



**Policy-on-remuneration
report and payouts
awarded of Banco BPM
Group's staff 2026**





Policy-on-remuneration report and payouts awarded of Banco BPM Group's staff 2026

SECTION I

2026 Policy-on-remuneration report

Prepared in accordance with the Bank of Italy Supervisory Regulations (Circular no. 285/2013, 37th update, First Part, Title IV, Chapter 2 "Remuneration and incentive policies and practices"), with art. 123-ter, Legislative Decree 58/1998, as amended, with art. 84-quater of the Issuers' Regulation (Consob resolution no. 11971/1999, as amended), with IVASS Regulation 38/2018 and related Guidelines and with the Regulation implementing Articles 4-undecies and 6, paragraph 1, letters b) and c-bis) of the Consolidated Finance Law

Published on the Group website gruppo.bancobpm.it
(Section Corporate Governance - Remuneration Policies).

For approval, to the extent of their sphere of authority, by the Corporate Bodies of the Parent Company – Ordinary Shareholders' Meeting on 16 April 2026

(This document is a translation into English of the original document. In case of any discrepancies between the English and the Italian version, the Italian version shall prevail).

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Letter from the Chair of the Remuneration Committee

Dear Shareholders,

I propose the 2026 remuneration policy, which is in line with the highest market standards for listed companies and with the relevant regulatory framework.

The 2025 financial year took place in a particularly complex and unstable environment, in which the Group once again demonstrated its solidity, resilience and ability to achieve results that exceeded expectations. Against a backdrop marked by a hostile public takeover bid – rejected because it was not consistent with the industrial and strategic value of the Group – Banco BPM preserved its autonomy and, at the same time, completed the strategic acquisition of control of Anima Group, a decisive step towards assuming a leadership position in the asset management sector and completing the construction of a more diversified, integrated and value-generating business model.

In this context, the Group's remuneration system has played and continues to play an essential role in aligning the interests of management, shareholders and all stakeholders. In recent years, and even more so in 2025, this role has proved crucial in supporting a growth path based on three pillars: sustainability, risk management and long-term value creation.

The 2025 remuneration policy has proven to be an effective enabling lever because it has rewarded the ability to generate solid and lasting results, but above all because it has incentivised virtuous behaviour: strategic orientation, managerial responsibility, long-term vision and quality of risk management. In a year characterised by strong competition and intense market scrutiny, the incentive system helped management maintain high credit quality, strengthen the capital structure, develop the contribution of product factories and enhance the Group's competitive positioning.

This is the context in which the Remuneration Committee operates. In order to effectively supervise, control and challenge the remuneration framework, the Committee has systematically liaised with the bank's structures, involved the Board Committees on specific issues and sought advice from leading internationally recognised firms.

The 2026 remuneration policy reflects the evolution of the Group's scope – with the entry of the Anima Group – and responds to the need to adopt rules that are fully consistent with the industrial strategy set out in the Strategic Plan, while maintaining the three pillars on which our growth path is based. In line with asset management market practices and in compliance with industry regulations, a specific model has been introduced for asset management companies staff, which provides for variable components paid partly in portion of funds or managed products and, for certain key figures, a specific ratio between variable and fixed remuneration in order to remain competitive in the reference market.

LETTER FROM THE CHAIRWOMAN OF THE REMUNERATION COMMITTEE

The 2026 remuneration policy therefore represents a significant evolution of our system, which, in light of the results achieved, has proven to be effective, designed to support the full implementation of the Strategic Plan, the enhancement and motivation of people, the integration of new product factories and the sustainable creation of value for shareholders.

Thank you for the trust you continue to place in our Group at a time that represents a crucial stage in our strategic and industrial growth.

Manuela Soffientini



Executive summary
2026 Policy-on-remuneration
report

Executive summary

2026 Remuneration Policy

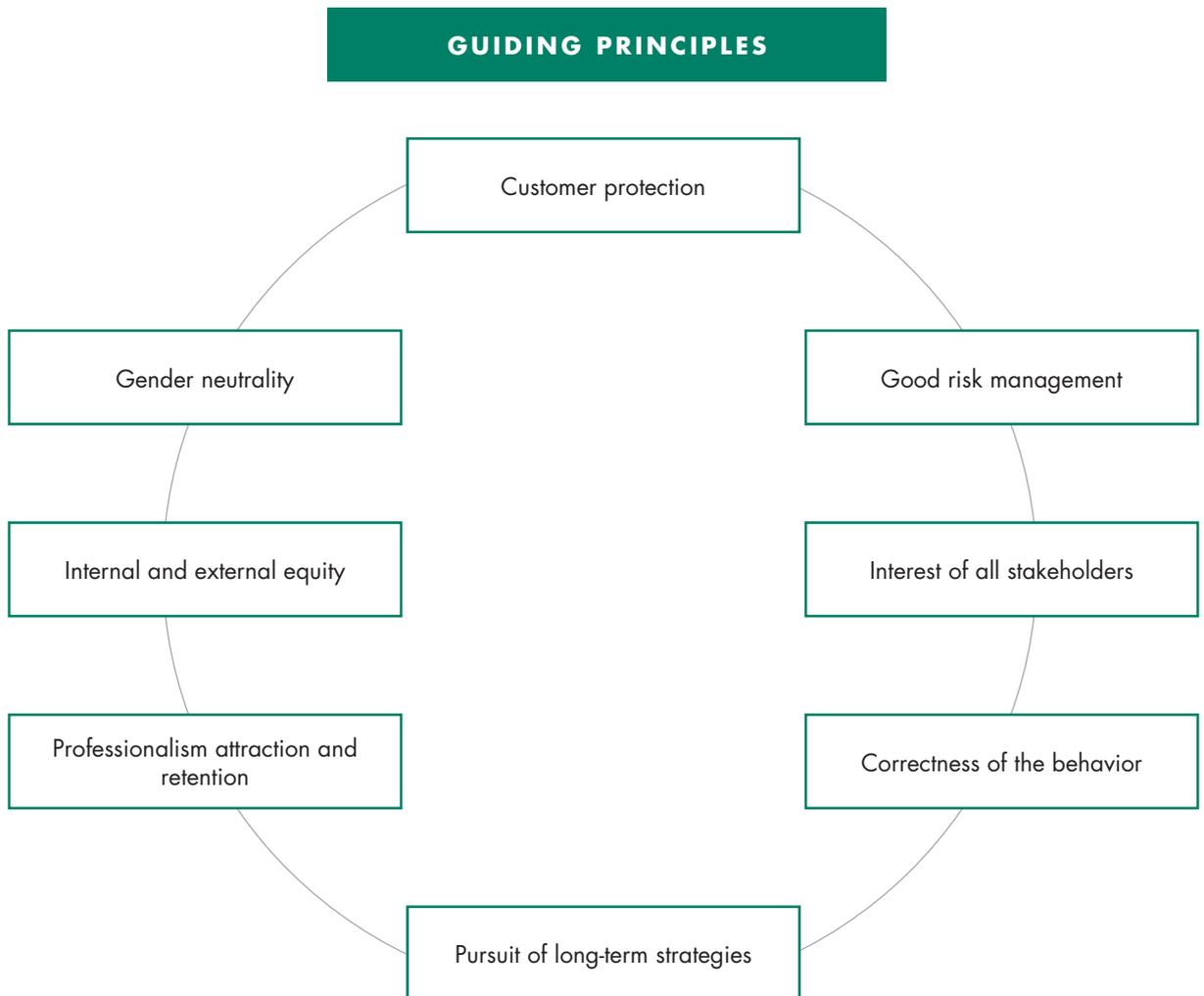
PURPOSE

The remuneration policy represents an important management lever to attract, motivate and retain management and staff. This steers behaviour towards reducing the risks taken on (including legal and reputational), protecting customers and increasing loyalty while also being careful to manage conflicts of interest. The policy also pursues sustainable success, which produces long-term value for the benefit of shareholders in the interest of the Group's stakeholders.

The 2026 Policy defines the guidelines of the remuneration systems to pursue long-term strategies, objectives and results, in line with governance and risk management policies.

The correlation between variable remuneration of staff and ESG (Environmental, Social, Governance) factors is one of the elements of the 2026 Policy. Variable remuneration is therefore related to strategic actions concerning environmental issues, health and safety, human resource management.

The remuneration policy for staff is gender neutral.



Guarantee an adequate remuneration for lasting performance

GOVERNANCE

The Group's remuneration policy establishes general principles and guidelines of coordination that also apply to subsidiaries operating in regulated sectors. Its approval is reserved to the Shareholders' Meeting. Corporate Bodies, internal board committees and company functions are involved in the process of drafting, preparing and approving the policy:

- the Human Resources function ensures technical support to the Corporate Bodies and prepares the supporting documentation;
- the Chief Risk Officer and the Value Planning and Management function identify the strategic and performance objectives to ensure that the remuneration system is consistent with the Company's risk appetite, long-term strategies and objectives;
- the Compliance function verifies the compliance of the remuneration policy with the reference legislative framework;
- the Audit function verifies the correct implementation of the remuneration policy;
- the Board of Directors draws up the remuneration policy with the assistance of the Chief Executive Officer and the Internal Board Committees.

PARENT COMPANY

Corporate bodies

- Shareholders' Meeting
- Board of Directors
- Chief Executive Officer
- Board of Statutory Auditors

Internal Board Committees

- Remuneration Committee
- Internal Control and Risks Committee
- Sustainability Committee

Corporate functions

- Human Resources
- Value Planning and Management
- Administration and Budget
- Secretariat Corporate Affairs
- Participations

Internal control functions

- Chief Risk Officer
- Compliance
- Audit

Since its establishment, Banco BPM has adopted an engagement process with the bank's main investors and proxy advisors in which an overview of remuneration policy issues is also provided and feedback is integrated. The bank also provides a timely response to the questions posed by shareholders, both during the year and at the Shareholders' Meeting to which the Policy-on-remuneration report and payouts awarded is subject to approval. The Shareholders' Meeting approved the 2025 remuneration policy with over 91% of favourable votes.

MAIN NEW FEATURES OF THE 2026 REMUNERATION POLICY

The 2026 Policy has been defined in continuity with the 2025 Policy and takes into account the assessments expressed by shareholders on the latter. It aligns the provisions with the new structure of the Group, following the acquisition of control of the Anima Group. The changes therefore concern the integration of provisions applicable to the staff working in asset management companies, in terms of conditions for access to short-term variable remuneration, maximum limits on the incidence of variable remuneration compared to fixed remuneration, methods of awarding incentives for identified staff through the assignment of fund portions with specific retention periods, and the duration of the deferral period differentiated according to the level of variable remuneration awarded.

IDENTIFIED STAFF

The scope of the Group's identified staff is defined in line with the Group's new organisational structure. The percentage incidence in relation to the Group's staff has increased.

