

This document is a courtesy translation into English of the Board of Directors' Report on the proposed amendments to the Bylaws. In case of any discrepancies between the English and the Italian version, the Italian version shall prevail.



**EXPLANATORY REPORT  
OF THE BOARD OF DIRECTORS OF BANCO BPM S.P.A. ON ITEM  
10) OF THE AGENDA OF THE ORDINARY SHAREHOLDERS' MEETING**

(Drawn up pursuant to Art. 125-ter of Italian Legislative Decree no. 58 of 24 February 1998, as amended and supplemented, and pursuant to Art. 84-ter of the Regulation adopted by Consob Resolution no. 11971 of 14 May 1999, as amended and supplemented)

**Ordinary Shareholders' Meeting of 20 April 2023**

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**Explanatory report of the Board of Directors of Banco BPM S.p.A. on item 10) of the agenda of the Ordinary Shareholders' Meeting called for 20 April 2023, on single call, in relation to: "Determination of remuneration for members of the Board of Statutory Auditors"**

Dear Shareholders,

in addition to the appointment of the Board of Statutory Auditors for the years 2023-2024-2025, the Shareholders' Meeting, with reference to item 10) of the agenda, is called to resolve on the determination of the annual remuneration due to members of the Board of Statutory Auditors for their entire term of office, i.e. until the date of the Shareholders' Meeting called to approve the financial statements as at 31 December 2025.

In this respect, please note that, as envisaged in Art. 33.7 of the Articles of Association, all members of the Board of Statutory Auditors are due – aside from reimbursement of expenses incurred due to their office – a fixed annual remuneration for the full term of office, established by the Shareholders' Meeting at the time of their appointment.

It should be remembered that the Shareholders' Meeting of 4 April 2020, which appointed the outgoing Board of Statutory Auditors (as updated by the Shareholders' Meeting of 15 April 2021), resolved - in continuity with the remuneration awarded to the directors of Banco BPM for the years 2017-2018-2019, at the time of the merger of the former Banco Popolare and former Banca Popolare di Milano - to award each member of the Board of Statutory Auditors of Banco BPM, for the entire term of office (the years 2020-2021-2022), the following fixed remuneration, to be paid pro-rata in relation to the actual term in office:

- a gross annual remuneration of Euro 160,000 to the Chairman of this Board;
- a gross annual remuneration of Euro 110,000 payable to each Standing Auditor;

in addition to the reimbursement of expenses incurred due to their office and third-party liability insurance cover for members of the Board of Statutory Auditors.

Also note that, pursuant to the Supervisory Provisions of the Bank of Italy on remuneration and incentive policies and practices, contained in Circular no. 285/2013, "members of the body with control functions are precluded from all forms of variable remuneration".

Now, therefore, in consideration of the number of meetings of the Board of Statutory Auditors and the increase in related commitment, among other things, to attending meetings of the Board Committees, it is proposed to adjust the remuneration for standing members (including the Chairman) of the Board of Statutory Auditors, to be appointed for the years 2023-2024-2025, by awarding a gross annual remuneration of Euro 190,000 for the Chairman of the Board of Statutory Auditors and Euro 125,000 for each Standing Auditor - in addition to

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the reimbursement of expenses incurred due to their office, the civil liability policy and a cumulative occupational accident policy, - to be paid pro-rata in relation to the actual term in office. The amount of remuneration to be proposed to the Shareholders' Meeting is determined in accordance with the approval of the remuneration policy by the administrative body, pursuant to Art. 123-ter of Italian Legislative Decree 58/1998.

\* \* \*

Given all of the above, we invite you to adopt the following resolution:

*"The Ordinary Shareholders' Meeting of Banco BPM S.p.A., having examined the Explanatory Report of the Board of Directors made available to the public in the forms and methods required by applicable laws,*

*resolves*

- *to award each standing member of the Board of Statutory Auditors, for the years 2023-2024-2025, a gross annual remuneration of Euro 190,000 for the Chairman of the Board of Statutory Auditors and a gross annual remuneration of Euro 125,000 for each Standing Auditor - in addition to the reimbursement of expenses incurred due to their office, the civil liability policy and a cumulative occupational accident policy - to be paid pro-rata in relation to the actual term in office;*
- *to delegate all powers to the Board of Directors and, on its behalf, to the Chairman and Chief Executive Officer, separately and with sub-delegation option, as necessary or appropriate for the implementation of this resolution."*

Verona, 7 March 2023

The Board of Directors