration and the criteria used to achieve balance among the various types of instrument recognised, including shares, equivalent participating equity instruments, share-linked instruments, non-cash instruments, options and other instruments.

The annual total variable remuneration of the divisions and business units within the Group, including the portion attributable to Material Risk Takers, is determined with reference to the risk-adjusted operating performance of the divisions concerned. A significant part of the variable remuneration is deferred and, in part, paid in equity instruments. This ensures that incentives are linked to the creation of long-term value and that the continuity and sustainability of positive results can be checked. Payments are made annually, on a pro-rata basis, with reference to both the position held and the amount of variable remuneration allocated.

h) If requested by the relevant member State or competent authority, the total remuneration of each member of the management body or top management.

See the Tables included in Part II and in the attachment to the 2023 Report on Remuneration Policy and Compensation Paid.

i) Information about any exceptions made by the company pursuant to Article 94, par. 3, CRD, and Article 450, par. 1, letter k), CRR.

— For this purpose, companies that benefit from an exception must indicate if this is based on Article 94, par. 3, letter a) and/or letter b), CRD. They must also indicate to which remuneration principles they apply the exception or exceptions, the number of persons who benefit from the exception or exceptions and their total remuneration, analysed between fixed and variable.

Exception based on letter b): number of Material Risk Takers who benefit from the exception: 49, total remuneration €8.09 million: €6.64 million fixed and €1.45 million variable

j) Large companies publish quantitative information on the collective remuneration of the management body, distinguishing between executive and non-executive members, pursuant to Article 450, par. 2, CRR.

See the tables provided pursuant to Article 450 CRR and those required by CONSOB.

REM1 Table: Remuneration recognised for the year (amounts in thousands of Euros)

			a	b	c	d
			MANAGEMENT BODY - STRATEGIC SUPERVISION FUNCTION	MANAGEMENT BODY - MANAGEMENT FUNCTION	OTHER MEMBERS OF TOP MANAGEMENT	OTHER MATERIAL RISK TAKERS
1	Fixed remuneration	Number of Material Risk Takers	14	11	18	96
2		Total fixed remuneration	2,326	4,598	4,843	12,381
3		Of which cash	2,326	4,598	4,843	12,381
4		(Not applicable in EU)				
EU-4a		Of which shares or similar equity instruments				
5		Of which share-linked instruments or equivalent non-monetary instruments				
EU-5x		Of which other instruments				
6		(Not applicable in EU)				
7		Of which other types				
8	(Not applicable in EU)					
9	Variable remuneration	Number of Material Risk Takers		9	18	75
10		Total variable remuneration		4,087	1,887	3,180
11		Of which cash		1,994	966	2,409
12		Of which deferred		1,125	416	308
EU-13a		Of which shares or similar equity instruments		806	921	771
EU-14a		Of which deferred		440	494	308
EU-13b		Of which share-linked instruments or equivalent non-cash instruments				
EU-14b		Of which deferred				
EU-14x		Of which other instruments		1,287		
EU-14y	Of which deferred		772			
15	Of which other types					
16	Of which deferred					
17	Total remuneration (2 + 10)		2,326	8,685	6,730	15,560

As a result of rounding, the sum of some detailed amounts may not square with the relative aggregate

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REM2 Table: Special payments to personnel whose professional activities have a significant impact on the risk profile of the company (Material Risk Takers) - amounts in thousands of Euros

		a	b	c	d
		MANAGEMENT BODY - STRATEGIC SUPERVISION FUNCTION	MANAGEMENT BODY - MANAGEMENT FUNCTION	OTHER MEMBERS OF TOP MANAGEMENT	OTHER MATERIAL RISK TAKERS
Bonuses included in guaranteed variable remuneration					
1	Bonuses included in guaranteed variable remuneration – Number of Material Risk Takers				2
2	Bonuses included in guaranteed variable remuneration - Total amount				121
3	<i>Of which bonuses included in guaranteed variable remuneration paid during the year that were not considered in the maximum limit on bonuses</i>				121
Severance indemnities recognised in prior periods and paid during the year					
4	Severance indemnities recognised in prior periods and paid during the year - number of Material Risk Takers		3	4	2
5	Severance indemnities recognised in prior periods and paid during the year – Total amount		312	611	256
Severance indemnities recognised during the year*					
6	Severance indemnities recognised during the year - Number of Material Risk Takers			1	6
7	Severance indemnities recognised during the year - Total amount			1,398	1,075
8	<i>Of which paid during the year</i>				896
9	<i>Of which deferred**</i>			1,398	179
10	<i>Of which severance indemnities paid during the year that were not considered in the maximum limit on bonuses</i>				690
11	<i>Of which the highest amount awarded to a single person</i>			1,398	216