Identified Staff

320 organisational positions

1,7% of Group staff



- Identified staff of Group 133
- Identified staff of legal entity 187

Top Identified Staff

For Parent Company:

Chief Executive Officer, CFO
Co-General Manager, CBO
Co-General Manager, senior operational and executive managers, CRO and First-line managers

For Banca Akros and Banca Aletti:

Chief Executive Officer, General Manager

For Anima Group:

Chief Executive Officer and General Manager of Anima Holding, Chief Executive Officer and General Manager of Anima SGR, Chief Executive Officer and General Manager of Kairos Partners SGR

For Banco BPM Vita and Vera Vita:

Chief Executive Officer

PAY FOR PERFORMANCE (SHORT-TERM INCENTIVE PLAN FOCUS)

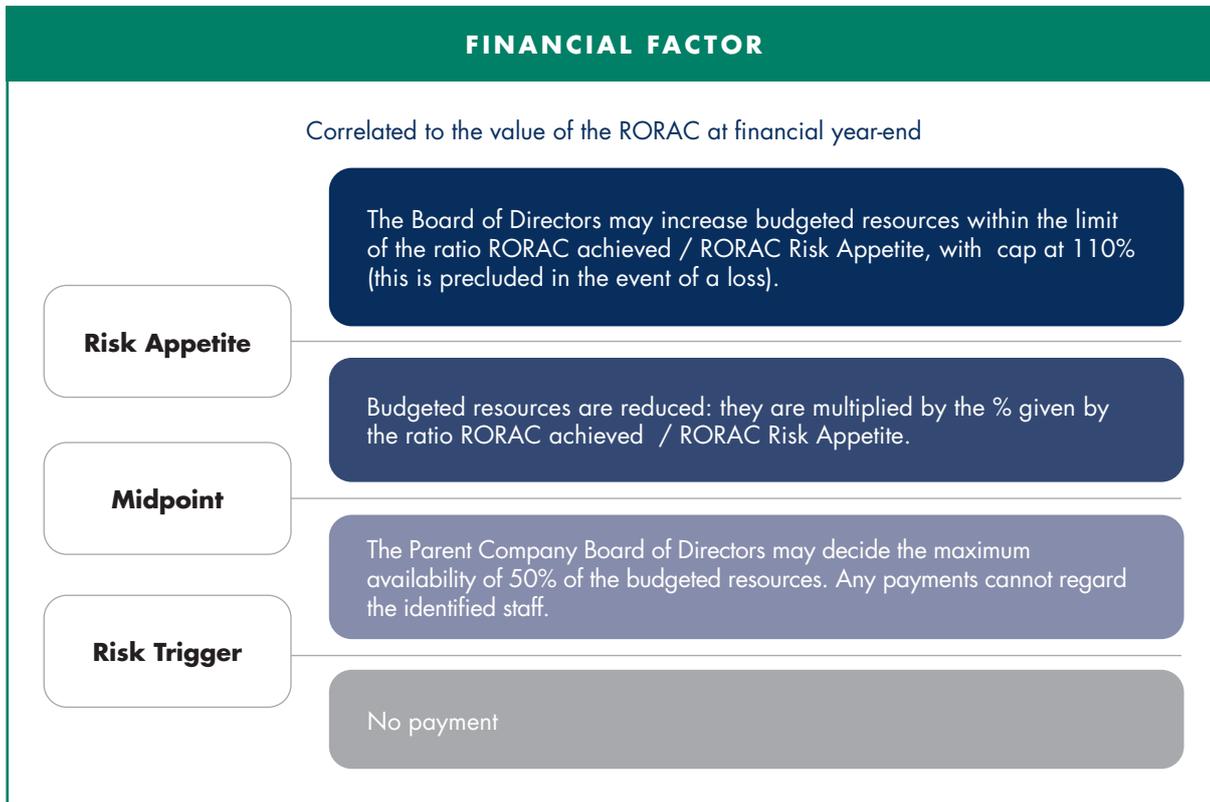
The award of the short-term incentive plan (STI) takes into account the profitability, the necessary levels of capital resources and liquidity (entry gates). For the identified staff of functions with control tasks, the award is not subject to profitability indicators, in order to avoid, as envisaged by the Bank of Italy Supervisory Regulations, the incentive being linked to economic results.

ENTRY GATES		
<p>Consolidated entry gates</p> <ul style="list-style-type: none"> • CET1 ratio > RAF Risk Trigger threshold • MDA buffer > RAF Risk Trigger threshold • LCR regulatory > RAF Risk Trigger threshold • NSFR regulatory > RAF Risk Trigger threshold <ul style="list-style-type: none"> • UOC > 0 not applicable to Anima Group as long as it is listed <p>UOC: profit from current operating activities</p>	<p>Company entry gates In addition to consolidated ones</p> <p>For Banca Akros and Banca Aletti</p> <ul style="list-style-type: none"> • UOC > 0 <p>For Anima SGR and Kairos Partners SGR</p> <ul style="list-style-type: none"> • Capital Requirement > RAF Risk Trigger threshold • EBITDA > 50% budget • AuM funds managed with one Morningstar star rating on AuM fundings managed > RAF Alert threshold <p>For Banco BPM Invest</p> <ul style="list-style-type: none"> • Capital Requirement > RAF Risk Trigger threshold • UOC > 0 	<p>For Anima Holding</p> <ul style="list-style-type: none"> • EBITDA Anima Group > 50% budget <p>For Castello SGR and Anima Alternative SGR</p> <ul style="list-style-type: none"> • Capital Requirement > RAF Risk Trigger threshold • EBITDA > 50% budget • Incidence of net impairment losses YTD on AuM > RAF Alert threshold <p>Per Banco BPM Vita, Vera Vita e BBPM Life</p> <ul style="list-style-type: none"> • Solvency ratio > RAF Risk Trigger threshold

The final amount of economic resources available is determined by applying **pre-established rules**, through:

- the **financial adjustment factor**, which compares the result of the consolidated risk adjusted Return on Risk adjusted Capital (RORAC) profitability indicator with the relative Risk Trigger and Risk Appetite thresholds defined within the Risk Appetite Framework. It acts also as an entry gate: **results equal to or lower than the Risk Trigger eliminate economic resources**. In the event of positive verification of the entry gates and simultaneous consolidated accounting loss, the economic resources provided for in the budget are automatically reduced before the application of the financial adjustment factor;
- **non-financial adjustment factor**, correlated to the results of the consolidated ECAP Reputational Risk and Anti-Money Laundering (AML) indicators with respect to the relevant Risk Trigger thresholds defined in the Risk Appetite Framework. **This mechanism can reduce economic resources**.

For Anima Group staff, as long as it remains listed, the final available financial resources are determined exclusively by the financial adjustment factor, which compares the Anima Group's EBITDA profitability indicator with the relevant budget. This also acts as an entry gate: results equal to or less than 50% of the budget result in zero financial resources. Above this threshold and up to the budget value, resources are reduced: they are multiplied by the percentage given by the ratio between the EBITDA achieved and the budget. Above the budget, the Board of Directors of Anima Holding may increase resources within the limit of the ratio between the EBITDA achieved and the budget, with a cap of 110%.



The **ECAP Reputational Risk** indicator represents the amount of economic capital against reputational risk estimated through an internal model. The status of the Group’s reputation is monitored through the collection and analysis of indicators, that may influence, on the basis of their characteristics, the Group’s reputation in regard to the main stakeholders (customers, shareholders, market counterparties, regulators, employees, and the financial community) employing reporting and forecasting, and considering stress conditions. The indicators refer to the macro areas of market risk, litigation or sanctions, IT services, Corporate Social Responsibility and regulatory affairs. To understand the reputation of the Group discussed on Internet platforms, the internal model also considers a measure relating to the sentiment in the social-media arena, based on machine learning and artificial intelligence techniques and tools. The estimation methodology also includes the assessment of potential negative economic and financial impacts originating from a sudden deterioration of the Group’s image in relation to the possible occurrence of ESG risks.

The **AML** represents the ratio between the number of NDGs (customer identifier) with an expired profile and the total number of NDGs profiles.

NON-FINANCIAL FACTOR

Can reduce the economic resources

		ECAP Reputational Risk	
		Result < Risk Trigger	Result ≥ Risk Trigger
AML	Result < Risk Trigger	no reduction	-10%
	Result ≥ Risk Trigger	-10%	-20%

VARIABLE TO FIXED RATIO

The limit of 2:1 for the ratio between the variable and fixed component of the remuneration for selected figures deemed strategic is confirmed (increase approved by the Shareholders' Meeting of 7 April 2018). Said limit may regard a maximum of 125 people.

2:1	specific strategic persons selected from top identified staff and finance, corporate, investment banking, private banking staff
70%	manager responsible for preparing the Company's financial reports
1/3	other staff of functions with control tasks
1:1	other staff

Within the limits of the faculty granted by the Supervisory Provisions of the Bank of Italy, for non-control staff working in an asset management company, the maximum limit may be above 2:1 and within 4:1.

PAYOUT FOR IDENTIFIED STAFF (SHORT TERM INCENTIVE)

The variable remuneration of identified staff is paid over six or five years, divided into an up-front portion and five or four annual deferred portions **subject to the positive verification of future conditions**.

The **up-front portion** is equal to 60%, if the annual variable remuneration is less than € 455,000, or 40%, in cases where it is equal to or greater than € 455,000. 50% of the up-front portion is awarded in Banco BPM ordinary shares.

The **deferred portions** consist of:

- five annual instalments of the same amount, deferred in the five-year period following the year of vesting of the up-front portion, for 55% in Banco BPM ordinary shares, for:
 - senior identified staff;
 - the managers of main business lines of Banca Akros or Banca Aletti directly reporting to the Chief Executive Officer or senior management of Banca Akros or Banca Aletti, if the variable remuneration amount paid is equal to or greater than Euro 455,000;
- four equal annual instalments, deferred in the four-year period following the year of vesting of the up-front portion, for 50% in Banco BPM ordinary shares, for identified staff not indicated in the previous point.

For the vested shares, a one-year retention period is envisaged (selling restriction) for both up-front, and for deferred shares. The vesting of each deferred portion is subject to fulfilment of the consolidated entry gates envisaged for the short-term incentive plan of the financial year preceding the vesting of the same (malus mechanism).

For identified staff working in significant asset management companies, 50% of the incentive is awarded in shares of the funds managed, instead of Banco BPM shares, and the incentive is deferred:

- 60% in five portions (the first equal to 40% of the deferred component, the remaining portions equal to 15%) for the Chief Executive Officer, the General Manager, the Co-General Manager and other identified staff whose incentive exceeds 3:1 of their fixed remuneration;
- 50% in three portions (the first equal to 40% of the deferred component, the remaining portions equal to 30%) for other identified staff whose incentive is between 1:1 and 3:1 of fixed remuneration;
- 40% in three portions (the first equal to 40% of the deferred component, the remaining portions equal to 30%) in the remaining cases.

