

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 4) ON THE AGENDA OF THE ORDINARY GENERAL MEETING**

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

Ordinary Shareholders' Meeting of 16 April 2026

Explanatory report of the Board of Directors of Banco BPM S.p.A. on item 4) on the agenda of the Ordinary General Shareholders' Meeting called for 16 April 2026, in single session, regarding:

“Share-based compensation plan of Banco BPM S.p.A.: Short-term incentive plan (2026). Pertinent and consequent resolutions.”

Dear Shareholders,

with reference to item 4) on the agenda, you have been called to the Shareholders' Meeting to resolve, pursuant to article 114-bis, paragraph 1, of the Italian Legislative Decree no. 58 of 24 February 1998, as amended and supplemented (Consolidated Law Finance, "T.U.F."), on the "Share-based compensation plan of Banco BPM S.p.A." for the 2026 short-term incentive plan (the "**2026 Plan**" or the "**S.T.I. Plan**"), which envisages the awarding through the assignment of ordinary shares (the "**Shares**") of Banco BPM S.p.A. (the "**Bank**" or the "**Company**") of a portion of the variable remuneration component, addressed to executive members of the Board of Directors and to employees and non-employed staff of the Banco BPM Group who are identified staff;

The S.T.I. Plan is proposed within the framework of the Policy-on-remuneration ("Policy") adopted by the Group, applicable to the 2026 short-term incentive plan.

The terms and conditions of the S.T.I. Plan are in continuity with previous years.

The features of the S.T.I. Plan are detailed in the disclosure document (the "**Disclosure Document**") prepared by the Bank pursuant to Article 84-bis of Consob Resolution no. 11971/99 as amended and supplemented (the "**Issuers' Regulation**"); the structure of the plan and the Group's Policy are illustrated in the "Policy-on-remuneration report and payouts awarded of Banco BPM Group 2026" (the "**Remuneration Report**").

The Disclosure Document and the Remuneration Report are available to shareholders and the public, in accordance with the law, inter alia, on the website of the authorised storage mechanism www.emarketstorage.it and on the Bank's own website at www.gruppo.bancobpm.it (Section Corporate Governance - Remuneration Policy).

The subject of the remuneration of the executive members of the Board of Directors and of

the identified staff of listed companies and, more specifically, of companies operating in the financial sector, is increasingly attracting the attention of international bodies and regulators, with a view, inter alia, to guide companies to adopt remuneration and incentive systems in line with the company's values, strategies and long-term objectives. In this context, the Banco BPM Group intends to implement the short-term incentive plan (2026). The S.T.I. Plan is addressed to about 155 potential beneficiaries, for whom at least 50% of the awarded incentive is paid through the assignment of Shares, subject to deferral and retention (restriction on sale) clauses of one year. The implementation period of the 2026 STI Plan is between the year of reference for the measurement of the results of the 2026 short-term incentive plan and the actual availability of the last deferred portion in Shares (2032, or 2033 in case of deferral in five years); considering the retention period, the 2026 STI Plan will end in 2033. The expected cost is estimated at about 7 million Euro for the approximately 155 potential beneficiaries of the 2026 STI Plan.

For additional information - including information regarding the reasons motivating the adoption of the S.T.I. Plan, the recipients, the approval or review process, the conditions and results to which the assignment of the Shares is subject and the relating timing of the assignment - please refer to the respective 'Disclosure Document' and the Remuneration Report under item 3) on the agenda of the Shareholders' Meeting.

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In view of the above, we invite you to approve the following proposed resolutions:

Resolution on the short-term incentive plan (2026)

"The Ordinary Shareholders' Meeting of Banco BPM S.p.A:

- examined and noted the content of the Board of Directors' Explanatory Report on the S.T.I. Plan;*
- having acknowledged the contents of the Disclosure Document relating to the S.T.I. Plan, made available to Shareholders and the public in the manner and within the terms provided for by current legislation;*
- taking into account the provisions of the Remuneration Report, also made available to Shareholders and the public in the manner and within the terms provided for by current legislation,*

resolves

1. *to approve, pursuant to Article 114-bis of the T.U.F. and art. 84-bis of the Issuers' Regulations, the 2026 STI Plan, which envisages the awarding of a portion of the variable component of remuneration through the free assignment of ordinary shares of Banco BPM S.p.A. to executive members of the Board of Directors and to Banco BPM Group employees and non-employed staff belonging to the category of the identified staff, proposed as part of the remuneration policy adopted by the Group in relation to the 2026 short-term incentive plan, in the terms and in the manner described in the documentation referred to above;*
2. *to grant a mandate to the Board of Directors and, on its behalf, to the Chairman and the Chief Executive Officer, severally, in order to correctly and promptly execute this resolution and the related and/or consequent formalities and acts, including the implementation of the Compensation Plan, taking into account the provisions of 2026 Policy, granting them for this purpose the broadest powers, including that of delegating the aforesaid activities to the competent functions of the Bank and/or Group Companies and of fulfilling the requirements (including market disclosure) pursuant to applicable regulations or required by the Supervisory Authorities or by the market management company".*

Milan, 3 March 2026

The Board of Directors