BPER:

2024

REPORT ON REMUNERATION POLICY AND COMPENSATION PAID

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GLOSSARY

B

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.

Board of Directors
The Board of Directors of the Bank.

Bonus Pool
Overall allocation of funds for incentive schemes.

BPER Banca Group or BPER Group
BPER Banca and its direct and indirect subsidiaries under the applicable legal provisions belonging to the Banking Group.

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

C

C-Level manager
CC-levels belonging to the Top Management as defined in the document "*Succession plans of the top management of BPER Banca S.p.A.*": 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.

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.

Common Equity Tier 1 Ratio (CET1)
Financial strength indicator: representing the ratio of common equity Tier 1 to total risk-weighted assets (Pillar 1 RWA).

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

Cost/Income[1]
Operational efficiency indicator, calculated using the Group's reclassified consolidated accounting schedules.[2] Measured as the ratio of operating costs to operating income.

D

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-front portion) and the time of allocation/payout of the deferred portions.

E

ECAR (Economic Capital Adequacy Ratio)
Management indicator used in the context of assessing capital adequacy from an economic perspective, it is defined as the ratio of Total Economic Capital to Internal Capital (Total Economic Capital/Internal Capital), where internal capital against individual risks is calculated using internal management approaches (source ICAAP).

Entry Gate (or access conditions)
Minimum parameters (equity, profitability and liquidity) which, if exceeded, may lead to a bonus being allocated.

1 For the purpose of measuring results, referred to the ordinary component, i.e. net of any normalisations.
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.

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

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 not) of the Company, as identified from time to time by the Board of Directors. At the date of approval of these Remuneration Policies, ESRs include the following figures: members of the Board of Directors, members of the Board of 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 and the Financial Reporting Officer of the Parent Company.

G

Group Gross Profit[3]
Result from current operations before tax.

Gross NPE Ratio (%)
Risk indicator linked to credit quality, measured as the ratio of gross non-performing loans (bad, unlikely-to-pay and past-due loans) to gross loans to customers (performing and non-performing).

H

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.

I

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

K

Key Performance Indicators (KPIs)
Economic, financial and sustainability indicators that contribute to determining the bonus.

L

Leverage ratio
Supervisory indicator calculated as the ratio between Tier 1 Capital and Total Assets.

Liquidity Coverage Ratio (LCR)
Ratio between the stock of high-quality liquid assets and net outflows in the 30 days after the reporting date.

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.

3 Refer to footnote 1

M

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 may have a significant impact on the risk profile of the Bank, as defined in the Remuneration Policies of the BPER Group. Also referred to as Key Personnel.

2024 MBO Short-Term Incentive Plan (or 2024 MBO Plan)
The Remuneration Plan based on shares in cash and financial instruments (where applicable) relating to the year 2024.

MREL TREA SUBORDINATION
Supervisory indicator established by the Single Resolution Board (SRB), calculated as the ratio of the sum of own funds and subordinated funds to RWA (risk-weighted assets).

O

Operating result net of credit risk adjustments[4]
This indicator, calculated using the Group's reclassified consolidated accounting schedules[5], is measured as the difference between the operating result and the net credit risk adjustments/write-backs.

P

Particularly high amount (bonus)
Indicates a bonus 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.

PD PIT (point in time) at 12 months
12-month probability of default (Point In Time) on rated performing counterparties (in stage 1 and 2 IFRS 9). The figure, from the IFRS 9 impairment calculation engine, is that used for the calculation of provisions for Stage 1 positions and for the 1st year of impairment for Stage 2 positions (source Credit Risk Policy).

Personnel
Members of bodies with strategic supervisory, management and control functions, employees and contract staff of the Bank.

R

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

Return On Risk-Weighted Assets (RORWA)[6]
Ratio between gross profit (loss) for the period, and RWAs. It should be noted that since 1 January 2024 the calculation methodology has changed and the component pertaining to third parties is excluded and the gross profit figure is used (current operating result before tax) is used.

Remuneration Committee
Remuneration Committee of the Bank.

4 Refer to footnote 2
5 Refer to footnote 2
6 Refer to footnote 1

Risk Appetite Framework (RAF)
Guidance document for the Group's Internal Control System to steer the synergistic governance of planning, control and risk management. The RAF provides "*the frame of reference that, in line with the maximum acceptable risk, 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 (%)[7]
Profitability indicator, calculated using the Group's reclassified consolidated accounting schedules. ROTE has been calculated as the ratio of the Parent's Company's net profit to the Group's average tangible equity. Tangible equity is the algebraic of valuation reserves (caption 120 + caption 125), Redeemable shares (caption 130), Reserves (caption 150), Share premium (caption 160), Share capital (caption 170) - Treasury shares (caption 180), Consolidated profit net of dividend distributed (or approved) by the parent or consolidating company (caption 200) - Intangible assets (caption 100).

S

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

Share Ownership Guidelines
Indicates the share ownership guidelines applicable to the Chief Executive Officer and Executives with Strategic Responsibilities of BPER.

Shareholders' Meeting
Shareholders' Meeting of the Bank.

Shares
The ordinary shares of BPER listed on the italian stock exchange managed by Borsa Italiana.

T

Target bonuses or bonus opportunities
Theoretical bonus which corresponds to the amount paid in the event of full achievement of the results.

Top Material Risk Takers (MRTs)
Chief Executive Officer and General Managers of the "relevant operating units with RWA > 2%[8]. For BPER, also the Deputy General Managers and Executives with Strategic Responsibilities.

U

Up-front
Payment of bonuses not subject to deferral conditions.

V

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.

7 Refer to footnote 1
8 BPER Banca, Banco di Sardegna, Sardaleasing and BPER Factor.

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LETTER FROM THE CHAIR OF THE REMUNERATION COMMITTEE

Dear Shareholders,

In my three years as Chair of the Remuneration Committee, BPER has transformed its business and increased its market presence, creating a bank that is fundamentally different from what it was only a few years ago. A Bank that, thanks to its new size and the dedication of its people, has defied the difficult geopolitical and macroeconomic times, going beyond expectations. In these three years, BPER has demonstrated its ability to transform itself, bringing value to you, its shareholders, its customers and all stakeholders.

There were significant economic achievements in 2023, including steady growth, solid capitalisation and very low credit risk indicators. The Bank's movement towards a strengthened and future-oriented competitive positioning is facilitated by business decisions and the structural consolidation of the organisational set-up.

In achieving this success, BPER has placed its customers and employees at the forefront, reaffirming that its commitment to ESG is a fundamental and integral component of its business strategy.

Consistent performance in recent years has driven the bank's transformation, with ambitious targets set at all levels of the organisation, encouraging the bank to go beyond expectations, both industrially and culturally.

The Remuneration Policy for 2024 continues largely in line with last year's, taking into account the broad consensus reached with you, the shareholders, during the Shareholders' Meeting on 26 April 2023 and the positive feedback received regarding transparency, pay-for-performance and alignment with the Business Plan. The goal remains to foster excellence and drive the change initiated in recent years, ensuring sustainability over time and alignment with you, the shareholders and all stakeholders. Remuneration policies remain crucial for attracting, retaining and motivating individuals who embody the Group's mission and consistently uphold the principles of ethics, passion, dynamism, care and collaboration within a broader framework of sustainability, putting our customers at the centre.

The remuneration policy for 2024 remains based on the following principles:

- alignment between remuneration and sustainable performance, through a variable remuneration policy structured into short and long-term incentives intended for an increasingly broader section of company staff and structured specifically across the different business segments;
- challenging economic and financial objectives with a clear aim: to make a positive impact on the environment and society; objectives that adequately take risk issues into account;
- entry gates to incentive schemes consistent with supervisory requirements, stringent deferral mechanisms, pay-mix involving the use of financial instruments;
- monitoring the gender neutrality of the remuneration policy and the so-called Equity pay gap within a structured framework of Diversity & Inclusion initiatives;
- proactive alignment with the constantly evolving national and European legislative framework.

This Report, drawing on the principles of transparency, inclusion and fairness, embodies a 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 Bank 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 on behalf of the Remuneration Committee for the commitment and professional qualities of all the people working in the BPER Group.

I would like to conclude by thanking you, our shareholders, for your support at the Shareholders' Meetings over the past two years and for the valuable contributions we have taken into account in determining our remuneration policies.

Finally, I would like to thank all the members of the Remuneration Committee, the Chief Executive Officer and the entire Board of Directors, for their teamwork and active involvement in the execution of our mandate.

Maria Elena Cappello

SECTION I

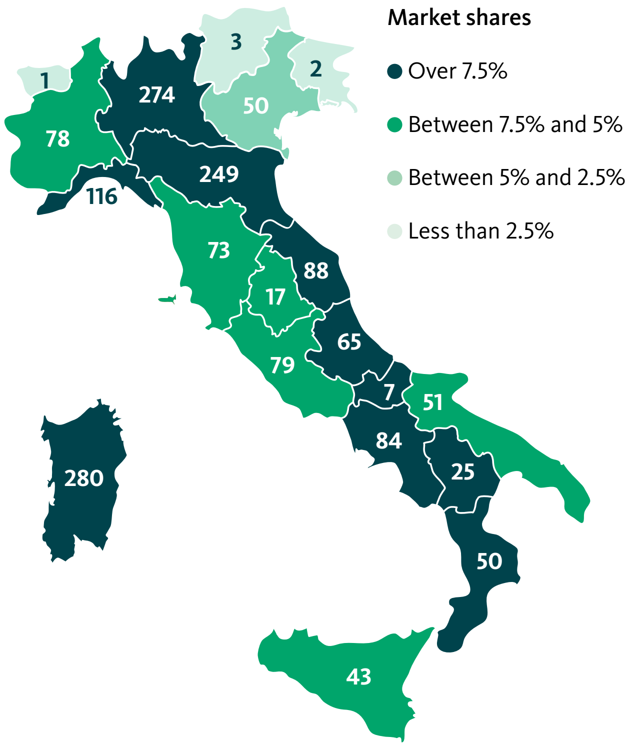
2024 Remuneration Policies of the BPER Group

1. PRINCIPLES AND OBJECTIVES OF THE REMUNERATION POLICY

Once again in 2023, the results achieved by BPER reaffirm its status as a leading Italian bank. It remains committed to attentively addressing the needs of its customers and communities, striving to provide them with increasingly sustainable and innovative solutions. A bank made up of people who share the same mission: to support and connect people, businesses and communities to help them develop their ideas, protect them and shape a better future.

The commitment to ESG issues, including reducing environmental impacts and fostering diversity, as outlined in the "BPER e-volution" Business Plan approved in 2022, continues to be steadfast.

Territorial presence at the date of 31.12.2023



20 Italian regions

1,635 Branches

20,224 Employees

Group commercial banks	Number of branches
BPER Banca	1,347
Banco di Sardegna	286
Banca Cesare Ponti	2
Total	**1,635**

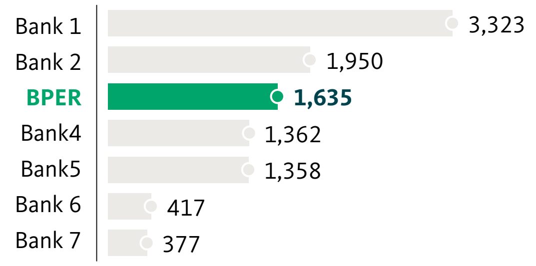
Geographical area	Number of branches
North	773
Centre	329
South and Islands	533
Total	**1,635**

Figures updated to 31.12.2023. Source: management data

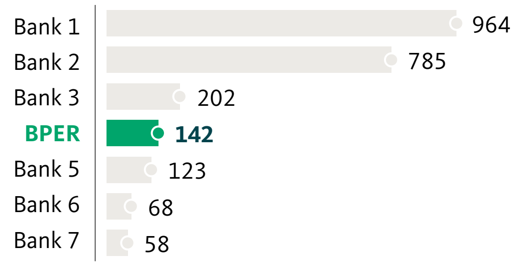
This is a translation into English of the original in Italian. The Italian text shall prevail over the English version.

Positioning among listed commercial banks

NUMBER OF ITALIAN BRANCHES



TOTAL ASSETS (€/BLN)



Main listed commercial banks: Intesa SP, Unicredit, Banco BPM, Credem, MPS, BP Sondrio Source: company figures as at 31.12.2023

Although the economic and macroeconomic framework remains complex, the Bank's profitability is expected to continue to be supported by net commissions and actions to offset the impact of inflationary dynamics on costs, as well as by net interest income.

The expectation is for the quality of results achieved in 2023 to be confirmed to the benefit of all stakeholders, owing to the progress made on the revenue generation front, coupled with the strong capital and liquidity position, and credit quality. The solid capital position is expected to remain at a high level. On the asset quality front, the expectation is to maintain sound coverage levels and a conservative provisioning approach with a stable cost of credit compared to 2023. Ordinary net profitability is expected to be in line with 2023 net of the impact of deferred tax assets for loan losses.

Worthy of special mention are important initiatives implemented between the end of 2023 and the beginning of 2024 that are part of the Bank's path of growth and improved fundamentals:

- the strategic partnership agreement for the management of non-performing loans was finalised with the Gardant Group;
- a €750 million fixed-rate covered bond issue with orders exceeding €1.6 billion and a €500 million Additional Tier 1 bond issue were successfully placed;
- Moody's improved the outlook to "positive" and confirmed BPER's ratings;
- the merger by absorption of Optima SIM S.p.A. into Banca Cesare Ponti S.p.A. was completed. This transaction played a crucial role in establishing a Wealth Management & Asset Management division by enhancing Banca Cesare Ponti S.p.A. as a specialised corporate vehicle for directly managing banking (private banking clients) and serving as an investment management and advisory centre. The goal is to solidify the significant growth trajectory of recent years, which has positioned the BPER Group among the top asset management and private banking firms in Italy;
- agreements were reached with trade unions to streamline the workforce, enabling the on-boarding of new resources. This includes support for youth employment and facilitating generational turnover to bolster the various initiatives in commercial, digital, artificial intelligence and strengthening of control functions.

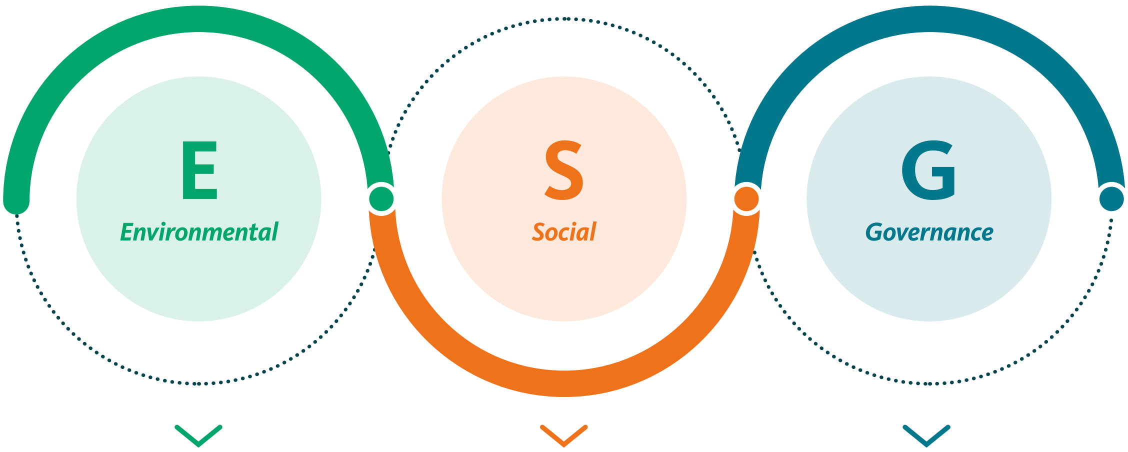
Regarding the Report on Remuneration Policy, it is worth mentioning the agreement signed with trade unions for the renewal of the National Collective Labour Agreement (Professional Areas and Middle Managers), which applies to all employees in general. The agreement, set to expire on 31 March 2026, is expected to have significant effects, particularly starting from 2024, regarding both economic and regulatory aspects. These include working hours, forecasting digital matters, generational turnover, inclusion and gender.

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 "BPER 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, all with the aim of creating shared value.

The new Plan will therefore 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 line of development in the ESG sphere to create long-term shared value, through the "ESG infusion" cross-cutting lever. Specifically, projects with ESG impact (ESG Infusion lever) are monitored quarterly and submitted to the Sustainability Committee[9].



EXTERNAL TRANSITION

- Engine for the transition of companies to a low-carbon economy

INTERNAL TRANSITION

- Reduction of emissions with objectives aligned with the Paris Agreement

SOCIAL RESPONSIBILITY

- Strong community orientation
- Development of educational and inclusion programmes for young people
- Diversity & Inclusion at all company levels
- Dissemination of internal and external ESG culturee esterna

SUSTAINABLE LEADERSHIP

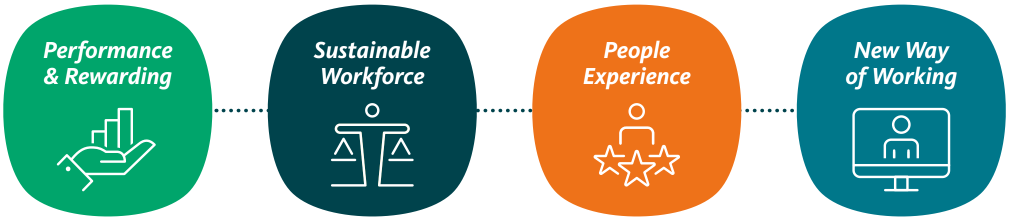
- Consolidation Governance ESG
- Integration of ESG objectives into remuneration schemes
- Implementation of ESG criteria ensuring a customer-oriented business approach
- Growth in ESG ratings

The BPER Group puts people at the forefront of its business model and promotes fairness and objectivity values while undertaking to protect the expression of individual potential as a distinctive feature. Great attention has always been paid to Human Resources. The focus is placed in particular on the implementation of career paths aimed at enhancing and developing skills.

Employees are a crucial resource for the growth of the Group as they are the first to bear witness to its values, providing customers with excellent services and products and maintaining relationships of mutual trust.

9 For further information, please refer to the Consolidated Non-Financial Statement.

Among the five evolutionary pillars of the Business Plan there is one defined as "People at the centre", which envisages four areas of intervention to develop and unite BPER's human capital represented here:



In line with the Business Plan objectives, positive impacts were achieved in the ESG sphere recognised through the maintenance and improvement of key specific ratings[10]. In particular, the Bank was selected by Standard & Poor's as Sustainability Yearbook Member and included in the prestigious Standard & Poor's Global Sustainability Yearbook 2024. Finally, it is worth highlighting the improvement in the CDP (Carbon Disclosure Project) rating in 2023, for which BPER was assigned the score A-, which highlights its commitment to managing environmental and climate issues.

S&P Global Sustainable 1 (CSA)	**60/100**
Moody's Analytics	**Robust**
CDP	**A- (Leadership)**
ISS ESG	**C-**
MSCI ESG Rating	**AA**
S&P Global Rating ESG Evaluation	**Adequate**
Standard Ethics Rating (SER)	**EE+**
Sustainable Fitch	**3 (Average ESG Profile)**
Morningstar Sustainalytics (ESG Risk Rating)	**14.7 (LOW)**

1.2 Alignment of the Remuneration Policy with the Sustainability Strategy

The 2024 remuneration policy is strictly related to the strategic guidelines of the "2022-2025 BPER e-volution" Business Plan and contributes to BPER's strategic objectives targeted at the creation of value for shareholders, employees, customers and all stakeholders in order to ensure close correlation and consistency between remuneration, the results achieved, the expected development guidelines, the sustainability of the initiatives implemented and sound and prudent risk management as well as compliance with the regulatory provisions.

Developing its people and creating value for the entire ecosystem in which BPER operates are at the heart of the Group's ESG policy and, therefore, of the systems designed to incentivise the achievement of short-term and long-term results in a sustainable manner that also take into account the working conditions of all employees.

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

- the integration of ESG priorities into short- and long-term incentive plans, with a specific focus on value creation for all stakeholders. More specifically:
  - The **short-term incentive plan** (MBO) confirms a significant recognition of the weight of ESG components among the objectives (20% for 2024). In continuity with 2023, the so-called "Strategic Scorecard" – which represents the basic element of the MBO system and the subsequent breakdown of the objectives for the various scopes of the corporate population – envisages specific targets in the ESG area linked to the 2022-2025 Business Plan (so-called ESG meta KPIs) alongside the economic and financial objectives. The "Strategic Scorecard" is assigned to the Chief Executive Officer (see in this regard what is detailed in Chapter 7) as the "2024 MBO Scorecard". The ESG meta KPI is, moreover, included in the 2024 MBO

10 The ESG rating (or sustainability rating) is a synthetic judgement that certifies the soundness of an issuer, a security or an investment fund in terms of environmental, social and governance performance.

scorecards of all C-Level Managers, in order to ensure an overall climate of sharing and make management accountable for the Company's priorities in this area.

- The **Long-Term Incentive Plan** "2022-2025 LTI Plan" (based on BPER shares) intended for the Chief Executive Officer and the persons considered key in achieving the bank's results supports the alignment of the interests of the managerial figures with those of shareholders and all stakeholders, incorporating in its targets not only profitability, operational efficiency and credit quality objectives but also sustainability objectives (with a weight of 15%). These sustainability objectives are divided into 4 fundamental guidelines: Sustainable Finance, Energy Transition, Diversity & Inclusion, and Training Projects (see the details in Chapter 7).