For identified staff working in non-significant asset management companies, the incentive is awarded in cash and deferred for 40% in three portions (the first equal to 40% of the deferred component, the remaining portions equal to 30%).

For the Anima Group, the vesting of each deferred portion is subject to fulfilment of the consolidated capital adequacy and liquidity entry gates envisaged for the short-term incentive plan of the financial year preceding the vesting of the same (malus mechanism), as well as of specific profitability conditions.

As required by the Supervisory Provisions of the Bank of Italy, if the annual individual variable remuneration is lower than or equal to € 50,000 and simultaneously lower than or equal to 1/3 of the total annual individual remuneration, the relative amount will be paid in cash and in a lump sum; in line with sector practices, for the identified staff working in asset management companies, the threshold is euro 80,000.



Payment of the incentive awarded in the case of:

- A: Senior identified staff, variable remuneration < 455,000 €
- B: Senior identified staff or heads of main business lines of Banca Akros or Banca Aletti, directly reporting to the CEO or to the senior management of Banca Akros or Banca Aletti, variable remuneration ≥ 455,000 €
- C: Identified staff included in the heads of main business lines of Banca Akros or Banca Aletti, directly reporting to the CEO or to the senior management of Banca Akros or Banca Aletti, and other identified staff, variable remuneration < 455,000 €
- D: Other identified staff, variable remuneration ≥ 455,000 €

OTHER STAFF PAYOUT (SHORT TERM INCENTIVE)

The short-term incentive for the remaining staff is paid in a lump sum.

With a view to staff retention and in line with the "Guidelines on certain aspects of the MIFID II remuneration requirements", for the recipients of the scorecard in the private banking network, provision is made for the deferred disbursement in the following year of any incentive to be awarded for the portion correspondent to 25% of the same.

For staff in the Investment Department of significant asset management companies, 40% of the incentive is deferred (subject to future vesting conditions) over the following two years if it exceeds 100% of the fixed remuneration and, at the same time, euro 50,000.

MALUS AND CLAW-BACK PROVISIONS

If during the year any misconduct is ascertained, the action to take is assessed, which may reduce or cancel the variable remuneration for the financial year and may trigger mechanisms to repay the variable remuneration amounts already vested (claw-back clause), from the time of their vesting up to the following five years.

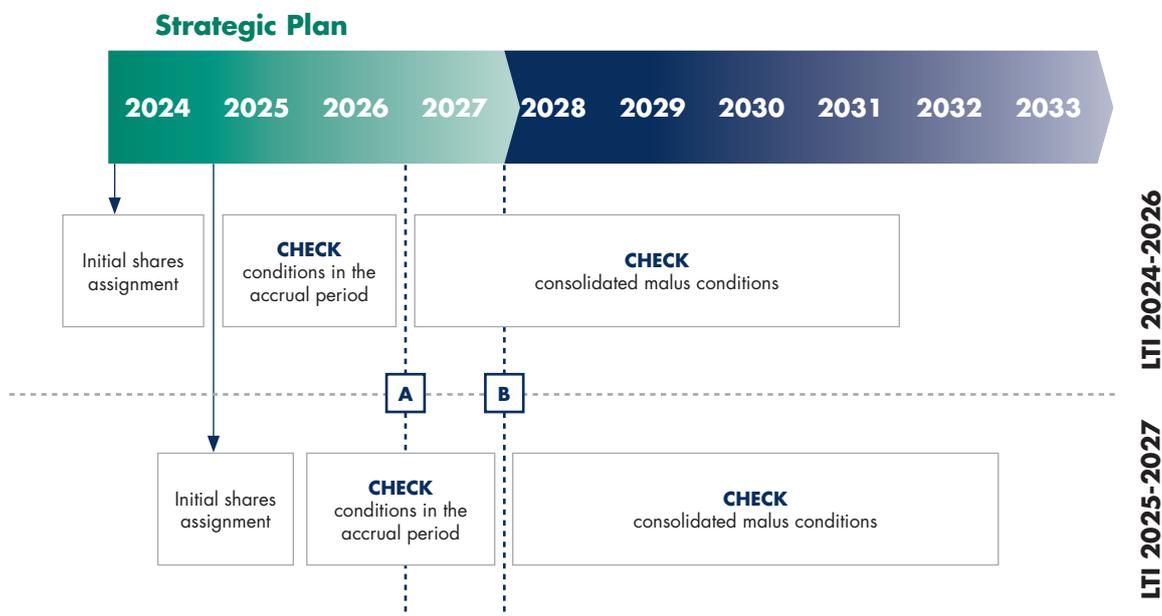
MISCONDUCT

- suspension from office
- non-compliant behaviors which resulted in a loss deemed significant
- breaches of the requirements stated pursuant to art. 26 or, when the person is an interested party, pursuant to art. 53 of the Consolidated Bank Law, or pursuant to art. 76 of the Code of Private Insurance, or pursuant to art. 13 or, when the person is an interested party, art. 6, paragraphs 2-octies and 2-novies, of the Consolidated Finance Law
- violation of the obligation not to use personal hedging strategies or insurance on remuneration
- fraudulent or grossly negligent conducts to the detriment of the Group or which resulted in a significant damage to customers

Furthermore, for the staff of significant asset management companies, if investment limits in the financial year are exceeded and/or gross performances are negative and exceed risk limits for two consecutive financial years, a reduction or cancellation of the incentive for the financial year and/or deferred portions is assessed.

LONG TERM INCENTIVE (LTI)

The Long-Term Incentive plan supports the update of the Strategic Plan to 2027 approved by the Board of Directors on 11 February 2025, to pursue results that create long-term value for all relevant stakeholders, and provides for two assessment periods (2024-2026 LTI plan, approved by the Shareholders' Meeting on 18 April 2024, and 2025-2027 LTI plan, approved by the Shareholders' Meeting on 30 April 2025).



CHECK gates and CHECK performance objectives

- A LTI 2024-2026
- B LTI 2025-2027

The plan is in line with the risk appetite framework and with risk governance and management policies. It is related to financial and non-financial indicators, including ESG targets.

The LTI incentive is paid in full in Banco BPM ordinary shares and commensurate with the conditions and long-term performance objectives of the Group.

After the three years of the accrual period, upon the occurrence of all conditions, the LTI incentive to be awarded is paid in an up-front portion (40%) and in deferred portions which will be paid after the positive verification of all the conditions envisaged in the vesting period.

The same malus and claw-back conditions as the short-term incentive plan are envisaged.

PLAN CONDITIONS AT THE CONSOLIDATED LEVEL

INDICATOR	2024-2026 LTI	2025-2027 LTI	COMPARISON VALUE
CET 1 ratio (*)	✓	✓	
Leverage ratio (*)	✓		> risk threshold in the last year of the performance period (*) defined in the RAF
MDA buffer (*)	✓	✓	
NSFR regulatory (*)	✓	✓	
UOC (*)	✓	✓	> 0

(*) 2026 for the 2024-2026 LTI plan, 2027 for the 2025-2027 LTI plan.
 Failure to fulfil just one of the conditions will mean that the corresponding LTI incentive will not be awarded.

For each year, if the consolidated CET1 ratio < threshold for the short-term incentive plan: -10% shares.

PERFORMANCE OBJECTIVES

No shares are awarded below the minimum levels (floor).
Above the maximum levels (cap) the number of shares to be awarded does not increase further.

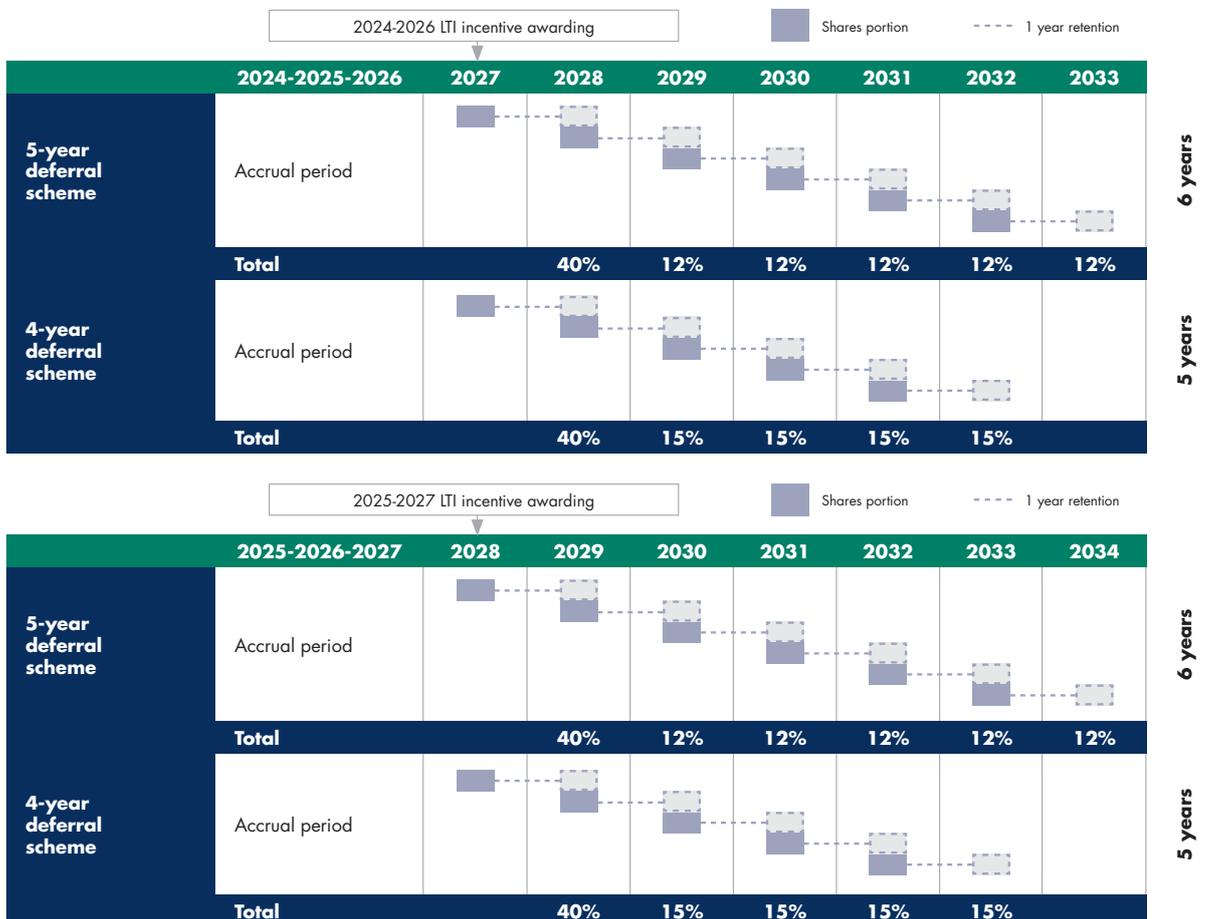
2024-2026 LTI	WEIGHT	FLOOR	CAP
ROTE as at 2026	35%	10%	13,5%
Gross NPE ratio as at 2026	30%	4%	3%
Total Shareholder Return	20%	16%	44%
Increase in women in managerial positions as at 31/12/2026(*)	15%	+15%	+20%
Green, Social & Sustainable bond issues		€ 3.75 bn	€ 5 bn

2025-2027 LTI	WEIGHT	FLOOR	CAP
ROE as at 2027	35%	13%	18%
Gross NPE ratio as at 2027	30%	4%	3%
Total Shareholder Return	20%	18%	46%
Increase in women in managerial positions as at 31/12/2027(*)	15%	+11%	+17%
Green, Social & Sustainable bond issues		€ 3.75 bn	€ 5 bn

(*) For the 2024-2026 LTI plan, the increase is with respect to the percentage of female staff out of the total number of managerial roles, recorded on 31/12/2023. For the 2025-2027 LTI plan, the increase is with respect to the percentage of female staff out of the total number of managerial roles, recorded on 31/12/2024 (this percentage is higher than the one recorded on 31/12/2023).

