

BPER:

Shareholders' Meeting of 19 April 2024

Report of the Board of Directors on item 2 on the agenda of the ordinary session

BPER Banca S.p.A.**Shareholders' Meeting of 19 April 2024*****Report of the Board of Directors
on item 2 on the agenda of the ordinary session******Appointment of the Board of Directors for the 2024-2026 three-year period.***

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Shareholders,

On occasion of the Shareholders' Meeting convened, in its ordinary session, for 19 April 2024 to approve the 2023 financial statements, the mandate of the Board of Directors currently in office will expire.

At said Shareholders' Meeting, you will therefore be called upon to vote also on the appointment of the new Board of Directors using the list voting system in compliance with the provisions of the law and the Articles of Association.

In this respect, we remind you that, pursuant to art. 17, paragraph 1 of the Articles of Association, the Board of Directors comprises fifteen Directors, who remain in office for three years and whose mandate expires on the date of the Meeting called to approve the financial statements for the last year of their appointment. They can be re-elected.

All of the members must meet the statutory and regulatory requirements set for their position and must not be in a situation of ineligibility or incompatibility according to the provisions of the law and the Articles of Association (including art. 17, paragraph 7 of the Articles of Association, to which reference should be made).

Additionally, pursuant to art. 17, para. 3 of the Articles of Association, the composition of the Board of Directors must ensure gender balance and the minimum number of independent members in accordance with current regulations.

Directors are considered to be independent, pursuant to art. 17, para. 4 of the Articles of Association, when they meet the independence requirements (the "Independence Requirements") established by art. 148, para. 3 of the Consolidated Law on Finance and the implementing provisions of art. 26 of Legislative Decree no. 385 of 1 September 1993 (the "Consolidated Law on Banking"), contained in the Decree of the Ministry of Finance no. 169 of 23 November 2020 ("DM 169/2020"). Likewise in accordance with the afore-mentioned article of the Articles of Association, the independent members of the Board of Directors must additionally meet the requirements of independence set forth in Recommendation 7 of the Corporate Governance Code.

Furthermore, pursuant to paragraph 5 of article 17 of the Articles of Association, the members of the Board of Directors must, under penalty of non-eligibility or loss of office, meet the suitability requirements and criteria and comply with the limits on the number of positions held, as provided for by current legislation on offices held by a member of the management body of a bank issuing shares listed on regulated markets.

In this regard, reference is made to the provisions contained in Italian Ministerial Decree no. 169/2020 on reputation, integrity, professionalism and competence, adequate collective composition of the Board, independence, independence of mind, time commitment to carry out the office and limits on the number of offices that can be held simultaneously, as well as, pursuant to the provisions of Art. 147-*quinquies*, paragraph 1, of the Consolidated Law on Finance, the requirements of integrity contained in Article 2 of Decree no. 162 of 30 March 2000 of the Minister of Justice, in agreement with the Minister of the Treasury, Budget and Economic Planning. For the purpose of verifying the suitability requirements and criteria for the members of the Board of Directors, consideration should also be given to the provisions of the ECB Guide to fit and proper assessments and the Joint Guidelines on the assessment of the suitability of members of the management body and key function holders published by the European Banking Authority (EBA) and the European Securities and Markets Authority (ESMA) on 2 July 2021.

Shareholders are also invited to consider the provisions of art. 36 of Legislative Decree no. 201 of 6 December 2011 (converted by Law no. 214 of 22 December 2011) regarding the prohibition to take on or exercise offices in companies or groups of competing companies operating in the credit, insurance or financial markets (the so-called "ban on interlocking directorships").

Finally, please note that, in accordance with Recommendation 23 of the Corporate Governance Code and the applicable Supervisory Provisions (Bank of Italy Circular no. 285 of 17 December 2013, First Part, Title IV, Chapter 1, Section IV, para. 2), the Board of Directors, in view of the renewal of the management body, with the support of the Nomination and Corporate Governance Committee, has expressed its Guidelines for Shareholders on the optimal qualitative and quantitative composition of the new Board of Directors ("Guidelines"). The Guidelines – giving an indication, pursuant to art. 16, paragraph 2, of D.M. 169/2020, of the time commitment estimated by the Board of Directors as necessary to carry out the assignment properly – are available to the public on the Bank's website <https://istituzionale.bper.it/>, in the section Governance – 2024 Shareholders' Meeting, and contain more detailed reference to the applicable legislation, as briefly referred to above.

It is finally noted that, under the Corporate Governance Code, Shareholders who present a list that contains a number of candidates that exceeds half of the members to be elected, are recommended to: (i) provide adequate information in the supporting documentation about whether the list complies with the aforementioned Guidelines for Shareholders on the qualitative and quantitative composition of the Board of Directors, also with reference to the diversity criteria envisaged in the Corporate Governance Code, and (ii) indicate their candidate for the office of Chair of the Board of Directors, it being understood that the appointment will take place according to the procedures identified in the Articles of Association.