- Confirmation of the "Pay for sustainable Performance" principle, through a pay-mix linking the prevailing part of the overall remuneration to the achievement of annual and long-term results. For 2024, there is an alignment of payouts of profitability and risk indicators and greater integration of risk-adjusted indicators are observed in MBO scorecards, especially for C-Level managers;
- presence of Entry Gates common to the MBO system and the LTI Plan, linked to capital strength, liquidity and risk-adjusted profitability indicators that guarantee the sustainability of the systems from an economic and financial point of view; in general, Entry Gates are envisaged for all variable remuneration systems;
- the financing of incentive systems with "bonus pool funding" arrangements strictly correlated to the value generated reinforces the alignment with the Group's revenue and capital strength; It should be noted that in 2024 an increase in the average target amounts of the incentive systems (for personnel other than MRTs) is being implemented, primarily intended for commercial functions that are directly operational in the market;
- incentive to the achievement of predetermined objectives and superior performance for all personnel, aimed at creating widespread value in alignment with the Group's priorities and growth strategy;
- within the scope of remuneration policies, analyses and comparisons with the market are constantly carried out to verify and guarantee pay equity consistent with the role performed, the complexity managed and personal merit;
- the alignment of customers' interests and the creation of shared value are the drivers of the incentive systems of the business, commercial and investment services structures;
- the introduction of safeguards to guarantee the gender neutrality of the remuneration policy: starting from 2022, the BPER Group has utilised a detailed analysis model for remuneration data linked to the role held, which has guaranteed effective and regular monitoring by the Board of Directors of gender neutrality in the remuneration policy, with the support of the Remuneration Committee and input from the other Committees involved. By monitoring remuneration-related data and intervening on processes, in particular the salary review process, interventions are directed at improving any gaps found within clusters of resources acting in the same role or roles of equal value.

  The "Adjusted Equal Pay Gap" analysis, detailed in Section II of this Report, shows residual pay gaps that are not significant, confirming the effectiveness of the path taken by the Bank in terms of diversity, equity and inclusion. The enhancement of the diversity characteristics of each person and the focus on female leadership in development paths remain specific performance objectives for individuals holding positions of responsibility (mainly MRTs).

FOCUS

DIVERSITY & INCLUSION (D&I)

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.

As early as 2022, the Board of Directors had already updated the "Policy on diversity, equity and inclusion in the corporate bodies and corporate population of the BPER Banca Group" group.bper.it/en/governance/documents.

During 2023, the Group significantly strengthened its commitment to promoting gender equity with the implementation of a Three-Year Operating Plan that spans four areas of intervention, providing for specific initiatives and actions aimed at supporting the set gender objectives.

To oversee the initiatives envisaged in the Gender Plan, a cross-functional control room and governance mechanisms for reporting on results have been set up involving internal board committees and the Board of Directors. The Plan's intervention focuses are:

- development and retention: the emphasis is on inclusive leadership with empowerment paths where workshops, coaching and mentoring play a key role;
- accelerated growth paths to create a pool of potential resources capable of feeding the pipeline of future managers;
- inclusion by design of HR processes: critical review of HR processes aimed at supporting inclusion and removing any unconscious bias;
- culture of inclusion: change management plan that encourages and supports cultural evolution on D&I issues and creates positive reinforcement of virtuous behaviour, actively involving all stakeholders.

2023 saw the launch of new initiatives that will be fully implemented in 2024 and testify to the BPER Group's ongoing commitment to promoting a fair and inclusive working environment. Of particular note are the Women Leadership Academy (an empowerment course with a focus on strategic skills, female leadership, individual coaching, training and listening) and Exempla (a development course dedicated to the professional growth of people working in positions of organisational responsibility aimed at supporting and accelerating the managerial empowerment of female figures as well).

The D&I training offer is aimed at the entire company population 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. In 2023 the offer was enriched with individual coaching courses on these specific issues and a new initiative "Bperabilità – Welcome disability", reserved for people with disabilities (visually impaired and deaf) and their managers and HR Business Partners.

Lastly, in 2023 the BPER Group embarked on a path towards gender equality certification (both for obtaining IDEM|Mind the Gap Gender Equality Certification and for the UNI/PdR 125:2022[11] reference practice), as evidence of its commitment to equity and to the promotion of an inclusive work environment, which can contribute to diversified leadership, thus improving sustainability and overall performance.

11 The reference practice defines the Guidelines on the management system for gender equality. It also defines the measurement, reporting and evaluation of gender-related data in organisations with the aim of closing the gaps that currently exist as well as incorporating the new gender equality paradigm into the DNA of organisations and producing sustainable and lasting change.

FOCUS

GENDER NEUTRALITY OF REMUNERATION POLICIES

Remuneration policies are an essential pillar in the Group's overall strategy in terms of Diversity & Inclusion. Indeed, the principles set out above are also embodied in the commitment to guarantee equal opportunities and treatment in the definition of remuneration policies and in their practical application, including through the use of criteria for evaluating performance based on the recognition of skills, experience, performance and professional qualities without any type of discrimination.
In order to facilitate the application of gender-neutral policies, to be able to assess their effectiveness and to monitor their application in a timely manner, the Group has, since 2022, established a granular pay analysis model that integrates the provisions of national (Bank of Italy Provisions) and European (EBA Guidelines) supervisory regulations, taking into due consideration the regulatory developments of the Pay transparency Directive, as well as alignment 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.

1.3 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.

The remuneration policy for 2024 confirms the priorities and strategic guidelines and, in line with the commitment to the inclusion and well-being of all employees, incorporates the unique aspects of the incentive systems of the corporate population, building on the specific features of the policies already implemented in 2023, aimed at supporting the purchasing power of all colleagues, taking into account the context.

The Group's commitment to aligning itself with the interests of all stakeholders is also confirmed by the growing level of consensus noted with regard to the Remuneration Policy Report.

In defining the Remuneration Policy for 2024, the BPER Group took into consideration the outcome of the vote expressed by the Shareholders' Meeting in 2023 on the first and second sections and continued with the process of aligning the policy to the expectations of investors and proxy advisors.

For details of the results of the 2023 Shareholders' Meeting season, please refer to Section II of this Report.

2. GOVERNANCE OF THE REMUNERATION AND INCENTIVE POLICIES

Pursuant to applicable regulations, BPER, in its capacity as Parent Company, draws up the document on the remuneration and incentive policies of the entire BPER Group, ensures its overall consistency, provides the necessary guidelines for its implementation and verifies its correct application.

In accordance with the above, the governance process for defining, implementing and managing remuneration policies at Group level envisages the involvement, at different levels and according to their areas of competence, of the Bodies and Functions of the Parent Company and Subsidiaries.

STAFF REMUNERATION AND INCENTIVE POLICIES

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

2.1 Shareholders' Meeting

As regards remuneration, the shareholders' meeting of BPER, in accordance with the applicable law:

- 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;
- expresses its advisory vote on the remuneration paid in the previous year (or in any case relating to the previous year) to the bodies with supervisory, management and control functions and the Executives with Strategic Responsibilities;
- approves any remuneration plans based on financial instruments, if any, pursuant to Article 114-bis of the Consolidated Law of Finance;
- approves the criteria for calculating any special remuneration to be awarded in the event of early termination of employment or stepping down 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 that derives 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. In BPER Banca, the latter provision of the articles of association is extended to all Staff.

The above maximum limit on the ratio of variable to fixed remuneration for Material Risk Takers (with the exclusion of the control and similar functions) was set by the Shareholders' Meeting of 17 April 2019 at 2:1, in order to have the flexibility to make payments ahead or at the time of early severance, while also making appropriate operational drivers available to be able to act on the competitiveness of the remuneration packages of strategic professionalism and ensure the presence of the resources required to achieve the company's 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 reference to remuneration issues, the Board of Directors of BPER, in exercising its role as the body with strategic supervisory functions, draws up the Group's remuneration policies, submits them to the Shareholders' Meeting of the Parent Company and reviews them at least once a year, and is responsible for their actual implementation.

In carrying out these activities, the Board relies in particular on the support of the Remuneration Committee and the relevant business functions, which are involved as appropriate in order to effectively contribute to defining the Policies.

As part of the activities of guidance and coordination of the Subsidiaries, the Board of Directors of BPER, in its role as the governing body of the Parent Company, ensures the consistency of the remuneration and incentive systems within the Banking Group, in compliance with the characteristics of each company, including: size; the risk brought to the Group; the type of business; the presence of specific rules due to the sector to which the company belongs or the jurisdiction where it is established or predominantly operates; relevance to the Group. Without prejudice to the foregoing, in accordance with applicable regulations, individual Group companies remain in any case responsible for compliance with the regulations directly applicable to them and for the correct implementation of the guidelines provided by the Parent Company.

More specifically, the Board of Directors is responsible for:
- determining the remuneration of the members of the Board of statutory Auditors with special appointments, after consulting the Board of statutory Auditors;
- approving the process for identification of Material Risk Takers, verifying their full compliance with the relevant regulatory provisions[12] and the list of roles included in this category as a result of the process;
- defining the Group's remuneration policies, to be submitted to the Shareholders' Meeting for approval, with particular reference to MRTs, as well as the report on the remuneration paid to be submitted to the advisory vote of the Shareholders' Meeting;
- approving the incentive plans based on financial instruments pursuant to Article 114-bis of the Consolidated Law on Finance to be submitted to the Shareholders' Meeting for approval;
- ensuring the gender neutrality of the remuneration policies adopted and, therefore, monitoring the Gender Pay Gap and related changes over time;
- verifying the correct implementation of the Group's remuneration policies;
- ensuring that the remuneration and incentive systems are suitable for guaranteeing compliance with the provisions of the law, regulations or articles of association, as well as with any codes of ethics or codes of conduct, promoting the adoption of conduct that complies with them;
- ensuring that the remuneration policy is adequately documented and accessible within the corporate structure and that the consequences of any violations of law or of ethical codes or codes of conduct are known to the Staff.

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, inquiry and proposal-making functions to support the activities of the 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

BPER's Remuneration Committee is made up 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 must have 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 Chair. On the Chair's proposal, the Remuneration Committee appoints a Secretary, who need not be one of its members.

12 Bank of Italy Circular 285/2013.

In compliance with the above, the Remuneration Committee in office at the date of this Report is made up of three Directors, as indicated in the table below, all non-executive and for the most part independent. The internal composition of the Committee also respects the indicators of good practice on gender diversity in line with the Supervisory Provisions on Corporate Governance.

MEMBERS OF THE REMUNERATION COMMITTEE

Maria Elena **Cappello**	Monica **Cacciapuoti**	Cristiano **Cincotti**
CHAIR	**MEMBER**	**MEMBER**
Independent		Independent

Role of the Committee

The Committee plays a an advisory, inquiry and proposal making role in support of the Board of Directors.

In particular, pursuant to the Committee's Rules of Operation, the Committee has the task of:

- making a proposal 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;
- making a proposal to the Board of Directors in relation to the remuneration to be paid to Directors holding particular offices, taking into account the provisions of the remuneration policy, also with reference to the variable component;
- making a proposal to the Board of Directors in relation to the remuneration to be paid to the members of General Management, as identified pursuant to the Company's Articles of Association, to the heads of the main business lines and corporate functions, as well as to those who report directly to the bodies responsible for strategic supervision, management and control;
- making a proposal to the Board of Directors in relation to the remuneration to be paid to the managers and senior personnel of the company's Control Functions as well as to the Financial Reporting Manager;
- expressing an opinion to the Board of Directors in relation to the remuneration to be paid to "Material Risk Takers", as identified pursuant to the relevant provisions in force and on the basis of the internal regulations in effect, if the determination of the relative remuneration falls within the remit of the Board of Directors and has not been delegated by the latter to other Top Management bodies of the Bank;
- supporting the Board of Directors in drawing up remuneration and incentive policies, ensuring, among other things, that:
  - they are consistent with the risk management framework;
  - the treatment of non-recurring events is clearly defined;
  - risk-sensitive indicators that take into account a sufficiently large period of time are also included;
  - the remuneration of the persons responsible for the corporate control functions is based on their control objectives.
- expressing an opinion on the achievement of the performance targets to which the incentive plans are linked and on the assessment of the other conditions for the payment of compensation, including the application of any ex post adjustments made in line with the remuneration policy and internal regulations. To this end, it shall make use of the information received from the relevant business functions;
- monitoring the practical implementation of remuneration policies;
- expressing an opinion to the Board of Directors, also making use of the information received from the relevant business functions, on the results of the process to identify Material Risk Takers, including any exclusions pursuant to the regulations in force at the time;
- delivering an opinion to the Board of Directors with a view to approving any documents implementing the remuneration and incentive systems that are submitted to the Board of Directors for approval;
- assisting the Board of Directors in the drafting of the Remuneration Report pursuant to Article 123-ter of the Consolidated Law and Finance Act to be approved by the Board and subsequently submitted to the Shareholders' Meeting;
- expressing an opinion, also using the information received from the competent corporate functions, on the adequacy, overall consistency and actual application of the remuneration and incentive policies approved by the Shareholders' Meeting;
- directly supervising, in close cooperation with the Board of statutory Auditors, the compliance of the remuneration policy relating to the persons responsible for the supervisory functions with the applicable regulatory provisions and the proper application thereof;
- preparing documentation on remuneration policies to be submitted to the Board of Directors for the relevant decisions;
- ensuring the involvement of the relevant corporate functions in the process of drawing up and monitoring remuneration and incentive policies and practices;
- verifying that the remuneration system takes into account sustainability issues, including those related to the gender pay gap;

- with regard to banking companies, financial companies pursuant to Article 106 of the Consolidated Law on Banking (TUB), asset management companies and investment companies belonging to the Banking Group, expressing its opinion to the Board of Directors on the remuneration to be paid to the members of the Board of Directors and the Board of Statutory Auditors, the members of the Executive Committee (where envisaged in the respective Articles of Association), the Directors holding specific offices and the General Managers, Deputy General Managers or similar figures envisaged in the respective Articles of Association.

2.4 Control and Risk Committee

With regard to remuneration, the Control and Risk Committee performs certain tasks outlined in the relevant Rules of Operation approved by the Board of Directors. At the date of this Report, these Rules provide that the Control and Risk Committee, without prejudice to the responsibilities of the Remuneration Committee and ensuring adequate coordination with the latter, ensures that the incentives underlying the Bank's and the Group's remuneration and incentive system are consistent with the RAF and verifies the consistency of the remuneration of the heads of the corporate control functions with the remuneration policy.

2.5 Sustainability Committee

The Sustainability Committee performs certain tasks outlined in the relevant Rules of Operation approved by the Board of Directors. As at the date of this Report, these Rules provide that the Sustainability Committee performs functions in support of the Board's activities with reference to environmental, social and governance (ESG) issues and with an impact on all the processes through which BPER ensures the pursuit of sustainable development, including those relating to remuneration and incentive systems.

2.6 Nominations and Corporate Governance Committee

The Nominations and Corporate Governance Committee performs certain tasks outlined in the relevant Rules of Operation approved by the Board of Directors. As of the date of this Report, these Rules provide that the Nominations and Corporate Governance Committee supports the Board of Directors, also by formulating opinions and proposals, in the adoption, updating, implementation and monitoring of diversity policies (also considering their possible impact on the remuneration and incentive system).

2.7 Subsidiaries

As previously mentioned, pursuant to the Supervisory Provisions, the Parent Company draws up the remuneration policy for the entire banking Group, ensures its overall consistency, provides the necessary guidelines for its implementation and verifies its correct application; individual Group banks, being unlisted, may not draw up a separate document.

In light of the above, the Parent Company submits to the Subsidiaries, for which the regulations provide, the Remuneration Policies approved by its Board of Directors.

Where applicable, the Board of Directors of the Subsidiaries, with the support of the Remuneration Committee (if established), then implements the aforesaid Policies and the Shareholders' Meeting of the Subsidiary approves, to the extent of its competence, this "Report on Remuneration Policy and Compensation Paid".

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 process for identifying 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 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.

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 EBA Final Report 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, brings together the contributions produced at local level by the Group entities[13] that are required to carry out the identification process.

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 declination of the quali/quantitative criteria set out in the aforementioned Delegated Regulation (EU).

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, taking and risk management;
3. Application of quantitative criteria.

The Group's risk profile is analysed by the Chief Risk Officer's structures, which 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 on which to measure the risk profile of the Group and individual companies;
- 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 structures of the Chief Human Resource Officer (CHRO). 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 and the SGR within the Group contributes to the preparatory work needed to identify the MRTs and drafts the "Self-assessment for the identification of MRTs" which will be examined and approved by the Board of Directors of each bank and the

13 As required by regulatory guidelines, the results of the analysis carried out at local level were also included: the Head of Bibanca's Operating Resources Service was identified as the MRT at local level.

SGR, after obtaining a compliance opinion from the units of the Chief Compliance Officer (CCO) of the Parent Company, if that function has been centralised.

The CGC structures check any updates of the signing delegated powers granted to particular roles at the individual Group companies, pointing out to the CHRO structures 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 assessment carried out by the individual Group entities, the CHRO structures prepare the document "Self- Assessment for Identifying MRTs of the Group", which, after being submitted to the Chief Compliance Officer's structures for assessment, must be approved by the Board of Directors, after receiving the opinion of the Remuneration Committee.

On the basis of the above assessment, the procedure for exclusion may be initiated if it is considered that one or more persons identified using the quantitative criteria set out in the (EU) Delegated Regulation may not be considered to be MRTs because they exercise powers only in a non-significant business/operating unit, or have a role without a material impact on the risk profile of a relevant business/operating unit of the Group.

Any adjustment of the MRT scope during the year is carried out by the CHRO structures during the second half of the year and is monitored on an ongoing basis. That is, 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/or changes in loan approval procedures and decision making powers).

The outcome of the process described for 2024 led to the identification of the following scope:

Category of personnel		Number of people (2024)
I.	**Executive Directors(*) (**)**	**3**
II.	**Non-Executive Directors**	**42**
III.	**General Managers and Heads of the main Corporate Functions (**)**	**22**
	- Parent Company	7
	- Banco di Sardegna	5
	- Other Banks/Companies	10
IV.	**Heads of Control Functions(**)**	**29**
	- Parent Company	29
V.	**Other Risk Takers**	**60**
	- Parent Company	53
	- Banco di Sardegna	4
	- Other Banks/Companies	3
VI.	**Application of quantitative criteria**	**10**
TOTAL		**166**

(*) Including the Chief Executive Officer and General Manager of Arca Fondi SGR.
(**) 17 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 2024 consists of 166 persons[14].

Category of personnel	2023	2024
Non-Executive Directors	46 (30%)	42 (25%)
MRTs	85 (55%)	95 (57%)
MRTs – Heads of Control Functions	23 (15%)	29 (18%)
TOTAL	**154 (100%)**	**166 (100%)**
% Total BPER Group personnel (see definition in Bank of Italy Circular No. 285)	0.71%	0.80%

14 These include all BPER ESRs.

4. COMPARISON WITH MARKET PRACTICE AND USE OF EXTERNAL CONSULTANTS

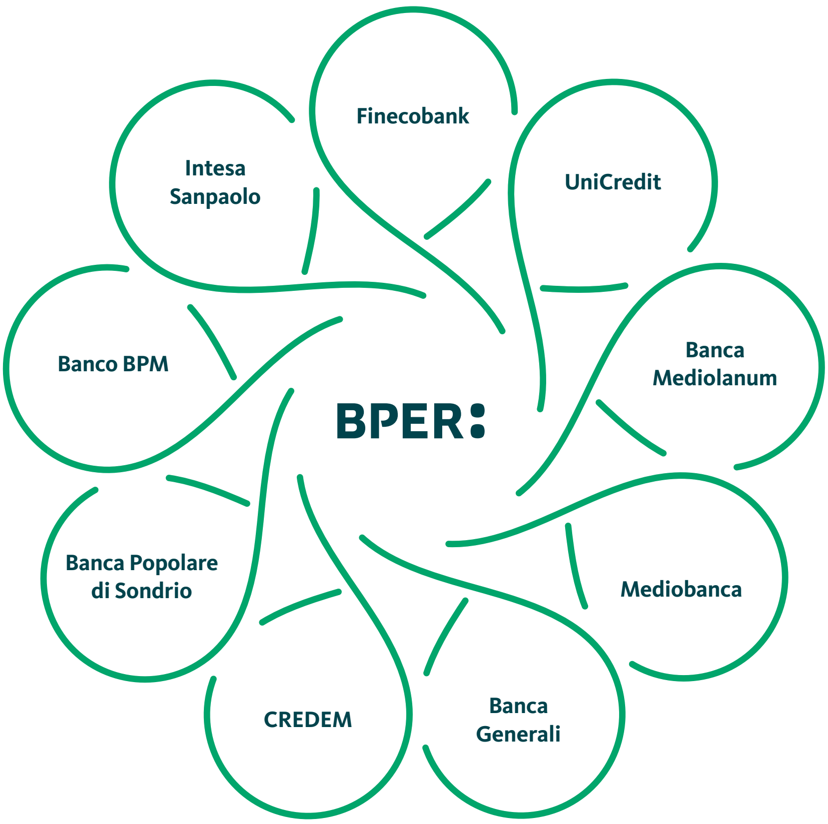
The remuneration policies adopted by the Group are defined in order to support business strategies ensuring a coherent and effective incentive systems alignment of staff interests with value creation for the shareholders. In order to ensure the competitiveness of its remuneration policies, which is essential 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: WTW, 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.



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

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[15];
- Material Risk Takers[16];
- MRTs of the Control Functions[17];
- Remaining personnel (not included in the MRT scope);
- Contract staff.

With regard to the remaining personnel, the 2024 remuneration policy sets out the specifics of the incentive systems for the different business segments.
The details relating to some Group entities are also represented; specifically, these are Arca Fondi SGR and BPER Bank Luxembourg.

6. REMUNERATION OF THE CORPORATE BODIES

The remuneration of BPER's Corporate Bodies is defined by the Shareholders' Meeting, which establishes the amount of the remuneration due to the members of the Board of Directors, in compliance with the law and the 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, remuneration is set entirely on a fixed basis, without any variable remuneration component.

Notwithstanding the foregoing, the remuneration of the members of the Board of Directors to be appointed by the Shareholders' Meeting convened to approve the financial statements for the year 2023 will be determined by the Shareholders' Meeting itself. With reference to the Board of Directors in charge at the approval date of this report the Shareholders' Meeting of 20 April 2022 established the total amount of remuneration to be paid to the Directors for 2022 and 2023 financial year, pursuant to art. 2389, para. 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.

15 The positions of Chief Executive Officer and General Manager may be held by the same person (as in the mandate in place at the date of publication of this Report) or by different persons. In this regard, see Section 6.4 Remuneration for the office of Chief Executive Officer.