CONDITIONS DURING THE VESTING PERIOD

For each year: consolidated malus conditions relating to the short-term incentive plan



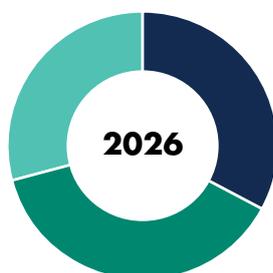
Total remuneration

The Chief Executive Officer’s remuneration envisages a mix of fixed and variable components. The variable component is divided between the short-term (STI short-term incentive plan) and the long-term (LTI long-term incentive plan).

At the meeting on 13 March 2025, the Board of Directors determined the fixed remuneration of the Chief Executive Officer, on the proposal of the Remuneration Committee and with the positive opinion of the Board of Statutory Auditors. At its meeting on 17 February 2026, on the proposal of the Remuneration Committee and with the opinion of the Board of Statutory Auditors, the Board of Directors determined the maximum incentive to be associated with the 2026 short-term incentive plan. Considering the maximum incentive associated with the long-term incentive plan (approved by the Board of Directors at the start of the plan), in line with previous years the maximum variable component of remuneration (i.e., to be awarded only in the event of maximum overperformance) is equal to twice the fixed component, in accordance with the provisions of the Shareholders’ Meeting.

Remuneration components – Incidence compared the cap (2:1)

- fixed remuneration 33%
- STI 38%
- (annual pro rata) LTI 29%



In compliance with the cap of 2:1

Shareholding of the CEO as at 31/12/2025 (number of shares)

2,445,246

The countervalue far exceeds the minimum requirements set in companies that adopt shareholding guidelines (usually between 0.5 and 3 times the fixed remuneration), based on the official closing price of 3/3/2026.

The maximum number of shares awardable for the LTI plan is determined ex ante based on the maximum opportunity and the arithmetic mean of the official prices of the thirty days preceding the Shareholders’ Meeting that approves it. This number is equal to 510,394 for the 2024-2026 LTI plan and 159,243 for the 2025-2027 LTI plan. For the 2026 STI plan, the number of shares is estimated at 88,789, based on the official closing price on 3/3/2026 (equal to euro 11.64), the date of the Board of Directors’ meeting that resolved to submit the relevant compensation plan to the Shareholders’ Meeting.

Short term incentive (goal setting STI)

For the Chief Executive Officer of the Parent Company, the same provisions envisaged for the identified staff not belonging to functions with control tasks are applied (consolidated entry gates and financial and non-financial adjustment factors).

The objectives assigned for 2026 concern the areas of profitability, credit and asset quality, capital adequacy and ESG (Environmental, Social and Governance). The objectives represent a combination of quantitative and qualitative criteria with respect to the Group’s results.

The risk-based indicators account for 90% of the total. The ESG indicators represent 20% of the total. The result curves of the objectives approved by the Board of Directors are closely related to the Appetite, ensuring full consistency with the RAF framework. The weighted score attributed to each KPI amounts to 80% of the weight assigned

Consolidated entry gates

- CET1 ratio
- MDA buffer
- LCR regulatory
- NSFR regulatory
- UOC

Financial factor

- RORAC with prior reduction in case of a consolidated accounting loss

Non-financial factor

- ECAP Reputational Risk
- AML

in the case of a minimum result and 120% in the case of a maximum result. The amount of the incentive is quantified in proportion to the performance achieved, only if the sum of the weighted scores of the individual KPIs is at least equal to 80% (in that case, the incentive amounts to 80% of the target incentive), otherwise the incentive is not awarded. If the maximum overperformance of 120% is achieved, the incentive amounts to 120% of the target incentive (corresponding to 115% of fixed remuneration excluding benefits).

performance	<80%	80%	100%	120%
incentive	0	76% fixed remuneration (*)	96% fixed remuneration (*)	115% fixed remuneration (*)
	<i>(*) excluding benefits</i>			

AREA	OBJECTIVE	WEIGHT	MIN	TARGET	MAX	
Profitability	Consolidated RORAC (*)	20%	-10%		+2.5%	
	Consolidated Cost to Income ratio (*)	20%	+2.5%		-1.5%	
Credit and asset quality	Credit Policies Indicator (*)	20%	-2.5%	Risk Appetite	+2.5%	
Capital adequacy	Maximum Distributable Amount (MDA) buffer (*)	20%	-10%		+2.5%	
Sustainability (**)	- Low-Carbon MLT new financing (*) (weight 60%)	10%	-10%	6,05 bn	+5%	
	- ESG Bond - % share of Banking Book Corporate (*) (weight 40%)		-2%	40%	+1%	
	Qualitative assessment of management activities as a whole formulated by the Board of Directors, after consultation with the Committees (Remuneration, Internal Control and Risks, Sustainability), also taking into account the following drivers:					
	- monitoring and development of areas related to prudential transition Plans in compliance with EBA Guidelines on ESG risks - monitoring and development of areas related to the Corporate Sustainability Reporting Directive - monitoring of operational and reputational risk and dissemination of risk culture - promotion of values and behaviours in line with the corporate culture		10%	in line with expectations	above expectations	excellent

(*) Risk-based objective, RAF indicator.

(**) Objective of ESG nature.

Long term incentive (LTI)

The features of the Long Term Incentive plan are represented on pages 15 and 16.

Short term incentive (goal setting STI)

The provisions for the identified staff of the reference category (i.e., belonging or not to the functions with control tasks) apply to executives with strategic responsibilities. The variable remuneration is defined within the maximum limit envisaged, having as reference the level of the position, the type of activity carried out also in relation to proximity to the business, the overall individual remuneration with reference to market benchmarks and the need for differentiation for purposes of retention. The objectives assigned represent a combination of quantitative and qualitative criteria.

The weighted score attributed to each KPI amounts to 80% of the weight assigned in case of a minimum result and 120% in case of maximum result. The amount of the incentive is quantified in proportion to the performance achieved, only if the sum of the weighted scores of the individual KPIs is at least equal to 80% (in that case, the incentive amounts to 80% of the target incentive), otherwise the incentive is not awarded. If the maximum performance of 120% is achieved, the incentive amounts to 120% of the target incentive.

Functions without control tasks

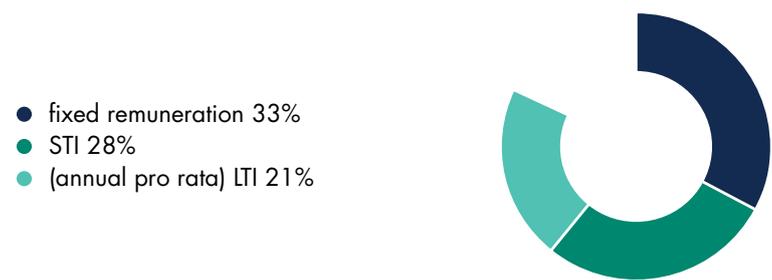
The objectives assigned to executives with strategic responsibilities not belonging to functions with control tasks, including the Co-General Managers of the Parent Company, regard the areas of profitability, credit and asset quality, capital adequacy and qualitative aspects, with reference to the implementation of ESG initiatives and operational and reputational risk.

<p>Consolidated entry gates</p> <ul style="list-style-type: none"> • CET1 ratio • MDA buffer • LCR regulatory • NSFR regulatory • UOC 	<p>Financial factor</p> <ul style="list-style-type: none"> • RORAC with prior reduction in case of a consolidated accounting loss <p>Non-financial factor</p> <ul style="list-style-type: none"> • ECAP Reputational Risk • AML
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AREA	INDICATORS	WEIGHT
Cross-departmental objectives	Consolidated RORAC, operational risk indicators	25%
Structural objectives	Indicators related to growth, profitability, productivity or to strategic action directly relating to the scope of responsibility.	55%
ESG	Indicators related to the Environmental, Social and Governance area, by way of example, relating to the annual definition of the ESG objectives of the Strategic Plan.	10%
Quality performance	Assessment of specific drivers also referring to the area of sustainability.	10%

The risk-based indicators represent at least 45% of the total.

Components of remuneration - Average incidence compared to the cap (2:1)



Functions with control tasks

The objectives assigned to the executives with strategic responsibilities of functions with control tasks relate to the verification activities in the areas of competence, risk management and qualitative aspects, with reference to the resolution of findings.

Consolidated entry gates	Non-financial factor
<ul style="list-style-type: none"> • CET1 ratio • MDA buffer • LCR regulatory • NSFR regulatory 	<ul style="list-style-type: none"> • ECAP Reputational Risk • AML

AREA	INDICATORS	WEIGHT
Operational excellence or compliance	Indicators related to the effectiveness of control activity and to the resolution of findings and to risk culture, for internal control functions.	30%-35%
Structural objectives	KPIs related to the scope of responsibility or to activities performed with relation to the position, also in reference to the ESG context.	55%-60%
Quality performance	Assessment by the manager, on specific drivers also referring to the area of sustainability.	10%

Risk-based indicators represent at least 25% of the total.

Components of remuneration - Average incidence compared to the cap

- fixed remuneration 75%
- STI 25%



The criteria and limits approved by the Shareholders' Meeting of 20 April 2023 remain unchanged.

Amounts for early termination of contract can be awarded up to a maximum limit of 24 months of fixed remuneration (excluding indemnity for lack of notice, determined by legislative provisions) and for up to a maximum limit of € 3.4 million (gross amount). The combination of said maximum limit, the indemnity for lack of notice and any non-competition clauses upon termination of contract gives rise to an amount that falls within the limit of 24 months of remuneration including the short-term variable amount, a criterion commonly used in the Italian market.

Payment will be made upon termination of contract, even in the case of individual agreements entered into in view of the early conclusion of contract. **This shall depend on the positive assessment of the capital adequacy and liquidity conditions at consolidated level** relating to the previous year, correlated to the Common Equity Tier 1 (CET1) ratio and the regulatory Liquidity Coverage Ratio (LCR).