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As regards the manner in which lists should be submitted, it is noted that the lists submitted by the Shareholders for the election of the members of the Board of Directors must be filed, in accordance with the instructions provided in the Notice of Call within twenty-five days prior to the date of the Shareholders' Meeting and, therefore, by Monday, 25 March 2024.

In this regard, pursuant to art. 18 of the Articles of Association:

- a) the lists can be presented by shareholders who, individually or collectively, hold at least 1% of the share capital represented by ordinary shares (equivalent to the percentage established by Consob pursuant to Article 144-*septies*, paragraph 1, of the Issuers' Regulations). Ownership of the minimum shareholding is calculated with regard to the shares registered on the day when the list is filed with the Company;

- b) each list must contain a number of candidates not higher than the number of directors to be elected (i.e. Maximum fifteen candidates);
- c) for the purpose of ensuring compliance with the applicable laws on gender balance: (i) the lists that contain a number of candidates equal to three, must submit at least one candidate belonging to the less represented gender; (ii) the lists that contain a number of candidates higher than three must submit a number of candidates belonging to the less represented gender to ensure that the lists comply with the gender balance at least to the minimum extent required by law, rounding up to the next unit in the event of a fractional number;
- d) the lists must present at least one third of candidates who meet the Independence Requirements, rounding up to the next unit in the event of a fractional number;
- e) together with the lists, Shareholders presenting the lists must file with the registered office of the Company all of the documents and declarations required by law and by the Articles of Association, and in any case: (i) the declarations from each candidate accepting their candidature and confirming, under their own responsibility, the absence of reasons for which they cannot be elected or other incompatibilities, and that they meet the requirements for appointment established by the Articles of Association and by current regulations and whether they meet the Independence Requirements; (ii) a full description of the personal and professional characteristics of each candidate, with an indication of the directorships and audit appointments held in other companies and all information useful for subsequent verification of the requirements by the relevant Bodies, in observance of the provisions of the relevant supervisory regulations; (iii) information on the identity of the shareholders presenting the lists, indicating their percentage shareholding, to be confirmed according to the terms and methods established by current regulations.

In consideration of the recommendations provided by Consob in Communication no. DEM/9017893 of 26 February 2009, Shareholders other than the ones who, separately or jointly, hold a relative majority interest in the Company, shall additionally submit, together with the lists, a statement attesting to the lack of any relationships of affiliation, even indirect, as defined by art. 147-ter, para. 3 of the Consolidated Law on Finance and article 144-quinquies of the Issuers' Regulation.

It is noted that, by virtue of the afore-mentioned art. 18 of the Articles of Association:

- the status of candidate belonging to the less represented gender and that of a candidate that satisfies the Independence Requirements can be combined in the same person;
- the lists submitted without complying with the above terms and conditions will be considered as not submitted and will not be admitted to the vote;
- any irregularities on the list that relate to individual candidates only entail the exclusion of the candidate(s) concerned;
- no Shareholder may present or contribute to the presentation of more than one list of candidates, not even through a third party or trust company; a similar requirement applies for Shareholders belonging to the same group - meaning the parent company, its subsidiaries and the companies subject to joint control - or who are parties to a Shareholders' agreement regarding the shares of the Company. In the event of non-compliance, signature is ignored in relation to all lists.
- each candidate may only appear on one list or, otherwise, will be ineligible for election.
- persons entitled to vote cannot vote more than one list of candidates, even if through an intermediary or through trust companies.

The lists filed and admitted will be made available to the public at the registered office and on the Bank's website <https://istituzionale.bper.it/>, in the section Governance – 2024 Shareholders' Meeting and in the 1Info storage system by the deadlines established by current legislation and the Articles of Association and, therefore, at least twenty-one days prior to the date set for the Shareholders' Meeting in one call, i.e. by Friday, 29 March 2024.