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

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

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 fixed 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 in their favour, all in compliance with applicable legislation and taking current market practice into account.
Lastly, individual Directors may also elect to benefit from a healthcare policy, which they can join on an individual basis and an accident policy.. Similar insurance cover can be taken out for the Directors of the Subsidiaries of the BPER Group.

6.2 Remuneration for serving on Board committees

Directors who participate in the committees established within the Board of Directors receive a fixed remuneration commensurate with the commitment required and determined by the Board of Directors with the support of the Remuneration Committee and after consulting the Board of statutory Auditors (where applicable) also taking into account any overall amount decided by the Shareholders' Meeting.

The remuneration of the members of the Committees to be established within the Board of Directors appointed by the Shareholders' Meeting convened for the approval of the financial statements for the financial year 2023 will be determined subsequently to the Shareholders' Meeting as indicated above. With regard to the Committees in office at the date of approval of this report, the relative annual individual remuneration, determined by the Board of Directors on the proposal of the Remuneration Committee, defined within the overall ceiling established by the above mentioned Shareholders' Meeting of 20 April 2022, is shown in the table below.

PARTICIPATION IN INTERNAL BOARD COMMITTEES

	CHAIR	MEMBER
Control and Risks Committee	€ 60,000	€ 40,000
Remuneration Committee	€ 35,000	€ 25,000
Appointments and Corporate Governance Committee	€ 35,000	€ 25,000
Related Parties Committee	€ 35,000	€ 25,000
Sustainability Committee	€ 17,500	€ 12,500

6.3 Remuneration for special duties

Pursuant to Article 11, para. 2, of the Articles of Association, the additional remuneration due to the Directors assigned special duties 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, para. 3, of the Italian Civil Code.

The remuneration of Directors appointed by the Board of Directors to special positions by the Shareholders' Meeting convened for the approval of the financial statements for the financial year 2023 will be determined by the said Board of Directors as indicated above. With reference to Directors in charge at the preparation date of this report, acting on a proposal from the Remuneration Committee and having consulted the Board of Statutory Auditors, fixed the following additional remuneration:

- €315,000 for the Chair;
- €50,000 for the Deputy Chair;
- For the Chief Executive Officer see the next Chapter.

6.4 Remuneration for the office of Chief Executive Officer

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 position of General Manager, where appointed, are established by the Board of Directors with support from the Remuneration Committee.
The remuneration for the positions of Chief Executive Officer and General Manager, currently held by the same person, has been defined by the Board of Directors with the support of the Remuneration Committee, within the terms indicated in Chapter 7.2 below.

As an Executive Director, the Chief Executive Officer and General Manager is also a recipient of the short- and long-term incentive plans, as indicated in the aforementioned Chapter 7.2.
It is at the discretion of the competent bodies to assign the offices of Chief Executive Officer and General Manager to different persons, providing for their own system of overall remuneration, fixed and variable, broken down as described in Chapter 7.2.

6.5 Remuneration of employees appointed as Directors of subsidiaries

With a view to ensuring the Group is managed soundly and prudently as well as correctly and efficiently, BPER has adopted a document containing the "*General guidelines for the composition, appointment and remuneration of the members of the corporate bodies of the subsidiaries of BPER Banca S.p.A.*".

The remuneration awarded to Group personnel (primarly Executives) for positions held in subsidiaries is reimbursed by the subsidiary to the company that employs them.

6.6 Remuneration of members of the Board of Statutory Auditors

The annual remuneration of the Statutory Auditors, including the Chairman, is determined by the Shareholders' Meeting at the time of their appointment and for the entire period of office.

In the light of their role and responsibilities, variable remuneration is not envisaged for the members of the Board of Statutory Auditors.

The remuneration of the members of the BPER Board of statutory Auditors appointed by the Shareholders' Meeting convened for the approval of the financial statements for the financial year 2023 will be determined by that Shareholders' Meeting, as indicated above. With reference to the current mandate (2021-2023), the Ordinary Shareholders' Meeting held on 21 April 2021 determined the annual remuneration of the members of the Board of Statutory Auditors, including the Chair, for their entire period in office. The amounts are shown in the following table:

BOARD OF STATUTORY AUDITORS

	CHAIR	MEMBER
Compensation	€ 150,000	€ 100,000

Any expenses connected with carrying out the office, including the D&O insurance policy for third-party liability are borne directly by the Bank/Company or reimbursed to the Statutory Auditor; the members of the Board of Statutory Auditors have the option of subscribing to the Group's health insurance policy at their own expense, at the same conditions reserved for Top Management.
Similar insurance cover may be provided for the Statutory Auditors of the Subsidiaries of the BPER Group.

7. 2024 REMUNERATION POLICY

The Group remuneration and incentive policy is designed in compliance with the principles and purposes defined in the previous paragraphs and in accordance with the regulations currently in force. To ensure the effectiveness, competitiveness and strength of the remuneration policy, the Group conducts regular analyses in order to monitor the main market practices and trends and also uses external consultants with solid 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 systems for MRTs can be described starting from what has been defined for the Chief Executive Officer and outlined in the following sections, highlighting the elements that may deviate from it. It is important to note that <u>there is no provision for discretionary bonuses</u> for all these figures.

Exceptional circumstances and exceptions to the remuneration policy

As provided for by Art. 123-ter, paragraph 3-bis of the Consolidated Law on Finance Act (TUF) and its implementing provisions, in the presence of exceptional circumstances - meaning, pursuant to the law, only situations in which the waiver of the Remuneration Policy is necessary for 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 - the Board of Directors, after obtaining the opinion of the Remuneration Committee, as well as after obtaining the opinion of the Control and Risk Committee, where the application of a waiver may have an impact on the Bank's risk profiles, may temporarily waive the Remuneration Policy. In such cases, compliance with the legal and regulatory provisions on transactions with related parties and connected persons is also ensured.

The elements of the policy from which it is possible to make exceptions under the circumstances and in compliance with the above are the reference pay-mix for the Chief Executive Officer, the General Manager and the economic parameters of the MBO and LTI systems.

As part of the Report on Compensation Paid which follows, information is given on any exceptions that have been applied, highlighting the elements subject to derogation, the 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.

Prohibition on hedging

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, or other aspects of it, that might 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;
- communicate 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.

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 set at 2:1 for all MRTs[18], excluding the control functions and similar activities, in order to have the flexibility needed to:

- 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 objectives[19];
- 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.

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

Nevertheless, the Group also sets the maximum fixed/variable ratio at 2:1 for all other personnel (excluding the control functions once again) in the following limited circumstances:

a) to have appropriate levers available to manage in a suitable manner the competitive pressures in the job markets for certain, highly profitable business segments and specific professional clusters (e.g. Wealth Management[20], Corporate Banking and related roles in the company[21]); these clusters comprise around 1,100 persons, within which only a very small minority can exceed the 1:1 limit.

b) 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;

The adoption of the 2:1 ratio of variable to fixed remuneration has no implications on the Bank's ability to continue to comply with prudential rules and in particular with own funds requirements and supports the adoption of a competitive pay-for-performance remuneration policy, while minimising the impact on fixed costs.

7.2 Remuneration of the Chief Executive Officer

The remuneration of BPER Banca's CEO and General Manager (positions currently held by the same person) 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[22].

The fixed remuneration of the Chief Executive Officer and General Manager for the next term of office will be determined by the newly appointed Board of Directors, as indicated in Chapter 6.4 and in accordance with the principles of this Remuneration Policy, with the option of providing for different distributions of the fixed remuneration between the two respective positions, whether they are covered by the same person or assigned to different persons.

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. The bonus payout calculations are made after checking that the access conditions envisaged for all MRTs, and in general for all the incentivers schemes, have been achieved.

18 This ratio does not apply to personnel belonging to the Group SGR, for whom the regulations envisage the possibility of different limits. See Section 7.11 for further details.

19 Without prejudice to the objectives mentioned, the Group's intention is to maintain the proportion of variable to fixed remuneration well within the ordinary limits.

20 Reference is made to the staff of Banca Cesare Ponti S.p.A. and the staff reported by the Chief Private & Wealth Management Officer of the parent Company and similar positions in Banco di Sardegna.

21 Reference is made to the staff of the "Direzione imprese" and the Chief Corporate & Investment Banking Officer (includes the business functions directly responsible for corporate activities) and similar positions in Banco di Sardegna.

22 Without counting attendance fees.

Currently, the Chief Executive Officer and General Manager can earn variable remuneration (short-term and long-term) both within the relationship as Chief Executive Officer and within the relationship as General Manager, in the same proportion, in both cases, to the relative fixed remuneration (as shown in the pay-mix table below in this Chapter).

In continuity with previous years, it is envisaged that the Strategy Scorecard assigned to the Chief Executive Officer will serve as a reference for the definition of the objectives assigned to the various scopes of the company population, representing the basic element of the overall short-term incentive system for MRTs.

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[23].

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 in particular on a verification that levels of capital, liquidity and risk-adjusted return remain adequate, as prescribed 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 Committee[24], based on an assumption put forward by the Chair of the Board of Directors.

No discretionary bonuses are awarded.

The long-term variable component (2022-2025 LTI Plan) which started in 2022 and 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 is weighted according to the following areas:

1. Economic and 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 and GM'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.

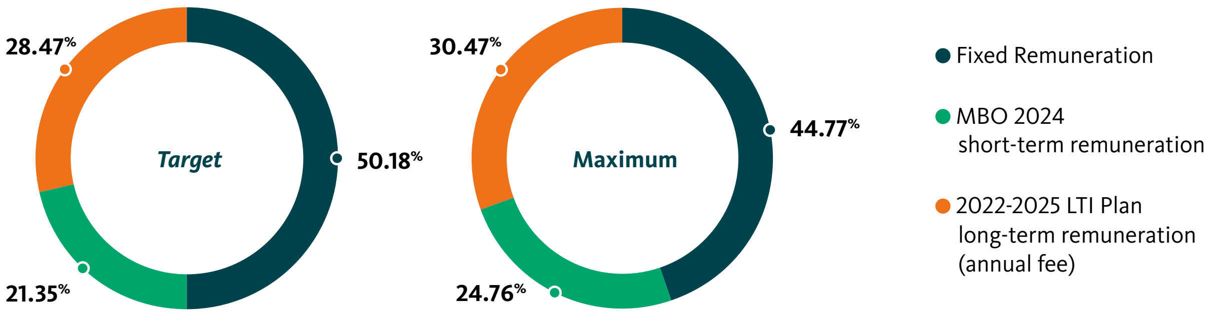
The variable incentive levels (target and maximum) for the short and long-term, defined for the current Chief Executive Officer and General Manager, are as follows:

	Short-term target bonus (% fixed remuneration)		Long-term annual bonus (% fixed remuneration)	
	target	maximum	target	maximum
CEO/GM	45%	59%	60%	72%

23 Just as this need can arise in the case of extraordinary transactions that affect the group's scopes and/or the individual companies that make up said scopes.

24 The opinions of the additional committees responsible for specific areas were sought where necessary.

The pay-mix considering both annual and long-term variable remuneration at the target level and at the maximum level is therefore as follows (the basis for calculating variable remuneration does not include the Director's fee):



The maximum payout of the variable remuneration, upon 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 – 2024 MBO

The Group has established a short-term variable incentive system to recognise exemplary behaviour and exceptional results. Simultaneously, it aims to penalise unsuccessful outcomes and deterioration in the Bank's economic sustainability conditions by reducing or withholding incentives. It also serves as a crucial tool for retaining and attracting staff with the best professional skills.

The incentive system provides for the identification of a bonus pool which represents the maximum amount of bonuses that can be paid. The bonus pool for the Chief Executive Officer and General Manager and for MRTs is set at Group level[25]. 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 2024, all of which have to be achieved at the same time[26], are as follows:

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

Failure to achieve even only one of the Entry Gates means that none of the bonuses under this scheme will be paid out.
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).

25 Excluding bonus pools for control functions (for which bonuses are limited in amount and are not related to financial performance) and the SGR for which a specific pool is provided.

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

The Board of Directors can decide that, instead of just 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;
- 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 attributed to all categories of personnel in the event of particularly low net profitability or a loss, both at consolidated and separate level, in companies in which the combined capital requirements set by the Supervisory Authorities are not complied with.

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.

Where deemed necessary and/or appropriate, in order to correctly assess the performance achieved, the Board of Directors, after receiving the opinion — insofar as it is responsible – of the internal board Committees, shall resolve on any adjustments to be made in the calculation of KPIs and metrics affecting the remuneration of the Chief Executive Officer and the other Executives with Strategic Responsibilities.

The process is governed by a specific document approved by the Board of Directors that regulates, among other things, the general criteria used to identify items of a non-recurring nature (Extraordinary Items), the cases on the basis of which adjustments can be made, the functions involved and the Bodies competent to express an opinion/decision.

The indicators of capital CET 1 ratio), risk (e.g. NPE ratio), liquidity (e.g. LCR) cannot be adjusted (e.g. through the use of pro-forma data).

For 2024, the scorecard for the Chief Executive Officer and General Manager, currently in office, consists of both quantitative and qualitative targets, as illustrated below.

		2024 Indicator	MBO WEIGHTING	*PAYOUT* min	target	max
INDIVIDUAL PERFORMANCE	80% Operating, financial and risk management KPIs	Group Gross Profit[27]	30%	50%	100%	130%
		RORWA[28]	20%	50%	100%	130%
		Group Gross NPE ratio	20%	50%	100%	130%
		Group Cost Income[29]	10%	50%	100%	130%
SUSTAINABILITY KPIS	20% ESG KPIS	ESG qualitative objectives	20%	50%	100%	130%

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:

1. **Sustainable assets under management:** growth in the percentage weight of sustainable assets under management in relation to total assets under management.
2. **Green Credit Plafond:** issues specifically for sustainability (ESG).
3. **Net Zero Banking Alliance:** disclosure of at least two additional decarbonisation targets by 2030 and by 2050 for high-emission sectors; definition of business strategies for the Oil & Gas and Power sectors by the NZBA deadline.
4. **Implementation of BEMS (Building Energy Management System) technology:** increased coverage over the Bank's branches and Management Centres; pilot project of centralised platform for BEMS management with AI algorithm.
5. **Progress in diversity, equity and inclusion**: achievement of incremental targets with respect to the Gender Plan in the categories of middle managers and Executives.
6. **ESG Rating**: : maintaining the current Moody's Analytics, CSA (Corporate Sustainability Assessment) S&P[30], CDP, Sustainalytics (Morningstar) ratings.

27 Referred to the ordinary component, i.e. net of any normalisations.
28 Calculated as gross profit (relative to the ordinary component, i.e. net of any normalisations)/RWA.
29 Referred to the ordinary component, i.e. net of any normalisations.
30 Maintaining ratings within the ranges defined by the Board of Directors.

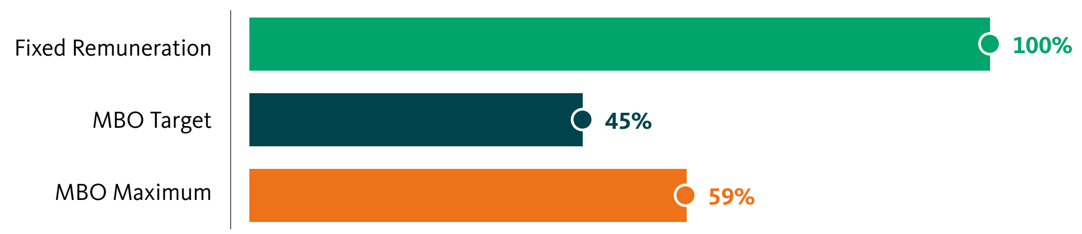
The aforementioned objectives have a percentage weighting on the individual bonus and their evaluation is based on increasing thresholds from the minimum level to the target (between 50% and 100%), from the target to the maximum level (between 100% and 130%). The incentive curve of the quantitative KPI was standardised in order to further strengthen the sustainability alignment of risks assumed in the medium to long term[31]. In addition, risk adjusted profitability aspects have been taken into account, as well as an efficiency indicator.
For ESG objectives, the achievement of each individual objective is on/off based on precise deliverables.
The minimum, target and maximum thresholds are represented, respectively, by the achievement of 4, 5 or 6 objectives. Therefore, the payout curve is 50%-100%-130%.

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 Chief Executive Officer's personal scorecard, the adjustments can reduce the vested bonus by up to 50%.

RAF ADJUSTMENT
PD PIT (point in time)
LCR (Liquidity Coverage Ratio)
Leverage ratio
ECAR (Economic Capital Adequacy Ratio)
MREL TREA SUBORDINATION

As part of the new Board mandate, the RAF objectives and corrective measures scorecard referred to the General Manager for the financial year 2024, will tend to be defined in line with that of the Chief Executive Officer, although it may include variations in the weights of the relative RAF KPIs/corrective measures and the introduction of any different/additional RAF KPIs/corrective measures that are in any case strictly related to the Group's strategic objectives and referable to the responsibilities assigned (according to the principles illustrated below in Chapter 7.3 for the Group's MRTs).

MBO BONUS OPPORTUNITIES (COMPARISON WITH FIXED REMUNERATION) *(values in %)*



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, in order to bring the MBO system in line with best market practices and the requests of investors and proxy advisors, to use BPER Banca[32] ordinary shares for the component to be recognised in financial instruments as of the financial year 2021.

31 Compared to last year, the payout levels of risk indicators have been increased and those of profitability indicators have been reduced..

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

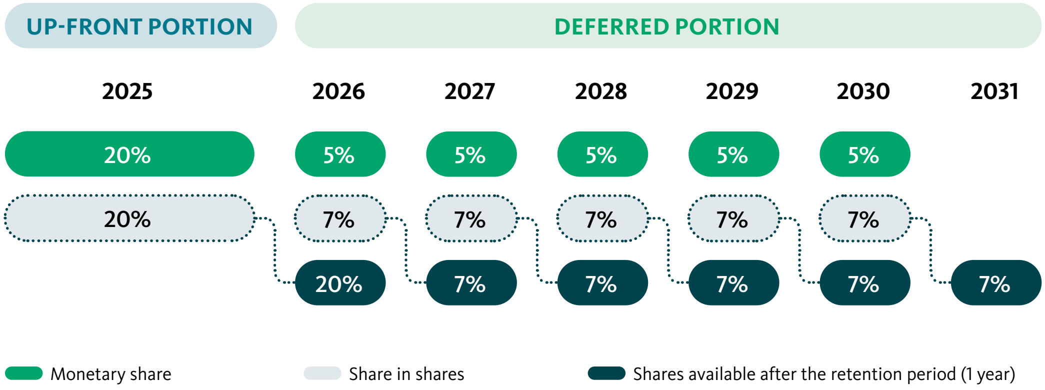
Payout of the Chief Executive Officer's bonus is structured as follows:

- in the event of a bonus payment exceeding the "particularly high amount"[33] the up-front portion is 40% (20% cash and 20% in BPER Banca Shares subject to a retention period of 1 year[34]while the remaining 60% (25% cash and 35% in BPER Banca Shares) is deferred in equal annual instalments over 5 years with a 1-year retention period (during which the shares cannot be sold);
- in the event of a bonus payment below the "particularly high amount", the up-front portion is 45% (20% cash and 25% in BPER Banca Shares subject to a retention period of 1 year), while the remaining 55% (25% cash and 30% in BPER Banca Shares) is deferred in equal annual instalments over 5 years with a 1-year retention period (during which the shares cannot be sold).

In both cases, the deferred portions are subject to malus conditions that are applicable to other key personnel.

MBO DEFERRAL SCHEME FOR PARTICULARLY LARGE AMOUNTS

Performance period: 2024



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.

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 "BPER e-volution"[35] business plan in which the Chief Executive Officer and General Manager also participates. The Plan 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.

33 See Bank of Italy Circular No. 285: "particularly large 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) ten times the average total remuneration of bank employees". In the BPER Group, the level of variable remuneration which represents a particularly high amount is €435,000 and is the lower of i) and ii), deriving from the application of point i). The situation is monitored constantly and updated every three years (next update in 2025).

34 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.

35 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 TUF and Article 84-bis of the Issuer Regulations as resolved by the Shareholders' Meeting of BPER on 5 November 2022.

This Plan aims to:

- pay a bonus 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 approved by the Board of Directors on 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 penalizing failure to achieve results and any deterioration in the Group's capital, liquidity and profitability by not paying 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 awarded at the end of the performance evaluation period.
The Plan applies to around 50 top managers within the Group who are considered fundamental for the success of the 2022-2025 Business Plan[36]. A maximum of 20 additional MRTs 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 used 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 just 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;
- a reduction or elimination of deferred portions.

The Board of Directors of the Parent Company can also order the reduction or elimination of bonuses attributed to all categories of personnel in the event of particularly low net profitability or a loss, both at consolidated and separate level, in companies in which the combined capital requirements set by the Supervisory Authorities[37] are not complied with.

After checking that the Entry Gates have been exceeded, the actual allocation of the bonus and the related amount, within the maximum limits[38] 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 period 2022-2025, the LTI Plan scorecard, which is the same for all recipients, consists of profitability, operational efficiency, risk management and ESG objectives.

36 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. 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..

37 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 indicated in the provisions implementing the these articles." (See Bank of Italy Circular No. 285 of 17 December 2013, Section V, paragraph 2).

38 The theoretical maximum amount of the bonus payable is the sum of the maximum bonuses obtainable at individual level.

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 Plan[39] (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 ILT Plan, which is meant to balance the various types of objectives and support the motivation and incentive to achieve company results within a framework of sound and prudent risk management and ESG sustainability, is as follows.

These objectives have a percentage weighting on the individual bonus and their evaluation 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 progression mechanism in terms of pay-out (70%/100%/120%).

ILT 2022-2025 SCORECARD

KPIs	WEIGHTING	TARGET[40]
Rote at 31/12/2025	50%	10%
Cost/income ratio at 31/12/2025	20%	58%
Gross NPE ratio at 31/12/2025	15%	3,6%
ESG	15%	100%

Area (Weighting)	Objective	Target
25% Sustainable Finance	Green loans	€7 billion disbursed to businesses and households by 2025
25% Energy Transition	Reduction of CO_2 emissions	-23% emissions by 2025
25% Diversity and Inclusion	Gender gaps: less represented gender between Middle Managers and Executives	25% female Executives and 33% female managers (Executives and Middle Managers) by 2025
25% "Future" Project	Increase of financial education programmes and roll-out of a youth inclusion project	Qualitative judgement assigned by the Board of Directors for the overall assessment of the project[41]

39 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.