The amount is determined by considering each relevant element, and in any event:

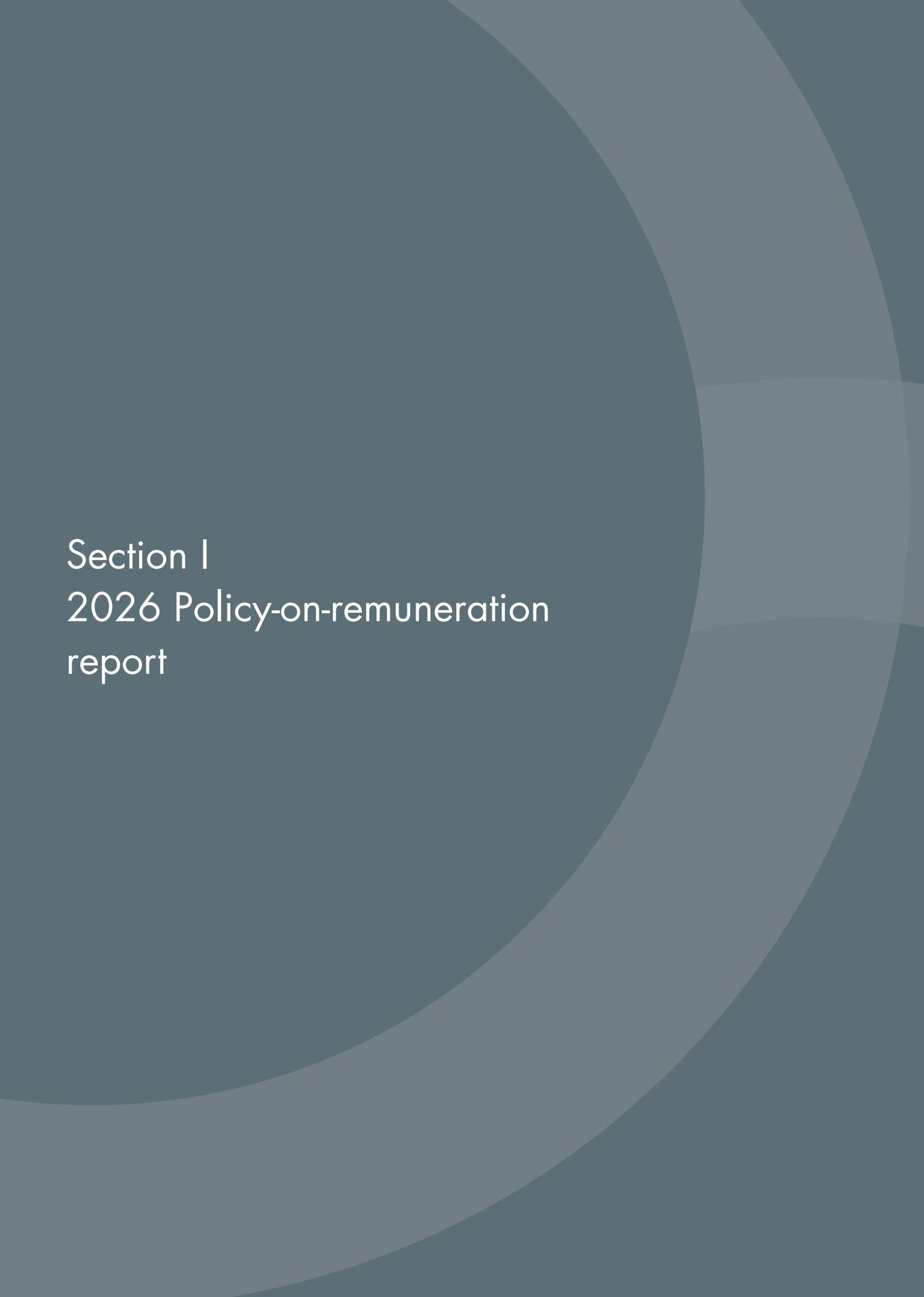
- the positive results achieved over time;
- the circumstances that led to the termination, taking into account the interests of the company also to avoid an error of judgement;
- the tasks performed and/or positions held in the course of the contract, also in the sense of risks assumed by the subject;
- the duration of the contract and of the job;
- savings as a result of early termination of contract.

For identified staff, any golden parachute awarded is paid over a period of several years and partly in shares or fund portions subject to specific retention periods.

		LCR REGULATORY		
		R > RISK TOLERANCE	MIDPOINT (*) ≤ R ≤ RISK TOLERANCE	R < MIDPOINT (*)
CET1 RATIO	R > RISK TOLERANCE	Severance can be awarded.	The Parent Company Board of Directors can decide the potential availability of economic resources.	No award.
	MIDPOINT (*) ≤ R ≤ RISK TOLERANCE	The Parent Company Board of Directors can decide the potential availability of economic resources.	The Parent Company Board of Directors can decide the potential availability of economic resources.	No award.
	R < MIDPOINT (*)	No award.	No award.	No award.

(*) Midpoint between the Risk Capacity and Risk Tolerance thresholds.

The Issuers' Regulation requires to indicate the elements of the policy that can be temporarily waived in the exceptional circumstances indicated in art. 123-ter of the Consolidated Finance Law, in which the derogation is necessary for the pursuit of the long-term interests and sustainability of the Group as a whole or to ensure its ability to remain on the market. In application of this regulation, the possible interventions concern the economic parameters of the short-term incentive and long-term incentive plans. Therefore, the elements of the policy from which a derogation is possible do not include the provisions relating to severance payments.



Section I
2026 Policy-on-remuneration
report

Section I

Remuneration policy 2026

DEFINITIONS

The following definitions are used in this document, subject to that covered by the Supervisory Regulations:

- Parent Company, Banco BPM parent company of the Banco BPM Group;
- Group companies, the Parent Company and subsidiary companies (the Banco BPM Banking Group companies and the insurance companies);
- Bank of Italy Supervisory Regulations, Circular no. 285/2013 "Supervisory Provisions for Banks", update 37 of 24 November 2021, First Part, Title IV, Chapter 2 "Remuneration and Incentive Policies and Procedures";
- Provisions for the asset management sector, the Regulation implementing Articles 4-undecies and 6, paragraph 1, letters b) and c-bis) of the Consolidated Law on Finance (TUF) issued by the Bank of Italy with a provision dated 5 December 2019 and subsequent updates;
- Staff, where not otherwise specified, the members of Bodies with supervisory, management and control functions, employees and non-employed staff (including financial agents, insurance agents and financial advisers available for outside offers);
- Identified staff – individuals whose professional activity has, or could have, a significant impact on the risk profile of the Group, the bank, the insurance company or the asset management company;
- other staff, all those not included among the identified staff;
- internal control functions, the functions and the structures of the Parent Company responsible for compliance with regulations (Compliance), anti-money laundering, internal audit (Audit), risk control (Chief Risk Officer) and validation (Internal Validation) and the functions and structures of asset management companies responsible for compliance with regulations (Compliance), risk control (Risk Management) and internal audit (Audit);
- key functions, the functions and structures of the insurance companies: Compliance, Internal Audit, Risk Management, actuarial;
- functions with control tasks, the internal control functions, the financial reporting manager for corporate accounting documents of a bank, the key functions and the anti-money laundering function of the insurance companies and asset management companies;
- fixed remuneration, the remuneration that is stable and irrevocable, determined and paid on the basis of pre-established and non-discretionary criteria that do not create incentives to take risks and do not depend on the bank's performance. By way of example, it includes the GAR, fixed remuneration for the position, role allowance and benefits. For details, please refer to paragraphs 5.1, 5.2 and 5.3;
- incentive, the amount of variable remuneration linked to annual targets (short-term incentive plan and variable component linked to operating results);
- long-term incentive, the amount of variable remuneration linked to the long-term incentive (LTI) plan;
- bonus pool, the consolidated financial resources provided for in the annual budget used to pay the incentive;

- award, the granting of variable remuneration for a specific accrual period, regardless of the actual point in time when the awarded amount is paid;
- vesting, the effect by which the member of staff becomes the legal owner of the awarded variable remuneration, regardless of the instrument used for payment or the fact that the payment is subject to further retention periods or to return mechanisms;
- assignment of financial instruments, the company's commitment to an individual to award financial instruments subject to the fulfilment of specific conditions envisaged in the short-term and long-term incentive plans;
- deferral, any form of postponement, in an established time frame, of the vesting of part of the variable remuneration;
- UOC, profit from current operating activities before tax net of non-recurring items identified for the purpose of complying with CONSOB Communication no. DEM/6064293 of 28 July 2006 and reported in the Directors' Report on Group Management for the year 2026, minus any gains or losses resulting from the fair value measurement of the certificates issued. The method used to calculate the UOC is regulated by an internal process rule;
- Risk Appetite Framework (RAF), the Group's reference framework that defines risk appetite, tolerance thresholds, limits of risk, risk management policies and the processes needed to define and implement them.

1. REFERENCE LEGISLATIVE FRAMEWORK

In the banking area, on 24 November 2021, the Bank of Italy issued provisions on remuneration policies and practices in banks and banking groups (update 37 of Circular no. 285/2013, hereinafter Bank of Italy Supervisory Regulations), to implement the new contents of Directive 2019/878/EU (CRDV) and the "Guidelines for sound remuneration policies"¹ of the European Banking Authority (EBA), which implement the Directive.

On 19 March 2019, the Bank of Italy updated the "Provisions on the transparency of banking and financial transactions and services. Fairness of relationships between intermediaries and customers" (Transparency Provisions) with which, inter alia, the "Guidelines on remuneration policies and practices for staff responsible for offering banking products and for third parties employed in the banking network sale" were implemented, issued by the EBA in September 2016².

With regard to investment services, the Intermediaries Regulation applies, adopted by CONSOB with resolution no. 20307/2018 (art. 93) and most recently updated with Resolution of 28 July 2022, as well as Delegated Regulation 2017/565/EU which supplements Directive 2014/65/EU (MiFID II). The "Guidelines on certain aspects of MiFID II remuneration requirements" issued by the European Securities and Markets Authority (ESMA) are also relevant.

With reference to the insurance sector, on 3 July 2018 the Italian Insurance Authority (IVASS) issued IVASS Regulation no. 38 on the corporate governance of companies and insurance groups, which implements Directive 2009/138/EU (Solvency II), implements the Guidelines of the European Insurance and Occupational Pensions Authority (EIOPA) on the corporate governance system and contains the provisions relating to the remuneration policy.

¹ Issued on 2 July 2021.

² In December 2016 in the Italian version.

For the asset management sector, reference should be made to the Regulation implementing Articles 4-undecies and 6, paragraph 1, letters (b) and (c-bis) of the Consolidated Law on Finance (TUF) (hereinafter, the "Provisions for the asset management sector"), issued by the Bank of Italy on 5 December 2019 and subsequently updated in accordance with Directive 2009/65/EC of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to certain undertakings for collective investment in transferable securities ("UCITS"), as amended, and Directive 2011/61/EU of 8 June 2011 on Alternative Investment Fund Managers, amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 ("AIFMD"), as subsequently amended.