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With regard to the election of the members of the Board of Directors, they will be elected in accordance with Article 19 of the Articles of Association, whereby:

a) If more than one list is validly presented:

- 1) the following are taken into consideration: (i) the list that ranks first by number of votes; (ii) the list that is second by number of votes received, provided that it is not connected - not even indirectly - with the shareholders that presented or voted the list that received the highest number of votes, or, in the event that it is connected, the list that has received the highest number of votes among those that are not connected (significant relationships are those identified by the current provisions laid down in the Consolidated Law on Finance and the Issuers' regulation; and (iii) the other lists that individually obtained votes equal to at least 5% of the share capital with voting rights, provided that they are not connected – not even indirectly – aa) with the shareholders who presented or voted the list which came first by number of votes or (bb) with the shareholders who presented or voted any of the other minority lists, including the one which came second by number of votes, if, in the hypothesis described in this letter (bb), the total number of candidates assigned to these lists on the basis of the mechanism referred to in paragraph 2 below is equal to or higher than the majority of the Directors to be elected.
- 2) for the purpose of the election, a proportional criterion based on "quotients" is applied, whereby the votes obtained from each of the lists are subsequently divided by one, two, three, four and so on until reaching the number of Directors to be elected. The quotients thus obtained are assigned to the candidates on each list, according to the sequential order of the list. On the basis of the quotients thus assigned, the candidates are arranged in a single decreasing ranking and the first fifteen candidates are considered elected. An exception to this proportional system is envisaged under paragraphs 2.4 *et seq.* of art. 19 of the Articles of Association – to which reference is made – if the list that came first by number of votes, provided that it contains a number of candidates equal to or greater than the majority of the Directors to be elected, has obtained the favourable vote of more than half of the voting capital, with the extraction, in this case, from the first list of a number of Directors between twelve and fourteen and attribution to the second list that is not connected in any way to the first one of a number of Directors from one to three, based on the size of the ratio between the number of votes obtained by it and the number of votes obtained by the list that came first;
- 3) where it is not possible to complete the Board of Directors in the manner described above, the remaining Directors are elected by the Shareholders' Meeting on the basis of candidates who are put to the vote individually: the candidates who receive the highest number of votes are elected, up to the total number of directors still to be elected;
- 4) If, once the ranking has been completed at the end of the procedure as per the previous paragraphs, the correct composition of the Board of Directors is not ensured with regard to gender balance and Independence Requirements, as many elected candidates as necessary will be excluded, replacing them with candidates meeting the requirements that

are missing and drawn from the same list as the candidate to be excluded, according to the order in which they are listed. Substitutions take place first for the less represented gender and then those who satisfy the Independence Requirements. This substitution mechanism is applied firstly, in sequence, to the lists that have not contributed a Director who meets the missing requirement, starting with the one that received the most votes. If this is not sufficient or if all lists have contributed at least one Director who meets the requirement that is missing, the substitution is to be applied, in sequence, to all lists, starting with the one that received the most votes. Within the lists, the substitution of candidates to be excluded is applied starting from the candidates with the highest sequential number. The substitution mechanisms do not apply to candidates drawn from lists that presented less than three candidates.

- 5) In the event that, even if the substitution mechanisms under item 4 are applied, the correct composition of the Board of Directors is not ensured, as many candidates as necessary will be excluded from the candidates elected on the basis of individual candidatures pursuant to item 3, replacing the less voted candidates with the first unelected candidates who meet the missing requirements. Substitutions take place first for the less represented gender and then those who satisfy the Independence Requirements.
 - 6) In the event that, even if the substitution mechanisms under items 4 and 5 are applied, the correct composition of the Board of Directors is not ensured, as many candidates as necessary will be excluded - starting from the last place of the ranking -, replacing them with candidates meeting the missing requirements, who are elected by the Shareholders' Meeting on the basis of candidates put to the vote individually: the candidates who obtain the highest number of votes are elected, up to the total number of Directors still to be elected. Substitutions take place first for the less represented gender and then those who satisfy the Independence Requirements.
- b) If only one list is presented, all Directors are drawn from this list, according to the sequential order of the list; where it is not possible to complete the Board of Directors in this way, the missing Directors are elected at the Shareholders' Meeting, on the basis of candidates put to the vote individually: the candidates who obtain the highest number of votes are elected, up to the number of Directors required.
 - c) If no list is validly presented, the missing Directors are elected by the Shareholders' Meeting on the basis of candidates who are put to the vote individually: the candidates who receive the highest number of votes will be elected, up to the total number of Directors still to be elected.
 - d) If, in the cases as per letters b) and c), at the end of voting, an overall number of Directors meeting the requirements necessary to ensure the correct composition of the Board of Directors, with regard to gender balance and Independence Requirements, has not been elected, as many elected candidates as necessary have to be excluded by replacing the less voted candidates not meeting the missing requirements with candidates meeting the missing requirements, who are elected by the Shareholders' Meeting on the basis of candidates put to the vote individually: the candidates who obtain the highest number of votes are elected, up to the total number of Directors still to be elected. Substitutions take place first for the less represented gender and then those who satisfy the Independence Requirements.

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In relation to the foregoing, you are therefore called to vote for one of the lists presented by the Shareholders according to the provisions of the Articles of Association.

Modena, 8 March 2024

BPER Banca S.p.A.

The Chair

Flavia Mazzarella