40 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/ 0 / BPER_Industrial_Piano_22-25_S.pdf)

41 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 project SROI and value generated for each stakeholder, also in reference to national and international sustainability standards.

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.

LTI OF THE CHIEF EXECUTIVE OFFICER AND GENERAL MANAGER (calculated on an annual basis) *(values in %)*

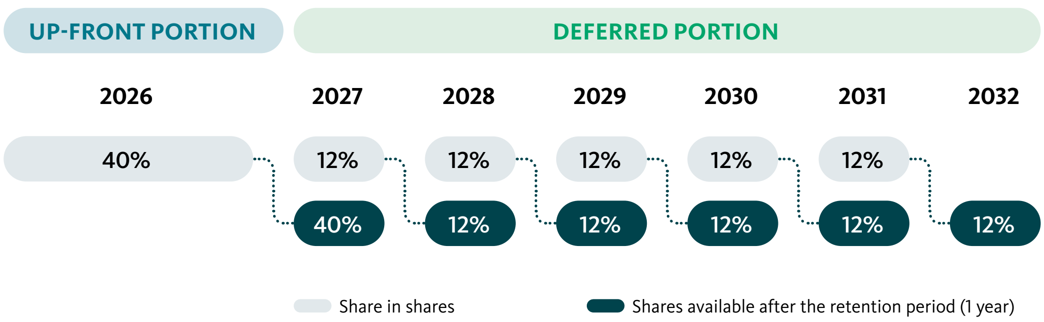
The method for paying out bonuses, structured as shown below, was set by the Board of Directors in line with the regulatory requirements, with the dual aim of achieving alignment with the ex-post risk and supporting the long-term orientation, as well as managing to correlate the variable component with 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, 40% is attributed at the bonus assignment date (up-front portion), but subject to a retention period of one year. The other 60% is deferred in equal annual instalments over five years with a 1-year retention period[42]. Bonuses are subject to ex-post adjustment, malus and claw-back conditions, as for short-term incentive schemes.

For a non "particularly high" amount, the up-front tranche will be equal to 45% and the five deferred tranches will be equal to 11% of the bonus.

HOW THE "2022-2025 LTI" BONUS IS TO BE PAID (in the event of a particularly large amount)

Performance period: 2022-2025



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 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 2022).
It is specified that for new beneficiaries of the LTI Plan (whose entry occurs during the vesting period) for the determination of the target number of Shares, the reference Shareholders' Meeting is that of the year of entry.

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

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).

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 deferred 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 Chief Executive Officer and 50% of the annual RAL (gross salary) for 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.

SHARE OWNERSHIP GUIDELINES

Malus and claw back clauses

As provided for by the regulations in force, bonuses are subject to ex-post correction mechanisms (malus and claw-back) in order to reflect performance levels net of risks actually taken or achieved and equity taking into account individual conduct.

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[43] are subject to claw-back clauses, although their effective application depends on predetermined events taking place:

- 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 interested party, which gave rise to payment of the incentive, following circumstances not known at the time of incentive payment. 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 the deed or fault of the interested party;
- Breaches of the obligations imposed pursuant to art.26 or, when the person is an interested party, of art.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 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 resulted in a third-party sanction;
- personal hedging or remuneration insurance strategies, which emerged following ex-post controls, implemented 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.

43 Including special one-off reward bonuses.

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 CEO and General Manager, activation of the clause would be upon resolution of the Board of Directors. The resolution would be drawn up by the Remuneration Committee and the Board of Statutory Auditors, who can work and make pronouncements together or separately 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 (Material Risk Takers) consists of a fixed component and a short-term variable component that for some key resources may also 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 Chapter 7.1, the maximum limit of the variable component is however 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'[44] resolution. MRTs are beneficiaries of the MBO variable incentive system detailed in Chapter 7.2.

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 MBO objectives sheet for MRTs derives directly from the Strategy Scorecard assigned to the Chief Executive Officer. Therefore, it is structured in quantitative and qualitative/project objectives and is linked to objectives consistent with the role held[45] and the responsibilities assumed. For MRTs, provision is generally made for the "ESG meta KPI" in the strategy scorecard, which acts for 2024 in different ways depending on whether the recipient is a C-Level Manager or not. In the case of C-Level managers, in addition to exceeding the minimum threshold of the meta KPI, 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 regard to the other MRTs, specific objectives pertaining to their areas of responsibility are identified, if possible (otherwise the weight of the "Managerial Assessment" KPI is increased) In this case, the combined weight of the Managerial Assessment KPI and the ESG KPI is no less than 15%.
For the remaining MRTs, for the profitability indicator the same incentive curve as for the remaining quantitative KPIs is applied, in line with the alignment made in the abovementioned strategic scorecard.

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.

In general, an alignment of the payouts of profitability and risk indicators and an increased integration of risk-adjusted indicators in the MBO scorecards are evident when building KPIs.

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[46].

With particular reference to Executives with Strategic Responsibilities (ERSs), in relation to the MBO plan, the target annual incentive is predominantly within the 40-45% range[47] (corporate functions tend to have a lower short-term component than business functions) while the maximum incentive is in the 52-59% range[48].

44 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 section 7.4 Remuneration of Control Functions).

45 Measured using KPIs and adjustments that are derived from the strategic framework linked to the scorecard described in Section 7.2 with reference to the Chief Executive Officer. The parameters take on different weightings according to the activities that the MRT performs, the responsibilities that they have been assigned and the operating levers that they manage.

46 Just as this need can arise in the case of extraordinary transactions that affect the group's scopes and/or the individual companies that make up said scopes..

47 With higher impacts in specific situations, in any case within the maximum limit.

48 with higher impacts in specific situations, in any case within the maximum limit.

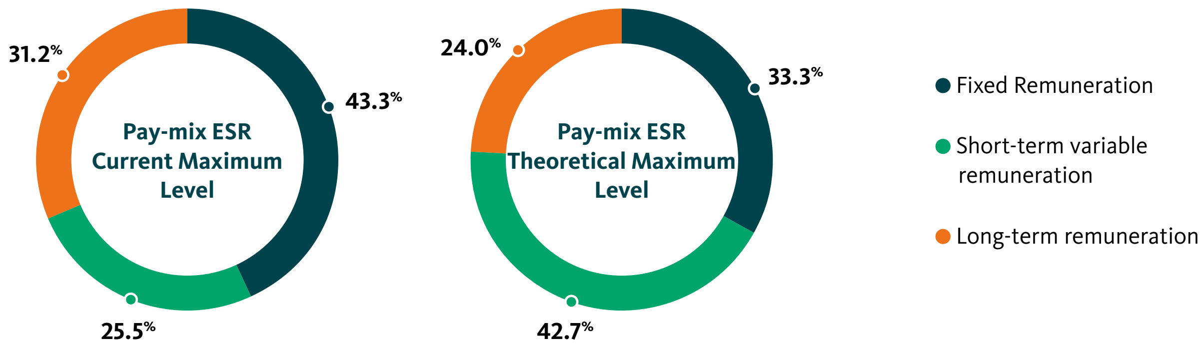
The Board of Directors to be appointed at the Shareholders' Meeting of 19 April 2024 may assess, taking into account the need to attract, incentivise and retain strategic resources, a possible revision of the target bonus of the MBO within the maximum limit for the total variable remuneration defined by the Remuneration Policy.

Since the maximum limit for variable remuneration for this category of personnel is 200%, also considering the 2022-2025 LTI Plan, whose maximum incidence on an annual basis is 72% with respect to fixed remuneration, the possible revision of the target and maximum incidence relative to the MBO Plan may not exceed, in any case, 98% for the target level and, therefore, 128% for the maximum level, respectively.

The revision process, in the event of its being implemented, will be conducted subject to the opinion of the Remuneration Committee and in line with the provisions of the Related Party Transaction procedure.

The following graphs illustrate the pay-mix at the maximum theoretical level, considering the maximum incidence of the 2022-2025 LTI Plan, equal to 72%, and, therefore, the maximum theoretical incidence of the MBO Plan, equal to 128% - in the event of its revision - considering the maximum limit of the total variable remuneration equal to 200% of the fixed remuneration.

For the sake of completeness, we also report the current pay-mix of the ESRs of the business functions, considering the maximum incidence of the 2022-2025 LTI Plan, equal to 72%, and the maximum incidence of the MBO, equal to 59%.



These references shall not apply to:

- Control Functions for which, in line with the regulations, the variable component does not exceed 33%;
- Functions treated as Control Functions for which, in line with regulations, the variable component is limited and therefore overall lower than the fixed remuneration.

The objectives scorecard for Executives with Strategic Responsibilities provides for a mix of indicators closely related to the Group's strategic objectives and traceable to the specific responsibilities assigned.

In general, KPIs can be:

- financial economic objectives such as gross profit or trade volumes;
- risk management objectives such as credit quality or gross NPE ratio;
- ESG targets, which may include all or some of the ESG targets indicated above for the Chief Executive Officer, deemed strategic in the short term, as an enabling factor to achieve the ESG targets traceable to Business Plan project areas;
- objectives linked to specific projects attributable to the area of responsibility overseen.

The objectives scorecard of the control functions is directly linked to the responsibilities of the respective functions and not to the financial results of the entities subject to the control activity.

The payment curve that characterises performance indicators provides for the recognition of a payout equal to 50% of the weight of the indicator (at the minimum performance threshold), 100% of the weight of the indicator (at the target performance threshold) and 130% (at the maximum performance threshold). Qualitative indicators are characterised by a payout curve with a maximum payout of 105%.

Payment of vested variable remuneration takes place consistently with the provisions of banking regulations. Payment of the accrued variable remuneration takes place consistently with the provisions of banking regulations. Bonuses are paid in different ways depending on the amount of the overall variable remuneration and whether or not the recipient is an MRT belonging to top management (Chief Executive Officer of the Parent Company, Chief Executive Officers and/or General Managers of "significant business units" with RWA > 2%[49] and, for the Parent Company, Deputy General Managers and Executives with Strategic Responsibilities).

Payout for top MRTs:

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

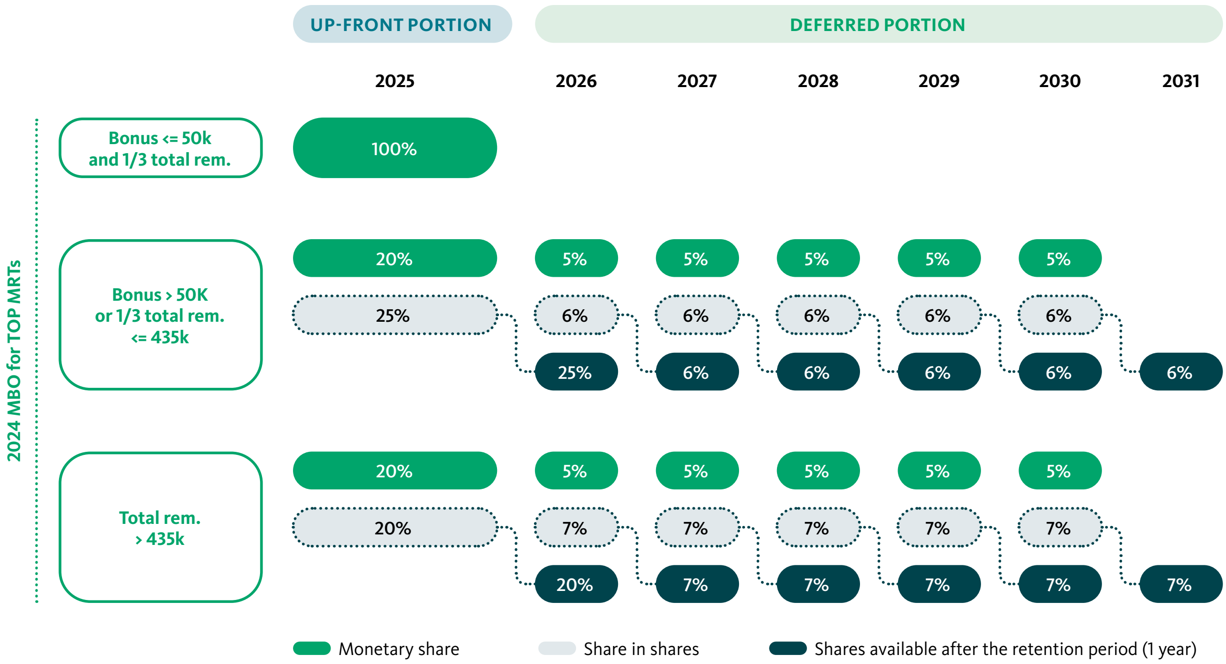
Variable remuneration > €50 thousand (or 1/3 of total annual remuneration) ≤ €435 thousand:

- 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 retentionperiod (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.

Variable remuneration > €435 thousand (particularly high amount[50]):

- 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% (25% cash and 35% through BPER Banca Shares) is deferred in equal annual portions over 5 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.

Performance period: 2024



49 BPER Banca, Banco di Sardegna, Sardaleasing and Bper Factor.

50 As defined by Bank of Italy Circular No. 285: "particularly large 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) ten times the average total remuneration of bank employees". In the BPER Group, the level of variable remuneration which represents a particularly high amount is €435,000 and is the lower of i) and ii), deriving from the application of point i). The situation is monitored constantly and updated every three years (next update in 2025).

Payout for non-top MRTs:

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

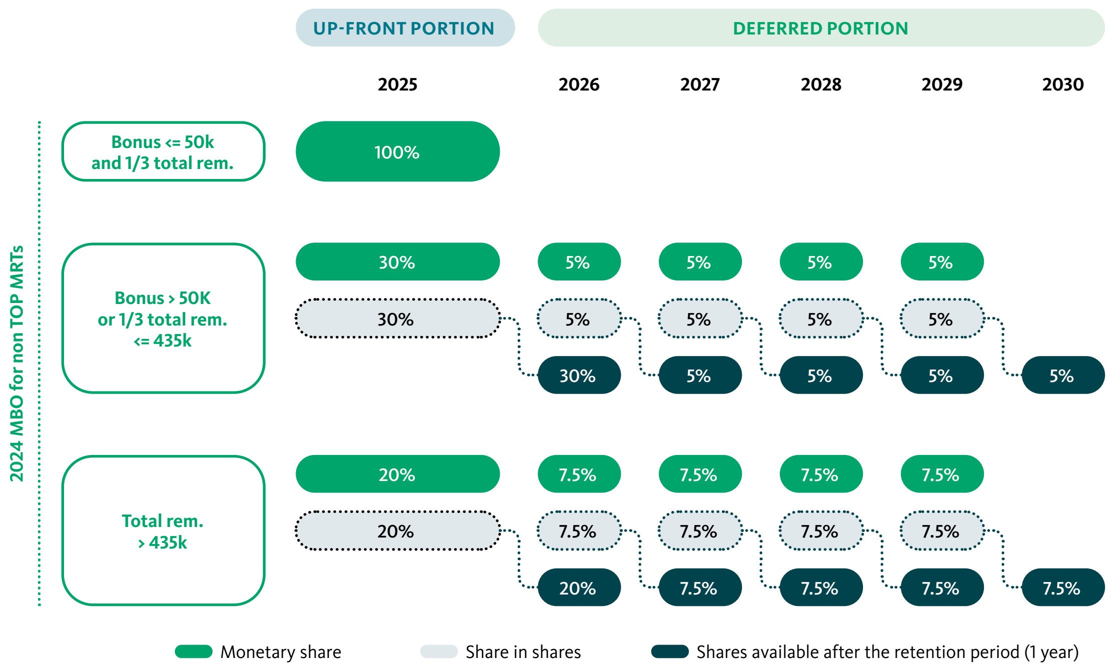
Variable remuneration > €50 thousand (or 1/3 of total annual remuneration) ≤ €435 thousand:

- The remaining 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.

Variable remuneration > €435 thousand (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.

Performance period: 2024



Once the results have been measured, the parameters linked to the risk adjustment and derived from those contained within the Risk Appetite Framework (RAF) are also to be checked, similarly to what is indicated for the Chief Executive Officer. These parameters act as a corrective factor with respect to the incentive vested upon achievement of the objectives set by the individual scorecards. 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 Chief Executive Officer (as detailed in Section 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 Section 7.2 with the additions made to this Section.

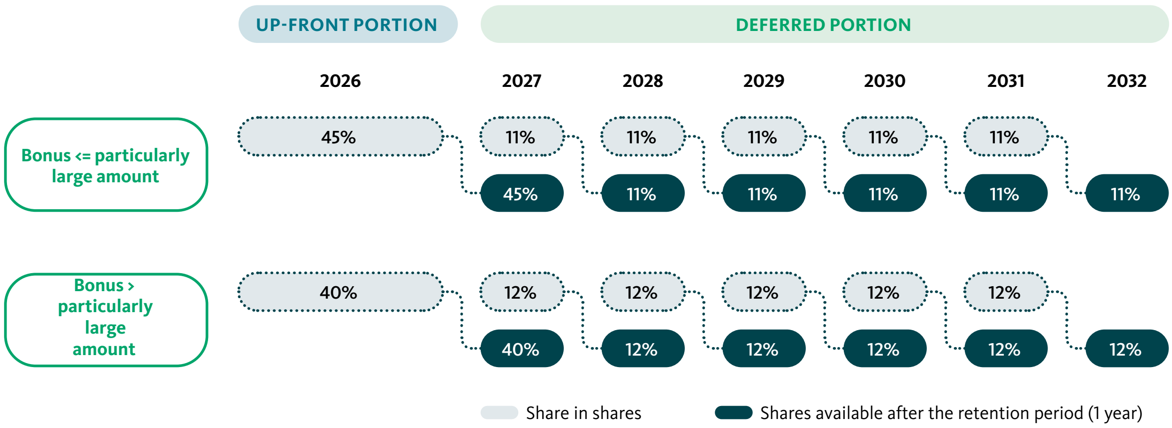
Each Beneficiary is associated with a target bonus, understood as the reference theoretical bonus that can be achieved once all the conditions are met and whose total amount (bonus pool) has been defined and approved by the Board of Directors. The size of this theoretical amount is determined, according to a percentage of the individual gross annual remuneration (RAL) for each of the following segments:

- Top management and C-Level (these include the Chief Executive Officer 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

Performance period: 2022-2025



7.4 Remuneration of Control Functions

The remuneration of those in charge of Control Functions within the scope of the MRTs is composed 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 is not determined by the achievement of economic and financial objectives (without prejudice to any agreements with the trade unions, valid for all employees and also applicable to these professional figures), but is related to specific function[51], objectives, in order to safeguard the independence required of the functions. The bonus pool, defined for this category of personnel within the MBO incentive system, is not related to the financial results achieved but is determined 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 and liquidity ratios.

The same criteria with reference to the breakdown of the objectives in the individual scorecards, the definition of the bonus pool and, therefore, the type of gate are also applied to the positions assimilated to the Control Functions (e.g., the Financial Reporting Officer, the CHRO and any Managers belonging to the respective organisational structures) for which the regulations establish that remuneration must be predominantly fixed. 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. In addition, the MBO objectives of those responsible for corporate control functions are aligned with the defined control action priorities.

The rules on deferral of the variable portion, use of financial instruments, malus and claw-back defined for the remaining MRTs and described in Chapter 7.3 above apply to the members of the category.

Persons belonging to the control and similar functions are not covered by the 2022-2025 LTI Plan.

51 For the CHRO - a function assimilated to the Control Functions - this is without prejudice to the possibility of assigning function-specific economic objectives.

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

Consistently with the diversification of business lines activated in line with the "BPER e-volution 2022-2025" Strategic Plan, the BPER Group has detailed specific incentive systems also for the remaining personnel[52] not falling within the scope of MRT. The variable component of the remaining personnel not falling within the scope of MRT tends to remain within the maximum limit of 100% of the fixed component[53] However, for the current year there will be an increase in target bonuses and pools intended primarily for "non-MRT" resources working in commercial functions.

In particular, in addition to the MBO plan already described for MRTs[54] BPER has established incentive schemes dedicated to specific business segments that provide for the recognition of individual bonuses differentiated according to the level of achievement of the objectives assigned at function, team and/or individual level and taking into account the specifics of the activity carried out. The incentive schemes defined for the Network, for Private Bankers and for *Corporate Banking* are described below[55].

It should be noted that these incentive systems are subject to the same trigger conditions and verification of sustainability with respect to the accrued bonus pool described in the Chapter on the MBO Plan for MRTs.

Commercial Network MBO

- **Recipients:** Network Staff, Semi-Centre, Business Centres
- **Performance conditions:**
  - Trigger conditions: Group Entry Gates + Specific Entry Gates (Branch; Area; "Business Centres");
  - Bonus pool linked to the achievement of revenue targets;
  - Performance indicators:
    - Economic and financial KPIs on productivity, profitability and risk differentiated at area, organisational unit, service model or individual level depending on the specific position held;
    - Quality and Compliance breaches, detected at individual and organisational unit level, which may increase, decrease or cancel the accrued bonus.

Private Banker MBO

- **Recipients:** Private Banker Employee Network (Banca Cesare Ponti and Banco di Sardegna)
- **Performance conditions:**
  - Trigger conditions: Group Entry Gate;
  - Bonus pool linked to the achievement of revenue targets;
  - Performance indicators:
    - Operating and financial KPIs;
    - Qualitative KPIs or managerial[56] assessment;
    - Quality and Compliance breaches, detected at individual level which may decrease or cancel the accrued bonus.

52 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.

53 Except for specific situations in which it is possible to increase that percentage beyond 100% (and in any case not beyond 200%) 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.

54 Awards linked to exceptional situations are not excluded for personnel other than MRTs, to supplement the provisions of the incentive systems.

55 There are also other specific MBO systems for certain professionals belonging to the banks and companies in the group, in addition to those described below.