(*) settlements defined in 2022 aimed at figures with last working day by 31/12/22

(**) deferred means any type of remuneration not paid during the year (2022)

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REM3 Table: Deferred remuneration (amounts in thousands of Euros)

		a	b	c	d	e	f*	EU-g	EU-h
	deferred remuneration subject to retention	total amount of deferred remuneration recognised for prior periods of service	of which amounts vested during the year	Of which vesting in subsequent financial years	amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of ex-post adjustments made (changes of value of deferred remuneration due to changes in the prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total amount of deferred remuneration awarded for previous performance period that vested but is subject to retention periods
1	Management Body - Strategic supervision function								
2	Cash								
3	Shares or similar equity investments								
4	Share-linked instruments or equivalent non-cash instruments								
5	Other instruments								
6	Other types								
7	Management body - management function	1,639	193	1,447			-5	135	116
8	Cash	621	76	545				76	
9	Shares or similar equity investments	517		517					
10	Share-linked instruments or equivalent non-cash instruments	125	58	67			-5	59	58
11	Other instruments	376	58	318					58
12	Other types								
13	Other senior management	1,042	107	935			4	90	73
14	Cash	327	34	293				34	
15	Shares or similar equity investments	494		494					
16	Share-linked instruments or equivalent non-cash instruments	221	73	148			4	57	73

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17	Other instruments								
18	Other types								
19	Other Material Risk Takers	1,143	129	1,014			-24	134	129
20	Cash	112		112					
21	Shares or similar equity investments	808		808					
22	Share-linked instruments or equivalent non-cash instruments	222	129	93			-24	134	129
23	Other instruments								
24	Other types								
25	Total amount	3,824	428	3,396			-25	359	318

*total amount of the value adjustment with reference to the deferred portions paid out in 2022
As a result of rounding, the sum of some detailed amounts may not square with the relative aggregate

REM4 Table: Remuneration of €1 million or more for the year

	EUR	a* MATERIAL RISK TAKERS WITH HIGH REMUNERATION PURSUANT TO ARTICLE 450, LETTER I), CRR
1	From 1,000,000 to less than 1,500,000	
2	From 1,500,000 to less than 2,000,000	
3	From 2,000,000 to less than 2,500,000	2
4	From 2,500,000 to less than 3,000,000	
5	From 3,000,000 to less than 3,500,000	1
6	From 3,500,000 to less than 4,000,000	
7	From 4,000,000 to less than 4,500,000	
8	From 4,500,000 to less than 5,000,000	
9	From 5,000,000 to less than 6,000,000	
10	From 6,000,000 to less than 7,000,000	
11	From 7,000,000 to less than 8,000,000	

* The remuneration of one person includes the amounts paid on termination of employment.

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REM5 Table: Information on the remuneration of personnel whose professional activities have a significant impact on the risk profile of the company (Material Risk Takers) - amounts in thousands of Euros

	a	b	c	d	e	f	g	h	i	j
	Remuneration of the management body			Business Areas						
	MANAGEMENT BODY - STRATEGIC SUPERVISION FUNCTION	MANAGEMENT BODY - MANAGEMENT FUNCTION	TOTAL MANAGEMENT BODY	INVESTMENT BANK	RETAIL BANKING UNIT	ASSET MANAGEMENT	BUSINESS FUNCTIONS	INDEPENDENT CONTROL FUNCTIONS	ALL OTHER FUNCTIONS	TOTAL
1	Total number of Material Risk Takers									139
2	14	11	25							
3				2	7		3	6		
4				6	53	6	18	13		
5	2,326	8,685	11,010	2,171	11,241	745	4,739	3,395		
6		4,087	4,087	551	2,628		1,237	650		
7	2,326	4,598	6,923	1,620	8,613	745	3,502	2,745		

As a result of rounding, the sum of some detailed amounts may not square with the relative aggregate

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Table 1.
Information on the total remuneration of the Chairman of the strategic supervisory body and of each member of the management body, the General Manager, Assistant General Managers and Deputy General Managers.