With regard to listed companies, articles 123-ter of Legislative Decree 58/1998 and 84-c of the Issuers' Regulation (CONSOB Resolution no. 11971/1999) apply, which have implemented the provisions contained in the Shareholder Rights Directive 2 (2017/828/EU). In addition, in terms of self-regulation, the Corporate Governance Code of January 2020 applies.

The 2026 Policy complies with the above-mentioned regulatory framework of reference and transposes Delegated Regulation (EU) no. 923/2021 of 25 March 2021, published on 9 June 2021, concerning the technical regulatory standards for the identified staff, and Regulation (EU) 2021/637, concerning the technical standards for drawing up the information on the main elements of the remuneration policy and its related implementation methods.

Please refer to the sections implementing the transparency provisions: par. 2 Purpose and Principles of the 2026 Policy, par. 5.3 Remuneration of External Non-Employed Staff, par. 6.5 Short-term Incentive Plan, par. 6.7 Malus and Claw-Back Mechanisms.

2. PURPOSE AND PRINCIPLES OF THE 2026 POLICY

The remuneration policy represents an important management lever to attract, motivate and retain staff. This steers behaviour towards reducing the risks taken on (including legal and reputational), protecting customers and increasing loyalty while also being careful to manage conflicts of interest. The policy also pursues sustainable success, which produces long-term value for the benefit of shareholders in the interest of the Group's key stakeholders.

The 2026 Policy defines the guidelines of the remuneration systems to pursue long-term strategies, objectives and results, in line with governance and risk management policies. The correlation between the variable remuneration of management and staff and ESG (Environmental, Social, Governance) factors is one of the elements of the 2026 Policy. Variable remuneration is therefore related to strategic actions concerning environmental issues, health and safety and human resource management.

The 2026 Policy was also drawn up in accordance with the results of the analysis of the remuneration policies of the main competitors to identify the best market practices and establish mechanisms which, in compliance with the legislative framework, enable the Group to attract and retain individuals whose professionalism and expertise meet the Company's needs, with a view to achieving a competitive advantage and good governance. The peer group consists of Intesa Sanpaolo, UniCredit, BPER Banca and Monte dei Paschi di Siena.

Pursuing internal fairness as regards remuneration has a profound impact on staff motivation and therefore, on performance; evaluating it with respect to the external labour market enables the best talents to be retained as well as attracting external ones.

For this purpose, the Group has implemented a system for assessing positions with the support of a leading consultancy company using the international IPE (International Position Evaluation) methodology.

With reference to the population of executives with strategic responsibilities, with the support of an advisory company, an advanced benchmarking technique was developed, which integrates a "broadbanding" approach, to also factor in the element of Talent Management and, in a more targeted manner, the excellence and future potential of top managers.

The remuneration comparison is made by considering roles with a fully comparable scope of activities in each peer and, to assess the correct market reference, in addition to the positioning of the role of Banco BPM with respect to the quartiles, the Position Class (according to the IPE model) of the peers is also assessed as well as the personal history of each manager (e.g. seniority in the role, professional path, salary growth in the last three years).

Peer group retributivo

*Intesa Sanpaolo, Unicredit, Banca Popolare dell'Emilia-Romagna,
Mediobanca, Poste Italiane e Mediolanum*

For the other managerial positions, the peer group refers to specific companies operating in the asset management sector or to the Italian banking sector; in the latter case, the comparison is carried out by Position Class within the relevant professional family.

Banco BPM's staff remuneration policy is gender neutral.

In particular, the Group guarantees that the remuneration and incentive systems are independent of gender (as well as any other form of diversity); the principles that the bank adopts in its processes are actually based on the responsibilities fulfilled, the professional skills, the seniority accrued, the merit and the specific requirements of attraction and retention, regardless of gender.

The principle of gender neutrality of staff is part of the Group's people strategy: the objective of promoting inclusion and the enhancement of the talent and diversity of each individual is one of the enabling factors of the Strategic Plan, based on a people-oriented approach to develop their skills and expertise.



Since 2021, the Group has been ahead of regulatory requirements by implementing measures to increase the representation of women in managerial positions. In this context, it has adopted measures concerning the selection, training and development processes. The initiatives implemented have resulted in a significant increase in female staff in managerial roles, which has risen by approximately 68%³. The share of female staff in managerial positions is therefore 33% at present³. In particular, the representation of women in managerial roles has increased in virtually all managerial levels of both headquarters and the sales network. Banco BPM is consolidating the growth path of female management, both in quantitative terms (more women in managerial roles) and qualitative (access to roles of greater complexity and responsibility), a sign of a pipeline of female talent that is strengthening year after year. In the processes of the identification and validation of candidates for managerial roles, the presence of an adequate number of female profiles is always guaranteed. The Group also expects to further increase the proportion of women in managerial positions by 2027, with a target of 36% in absolute terms.

The gender pay gap is measured and monitored on the basis of the regulatory framework. The overall difference between the average remuneration of men and women expressed as a percentage of the average remuneration of men (Raw Gap), albeit being a material indicator, does not take into account the type of work carried out and is therefore affected by the different gender distribution in the organisation (different distribution of women and men among the highest paid roles). Therefore, as required by said regulatory framework which establishes that banks can identify additional methods for recognising and monitoring the gender pay gap, Banco BPM, in line with the best practices observed in banking, has adopted an analysis methodology (Equal Pay for Equal Work) which splits the population into clusters (Job Class): for managers, the responsibilities and complexity of the activities managed are considered (according to the international IPE methodology), and for the remaining staff the type of activity carried out. This system makes it possible to verify that staff receive equal remuneration based on the same value of the managerial position or activity carried out, and to identify any gender pay misalignments, in order to identify the actions to be taken.

The Equal Pay for Equal Work (calculated as the average of the gender pay gap of each job class weighted by the relative number of people) is decidedly lower than the Raw Gap as it is not affected by the different gender distribution within the organisation.

³ The comparison does not include the companies of the Anima Group, which in 2021 were not within the scope of the Group.

Furthermore, considering the implications of EU Directive 2023/970 on remuneration transparency, Banco BPM has already taken steps to refine its process of constructing and measuring Equal Pay for Equal Work, which will be recognised on the basis of a new architecture of the professions that can enhance a skill-based approach and consider professional complexities and levels of expertise as fundamental elements, also with the aim of guaranteeing fairness and transparency in career progression paths. Lastly, the Group is working on adopting additional analysis tools to neutralise pay differences stemming from additional objective factors, to which gender gaps can be attributed. By June 2027, the Group will publish the report on the gender pay gap relating to the 2026 data pursuant to EU Directive 2023/970, which requires an explanation of whether the pay gaps are due to objective and gender-neutral factors with respect to the characteristics of the company.

As part of the periodic review of the remuneration policy, the Board of Directors, with the support of the Remuneration Committee, evaluates the gender-neutrality of the remuneration policy, and verifies the gender pay gap and its evolution over time. For further details, please refer to the Group's Sustainability Report.

3. PROCESS OF ADOPTION AND MONITORING OF THE BANCO BPM GROUP REMUNERATION POLICY

3.1. Adoption process

For companies that adopt the traditional system of management and supervision, such as Banco BPM, approval of the remuneration policy is generally reserved for the Shareholders' Meeting.

The decision-making process followed to define the policy, bodies and individuals involved in the drafting, preparation and approval thereof are set out below along with the bodies and parties responsible for its correct implementation.

3.1.1 Shareholders' Meeting

For companies governed with the traditional management and supervision model, the law gives the Shareholders' Meeting the power to establish the remuneration of the members of the Board of Directors⁴, and the remuneration of the statutory auditors.⁵ The Shareholders' Meeting is also responsible for approving the remuneration policy for members of the Board of Directors, statutory auditors and other staff.

In particular, in accordance with the Bank of Italy Supervisory Regulations, the Shareholders' Meeting decides⁶ on the approval: (i) of the remuneration policy, including any proposal by the Board of Directors to establish a limit to the ratio between the variable and fixed components of the individual remuneration of identified staff higher than 1:1, but not exceeding the limit established by the regulations in force from time to time; (ii) share-based compensation plan; (iii) criteria for determining payment to be agreed in the case of early termination of employment or office, including fixed limits such as payment in terms of years of fixed remuneration and the maximum amount that results from the implementation thereof, pursuant to the applicable statutory provisions.⁷

⁴ Articles 2364 and 2389 of the Italian Civil Code.

⁵ Article 2402 of the Italian Civil Code.

⁶ Pursuant to article 11.3. letter (g) of the Bylaws.

⁷ The Banco BPM Group also makes use of the option provided for under paragraph 8.1 of the Bank of Italy's Supervisory Provisions (Part One, Title IV, Chapter 2, Section I), providing, in respect of staff operating within the Group's asset management companies, for a ratio between the variable and fixed components of remuneration higher than the two-to-one (2:1) limit indicated for banks in the same Provisions (see paragraph 6.1).

Pursuant to the aforementioned Bank of Italy Supervisory Provisions, the Shareholders' Meeting is provided, at least annually, with information on remuneration systems and practices and on the manner in which the remuneration policy is implemented.

The Shareholders' Meeting gives an opinion, in favour or against, on the first section (with a binding decision) and on the second section (with a non-binding decision) of the Report⁸.

3.1.2 Parent Company Board of Directors

Pursuant to the Bylaws⁹, the Board of Directors is responsible for supervising business strategy and management.

Pursuant to the Bylaws¹⁰, and subject to the Shareholders' Meeting's responsibilities¹¹, the Board of Directors establishes – at the suggestion of the Remuneration Committee and taking account of the Board of Statutory Auditors' opinion – the remuneration of members of the Board of Directors appointed to particular offices or responsibilities or delegated responsibilities, or those that are assigned to committees in accordance with the Bylaws. Subject to the Remuneration Committee's advisory and proposal powers as outlined in paragraph 3.1.4 below, the Board of Directors: (i) shall draw up, submit to the Shareholders' Meeting and review, at least once a year, the Group's remuneration policy, which establishes general principles and guidelines for coordination that also apply to subsidiaries operating in regulated sectors, and shall be responsible for its proper implementation; (ii) shall ensure that the remuneration policy is documented and accessible to staff and that they are aware of the consequences of any breaches of regulations or of codes of ethics or of conduct; (iii) shall ensure that the remuneration and incentive systems guarantee compliance with legislation, statutory regulations and any codes of ethics or of conduct, promoting the adoption of behaviour in compliance with the aforementioned; (iv) shall define the remuneration and incentive systems, at least for the executive directors, members of general management (and similar figures), those responsible for main business lines, corporate functions or geographical areas, those who report directly to the Corporate Bodies, the management and staff of higher-level of the internal control functions (and, specifically, ensure that these systems are consistent with the Bank's decisions in terms of risk exposure, strategy, long-term objectives, framework of corporate governance and internal control).