56 Performance management process.

Corporate & Investment Banking

- **Recipients:** Staff in the Chief Corporate & Investment Banking area
- **Performance conditions:**
  - Trigger conditions: Group entry gates + possibly specific organisational unit entry gates;
  - Bonus pool linked to revenue targets;
  - Performance indicators:
    - Operating and financial productivity, profitability, risk and project/strategic KPIs;
    - Qualitative KPIs or managerial assessment
    - Quality and Compliance breaches, detected at individual level which may decrease or cancel the accrued bonus.

Individual MBO scorecards are linked to results that are relevant to their respective roles[57] and responsibilities and are based on quantitative and qualitative/project objectives. 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 the heads of Functions) not included among MRTs, the variable component is related to specific function objectives and not to the achievement of economic-financial objectives, without prejudice to the provisions of collective bargaining and agreements with the Trade Unions.

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 EntryGates of the MBO system.

MBOs extended over several years are possible for some specific figures not belonging to the MRT category to replace or supplement the ordinary annual MBO.

Some resources[58], onsidered 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 Section 7.3 apply.

In addition to the aforementioned MBO annual incentive scheme, since 2022 the annual variable remuneration plan known as the “**Performance Incentive**” has been activated for personnel not included in the scope of beneficiaries of the 2024 MBO scheme, of the Banks and Group companies to which this scheme applies.

Performance Incentive

- **Recipients:** Group personnel who are not recipients of specific MBO systems.
- **Performance conditions:**
  - Trigger conditions: Group Entry Gate;
  - Bonus pool linked to the achievement of revenue targets;
  - Performance indicators:
    - Evaluation of individual performance by one’s line manager;
    - Quality and Compliance breaches, detected at individual level which may decrease or cancel the accrued bonus.

Subject to passing the Entry Gates at the Group level referred to above, the bonus is actually awarded depending on positioning with respect to the score of the other recipients of the system, belonging to the same organisational cluster.

The fair distribution and incidence of the incentive awarded 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.

57 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.

58 That do not belong to control functions or is similar to control functions.

All the incentive systems described so far are anchored to minimum trigger requirements, so-called entry gates. In the event that the minimum levels associated with the Group entry gate parameters applied to MRTs are not reached, the Board of Directors of the Parent Company can decide whether to recognise award bonuses of a limited amount, within a buffer that could be significantly lower than the original bonus pool.

In line with current legislation, for all forms of incentives described, the application of the ex-post correction mechanisms (malus and claw-back) is envisaged when certain cases occur (see Section 7.2).

In order to achieve its strategic objectives and provide services to customers, the Group also makes use of financial advisors, hired under agency contracts (for Wealth Management services), and financial agents (for consumer credit[59]).

Remuneration of Financial Advisors authorised to offer their services outside their offices and of Agents in Financial Activities

Recipients: Financial advisors qualified to offer off-site (BPER Banca) and financial agents active in Group Companies (Bibanca)

The structure of their remuneration provides for:

- **"recurring" component (treated as fixed remuneration):** constitutes the most stable part of the consultant/agent's remuneration. This relates to the routine activities carried out, reflecting the main characteristics of the agency contract: it means 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.
- "non recurring" component has an incentive and/or loyalty value. In general terms, this can be traced back to the incentive schemes which, when triggered, reward business development and the exceeding of certain targets (e.g. net inflows, development of the Bank's client or customer portfolio, etc.) and which are subject to specific gates represented by the minimum regulatory requirements on capital and liquidity, upon which the actual disbursement of the incentives is dependent.

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 advisors and agents is focused on satisfaction of 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.

The same rules (entry gate, balancing between the non-recurring component and the recurring component, deferral, malus and claw-back) provided for the payment of the variable remuneration of MRTs (see Chapter 7.3) as well as the malus and claw-back mechanisms apply to the non-recurring remuneration received by agents and/or financial advisors possibly falling within the scope of Group MRTs.

Group companies benefit from the contribution of a very limited number of **freelancer collaborators** who do not have a full-time employment contract with the company. They are normally people who have specific skills that are 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.

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

As a rule, the remuneration of external 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[60] component and in any case within the limit set by law and the Articles of Association. The amount of the variable component will be determined each time based on 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.

For all the systems described in this paragraph, in the event of variable remuneration exceeding €50,000 or 50% of the fixed remuneration (and, in any case, within the defined maximum limit), a deferral of at least one year of 50% of the bonus is usually envisaged, which is subject to malus conditions (unless otherwise specified, the same malus conditions envisaged for MRTs apply) and claw-back in the manner and on the occurrence of the cases described in Chapter 7.2.

7.6 Focus on aligning with customer interests

The BPER Group is committed to adopting all reasonable measures and tools to ensure that the development of its business and the pursuit of its objectives are in line with its duty to act fairly and professionally, guaranteeing the achievement of the best interests of its Customers/Stakeholders, in full compliance with the values of integrity, transparency and fairness, in accordance with the internal and external regulations in force from time to time.

This general commitment is reflected, consistently with the reference legislation[61], in the adoption of remuneration policies and systems that

- for "Persons involved in the sale of banking products and services" shall be guided by the criteria of diligence, transparency, fairness in customer relations, containment of legal and reputational risks, protection and retention thereof, compliance with applicable self-regulatory provisions; such schemes are not based solely on business objectives and do not constitute an incentive to place products that are not adequate for the financial needs of customers;
- for "Relevant persons having a direct or indirect impact on the investment or ancillary services provided" do not create conflicts of interest that may lead them to favour their own interests or the interests of the Bank to the potential detriment of those of their clients.

In particular, with reference to the provision of banking and financial services the Group has identified the "relevant persons" for the purposes of the selling of 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 and their hierarchical references.
Accordingly, for the purposes of this analysis at Group level, 13,171 resources in the area of network and similar activities (of which 1,761 managers or similar[62] (of witch 1,761 managers or similar managerial figures)[63] and 412 in the Private area (of which 29 managers or similar managerial figures)[64] employed at Banco di Sardegna S.p.A. and Banca Cesare Ponti S.p.A. (as a result of the transfer of a business branch in February 2024), were considered; agents and financial advisors amount to 417 resources There are no credit brokers.

In accordance with the regulatory framework, the variable remuneration component of "relevant persons" shall comply with the following principles:

- 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 satisfy the objectives and financial needs of the customer;
- supports alignment between the Bank's interests and those of the Customer;
- is suitably balance 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.

60 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

61 Supervisory provisions "Transparency of banking and financial operations and services — Fairness of relations between intermediaries and clients"; Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 (MIFID II); Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 (MIFID Regulation); MIFID ESMA35-43-3565 Guidelines

62 Including the figures employed in BPER Factor.

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

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

The achievement of business and financial objectives is verified by considering the manager's assessment of the contribution to customer satisfaction and loyalty.
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 elements, used to assess proper personal conduct (compliance with internal regulations and procedures and transparency in relations with customers), are give 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 credit assessment staff, the individual objectives shall take due account of prudent risk management.

7.7 Remuneration tools for attraction and retention

To encourage theattraction of new resources, it is possible to recogniseentry 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 may enter into no-competition agreements with specific categories of personnel and/or on an individual basis, whether in an ongoing working relationship or on 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 may also sign agreements aimed at extending the 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 relationships[65] 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, including claw-back clauses, laid down in the latest update of the Bank of Italy's Circular 285 in force at any given time.
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 2024 Short-Term Remuneration Plan based on financial instruments, prepared for the purposes of CONSOB regulations.

65 In particular, this applies to the amounts paid in relation to ongoing working relationships, for no-competition agreements, notice extension agreements and stability agreements (and/or retention bonuses).

7.8 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. BPER Banca is known for offering financial assistance to families through a diverse range of high-quality products and services. These are tailored to various groups of contract staff, including young individuals, single-income households, and those with dependants. Additionally, BPER Banca strives to foster a supportive work environment that accommodates personal needs.
More specifically, there are specially regulated collective welfare, health and insurance plans, assistance and canteen services, as well as better conditions for access to the various products and services offered by the Company. Within the Group, provision is made for housing allocations, and company cars for mixed and shared use.

Within the BPER Group, there has always been a wide array of corporate welfare services and tools available to support work-life balance, individual challenges, health, and overall well-being. These include flexible arrangements, leave for personal needs, and opportunities for remote work.
To promote employee well-being, work-life balance and gender equality, the “Active Welfare” project was initiated in late 2023. This project will span over the next two years and began with a survey distributed to all Group employees. The aim is to identify needs and map out solutions and services aligned with best practices and sector regulations. These will be integrated into the new company welfare portal, which has been operational for several years.
Part of a Total Reward approach. the welfare portal, along with its different components, serves as a tangible form of economic support for all employees. This support is provided according to the terms and criteria outlined in agreements with trade unions regarding company bonuses, in compliance with the provisions of the national collective labour agreement (CCNL) for the sector and relevant tax regulations.

The allocation of such remuneration components is periodically compared to market best practices in order to monitor the competitiveness of remuneration schemes for the Group personnel.
For further details, please also refer to the Consolidated Non-Financial Statement available on the Bank’s institutional website.

7.9 Compensation granted in sight or on termination of MRTs and non-MRTs employment

The Supervisory Provisions on the subject of remuneration provide that the remuneration agreed upon either on the occasion of the early termination of the employment relationship or early termination of the office (so-called “golden parachute” or additional remuneration) are subject to a particular provision contained in the same Supervisory Provisions, to which reference should be made.

Without prejudice to the exemptions foreseen by the Supervisory Provisions (Bank of Italy circ. no. 285, part 1, title IV, chapter 2, Sec. 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 do not form 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.

As regards the ratio between fixed and variable remuneration, the criteria mentioned in the Supervisory Provisions are complied with (taking into account any exemptions, such as, for example, the use of a predefined formula and the exclusion – for the purposes of this ratio – of the non-competition agreement for the portion that, for each year of the duration of the agreement, does not exceed the last year of fixed remuneration).

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 cannot exceed two years' fixed remuneration - arising from the executive employment relationship and any directorships - 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 remuneration.[66].

The remuneration in question shall take account of the performance achieved over time and the risks taken on by the person concerned and by the Company.
These additional amounts of remuneration must therefore be defined taking into account, in addition to the purposes set out above, an overall assessment of the person's work in the various positions held, the presence or otherwise of individual sanctions imposed by the Supervisory Authority, having particular regard to the levels of capitalisation and liquidity of the Group (specifically, reference is made to the fact that at the time of signing the agreement on compensation, the Bank's liquidity and capital exceed the minimum requirements laid down by the Supervisory Authorities[67]).
These additional amounts of remuneration are subject to the deferral mechanisms and use of financial instruments envisaged for the payment of variable remuneration to MRTs and are subject to the same claw-back and related malus clauses, to the extent that they are applicable. 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[68].

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

The above numbers of months are halved if:

- individual performance in one the past 2 years was insufficient[69];
- possibility of direct access to ordinary pension benefits or through permanent membership of the sectoral Solidarity Fund (as an alternative to what may be provided for in the redundancy incentive agreements defined with the trade unions).

66 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 derived from long-term incentive plans is excluded.

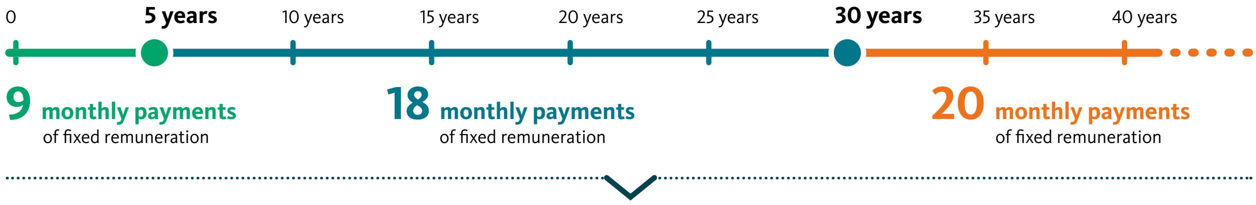
67 This requirement also applies to all other personnel.

68 This requirement also applies to all other personnel.

69 Annual "Performance Management" target score at minimum level or negative rating

DEFAULT FORMULA FOR MATERIAL RISK TAKERS

Years of seniority in the Group



-50%

- Individual performance in one the past 2 years was insufficient(*).
- Possibility of direct access to ordinary pension benefits or through permanent membership of the sectoral Solidarity Fund (as an alternative to what may be provided for in the redundancy incentive agreements defined with the trade unions).

(*) Annual "Performance Management" target score at minimum level or negative rating

All personnel belonging to the category of MRTs, including Control Functions, can adhere to 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 Provisions[70]. In any case, the limits of 2 years 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.

It is specified that for personnel working in foreign countries and to whom the local regulations or collective agreements apply, where these countries provide for a specific formula for determining severance, what is defined there applies instead of the pre-defined formula above.

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 documents prepared pursuant to Article 114-bis of the Consolidated Law on Finance, without prejudice to individual agreements.

7.10 Discretionary pension benefits

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

70 This requirement also applies to all other personnel.

7.11 Personnel belonging to the Asset Management Company and BPER Bank Luxembourg

The Banking Group includes a company operating in the asset management sector (UCITS-AIF) and a bank based in Luxembourg, both subject to specific regulations.

Asset Management Company

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 Consolidated Law and Finance 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 Company[71];
- identification of MRTs at SGR level and contribution to 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 Gates[72] 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 2024 Remuneration Policy "Ratio of variable remuneration to fixed remuneration" and application of the exception[73] to the limit on the ratio of variable to fixed remuneration);
- specific malus[74] conditions 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 Key personnel. 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.

71 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 those regulations that are directly applicable and implement properly the guidance provided by the Parent Company.

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

73 The proposed exception to the limit on the variable/fixed remuneration ratio and, accordingly, its increase to 3:1 with respect to the cap set at Group level (2:1) for the management of Arca Fondi S.g.R (including MRTs within the Group) and the personnel involved in the investment process and commercial development activities, including enhancement of the digital platforms was approved by the BPER Shareholders' Meeting held on 22 April 2020.

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

For the financial year 2024, in addition to the members of the Board of Directors, the Chief Executive Officer also falls within the scope of the group's MRTs according to the application of the criteria outlined 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 malus[75] 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 (CSSF)[76] (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 described 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.

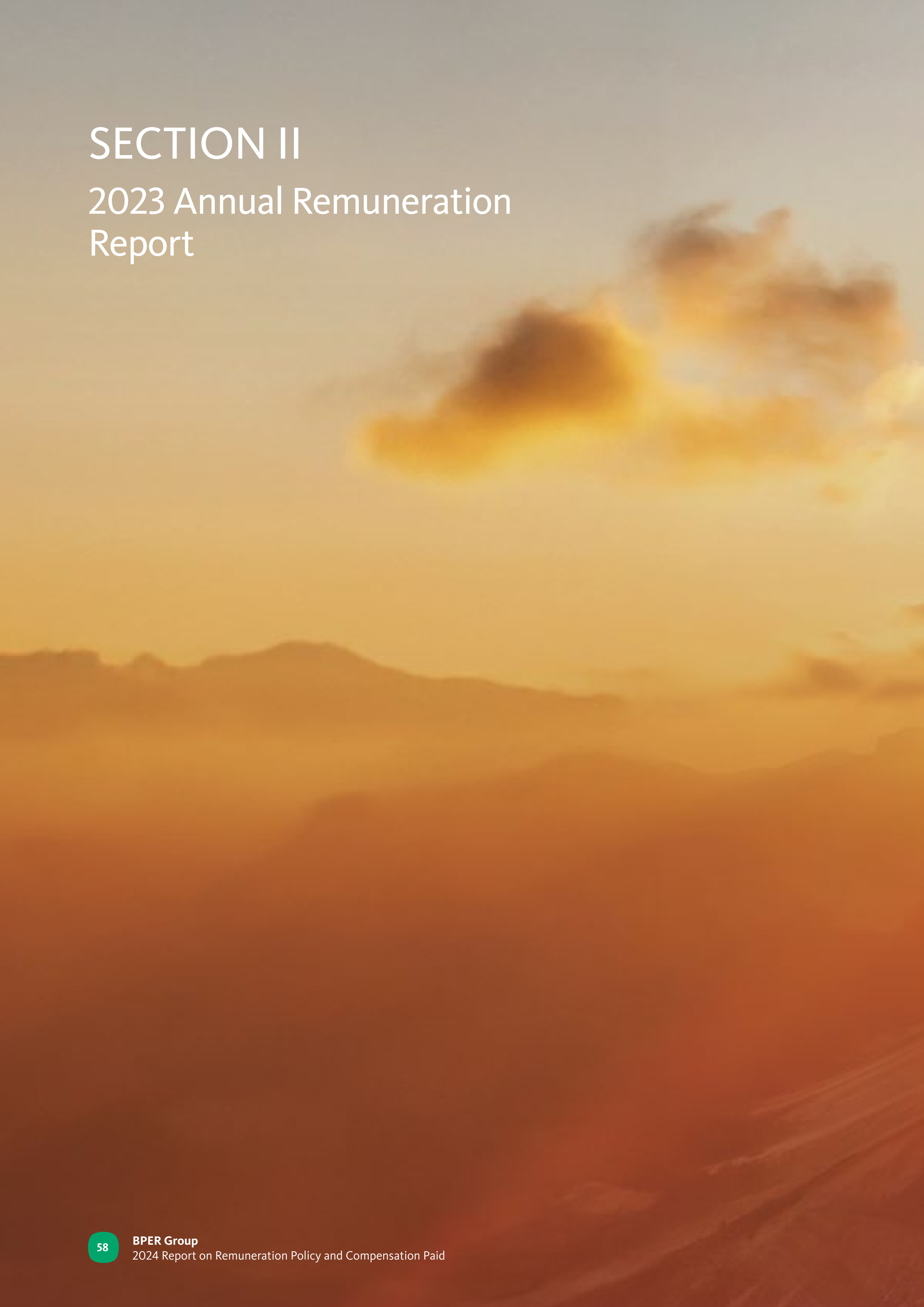
In this context, the following aspects are assessed on the basis of the principle of proportionality and within the broader consolidated banking regulatory framework:

- role of the corporate bodies of BPER Bank Luxembourg and of governance processes in general;
- identification of the individual MRTs (General Manager, Deputy General Manager and Heads of the Control Functions);
- any applications of specific procedures for deferral and payment of the variable component characterised by greater detail;
- any limits on variable remuneration.

For 2024, the General Manager and Deputy General Manager of Bper Bank Luxembourg s.a. are identified among the Material Risk Takers of the Group in addition to the members of the Board of Directors, applying the criteria described in the previous paragraphs.

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

76 In 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).



SECTION II

2023 Annual Remuneration Report

Part I

1. MAIN 2023 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 of the beneficiaries.

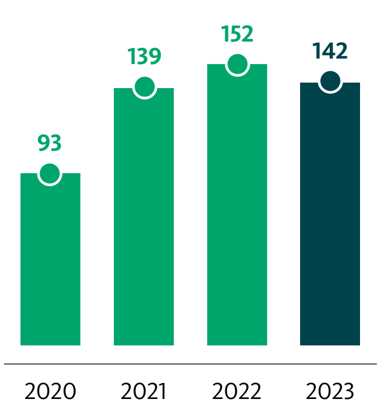
The macroeconomic environment during the year was characterised by a more reassuring economic activity in terms of growth than was expected at the end of 2022; however, high inflation and strong geopolitical tensions have introduced elements of concern and uncertainty over the potential repercussions on the international economic system. Against this backdrop, the commercial and organisational strategy deployed during the reporting period has made it possible to deliver positive operating results: operating income totalling €5,493.9 million is evidence of an excellent performance, 29% higher than in 2022. The Bank achieved excellent results in particular thanks to a strong acceleration in net interest income and a positive net commission result, confirming its ability to generate significant revenues.

Consolidated net profit for 2023 amounted to €1,519.5 million, up 4.9% year-on-year, due to the excellent commercial performance and the significant strengthening of the competitive position.

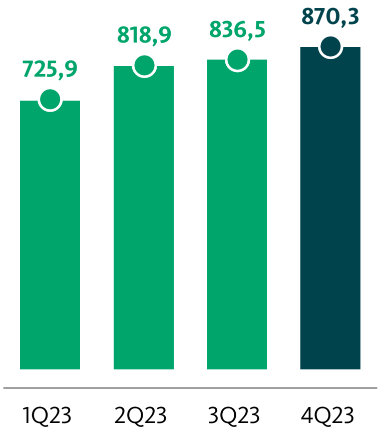
The Bank also demonstrated resilience in the fourth quarter of 2023, confirming its results for the first 9 months of the year. The improvement achieved in credit quality was also confirmed in 2023, with particular reference to the NPE Ratio which was down compared to the end of 2022, positioning BPER as Best in Class in the Italian banking system. Annualised credit costs have been steadily decreasing over the year. The Bank's capital and liquidity profiles remain strong thanks to the organic generation of capital. The same applies to the Bank's liquidity position, with regulatory ratios being broadly in excess of the minimum thresholds required.

> *"2023 was a particularly significant year, with the Bank succeeding in delivering excellent results, which confirm its resilient revenue generation capacity (...). We are also working steadily on advancing the integration of ESG issues and the pursuit of the challenging Business Plan objectives of reduced environmental impact and management of diversities is a source of great satisfaction."*
>
> **Piero Luigi Montani, Chief Executive Officer**

TOTAL ASSETS (€/BILLION)



INTEREST MARGIN, QUARTERLY DEVELOPMENT (€/MLN)



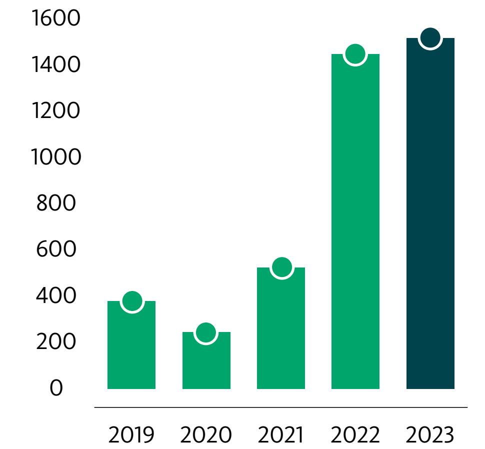
The BPER Banca Group is present in twenty regions of Italy with a network of 1,635 bank branches, in addition to the Luxembourg head office of BPER Bank Luxembourg S.A.. Group employees total 20,224 as compared to a headcount of 21,059 at year-end 2022.