(In thousands of Euros)

BANCO DI SARDEGNA					
Name and surname	Office	Period in which the position was held	Fixed remuneration	Variable remuneration	Total remuneration
Antonio Angelo Arru	Chairman	1/1-15/04	50		50
Gianfranco Farre	Chairman	15/04-31/12	82		82
Giulio Cicognani	Deputy Chairman	1/1-15/04	16		16
Elvio Sonnino	Deputy Chairman	15/04-31/12	*		*
Venceslao Stevens	Director	1/1-15/04	12		12
Maria Grazia Dessì	Director	15/04-31/12	37		37
Viviana Ferri	Director	1/1-31/12	54		54
Roberto Ferrari	Director	15/04-31/12	*		*
Sabrina Gigli	Director	1/1-15/04	11		11
Alberto Marri	Director	1/1-15/04	11		11
Annamaria Massimetti	Director	15/04-31/12	30		30
Grazia Orlandini	Director	1/1-31/12	*		*
Gian Battista Piana	Director	15/04-31/12	44		44
Luca Saba	Director	1/1-31/12	45		45
Giuseppe Cuccurese	Director	1/1-31/12	*		*
Lavinia Nieddu	Director	1/1-15/04	11		11
Daniela Petitto	Director	1/1-15/04	11		11
Eugenio Garavini	Director	1/1-15/04	11		11
Paolo Rinaldi	Director	1/1-15/04	12		12
Alessandro Simonazzi	Director	15/04-31/12	*		*
Giuseppe Cuccurese	General Manager	1/1-31/12	518**	202	720

** the remuneration awarded to Group personnel for positions held in subsidiaries is reimbursed by the subsidiary to the company that employs them. ** Tax base for contribution

(in thousands of Euros)

BIBANCA					
Name and surname	Office	Period in which the position was held	Fixed remuneration	Variable remuneration	Total remuneration
Mario Mariani	Chairman	01/01-31/12	50		50
Eugenio Garavini	Deputy Chairman	01/01-6/4	8		8
Gianluca Formenton	Deputy Chairman***	01/01-31/12	**		**
Michele Luciano Campanardi	Director	01/01-31/12	**		**
Carlo Barbarisi	Director	01/01-31/12	20		20
Giuseppe Cuccurese	Director	01/01-31/12	**		**
Angela Mameli	Director	01/01-31/12	20		20
Sara Quintavalla	Director	06/04-31/12	**		**
Diego Rossi	General Manager	01/01-31/12	285*	102	387

*Tax base for contribution **the remuneration awarded to Group personnel for positions held in subsidiaries is reimbursed by the subsidiary to the company that employs them.***Director since 1 January and Deputy Chairman since 27 April 2022

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(in thousands of Euros)

BANCA CESARE PONTI					
Name and surname	Office	Period in which the position was held	Fixed remuneration	Variable remuneration	Total remuneration
Cesare Ponti	Chairman	01/1-17/06	24		24
Franco Anelli	Deputy Chairman	01/1-17/06	14		14
Maurizio Zancanaro	CEO	01/1-17/06	*		*
Grazia Bonante	Director	01/1-17/06	10		10
Paolo Sacco	Director	01/1-17/06	*		*
Gianni Franco Papa	Chairman	17/6-31/12	61		61
Franco Anelli	Deputy Chairman	17/6-31/12	29		29
Fabrizio Greco	CEO	17/6-31/12	*	21**	21
Cesare Castelbarco Albani	Director	17/6-31/12	18		18
Paola Demartini	Director	17/6-31/12	18		18

** the remuneration awarded to Group personnel for positions held in subsidiaries is reimbursed by the subsidiary to the company that employs them.

** Variable remuneration referring to the offices held in BPER Banca and Optima

Certification of the Manager responsible for preparing the Company's financial reports

The Manager responsible for preparing the Company's financial reports, Marco Bonfatti, declares in accordance with Article 154-bis, par. 2, of Legislative Decree 58/1998 (Consolidated Finance Act), that the accounting information contained in this Report is consistent with the Company documents, accounting entries and supporting documentation.

Modena, 9 March 2023

Manager responsible for preparing the company's financial reports
Marco Bonfatti