3.1.3 Parent Company Chief Executive Officer

Pursuant to the Bylaws, the Board of Directors appoints a Chief Executive Officer¹² from among its members and confers specific responsibilities and powers upon the appointed person.

The Chief Executive Officer, among other things, supervises and manages staff, applying the Parent Company's and the Group's human resource policies.¹³ In this regard, and with reference to this report, on the basis of powers awarded to the Chief Executive Officer, he/she shall have the power – which may be delegated to others – to: (i) make proposals with regard to staff development and management policies as well as to the incentive systems of the Parent Company and subsidiary companies to submit to the approval of the Parent Company's Board of Directors; (ii) hire, promote and define the economic position of the staff of the Parent Company and the subsidiary companies (apart from appointments under the control of the Board of Directors of the Parent Company or the subsidiary companies) in accordance with the remuneration and incentive systems in force at the time.

⁸ Pursuant to article 123-ter of the Consolidated Finance Law.

⁹ Article 24.1.

¹⁰ Article 22.1.

¹¹ Article 11.3. of the Bylaws.

¹² Article 28.1.

¹³ Pursuant to article 28.2 of the Bylaws.

3.1.4 Remuneration Committee

Pursuant to the Bylaws¹⁴, the Board of Directors shall establish a Remuneration Committee internally, approving the Regulation, which shall determine its responsibilities and operations in accordance with the supervisory regulations.

The Remuneration Committee comprises three non-executive Directors, the majority of whom (one shall be chairman) meet the independence requirements provided by article 20.1.6. of the Bylaws. At least one member of the Committee must have suitable knowledge and experience in the financial field or of remuneration policies, to be assessed by the Board of Directors.

The Remuneration Committee is responsible for the functions and tasks assigned by the Corporate Governance Code (which the Bank resolved to observe with board resolution of 14 December 2020) and by the applicable supervisory regulations (in particular Section II, par. 2 of Bank of Italy Supervisory Regulations).

In accordance with the current Supervisory Provisions of the Bank of Italy, the Bylaws and the specific Regulations, in particular the Remuneration Committee, with regard to the Parent Company and, if they do not have their own Committee, the subsidiary banks and the main non-banking companies of the Group:

- provides advice and makes proposals regarding the remuneration of directors, statutory auditors, general managers, co-general managers, deputy general managers, the financial reporting manager for the corporate accounting documents, heads of internal control functions and other staff, whose remuneration and incentive systems are decided by the Board of Directors;
- provides advice and makes proposals regarding the determination of the criteria for the remuneration of other identified staff;
- expresses opinions, also based on information received from specialist corporate functions and, specifically, the Human Resources function, on the achievement of performance objectives of the incentive plans and on the fulfilment of the other conditions for payment of remuneration.

For the performance of the assigned tasks, where appropriate, the Committee collaborates and coordinates with the other internal committees of the Board of Directors of the Parent Company and with the similar internal committees of the Boards of Directors of the other Group companies, also through joint meetings, without prejudice to the responsibilities of each committee.

The Committee carries out its functions also with the support of experts, including external, in the areas of risk, capital and liquidity management, to ensure that the incentives underlying the remuneration and incentive system are consistent with the Group's management of these aspects, as set forth in the provisions of the Supervisory Authorities. To this end, the Committee routinely makes use of the corporate risk control structures and, in particular, the Chief Risk Officer and the Compliance Manager. The Committee also has access to all business areas and functions of the Group and has the right to obtain any information, data or copy of documentation necessary for the performance of its duties. The Committee has a budget for specialist external consultants with recognised experience, to perform its duties and exercise its powers in an independent manner.

Further information relating to the Remuneration Committee, including information referring to its operation, is available in the "Report on Corporate Governance and Ownership Structures", published on the website gruppo.bancobpm.it.

Between the end of 2025 and the first few months of 2026, the Committee met 9 times (up to the date of approval of this Report) and carried out evaluation, advisory and/or proposal-making activities – depending on the case – in particular for: (i) the assessment of the impact of non-recurring components on profit from current operating activities

¹⁴ Article 24.4.1.

before tax and on the Key Performance Indicators, as well as the verification of the conditions of access to the variable components of the remuneration vesting in 2026, on the basis of the results of 2025, implementing the provisions of the reference remuneration policies; (ii) the assessment of the 2025 performance objectives achieved by the Chief Executive Officer of the Parent Company; (iii) the identified staff identification policy for 2026 and the results of its implementation; (iv) the definition of the remuneration policy proposal for the year 2026; (v) the assessment of the reconfirmation of the criteria for determining the amount possibly to be granted in the event of early termination of the relationship of staff, including the limits set in terms of annual fixed remuneration and the maximum amount resulting from their application, already approved by the Shareholders' Meeting; (vi) the criteria for defining the scorecards of the 2026 short-term incentive plan; (viii) the objectives to assign to the Chief Executive Officer of the Parent Company for the 2026 short-term incentive plan and his/her remuneration; (ix) the analysis of the gender neutrality of the remuneration policy and the verification of the gender pay gap; (x) the progress of the project regarding the implications of Directive EU 2023/970 on remuneration transparency.

3.1.5 Internal Control and Risk Committee

Pursuant to the Bylaws¹⁵, the Board of Directors established an internal Control and Risk Committee, approving the Regulation which determine its responsibilities and functioning, in compliance with supervisory provisions.

The Internal Control and Risk Committee comprises five non-executive Directors, all of whom meet the independence requirements provided for in the Bylaws¹⁶. The members of the Committee must have the knowledge, expertise and experience to be able to fully understand and monitor the Group's risk strategies and guidelines; at least one member must have suitable experience in accounting and financial matters, or in risk management, to be assessed by the Board of Directors at the time of appointment.

The Internal Control and Risk Committee is responsible for the functions envisaged by the Bank of Italy Supervisory Regulations in force from time to time, the Bylaws and the Corporate Governance Code. In particular, it provides support to the Board of Directors of the Parent Company with regard to risks and the internal control system, with responsibility for the group.

With reference to the scope of intervention of the Committee regarding remuneration systems, notwithstanding the authority of the Remuneration Committee, it verifies that the incentives included in the remuneration and incentive system are consistent with the RAF (Risk Appetite Framework) and formulates its own opinion on remuneration for the managers of the internal control functions, consistent with corporate policies.

Further information relating to the Internal Control and Risk Committee is available in the "Report on Corporate Governance and Ownership Structures," published on the website gruppo.bancobpm.it.

In 2026, the Committee examined (i) the consistency of the conditions proposed in the 2026 remuneration policy for access to the variable components of short-term remuneration with respect to the RAF approved by the Board of Directors of the Parent Company; (ii) the objectives to be assigned to the Chief Executive Officer of the Parent Company for the 2026 short-term incentive plan.

3.1.6 Sustainability Committee

Pursuant to the Bylaws¹⁷, the Board of Directors established an internal Sustainability Committee, approving the Regulation which determine its responsibilities and functioning, in compliance with supervisory provisions.

¹⁵ Article 24.4.1.

¹⁶ Art. 20.1.6.

¹⁷ Article 24.4.1.

The Sustainability Committee comprises three non-executive Directors, the majority of whom meet the independence requirements provided for in the Bylaws¹⁸. The members of the Committee must possess the knowledge, skills and experience necessary to understand and oversee the pursuit of the Group's strategies and guidelines in the field of sustainability and across its ESG dimensions; at least one member must have adequate experience in sustainability matters, in particular with regard to reporting and the management of related risks, to be verified by the Board of Directors at the time of appointment.

The Sustainability Committee is responsible for the functions envisaged by the sustainability regulations in force from time to time. In particular, it performs a supporting role for the Board of Directors and the other Board Committees of the Parent Company in matters relating to sustainability, with remit extending to the entire Group.

With reference to the scope of intervention of the Committee in relation to remuneration systems, without prejudice to the remit of the Remuneration Committee, it promotes the adoption of remuneration policies that envisage the integration of the ESG objectives in the incentive plans to enhance the contribution of management to their achievement. On these aspects, it coordinates and consults with the Remuneration Committee through its Chairman.

Further information on the Sustainability Committee is available in the "Report on Corporate Governance and Ownership Structures", published on the website gruppo.bancobpm.it.

In 2026, the Committee, also through its Chairman, as part of its scheduled planning activities, examined, among other things: (i) the focus on the KPIs of the short-term incentive plan falling within the ESG framework; and (ii) the gender pay gap for the purposes of sustainability reporting.

3.1.7 Parent Company's corporate functions involved in the process of defining the remuneration policy

In the process of defining the remuneration policy, the Human Resources Department of the Parent Company guarantees technical assistance to the corporate Bodies and prepares the support material for the development of the policy, with the support, each according to their specific purview, of the Chief Risk Officer and the Compliance, Value Planning and Management, Administration and Budget, Corporate Affairs Secretariat and Shareholdings Functions.

The Chief Risk Officer, with the assistance of the Planning and Value Management function, identifies comparative indicators and values for the strategic and performance objectives, relating to the variable components of remuneration, in order to ensure the consistency of the remuneration and incentive system with respect to the Group's Risk Appetite Framework, the long-term corporate strategies and objectives, linked to the risk-adjusted company results, consistent with the levels of capital and liquidity needed to meet the activities undertaken.

3.2 Monitoring Process

The Parent Company's Compliance function verifies ex ante the consistency of incentive policies and plans with that provided for in the existing legal and supervisory requirements, the Parent Company's Bylaws, internal Group regulations, the Code of Ethics or other standards of conduct applicable to entities of the Group.

The Chief Risk Officer expresses an opinion on the correct activation of risk indicators of a financial and non-financial nature, used for adjustment mechanisms (ex ante and ex

¹⁸ Art. 20.1.6.

post), in the incentive systems, ensuring the reconciliation and consistency with the Group's risk governance.

The Parent Company's Audit function verifies compliance of the procedures implemented by Banco BPM and the Banking Group companies with the approved remuneration policy and the regulations in force at the time.¹⁹ It informs the Board of Directors, the Board of Statutory Auditors of the Parent Company and each subsidiary of the Banking Group¹⁹ and the Shareholders' Meeting of the Parent Company of the results of the checks.

The Parent Company's Board of Statutory Auditors shall assess the relevance of any shortcomings revealed by the above-illustrated monitoring process in order to promptly report the same to the Supervisory Authorities.

3.3 Subsidiary companies

The Parent Company defines the Group's remuneration policy, ensures its overall consistency, provides the necessary guidelines for its implementation and verifies its proper application²⁰.