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

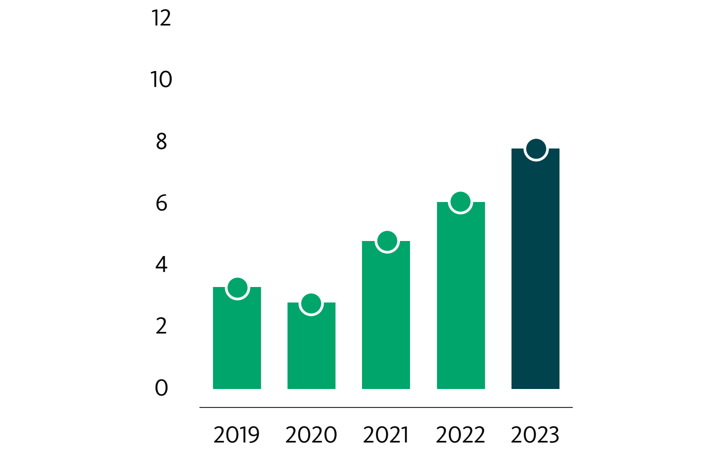
The interest of the Group, and especially of all the corporate bodies and functions involved in the definition of remuneration policies, is to further strengthen the link between results and bonuses, in order to create greater consistency and effectiveness, especially for variable incentive schemes.

As in prior years, implementation of the 2023 Remuneration Policy confirmed the consistency of the incentives earned with respect to the results achieved, as shown in the following tables for MRTs.

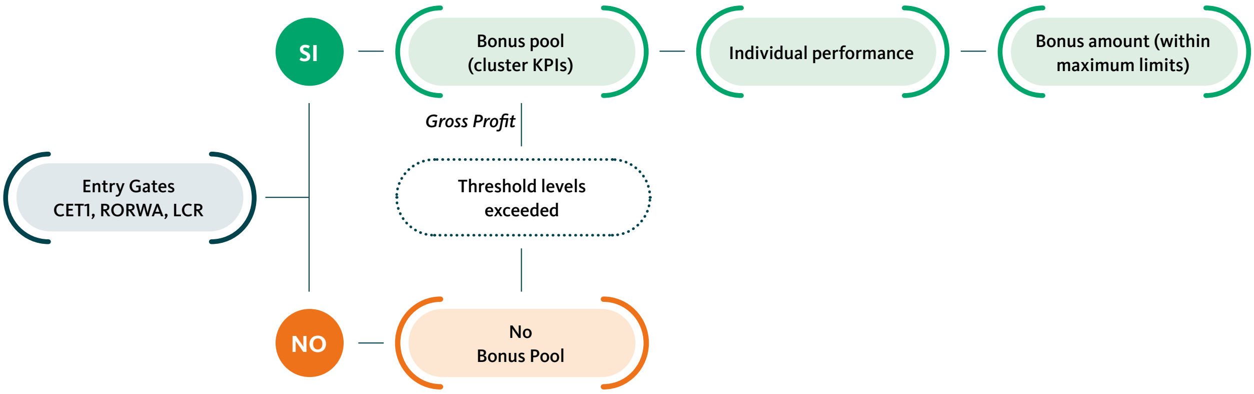
GROUP NET PROFIT (EURO/MLN)



SHORT-TERM BONUSES PAID TO MRTS (EURO/MLN)



The 2023 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 2023 MBO System provides for the preliminary verification of the opening of the Group Entry Gates[77] envisaged for the activation of the Group's annual incentive schemes (MBO) and, therefore, also with 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 6 March 2024 verified that the *Entry Gates* recorded as at 31 December 2023 had been passed.

2023 Entry Gate	Minimum threshold	
Common Equity Tier 1 (CET 1) ratio – consolidated	> RAF Tolerance	✔
Consolidated Liquidity Coverage Ratio (LCR)	> RAF Capacity	✔
Return On Risk-Weighted Assets Consolidated (RORWA)	> RAF Tolerance	✔

77 As already specified, for the personnel belonging to the control and similar functions, 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.

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 2023 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 may vary up and down depending on the result of the aforementioned indicator. The Board of Directors of 6 March 2024 verified that the MRT portion of the Bonus Pool was fully available in relation to the amounts calculated.

Bonus pool (cluster KPIs)	No payout	**Payout 100%**	**Payout 150%**
Group Gross Profit	Minimum	Target	Maximum

The variable remuneration of the Chief Executive Officer and General Manager with reference to the year 2023 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 2023 MBO Scheme for the Chief Executive Officer and General Manager is based on 4 specific indicators that exceeded the levels envisaged to contribute to the incentive system and are positioned at the maximum level achievable.

INDIVIDUAL PERFORMANCE

	Indicator	Weight	Performance vs target	MBO CARD LEVEL (min | target | max)	Result MBO SCORECARD
80% **Operating financial KPIs**	Group gross profit	40%	153% (+718.3 €/mln)		150%
	Group Gross NPE Ratio (%)	20%	81% (-0.56 p.p.)		120%
	Group Fully Phased CET1 ratio (%)	20%	105% (+0.71 p.p.)		120%
20% **KPI ESG**	ESG qualitative objectives	20%	120%		120%

OVERALL LEVEL OF ACHIEVEMENT

0 | 50% (minimum) | 100% (target) | 132% (maximum)

KPIs sustainability Metric consisting of no. 6 strategic objectives (on/off)

Indicator	Result	ON/OFF
Asset Under Management ESG growth	Incremental result of investments focused on ESG compared to the target of over 1.5 billion achieved (on the stock in December 2022).	✓
Green credit plafond	Disbursement of credit specifically intended for investments in the field of sustainability (ESG) amounting to 4.8 billion euros.	✓
Net Zero Banking Alliance	The calculation of the carbon footprint of the credit and investment portfolios was completed. The first 2 decarbonisation targets for 2030 and 2050 for the Power and Oil&Gas sectors have been defined and published. The "Pacta Tool" , tool for monitoring the indirect emissions that are generate has been implemented.	✓
BEMS Plants implementation	The coverage of the Bank's branches of solutions designed to monitor and optimize the energy performance of buildings stood at 49.3% at the end of the year (664 branches equipped with Building Energy Management System equipment).	✓
Progress in the D&I path	Early achievement of the intermediate objectives of the Industrial Plan: n. female managers at the end of 2023 equal to 25.83%; n. women middle managers and executives at the end of 2023 equal to 32.89%.	✓
ESG Rating	Compared to the initial objective of maintaining the rating of Moody's Analitics (formerly Moody's ESG Solution), S&P ESG Evaluation and CDP, in 2023 the 3 ratings improved: from 58 to 59 on the Moody's Analytics Rating, from 66 to 68 on S&P ESG Evaluation and upgrade from B to A- for CDP (Corban Disclosure Project).	✓

LEVEL OF ACHIEVEMENT OF ESG OBJECTIVES no. 6/6 (120%)

0 | 50% (4) | 100% (5) | 120% (6)

For the objectives, the minimum, target and maximum thresholds are represented by the achievement of 4 (of the first 5), 5 and 6 objectives respectively. Every single target is on/off. The payout curve is 50% (4) - 100% (5) - 120% (6).

Following the measurement of KPIs and the compliance breaches, the actual quantification of the bonus vested in 2023 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%[78].

Adjustment factors MBO 2023	Achievement level (on/off)
LCR (%) (Group)	✓
CET1% Transitional (Group)	✓
Economic Capital Adequacy Ratio (as part of ICAAP) (Group)	✓
MREL TREA (%) (Group)	✓
Cost Income (Group)	✓

The total bonus allocated to the Chief Executive Officer and General Manager is equal to €772.200, which represents 36% of total remuneration, the ratio between variable and fixed remuneration[79] stands at 56%.

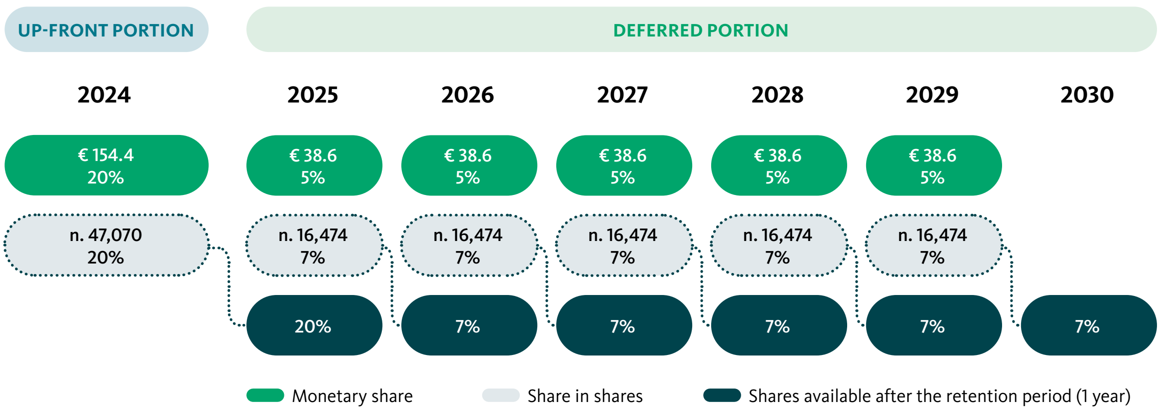
As shown below, as part of the 2023 MBO Plan, the method for allocating the bonus to the Chief Executive Officer/General Manager is structured in an up-front portion, or paid immediately and in a deferred portion in annual instalments in 5 financial years following the year of allocation, subject to a retention period of 1 year from the vesting date of each deferred portion. The deferred portions (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 (Entry Gates) envisaged for the year prior to the payout year of each deferred portion.

The vested bonuses are also subject to the application of claw-back clauses in the same manner and circumstances as were detailed.

2023 MBO PLAN PAYOUT SCHEDULE

(Figures in €/000)

Performance period: 2023



78 This applies to Top MRTs (CEOs, DGs, VDGs and C-Level managers) and up to 30% for other MRTs, depending on the position held by the latter, and on the presence within the KPIs of parameters/performance indicators that are already representative of risk-adjusted components. The RAF adjustments apply to all MRTs with the exception of the Control Functions.

79 For fixed remuneration, see CONSOB Table 1 column 1 “Fixed Remuneration”; for variable remuneration, only the vested amount of the 2023 MBO is considered (CONSOB Table 1 sum of column 3 and column 7).

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

2. INFORMATION ON HOW THE 2023 REMUNERATION POLICIES WERE IMPLEMENTED

The 2023 remuneration policy, approved by the Shareholders' Meeting of 26 April 2023, was defined with the aim of ensuring consistency with the principles and purposes that inspire 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 ones used by the BPER Group during 2023 are:

FIXED REMUNERATION

Fixed remuneration is the stable "non-performance related" remuneration component, envisaged for non-performance-related employees. This component is defined on the basis of predefined criteria such as contractual framework, individual responsibilities, professionalism and experience, and is constantly subject to internal and external fairness checks. Fixed remuneration may be supplemented by fringe benefits which, depending on the type, may be applied to all employees or, on the other hand, aimed at specific positions or roles.

For the Control Functions falling within the scope of MRTs, the fixed remuneration may possibly be supplemented by any specific function allowance as well as by an additional allowance in lieu of the company bonus.

With reference to the members of the Board of Directors, the fixed remuneration also relates to remuneration for special offices held within the various Group Companies for participation in internal committees.

For the network of Financial Advisors and financial agents, the fixed component is represented by the so-called "Recurring Component", typically attributable to commissions.

VARIABLE REMUNERATION

Variable remuneration is the performance-related component or the component determined by any other form of remuneration that does not qualify as fixed remuneration. Variable remuneration components typically include bonuses deriving from both short-term and long-term incentive systems defined in order to guarantee constant and effective alignment with strategic objectives and, consequently, contribute to the creation of value for shareholders.

The variable incentive systems, with particular reference to MRTs, are structured in such a way as to ensure maximum consistency with the medium-long term strategic objectives in compliance 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 bonus is paid entirely in BPER Banca shares, part up-front and part deferred over 5 years in equal instalments.

Short-term incentive systems are also envisaged for control and similar functions linked to role objectives and, in any case, not related to economic results, without prejudice to any agreements provided for by collective bargaining, valid for all employees and also applicable to these professional figures.

Variable remuneration components include the "non-recurring" remuneration of financial advisors and agents in financial activities.

Incentives are subject to ex-post adjustments (malus and claw-back clauses).

Entry bonuses (entry bonus, welcome bonus, etc.) are also provided for the purpose of favouring the attraction of new resources and possible forms of retention or stability pacts, paid in accordance with the regulatory, legislative and labour law provisions applicable at any given time.

No discretionary pension benefits were provided.

Vote expressed by the 2023 Shareholders' Meeting

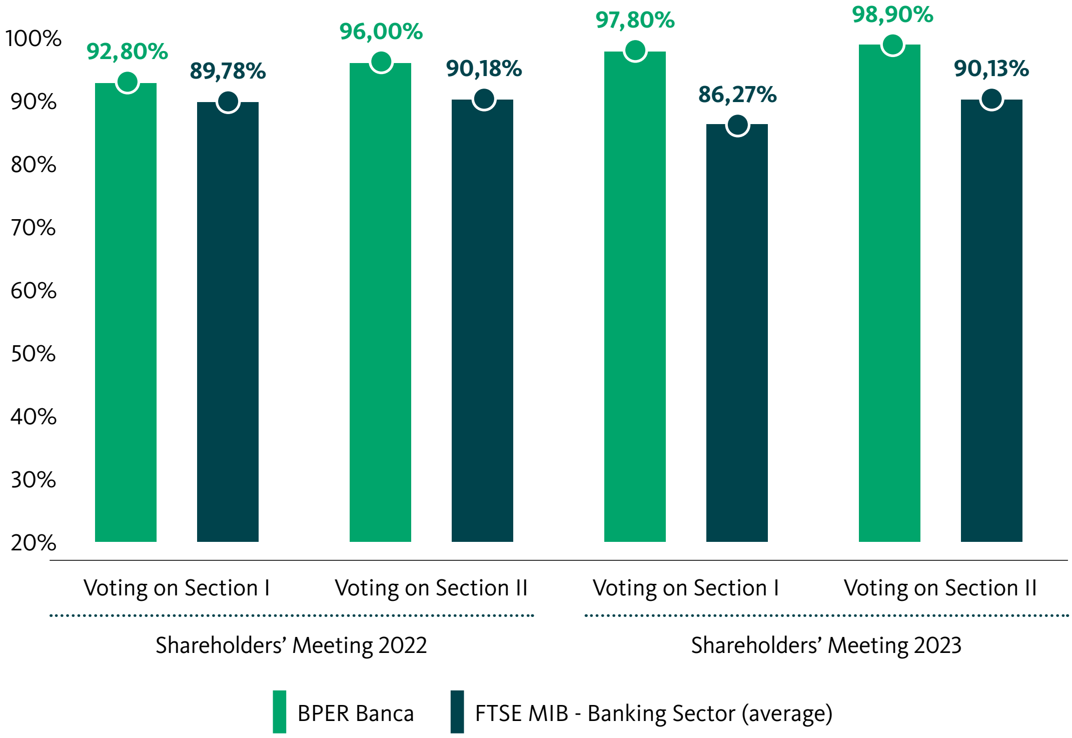
Also in 2023, BPER initiated a constructive and continuous dialogue with investors and proxy advisors with the aim of providing adequate information on remuneration policies and achieving maximum alignment with the interests of all stakeholders. This approach, alongside continuous alignment with best practices and the connection with company strategies, made it possible to achieve the high rate of consensus expressed last year.

The 2023 Report on the Remuneration Policy and Remuneration Paid for 2022 reported widespread appreciation among proxy advisors and shareholders.

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

- Section I – Remuneration Policy 2023;
- Section II – Report on Remuneration Paid for 2022.

Consistent with the provisions of Article 123-ter of the Consolidated Law on Finance (TUF), the Shareholders' Meeting of 26 April 2023 voted in favour (97.8% of the votes cast, corresponding to 57.47% of the total share capital) on the 2023 Remuneration Policy Report and in any case positively, with an advisory vote, on the second section on the fees paid, improving, for both sections, the trend of the previous year[80].



Source: WTW processing

80 The figure for 2022 refers to the shareholders' meeting of 5 November 2022 for Section I and of 20 April 2022 for Section II.

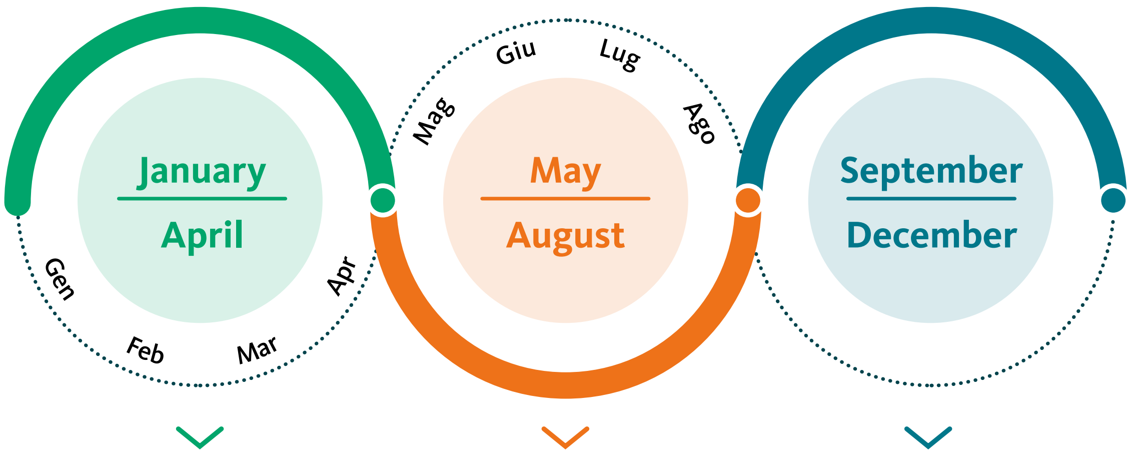
Activities of the Remuneration Committee in 2023

As of at the date of preparation of this document, the Remuneration Committee was composed as follows: Maria Elena Cappello (Chair), Monica Cacciapuoti and Cristiano Cincotti.

The Committee was kept constantly informed of the issues within its remit, major regulatory updates and continuously involved in the decision-making processes, in line with the annual "remuneration cycle".

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

The Control and Risk Committee met 15 times in 2023 and the average duration of the meetings was around 1 hour 25 minutes. The Committee meeting was attended by at least one member of the Board of Statutory Auditors. Depending on the issues dealt with over time, at the invitation of the Chair, the heads of the competent corporate functions also took part in order to provide the appropriate insights (an average of more than 3 guests per meeting). The following is a representation of the main activities of the Remuneration Committee in 2023.



- Analysis and strategic decisions concerning the incentive plans: 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 strategic scorecard and the 2023 MBO.

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

- Verification of changes in the MRT scope during the year.
- Initial planning for the 2024 MBO plan.
- Analysis of the Salary Review process.
- Preliminary analysis of the Gender Pay Gap.
- Assessments concerning remuneration aspects of specific management personnel of the Group.

In the past financial year, the Chief Human Resource Officer's structures in the area of remuneration activities were supported by WTW, an international consultancy firm with specific expertise in remuneration policies and models and consolidated experience at leading Italian listed banking institutions.

Early termination of employment

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

During the 2023 financial year, the Group signed consensual termination agreements, defined in accordance with the reference Remuneration Policy and therefore taking into account, among other things, the performance achieved over time by the manager concerned and the absence of compliance breaches, for 8 resources identified as MRTs (of which 1 Executive with Strategic Responsibilities) whose last day of employment fell in 2023.

Monitoring of gender neutrality

In relation to the path already started some time ago and which continues with the projects of the 2022-2025 Strategic Plan regarding ESG illustrated in Section I of this document, once again in 2023 the Group pursued the objective of guaranteeing equal professional opportunities and remuneration, through the use of criteria 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 2021 EBA Guidelines on remuneration, the Board of Directors, assisted by the Remuneration Committee, monitored the gender pay gap and verified, as part of the annual review, the effective application of the gender neutrality principle of remuneration policies with regard to:

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

In this regard, BPER has also started a process to move closer to the principles of EU Directive 2023/970 of the European Parliament and of the Council approved on 10 May 2023 aimed at strengthening, also through the instrument of transparency, the application of the principle of equal pay for equal work, regardless of gender.

The analysis of pay gaps for equal roles or roles of equal value (so-called Gender pay gap[81] or "GPG"), carried out in accordance with the EBA Guidelines, confirms the gender neutrality of the policy and the positive contribution to improving the GPG made by the pay review processes. The analysis subsequently refined by removing the objective factors that may motivate any gaps (such as role, professional field, performance, etc.) and defined as an "Equal pay gap adjusted" analysis[82] of the pay gaps showed a statistically contained residual gap and confirmed pay neutrality.
The "Equal pay gap adjusted[83] analysis confirmed the residual gap for fixed remuneration below 3% also for 2023.
This result confirms the commitment made by the BPER Group with regard to the neutrality of the remuneration policy with regard to gender, which is all the more relevant in view of the path taken by the BPER Group in numerous acquisitions in recent years (around 48% of the population analysed at 31/12/2023 joined the group as a result of an acquisition made in the last 5 years).
The differences recorded with reference to the overall GPG, given the neutrality of the remuneration policies, arise mainly from the different gender composition present in the managerial brackets and/or from the individual professional path often outside the Group.

81 The GPG calculation was carried out as the ratio of the difference in the average male gender remuneration to the average female gender remuneration compared to the average male gender remuneration.

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

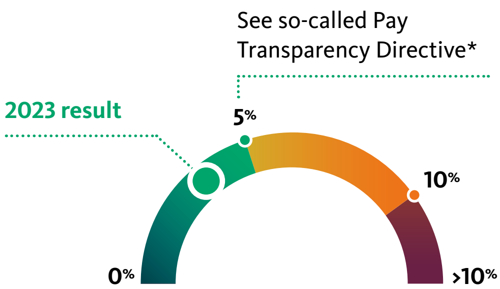
83 The analysis refers to the population analysed for the Italian Banks of the Group.

More specifically, the GPG of the areas foreseen by the regulations presents the following outcomes:

- At the level of administrative bodies, for the parent company BPER Banca (excluding the Chief Executive Officer, General Manager and Chair), a gap in favour of the female component of the Board of Directors continued from last year. The gap arises from the different distribution of internal board offices;
- for MRTs, 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 measures put in place to support equal opportunities and gender diversity among managerial roles (the number of female MRTs has increased); in particular, when considering similar and/or equally valuable roles, substantial pay parity is observed;
- for the remaining personnel[84] the analysis showed limited gender gaps in favour of men, with more positive evidence relating to network staff and some situations of greater gender gaps among central office staff, on which the Bank is taking action.

These elements, taken as a whole, highlight the gender neutrality of the remuneration policies and represent a measure of the Group's progress towards the ambition of equal opportunities, equity and inclusion. They will also be constantly monitored over time (and a possible basis for future interventions), as provided for by the regulations in force and in line with the guidelines of the 2022-2025 Business Plan, as represented in Section I.

EQUAL PAY GAP ADJUSTED



* The 5% threshold is the pay gap highlighted by the European Directive on Pay Transparency, above which the rationale behind the pay gap is required to be provided.

Lastly, it should be noted that the Consolidated Non-Financial Statement, to which reference should be made, gives details of the Group's situation by professional category for the year 2023, in accordance with the presentation logic envisaged by the regulations for this specific document.

> *BPER performs analyses on gender representativeness and pay equity across the entire organisation, setting itself the goal of representing a company that is increasingly fair, inclusive and able to guarantee equal opportunities.*
> *BPER's methodological approach to improving gender balance and pay equity is reinforced by the adoption of objective, gender-neutral factors in the analyses, in line with international market best practices and the recent EU directive on equal pay. All this highlights BPER's strategic commitment to structurally reducing the Gender Pay Gap and Adjusted Equal Pay Gap".*
>
> **WTW**

84 The analysis refers to the population analysed for the Italian Banks of the Group.

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 2019-2023, we show here the annual change in the total remuneration[85] of each person whose information is provided by name in this section, Part II, the average[86] total remuneration and the results of the BPER Group.

Board of Directors of BPER Banca

Figures in €/000

Name and Surname	Position	Length of term in office	Total remuneration					Change %			
			2019	2020	2021	2022	2023	2020-19	2021-20	2022-21	2023-22
MAZZARELLA FLAVIA	Chair	21/04/21-31/12/23	-	-	283	423	416	-	-*	49%*	-2%
BARBIERI RICCARDO	Director and Deputy Chair	01/01/2019-21/04/2021 Director then Deputy Chairman until 31/12/2023	110	106	133	152	148	-4%	25%	14%	-3%
BECCALLI ELENA	Director	21/04/21-31/12/23	-	-	112	165	160	-	-*	47%*	-3%
CACCIAPUOTI MONICA	Director	5/11/22-31/12/23	-	-	-	18**	115***	-	-	-*	539%*
CANDINI SILVIA ELISABETTA	Director	06/07/20-31/12/23	-	57	127	125	119	-*	123%*	-2%	-5%
CAPPELLO MARIA ELENA	Director	21/04/21-31/12/23	-	-	85	124	118	-	-*	46%*	-5%
CINCOTTI CRISTIANO	Director	21/04/21-31/12/23	-	-	78	115	110	-	-*	47%*	-4%
FARRE GIANFRANCO	Director	21/04/21-01/06/23	-	-	89	212[87]	100[88]	-	-*	138%*	-53%*
FOTI ALESSANDRO ROBIN	Director	01/01/19-31/12/23	114	110	125	129	125	-4%	14%	3%	-3%
GIAY ROBERTO	Director	21/04/21-31/12/23	-	-	77**	113**	108**	-	-*	47%*	-4%
PAPA GIANNI FRANCO	Director	21/04/21-31/12/23	-	-	120	354[89]	238[90]	-	-*	195%*	-33%
PAPPALARDO MARISA	Director	01/01/19-31/12/23	102	100	112	114	110	-2%	12%	2%	-4%
PILLONI MONICA	Director	21/04/21-31/12/23	-	-	88	154	170	-	-*	75%*	10%
VALERIANI ELISA	Director	23/06/21-31/12/23	-	-	59	128	121	-	-*	117%*	-5%

* *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*
*** *Of which €5 thousand from related companies. Fees paid to the company of origin until the date of resignation, then regularly received*

Board of Statutory Auditors of BPER Banca

Figures in €/000

Name and Surname	Position	Length of term in office	Total remuneration					Change %			
			2019	2020	2021	2022	2023	2020-19	2021-20	2022-21	2023-22
TRAVELLA DANIELA	Chair of BoSA	23/06/21-31/12/23	-	-	78	150	150	-	-*	92%*	-
APPETITI CARLO	Standing Auditor	27/07/22-31/12/23	-	-	-	43	100	-	-	-*	133%*
TETTAMANZI PATRIZIA	Standing Auditor	21/04/21 -31/12/23	-	-	70	100	100	-	-*	43%*	-

* Change not significant as it relates to an office held only in one of the two financial years, or to different offices.

85 For 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.

86 For MRT personnel, in the calculation of the average total remuneration, the total remuneration accrued in the year for the cash portion is taken into account, while the portion paid in financial instruments is included in the calculation in the year actually earned (meaning vested and attributable); for the remaining personnel, the remuneration actually received in the year is used (cash basis).

87 Including remuneration in subsidiaries.

88 In 2023 it also includes fees in subsidiaries of the BPER group.

89 Including remuneration relating to the office of Director at Carige (until the merger date) and Banca Cesare Ponti.

90 Including the fees related to the office of Chair of Banca Cesare Ponti.

Chief Executive Officer and General Manager BPER Banca

Figures in €/000

Name and Surname (Position)	Total remuneration					Change %			
	2019	2020	2021	2022	2023	2020-2019	2021-2020	2022-2021	2023-2022
PIERO LUIGI MONTANI (CEO since 21/4/21 and CEO/GM since 5/8/21)	-	-	1,154	1,877	1,988[91]	-	-[92]	+63%*	+6%**

* The fixed remuneration, on an annual basis, of the Chief Executive Officer and General Manager, including his remuneration as a 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.

** The fixed remuneration did not change, the increase was due to the company's performance in 2023 and the resulting variable remuneration.

Average total remuneration of the BPER Group

figures in €/thousand

Total average remuneration					Change %			
2019	2020	2021	2022	2023	2020-2019	2021-2020	2022-2021	2023-2022
48.8	49.1	51	51.4 (without Carige: 52.5)	54	+0.6%	+3.9%[93]	+0.8% (without Carige: +2.8%)[94]	+5.2%

Average total remuneration has been calculated since 2022 with reference to all employees of the Italian banks and companies in the BPER Banca Group, adjusted on an FTE basis as of 31 December.
The 2023-2022 change is affected by contractual increases due to the renewal of the sector collective labour agreement.

Information on the results of the BPER Group

figures in €/thousand

Indicator	BPER Group results					Change %			
	2019	2020	2021	2022	2023	2020-2019	2021-2020	2022-2021	2023-2022
Operating result net of credit risk adjustments*	140	326	63	864	1,983	+133%	-81%	1,271%	+130%
Gross profit	417	204	693	1,500	1,725	-51%	+240%	+116%	+15%
Gross performing loans	49,169	51,048	77,964	90,590	87,834	+4%	+53%	+16%	-3%
Asset management and life insurance policies	48,535	50,021	84,113	84,876	86,338	+3%	+68%	+1%	+2%

figures in €/thousand, data source: Financial statement published in the reporting year
* Figures up to 2023 shown under "Post provisions profit".

Profit for the year pertaining to the Parent Company, equal to €1,519.5 million, corresponding to a pre-tax profit from continuing operations of €1,725 million, benefited from the 12-month contribution of the Carige transaction (whereas in 2022 it was only on the second half of the year) and was positively impacted by the strong growth in revenues supported by the gross margin. Operating profit net of Group credit risk adjustments, equal to €1,983 million, was also up compared to 2022.

The total stock of gross performing loans, amounting to €88 billion as at December 2023, decreased compared to the figure for 2022 (€91 billion), as a result of the sale of impaired loans (for €1.2 billion).

The total stock of assets under management including investment life policies, at €86.3 billion at the end of 2023, was up 2% on the 2022 figure (€84.9 billion), thanks to positive assets under management in terms of both net inflows and market effect, offsetting the negative result of investment life policies.

91 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.

92 No change calculated, as the offices were taken in 2021.

93 Increase mainly due to the entry into force of a l salary increase under the national labour agreement and to the personnel onboarded after one – off transactions during the year.

94 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).

PART II

The second part sets out analytically the remuneration paid by the Bank and the subsidiary and associated companies forming part of the Banking Group in the past financial year for any reason and in any form, using the tables below.

In accordance with the Bank of Italy's Guidelines and the remuneration policies introduced by the BPER Banca Group for 2023, the following information is provided on implementation of the remuneration policies and compensation plans that have been put in place:

- **a.** Information on the total remuneration of the Chair of the strategic supervisory body and of each member of the management body, the General Manager, Co-General Managers and Deputy General Managers (where present). This information as regards BPER Banca is shown in CONSOB 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 2023 has been taken into account, while the corresponding amount has been considered for the foreign bank. The variable remuneration earned in 2023 is shown for MRTs. It should be noted that with reference to 2023, four people are beneficiaries of remuneration exceeding €1 million;
- **b.** aggregate quantitative information on remuneration, broken down into the various categories of MRT, indicating the details required by Annex 3A of Schedule 7-bis of the CONSOB Issuers' Regulations;
- **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.

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 as at 31/12/2023 in thousands of Euro)

(A) Name and Surname	(B) Position	(C) Period in office(*)	(D) End of term of office	(1) Fixed remuneration	(2) Remuneration for participation in committee meetings	(3) Variable non equity-based compensation: Bonuses and other incentives	(3) Variable non equity-based compensation: Participation in profits	(4) Non monetary benefits	(5) Other remuneration	(6) Total	(7) Fair value of equity-based compensation(A)	(8) Compensation for loss of office or termination of employment
FLAVIA MAZZARELLA	Chair	01/01-31/12	Shareholders' Meeting 2024									
(I) Remuneration in company preparing the financial statements				398	18					416		
(II) Remuneration from subsidiaries												
(II) Remuneration from associates												
(III) Total				**398**	**18**					**416**		
PIERO LUIGI MONTANI	Chief Executive Officer and General Manager	01/01-31/12	Shareholders' Meeting 2024									
(I) Remuneration in company preparing the financial statements				1,384		347				1,731	1,372	
(II) Remuneration from subsidiaries												
(II) Remuneration from associates												
(III) Total				**1,384**		**347**				**1,731**	**1,372**	
RICCARDO BARBIERI	Director and Deputy Chair	01/01-31/12	Shareholders' Meeting 2024									
(I) Remuneration in company preparing the financial statements				134	13				1	148		
(II) Remuneration from subsidiaries												
(II) Remuneration from associates												
(III) Total				**134**	**13**				**1**	**148**		
ELENA BECCALLI	Director	01/01-31/12	Shareholders' Meeting 2024									
(I) Remuneration in company preparing the financial statements				84	75				1	160		
(II) Remuneration from subsidiaries												
(II) Remuneration from associates												
(III) Total				**84**	**75**				**1**	**160**		
MONICA CACCIAPUOTI	Director	01/01-31/12	Shareholders' Meeting 2024									
(I) Remuneration in company preparing the financial statements (F)				84	25				1	110		
(II) Remuneration from subsidiaries												
(II) Remuneration from associates (F)				5						5		
(III) Total				**89**	**25**				**1**	**115**		

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

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and Surname	Position	Period in office(*)	End of term of office	Fixed remuneration	Remuneration for participation in committee meetings	Variable non equity-based compensation		Non monetary benefits	Other remuneration	Total	Fair value of equity-based compensation(A)	Compensation for loss of office or termination of employment
						Bonuses and other incentives	Participation in profits					
SILVIA ELISABETTA CANDINI	Director	01/01-31/12	Shareholders' Meeting 2024									
(I) Remuneration in company preparing the financial statements				84	35					119		
(II) Remuneration from subsidiaries												
(II) Remuneration from associates												
(III) Total				**84**	**35**					**119**		
MARIA ELENA CAPPELLO	Director	01/01-31/12	Shareholders' Meeting 2024									
(I) Remuneration in company preparing the financial statements				83	35					118		
(II) Remuneration from subsidiaries												
(II) Remuneration from associates												
(III) Total				**83**	**35**					**118**		
CRISTIANO CINCOTTI	Director	01/01-31/12	Shareholders' Meeting 2024									
(I) Remuneration in company preparing the financial statements				84	25				1	110		
(II) Remuneration from subsidiaries												
(II) Remuneration from associates												
(III) Total				**84**	**25**				**1**	**110**		
GIANFRANCO FARRE	Director	01/01-01/06	Shareholders' Meeting 2024									
(I) Remuneration in company preparing the financial statements				35	17					52		
(II) Remuneration from subsidiaries				48						48		
(II) Remuneration from associates												
(III) Total				**83**	**17**					**100**		
ALESSANDRO ROBIN FOTI	Director	01/01-31/12	Shareholders' Meeting 2024									
(I) Remuneration in company preparing the financial statements				84	40				1	125		
(II) Remuneration from subsidiaries												
(II) Remuneration from associates												
(III) Total				**84**	**40**				**1**	**125**		
ROBERTO GIAY	Director	1/01-31/12	Shareholders' Meeting 2024									
(I) Remuneration in company preparing the financial statements (E)				82	25				1	108		
(II) Remuneration from subsidiaries												
(II) Remuneration from associates												
(III) Total				**82**	**25**				**1**	**108**		

(A) Name and Surname	(B) Position	(C) Period in office(*)	(D) End of term of office	(1) Fixed remuneration	(2) Remuneration for participation in committee meetings	(3) Variable non equity-based compensation: Bonuses and other incentives	(3) Variable non equity-based compensation: Participation in profits	(4) Non monetary benefits	(5) Other remuneration	(6) Total	(7) Fair value of equity-based compensation(A)	(8) Compensation for loss of office or termination of employment
GIANNI FRANCO PAPA	Director	01/01-31/12	Shareholders' Meeting 2024									
(I) Remuneration in company preparing the financial statements				84	40				1	125		
(II) Remuneration from subsidiaries(B)				113						113		
(II) Remuneration from associates												
(III) Total				**197**	**40**				**1**	**238**		
MARISA PAPPALARDO	Director	01/01-31/12	Shareholders' Meeting 2024									
(I) Remuneration in company preparing the financial statements				84	25				1	110		
(II) Remuneration from subsidiaries												
(II) Remuneration from associates												
(III) Total				**84**	**25**				**1**	**110**		
MONICA PILLONI	Director	01/01-31/12	Shareholders' Meeting 2024									
(I) Remuneration in company preparing the financial statements				84	85				1	170		
(II) Remuneration from subsidiaries												
(II) Remuneration from associates												
(III) Total				**84**	**85**				**1**	**170**		
ELISA VALERIANI	Director	01/01-31/12	Shareholders' Meeting 2024									
(I) Remuneration in company preparing the financial statements				84	37					121		
(II) Remuneration from subsidiaries												
(II) Remuneration from associates												
(III) Total				**84**	**37**					**121**		
DANIELA TRAVELLA	Chair of BoSA	01/01-31/12	Shareholders' Meeting 2024									
(I) Remuneration in company preparing the financial statements				150						150		
(II) Remuneration from subsidiaries												
(II) Remuneration from associates												
(III) Total				**150**						**150**		
CARLO APPETITI	Standing Auditor	01/01-31/12	Shareholders' Meeting 2024									
(I) Remuneration in company preparing the financial statements				100						100		
(II) Remuneration from subsidiaries												
(II) Remuneration from associates												
(III) Total				**100**						**100**		

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

(A) Name and Surname	(B) Position	(C) Period in office(*)	(D) End of term of office	(1) Fixed remuneration	(2) Remuneration for participation in committee meetings	(3) Variable non equity-based compensation: Bonuses and other incentives	(3) Variable non equity-based compensation: Participation in profits	(4) Non monetary benefits	(5) Other remuneration	(6) Total	(7) Fair value of equity-based compensation(A)	(8) Compensation for loss of office or termination of employment
PATRIZIA TETTAMANZI	Standing Auditor	01/01-31/12	Shareholders' Meeting 2024									
(I) Remuneration in company preparing the financial statements				100						100		
(II) Remuneration from subsidiaries												
(II) Remuneration from associates												
(III) Total				**100**						**100**		
2 DEPUTY GENERAL MANAGERS:												
(I) Remuneration in company preparing the financial statements				1,227		324		33	100 (G)	1,684	1,139	
(II) Remuneration from subsidiaries (C)												
(II) Remuneration from associates												
(III) Total				**1,227**		**324**		**33**	**100**	**1,684**	**1,139**	
12 EXECUTIVES WITH STRATEGIC RESPONSIBILITIES												
(I) Remuneration in company preparing the financial statements				2,922		587		100		**3,609**	1,742	810
(II) Remuneration from subsidiaries (C)												
(II) Remuneration from associates				30						30		
(III) Total				**2,952**		**587**		**100**		**3,639**	**1,742**	

(*) 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 and the 2022-2025 LTI Plan

(B) The remuneration in subsidiaries relates to the office of Chair of 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: €215 thousand by way of redundancy incentive, €285 thousand by way of non-competition agreement, €300 thousand by way of indemnity in lieu of notice and €10 thousand by way of settlement

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

(F) Remuneration paid to the company of origin until the date of resignation, then regularly received

(G) Retention Bonus provided 40% up-front (20% cash and 25% in BPER shares) and 55% (25% cash and 30% in BPER shares) disbursed in equal annual instalments over 5 years

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 Euro)

(A)	(B)	(1)	Financial instruments allocated in prior years not vested during the year		Financial instruments awarded in 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)
Name and Surname	Position	Plan	No. and type of financial instruments	Vesting period	No. and type of financial instruments	Fair value at allocation date	Vesting period	Allocation date	Market price at time of allocation	No. and type of financial instruments	No. 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		2023 Remuneration Policies	-	-	129,442 BPER Banca Shares(*)	425	Bonus allocated in equal annual tranches over the subsequent five years	06/03/2024	3.28	-	47,070 BPER Banca Shares	154	425
		2022 Remuneration Policies 20/04/2022	85,882 BPER Banca Shares	Bonus allocated in equal annual tranches over the subsequent four years	-	-	-	-	-	-	21,470 BPER Banca shares	71	-
		2021 Remuneration Policies 21/04/2021	29,331 BPER Banca shares	Bonus allocated in equal annual tranches over the subsequent three years	-	-	-	-	-	-	9,777 BPER Banca shares	32	-
		2022-2025 LTI Plan 20/04/2022	1,965,231 BPER Banca shares(**)	Performance period: 2022-2025 up-front (2026): 40% pro-rata temporis deferral between 2027 and 2031	-	-	-	-	-	-	-	-	947
(II) Remuneration from subsidiaries and associates		Not applicable	-	-	-	-	-	-	-	-	-	-	-
(III) Total						**425**						**257**	**1,372**

(*) Bonus for the year 2023, allocated in 2024 on the results of the 2023 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.

(A)	(B)	(1)	Financial instruments awarded in previous years not vested during the year		Financial instruments awarded in 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)
Name and Surname	**Position**	**Plan**	**No. and type of financial instruments**	**Vesting period**	**No. and type of financial instruments**	**Fair value at allocation date**	**Vesting period**	**Allocation date**	**Market price at time of allocation**	**No. and type of financial instruments**	**No. and type of financial instruments**	**Value at vesting date**	**Fair Value**
13 EXECUTIVES WITH STRATEGIC RESPONSIBILITIES													
I) Remuneration in company preparing the financial statements		2023 Remuneration Policies	-	-	32,2140 BPER Banca Shares(*)	1,057	Bonus allocated in equal annual tranches over the subsequent five years	06/03/2024	3.28	-	146,427 BPER Banca Shares	480	1,057
		2022 Remuneration Policies 20/04/2022	79,570 BPER Banca Shares	Bonus allocated in equal annual tranches over the subsequent four years	-	-	-	-	-	-	19,892 BPER Banca shares	65	-
		2021 Remuneration Policies 21/04/2021	28,825 BPER Banca shares	Bonus allocated in equal annual tranches over the subsequent three years	-	-	-	-	-	-	9,609 BPER Banca shares	32	-
		2020 Remuneration Policies 22/04/2020	3,953 Phantom Stocks	Bonus allocated in equal annual tranches over the subsequent two years	-	-	-	-	-	-	1,976 Phantom Stocks	6	-
		2019 Remuneration Policies 17/04/2019	1,410 Phantom Stocks	Bonus awarded in the following financial year	-	-	-	-	-	-	1,410 Phantom Stocks	5	-
		2022-2025 LTI Plan 20/04/2022	3,360,701 BPER Banca Shares(**)	Performance period: 2022-2025 up-front (2026): 45% pro-rata temporis deferral between 2027 and 2031	-	-	-	-	-	-	-	-	1,803
		2019-2021 LTI Plan 17/04/2019	27,501 BPER Banca Shares(***)	Performance period (2019-2021) upfront (2022): 45% deferral pro-rata temporis between 2023 and 2027	-	-	-	-	-	-	9,167 BPER Banca shares	30	21
(II) Remuneration from subsidiaries and associates		Not applicable	-	-	-	-	-	-	-	-	-	-	-
(III) Total						**1,057**						**618**	**2,881**

(*) Bonus for the year 2023, allocated in 2024 on the results of the 2023 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

(***) Number of shares actually vested in consideration of the level of performance achieved (including the adjustment, 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 Euro)

(A)	(B)	(1)	(2)			(3)			(4)
Name and Surname	Position	Plan	Bonus for the year			Bonus for previous years			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		2023 Remuneration Policies	154	193	Bonus allocated in equal annual tranches over the subsequent five years	-	-	-	-
		2022 Remuneration Policies 20/04/2022	-	-	-	-	35	143	-
		2021 Remuneration Policies 21/04/2021	-	-	-	-	16	46	-
(II) Remuneration from subsidiaries and associates		Not applicable	-	-	-	-	-	-	-
(III) Total			**154**	**193**	**-**	**-**	**51**	**189**	**-**
14 EXECUTIVES WITH STRATEGIC RESPONSIBILITIES									
(I) Remuneration in company preparing the financial statements		2023 Remuneration Policies	431	480	Bonus allocated in equal annual tranches over the subsequent five years	-	-	-	-
		2022 Remuneration Policies 20/04/2022	-	-	-	-	39	154	-
		2021 Remuneration Policies 21/04/2021	-	-	-	-	15	46	-
		2020 Remuneration Policies 22/04/2020	-	-	-	-	3	5	-
		2019 Remuneration Policies 17/04/2019	-	-	-	-	-	-	-
(II) Remuneration from subsidiaries and associates		Not applicable	-	-	-	-	-	-	-
(III) Total			**431**	**480**	**-**	**-**	**57**	**205**	**-**

PART III

(Schedule 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 31/12/2022(*)	No. Shares purchased	No. Shares sold	No. Shares held at 31/12/2023(*)
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	20,931	71,121	32,966	59,086
GIANNI FRANCO PAPA	BPER Banca	-	-	-	-
MARISA PAPPALARDO	BPER Banca	-	-	-	-
MONICA PILLONI	BPER Banca	-	-	-	-
ELISA VALERIANI	BPER Banca	-	-	-	-
Board of Statutory Auditors					
CARLO APPETITI	BPER Banca	-	-	-	-
PATRIZIA TETTAMANZI	BPER Banca	-	-	-	-
DANIELA TRAVELLA	BPER Banca	-	-	-	-

(*) 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 as at 31/12/2022(*)	No. of Shares purchased	No. of Shares sold	No. of shares held as at 31/12/2023(*)
Other Executives with Strategic Responsibilities					
Executives with Strategic Responsibilities	BPER Banca	153,611	190,909	95,442	249,078
Spouses of Executives with Strategic Responsibilities	BPER Banca	12,872	-	-	12,872
Minor children of Executives with Strategic Responsibilities	BPER Banca	468	-	-	468
TOTAL		**166,951**	**190,909**	**95,442**	**262,418**

(*) 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

Annex pursuant to Circular 285/2013 of the Bank of Italy - Section VI - Disclosure and data transmission - Paragraph 1 Public Disclosure Obligations (article 450 of the CRR and article 17 of EU Implementing Regulation no. 637 of 15 March 2021)

REM A: Table Remuneration policy – qualitative information

a) Information about the bodies responsible for the supervision of remuneration. Disclosures include:
— Name, composition and mandate of the main body (management body or remuneration committee as applicable) overseeing the remuneration policy and the number of meetings held by that main body during the financial 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 an advisory, inquiry and proposal making role in support of the Board of Directors. The Committee met 15 times in 2023. Further details can be found in Part I of section II of the 2024 Report on remuneration policy and compensation paid.
— External consultants whose advice has been sought, the body by which they were commissioned, and in which areas of the remuneration framework;
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 internal functions concerned have commenced collaboration with international consultancies: WTW, which helped to revise the incentive schemes and the remuneration policy, 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 systems 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.
— a description of the staff or categories of staff whose professional activities have a material impact on institutions' risk profile.
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 relating to the design and structure of the system for remunerating material risk takers. Disclosures include:
— An overview of the key features and objectives of remuneration policy, and information about the decision-making process used for determining the remuneration policy and the role of the relevant stakeholders;
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 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 presented in Chapter 1 of the 2023 Report on remuneration policy and compensation paid ("Governance of remuneration and incentive policies").

— information on the criteria used for performance measurement and ex ante and ex post risk adjustment;

The Group has established a short-term variable incentive system to recognise exemplary behaviour and exceptional results. Simultaneously, it aims to penalise any unsuccessful outcomes, deterioration in the Bank's economic sustainability conditions and/or individual conduct that does not comply with regulatory requirements by reducing or withholding incentives.

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 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 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, Entry Gates, which are linked to indicators of capital strength, liquidity and risk-adjusted profitability.

After checking that the entry gates have been exceeded, the bonus allocation and the consequent extent of the variable remuneration are defined by evaluating individual performances using a process that includes an analysis of various qualitative and quantitative indicators, which supplements the verification of compliance with the indicators set out in the Risk Appetite Framework and the Risk policies.

In 2022, the Group also defined 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 Business Plan. Considering that the plan is in continuity with what is envisaged in 2022, for details see Chapter 7 of the 2024 Report on the Remuneration Policy and Compensation Paid.

— Whether the management body or the remuneration committee where established reviewed the institution's remuneration policy during the past year, and if so, an overview of any changes that were made, the reasons for those changes and their impact on remuneration;

The main changes introduced to the remuneration policies for 2023 are as follows.

Confirming the increasing focus on ESG (Environmental, Social and Governance) factors and the gender neutrality of remuneration policies:

- integration in the strategic scorecard of objectives referring to priorities identified in the ESG sphere, closely related to the Sustainable Development Goals (SDGs) declared in the consolidated non-financial statement and integrated in the current Business Plan (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.
- Increase of the weighting from 15% to 20% of the indicator in the ESG area (composite metric) within the strategic scorecard.
- strengthening of controls to guarantee gender neutrality (granular analysis model of remuneration data related to the role held) and monitoring of the gender pay gap.

Improvement in the description of the remuneration structure intended for resources not identified as MRTs, including the performance incentive system envisaged for resources that are not recipients of the MBO system.

— Information of how the institution ensures that staff in internal control functions are remunerated independently of the businesses they oversee;

The remuneration of those in charge of Control Functions within the scope of the MRTs is composed 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 economic-financial targets, but is related to specific quantitative and/or qualitative objectives of the function, 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 operating 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, also for 2023, only to the entry gates of capital strength (CET1 transitional) and liquidity (LCR).

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 award of guaranteed variable remuneration and severance payments;

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 do not form part of the remuneration agreed in view or on the occasion of the early termination of the employment relationship or early termination of office:

- 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.

In the event of termination of employment at the initiative and/or interest of the Group, either unilaterally or by mutual consent, additional compensation may be provided by way of redundancy incentive to support retirement, including early retirement, or pre-retirement, or paid for the settlement of an actual or potential dispute, in order to avoid the risk of litigation.

The amount of such additional remuneration for 2023 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 7.10 Compensation Granted in view of or on Termination of Employment of MRTs of the 2023 Report.

c) Description of the way in which remuneration processes factor in current and future risks. Disclosures include an overview of the key risks, their measurement and how these measures 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 2023, all of which have to be achieved at the same time, are as follows:

- Common Equity Tier 1 (CET 1 transitional) consolidated ratio > RAF Tolerance
- Consolidated Liquidity Coverage Ratio (LCR) > RAF Capacity.
- Consolidated Return On Risk-Weighted Assets (RORWA > RAF Tolerance

After measuring the results of the against 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. Adjustments may reduce the accrued bonus by up to 50% for CEO/GM, Deputy General Managers and C-level Managers and up to 30% for the remaining MRTs.

d) The ratios between fixed and variable remuneration set in accordance with point (g) of Article 94(1) CRD.

In line with the regulatory requirements and the resolutions adopted 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 and similar functions). This is to have the flexibility to make payments ahead or in the event of early termination of employment or term of office within the maximum limits already defined in the Policies and to have available all the operational levers needed to attract external resources in order to achieve the Group's objectives.

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

Nevertheless, the Group also sets the maximum fixed/variable ratio at 2:1 for all other personnel (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 obtain the appropriate flexibility needed to manage in a suitable manner the competitive pressures in the job markets for certain highly profitable business segments and specific clusters (Wealth Management and Corporate Banking); these clusters comprise a maximum of 900 persons (2023 figure), within which 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:

— an overview of main performance criteria and metrics for institution, business lines and individuals;

The "Strategy Scorecard", a summary of the Strategic Plan priorities for 2023, 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 Consolidated Non-Financial Statement available at https://istituzionale.bper.it/sostenibilita/bilancio-di-sostenibilita.

In addition, the presence of common entry gates to the MBO system and LTI Plan, linked to risk-weighted capital adequacy, liquidity and profitability parameters, ensures their sustainability from an economic and financial standpoint.

— an overview of how amounts of individual variable remuneration are linked to institution-wide and individual performance;

Individual variable remuneration is based principally 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.

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

With regard to the pay-mix, market references from both a direct reference panel and the broader market were analysed with the aid of external consultancy.

It was decided to keep the pay-mix unchanged from the previous year, when it was decided to significantly shift, but still with a prudential approach, the variable/fixed ratio by increasing the variable component; in view of projected growth over a strategic medium-term horizon, with a focus on multi-annual growth for key players within the variable component.

— information of the measures the institution will implement to adjust variable remuneration in the event that performance metrics are weak, including the institution's criteria for determining "weak" performance metrics.

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. Disclosures include:

— An overview of the institution's policy on deferral, payout in instrument, retention periods and vesting of variable remuneration including where it is different among staff or categories of staff;

The payment of bonuses to beneficiaries of the long-term incentive plan, including the Chief Executive Officer and General Manager, is structured as follows (scheme for particularly high amounts): at the end of the four-year period, in the event of successful verification of the conditions for entry into the scheme, 40% is allocated on the date the bonus is awarded (up-front portion), but is subject to a 1-year non-availability(retention) constraint. The remaining 60% is deferred in equal annual instalments over five years with a 1-year retention period. Bonuses are subject to ex-post adjustment, malus and claw-back conditions, as for short-term incentive schemes. If the amount is particularly high, the up-front portion is reduced to 45% and 55% is deferred.
The payment of bonuses to the beneficiaries of the short-term incentive plan is described below:

For Top "Material Risk Takers", including the Chief Executive Officer and General Manager:
Variable remuneration > €435 thousand (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% (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 thousand (or 1/3 of total annual remuneration) and ≤ €435 thousand:
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. This method of disbursement, for the Chief Executive Officer and General Manager, also applies in the case of variable remuneration <= €50 thousand and 1/3 of the total annual remuneration.

For non-Top Material Risk Takers (MRTs):
Variable remuneration > €435 thousand (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 thousand (or 1/3 of total annual remuneration) and ≤ €435 thousand:
The remaining 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.

For MRTs, with the exclusion of the Chief Executive Officer and General Manager, if variable remuneration is ≤ €50 thousand and ≤ 1/3 of 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, the variable components are subjected to ex post correction mechanisms (malus and claw-back) in order to reflect the performance levels net of the risks actually undertaken or achieved,taking into account individual behaviour. The deferred instalments are subject to malus rules that can reduce the instalment 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-backclauses are activated.

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 of the 2023 report. Specific clauses may also be envisaged for the remaining personnel, in relation to specific incentive systems, as specified in the relative operating regulations.

— where applicable, shareholding requirements that may be imposed on identified staff;

The Chief Executive Officer 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 and 50% of the fixed remuneration of the Executives with Strategic Responsibilities.

g) The description of the main parameters and rationale for any variable components scheme and any other non-cash benefit in accordance with point (f) of Article 450(1) CRR. Disclosures include:

— Information on the specific performance indicators used to determine the variable components of remuneration and the criteria used to determine the balance between different types of instruments awarded, including shares, equivalent ownership interests, share-linked instruments, equivalent 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 economic 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) Upon demand from the relevant Member State or competent authority, the total remuneration for each member of the management body or senior management.

See the Tables included in Part II and in the attachment to the 2023 Report on remuneration policy and compensation paid.

i) Information on whether the institution benefits from a derogation laid down in Article 94(3) CRD in accordance with point (k) of Article 450(1) 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 shall also indicate for which of the remuneration principles they apply the derogation(s), the number of staff members that benefit from the derogation(s) and their total remuneration, split into fixed and variable remuneration.

Exception based on letter b): number of Material Risk Takers who benefit from the exception: 61, total remuneration €9.69 million: €7.77 million fixed and €1.92 million variable

j) Large institutions shall disclose the quantitative information on the remuneration of their collective management body, differentiating between executive and non-executive members in accordance with Article 450(2) CRR.

See the tables provided pursuant to art. 450 CRR and those required by Consob.

REM 1 Table: Remuneration recognised for the year (amounts in thousands of Euro)

			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 identified staff**	**13**	**9**	**18**	**114**
2		**Total fixed remuneration**	**2,053**	**4,129**	**4,971**	**15,025**
3		Of which: cash-based	2,053	4,129	4,971	15,025
4		(Not applicable in the EU)				
EU-4a		Of which: shares or equivalent ownership interests				
5		Of which: share-linked instruments or equivalent non-cash instruments				
EU-5x		Of which: other instruments				
6		(Not applicable in the EU)				
7		Of which: other forms				
8		(Not applicable in the EU)				
9	**Variable remuneration**	**Number of identified staff**		**9**	**18**	**89**
10		**Total variable remuneration**		**2,160**	**2,507**	**4,551**
11		Of which: cash-based		1,071	1,299	3,236
12		Of which: deferred		551	547	526
EU-13a		Of which: shares or equivalent ownership interests		774	1,208	1,315
EU-14a		Of which: deferred		446	652	526
EU-13b		Of which share-linked instruments or equivalent non-cash instruments				
EU-14b		Of which: deferred				
EU-14x		Of which: other instruments		315		
EU-14y		Of which: deferred		189		
15		Of which: other forms				
16		Of which: deferred				
17	**Total remuneration (2 + 10)**		**2,053**	**6,289**	**7,478**	**19,577**

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

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 Euro

		a	b	c	d
		MANAGEMENT BODY - STRATEGIC SUPERVISION FUNCTION	MANAGEMENT BODY - MANAGEMENT FUNCTION	OTHER MEMBERS OF TOP MANAGEMENT	OTHER MATERIAL RISK TAKERS
Guaranteed variable remuneration awards					
1	Guaranteed variable remuneration awards - Number of identified staff			1	3
2	Guaranteed variable remuneration awards -Total amount			57	93
3	*Of which bonuses included in guaranteed variable remuneration paid during the year that were not considered in the maximum limit on bonuses*			57	93
Severance payments awarded in previous periods, that have been paid out during the financial year					
4	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff		3	4	6
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount		171	1,021	861
Severance payments awarded during the financial year(*)					
6	Severance payments awarded during the financial year - Number of identified staff		1	1	3
7	Severance payments awarded during the financial year - Total amount		245	810	1,015
8	*Of which paid during the financial year*		131	549	669
9	*Of which deferredi(**)*		114	261	346
10	*Of which severance indemnities paid during the year that were not considered in the maximum limit on bonuses*		90	453	383
11	*Of which highest payment that has been awarded to a single person*		245	810	360

(*) settlements defined in 2023 aimed at figures with last working day by 31/12/23

(**) deferred means any type of remuneration not paid during the year (2023)

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

		a	b	c	d	e	f(*)	EU-g	EU-h
	Deferred and retained remuneration	Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial 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 adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of 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 has vested but is subject to retention periods
1	**Management Body - Supervisory function**								
2	Cash-based								
3	Shares or equivalent ownership interests								
4	Share-linked instruments or equivalent non-cash instruments								
5	Other instruments								
6	Other forms								
7	**Management Body - Management function**	**3,667**	**401**	**3,266**			**10**	**364**	**139**
8	Cash-based	1635	165	1,470				165	
9	Shares or equivalent ownership interests	867	97	770			10	44	
10	Share-linked instruments or equivalent non-cash instruments	67	30	37			1	46	30
11	Other instruments	1,098	109	989				109	109
12	Other forms								
13	**Other senior management**	**1,192**	**162**	**1,030**			**7**	**141**	**105**
14	Cash-based	486	57	429				57	
15	Shares or equivalent ownership interests	604	58	546			7	32	58

SEGUE

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

		a	b	c	d	e	f(*)	EU-g	EU-h
	Deferred and retained remuneration	**Total amount of deferred remuneration awarded for previous performance periods**	**Of which due to vest in the financial 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 adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of 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 has vested but is subject to retention periods**
16	Share-linked instruments or equivalent non-cash instruments	103	48	55				52	48
17	Other instruments								
18	Other forms								
19	**Other identified staff**	**1,339**	**179**	**1,160**			**1**	**138**	**153**
20	Cash-based	370	26	345				26	
21	Shares or equivalent ownership interests	909	133	776			6	26	133
22	Share-linked instruments or equivalent non-cash instruments	60	20	39			-5	87	20
23	Other instruments								
24	Other forms								
25	**Total amount**	**6,199**	**742**	**5,457**			**18**	**643**	**397**

(*) total value of the value correction with reference to the deferred portions disbursed in 2023

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

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

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

Table REM5: 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 Euro

		a	b	c	d	e	f	g	h	i	j
		Management body remuneration			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 identified staff										154
2	Of which: members of the MB	13	9	22							
3	Of which: other senior management				2	6		4	6		
4	Of which: other identified staff				6	55	7	21	22	3	
5	Total remuneration of identified staff	2,053	6,289	8,342	3,022	11,286	763	6,377	4,868	739	
6	Of which: variable remuneration		2,160	2,160	1,035	3,216	-	1,934	824	50	
7	Of which: fixed remuneration	2,053	4,129	6,182	1,986	8,071	763	4,443	4,044	689	

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

Table 1.

Information on the total remuneration of the Chair of the strategic supervisory body and of each member of the management body, the General Manager, Co-General Managers and Deputy General Managers.

(€/000)

BANCO DI SARDEGNA(***)					
Surname and name	Position	Period in which the position was held	Fixed Remuneration	Variable remuneration	Total remuneration
Gianfranco Farre	Chair	01/01-31/12	114		114
Elvio Sonnino	Deputy Chair	01/01-31/12	(*)		(*)
Maria Grazia Dessì	Director	01/01-31/12	51		51
Viviana Ferri	Director	01/01-31/12	54		54
Roberto Ferrari	Director	01/01-31/08	(*)		(*)
Annamaria Massimetti	Director	01/01-31/12	41		41
Grazia Orlandini	Director	01/01-31/12	(*)		(*)
Gian Battista Piana	Director	01/01-31/12	61		61
Luca Saba	Director	01/01-31/12	51		51
Giuseppe Cuccurese	Director	01/01-31/12	(*)		(*)
Alessandro Simonazzi	Director	01/01-31/12	(*)		(*)
Giuseppe Cuccurese	General Manager	01/01-31/12	486(**)	201	687

(*) The remuneration awarded to Group personnel for positions held in subsidiaries is paid directly by the subsidiary to the company that employs them.

(**) Tax base for contribution.

(***) Amounts shown on an accruals basis.

(€/000)

BIBANCA(***)					
Surname and name	**Position**	**Period in which the position was held**	**Fixed Remuneration**	**Variable remuneration**	**Total remuneration**
Mario Mariani	Chair	01/01-31/12	50		50
Gianluca Formenton	Deputy Chair	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	01/01-31/12	(**)		(**)
Diego Rossi	General Manager	01/01-31/12	295*	125	420

(*) Tax base for contribution.
(**) The remuneration awarded to Group personnel for positions held in subsidiaries is paid directly by the subsidiary to the company that employs them.
(***) Amounts shown on an accruals basis.

(€/000)

BANCA CESERE PONTI(***)					
Surname and name	**Position**	**Period in which the position was held**	**Fixed Remuneration**	**Variable remuneration**	**Total remuneration**
Gianni Franco Papa	Chair	01/01-31/12	113		113
Franco Anelli	Deputy Chair	01/01-31/12	53		53
Fabrizio Greco	CEO	01/01-31/12	(*)	357(**)	357
Cesare Castelbarco Albani	Director	01/01-31/12	33		33
Marco Mandelli	Director	18/04-31/12	(*)		
Michela Sossella	Director	18/04-31/12	(*)		
Paola Demartini	Director	01/01-31/12	33		33

(*) The remuneration awarded to Group personnel for positions held in subsidiaries is paid directly by the subsidiary to the company that employs them.
(**) Variable remuneration referring to the offices held in BPER Banca and Optima.
(***) Amounts shown on an accruals basis.

Declaration 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 art. 154-bis, para. 2, of Legislative Decree 58/1998 (Consolidated Law on Finance Act) that the accounting information contained in this Report agrees with the books of account, accounting entries and supporting documentation.

Modena, 20 March 2024

The Manager responsible for preparing the Company's financial reports
Marco Bonfatti

Verification by the Internal Audit Function of the 2023 Personnel Remuneration and Incentive Policies and Processes

In compliance with the reference regulations (Bank of Italy Circular no. 285/2013), Internal Audit subjected the remuneration and incentive practices adopted by BPER Banca to an annual audit. The audit concerned the Parent Company BPER Banca and the material legal entities belonging to the Banking Group; the results will be brought to the attention of the corporate bodies of the individual companies.

The objective of the audit was to assess the overall compliance with Circular No. 285 and the adequacy of the 2023 remuneration policies drawn up by the Bank, with particular reference to the process of defining and implementing the Remuneration Policies, and the correct disbursement, in 2023:

- of the remuneration to the members of the Strategic Supervision and Control Bodies;
- of the MBO for MRTs and for the remaining target personnel;
- of the other forms of remuneration paid to employees and, in the form of commissions, the remuneration to contract workers, financial advisors and agents who work with the Group.

The process of defining and managing personnel remuneration and incentive policies is formalised in specific Group Regulations, which establish the roles and responsibilities of BPER Banca's Corporate Bodies, also with a view to guiding and coordinating the Group's Legal Entities. As envisaged, the remuneration policies, the incentive system framework and the scope of the MRTs were approved by the Bodies in 2023, each for the aspects within its competence.

In line with the relevant regulations, Compliance and Risk Management Function assessments were found to be in place.

The analyses on the Remuneration and Incentive Policies confirm the overall consistency of the practices adopted on the subject of remuneration and incentives with what is defined in the Group Policies in force and approved by the Shareholders' Meeting, as well as with the reference external and internal regulations.