Specifically:

- the companies within the banking group, excluding those operating in asset management, do not prepare a separate document of their own; accordingly, taking into account the definition and approval activities carried out by the Parent Company as described in the preceding paragraphs, the Board of Directors of each subsidiary adopts, and the Shareholders' Meeting of each subsidiary bank approves, within their respective remits, the Report on the remuneration policy and on compensation paid;
- with regard to the companies operating in asset management, the Board of Directors of Anima Holding defines its own separate remuneration policy document, in line with the criteria and principles established by the Parent Company and pursuant to Article 123-ter of Italian Legislative Decree No. 58/1998, as subsequently amended, and Article 84-quater of the Issuers' Regulation (Consob Resolution No. 11971/1999, as subsequently amended). The Board of Directors of each asset management company defines its own separate remuneration policy document, in line with the criteria and principles established by the Parent Company and in compliance with the European and national provisions governing the sector. The respective Shareholders' Meetings approve the remuneration policy to the extent of their competence. The internal control functions of Anima Holding and of the AMCs carry out the control activities referred to in paragraph 3.2 above and report to the Board of Directors and to the Shareholders' Meeting, within their respective remits;
- With regard to the insurance companies within the financial conglomerate, the relevant Board of Directors defines the remuneration policy in line with the criteria and principles established by the Parent Company and in compliance with the European and national provisions governing the sector. The respective Shareholders' Meetings (where provided for by the applicable regulatory framework) approve the remuneration policy to the extent of their competence. The key functions of the insurance companies carry out the control activities referred to in paragraph 3.2 above and report to the Board of Directors and the Shareholders' Meeting to the extent of their competence.

¹⁹ That do not have an independent internal audit function.

²⁰ With regard to the banking group, pursuant to the Bank of Italy's Supervisory Provisions, the Parent Company makes use of the derogation provided for under paragraph 8.1 (Part One, Title IV, Chapter 2, Section I). Pursuant to the Provisions for the asset management sector, each AMC sets out in its remuneration policy the approach adopted for the remuneration of its staff who perform activities on behalf of other Banco BPM Group companies subject to different sectoral regulations (pro rata criterion or application to the entire remuneration).

4. IDENTIFICATION OF THE IDENTIFIED STAFF OF THE GROUP

The process for the identification of identified staff is defined based on the Bank of Italy Supervisory Regulations and the Regulatory Technical Standards (RTS) issued by the European Banking Authority and provided for in Delegated Regulation (EU) no. 923/2021 (Regulation) of 14/6/2021, as well as on the application of additional criteria intended to identify any further persons who bear relevant risks for the Group.

For asset management companies, the process is also defined in compliance with the provisions set out in Annex 2, paragraph 3 of the Provisions for the asset management sector; for the companies within the insurance group, it is defined in accordance with IVASS Regulation No. 38 of 3 July 2018 and with the other regulations governing the sector.

The Parent company's Human Resources function coordinates and formalises the process for the identification of identified staff for the Group on an annual basis, justifying outcomes and ensuring overall coherence, involving, to the extent required, among others in the Parent Company, Enterprise Risk Management, Planning and Value Management and Organisation.

The control process is implemented by the Compliance and Audit functions, according to the scopes as described in paragraph 3.2.

Subject to the opinion of the Remuneration Committee, the Board of Directors of the Parent Company defines the policy relating to the identification process as an integral part of the year's remuneration policy.

The criteria for identifying identified staff set out in the Bank of Italy's Supervisory Provisions and in the Regulation are applied at both consolidated and individual level, as described below; the identification process is governed by internal regulations.

With regard to application at consolidated level, Banco BPM, in its capacity as Parent Company, identifies the staff who have a material impact on the Group's risk profile, taking into account all Group companies, whether or not they are subject to prudential supervisory regulations on an individual basis.

The companies actively participate in the process of identifying identified staff for the Group conducted by the Parent Company, provide the latter with the necessary information and comply with the instructions received.

With regard to application at individual level in banks that do not prepare their own remuneration policy document, the identification process is carried out by the Parent Company pursuant to the outsourcing agreements in place, with the active cooperation of the banks' respective functions.

For the other Group companies which, pursuant to specific sector regulations, are required to prepare their own remuneration policy document, the identification of identified staff is carried out by applying the criteria set out in their respective policies, in accordance with the regulations governing their sector of operation. Such companies coordinate with the Parent Company, which ensures the overall consistency of the identification process, taking into account the Banco BPM Group as a whole.

In any event, each individual company remains responsible for compliance with the regulations directly applicable to it.

The key principle underlying the process consists in the assessment of the relevance of each subject in terms of substantial risk-taking, on the basis of the individual position (responsibilities, hierarchical and resolution levels are evaluated, among others, in terms

of qualitative criteria, considering the internal organisation of the Group) or of the overall remuneration (quantitative criteria).

The application of the qualitative criteria envisaged in the Supervisory Regulations and in the Regulation to identify the identified staff at Group or legal entity level, taking into account in the latter case the organisational and operational structure of the individual bank, determined the identification of the following positions:

- the members of the management body of the Group's Italian banks;
- the members of Senior Management: the General Manager, where appointed, the CFO Co-General Manager in the area of strategic planning and finance, the CBO Co-General Manager in the sales area, the Chief Lending Officer, the Chief Innovation Officer and the Corporate & Investment Banking Manager of the Parent Company, the General Manager, the Co-General Manager and the Deputy General Manager (where appointed) of Banca Aletti and Banca Akros, the Chief Executive Officer of Anima Holding;
- the Chief Risk Officer and the managers of the Compliance and Audit functions of the Parent Company, the staff directly reporting to them²¹ (including the director of Internal Validation) and the Director of Anti-Money Laundering;
- the financial reporting managers responsible for preparing the accounting and corporate documents of the Italian banks of the Group;
- the Chief Executive Officer or the General Manager of the relevant legal entities²²;
- the managers of the relevant operating units²³ and the main business lines;
- the directors of the first managerial line of the Parent Company functions, which include legal affairs, finances, taxation, budgeting, economic analyses, human resources, information technologies and information security;
- members with voting rights, as well as any participant with voting rights, of Parent Company Steering Committees for Finance, New Products and Markets, Risks, Crisis, Investments and ESG;
- the roles with the power to adopt, approve or veto credit risk exposures that correspond to at least 0.5% of the primary Core Tier 1 capital (CET1) of the Group or of the individual Italian banks or the floor provided for by the Regulation equal to Euro 5 million. The members with voting rights, as well as any participants with voting rights, of the Credit Committee and the NPE Committee of the Parent Company or of any Committees set up in subsidiary companies with a similar decision-making function have also been identified;
- the roles assigned with proxies which can determine market risk exposure pertaining to the trading portfolio amounting to at least 5% of Value at Risk (VaR) envisaged from time to time;
- managers of groups of persons whose total power is equivalent to or higher than levels defined with reference to credit or market risk;
- financial advisors to whom, also due to the coordination of other advisors, managed assets of at least Euro 50 million and equal to or greater than 15% of the Total Financial Asset of Banca Aletti's network of financial advisors are attributable.

²¹ The Managers of staff structures are not included in the parameter.

²² This refers to those to which at least 2% (as required by the Regulations) of the Group's internal capital has been distributed or which are considered as such on the basis of qualitative factors.

²³ For these purposes: (i) those to which at least 2% (as required by the Regulations) of the Group's internal capital has been distributed with reference to the assessment at consolidated level, or (ii) those to which at least 2% (as required by the Regulations) of the internal capital of the relevant legal entity (for quantitative elements) with reference to the individual assessment has been distributed, or (iii) deemed as such on the basis of qualitative elements.

In application of the quantitative criteria, those who carry out a professional activity with a significant impact on the risk profile of the legal entity or the relevant business unit in which they operate were identified, and who meet one of the following conditions:

- the total remuneration is equal to Euro 500,000 or more and the average remuneration paid to members of the management body and senior management;
- fall within 0.3% of the Parent Company's staff, who were awarded the highest overall remuneration in the previous financial year.

In order to calculate the overall remuneration, we considered the remuneration awarded during the previous year²⁴.

In line with the regulatory provisions in force, if there are subjects whose total remuneration meets the quantitative criteria and for which it is necessary to request the prior authorisation of the Supervisory Authority regarding the non-inclusion of identified staff in the perimeter, the Parent Company initiates the related administrative procedure.

Despite the distinction between staff belonging and not belonging to the internal control functions considered by the Bank of Italy Supervisory Regulations, the identified staff are classified as:

- identified staff of the Group, which include the
 - top identified staff: Chief Executive Officer, General Manager (where appointed), CFO Co-General Manager, CBO Co-General Manager, senior operational and executive managers²⁵, Chief Risk Officer and heads of the first managerial line of the Parent Company, Chief Executive Officer, General Manager, Co-General Manager and Deputy General Manager (if any) of Banca Aletti and Banca Akros, Chief Executive Officer of Banco BPM Vita and Vera Vita, Chief Executive Officer and General Manager of Anima Holding, Chief Executive Officer and General Manager of Anima SGR and Chief Executive Officer and General Manager of Kairos Partners SGR.
 - Top identified staff include the
 - senior identified staff: Chief Executive Officer of the Parent Company, Chief Executive Officer of Banca Akros (where appointed) and Chief Executive Officer of Banca Aletti and members of the Senior management²⁶ of the Parent Company, Banca Akros and Banca Aletti, responsible for the main business lines of the Parent Company²⁷ and Chief Executive Officer and General Manager of Anima Holding;
- identified staff of legal entities: identified staff not included in the previous category, with a substantial impact on the risk profile of a bank, an insurance company or the asset management company.

²⁴ Establishing the identified staff for 2026 relates to the 2025 fixed remuneration, the variable remuneration related to the entire 2024 incentive awarded in 2025, the variable remuneration related to the entire LTI incentive awarded in 2025 and the other variable components of the remuneration paid in 2025. With regard to the staff of the Anima Group, in relation to the LTI incentive, the portions subject to acceleration (which would otherwise have been awarded from 2026 onwards) implemented by the Anima Group following the publication of the announcement of the voluntary public tender offer launched by Banco BPM for the shares of Anima Holding S.p.A. have not been included, given the exceptional nature of such award. Such acceleration took place prior to the Anima Group's entry into the Banco BPM Group.

²⁵ Chief Innovation Officer, Head of Corporate & Investment Banking and Chief Lending Officer.

²⁶ General Manager (if appointed), the CFO Co-General Manager, the CBO Co-General Manager, the Chief Lending Officer, the Chief Innovation Officer and the Head of Corporate & Investment Banking of the Parent Company, the General Manager, the Co-General Manager and the Deputy General Manager (if appointed) of Banca Aletti and Banca Akros;

²⁷ Commercial Manager, Asset Management & Insurance Manager and Finance Manager.

For 2026, the process implemented resulted in the identification of 320 organisational positions (including those within the Anima Group), representing approximately 1.7% of the Group's staff as of 1 January 2026.

The Group's identified staff²⁸ includes 133 positions, the identified staff of the legal entities includes 187 people. 7 positions were identified in Banca Akros and 9 in Banca Aletti.

5. COMPONENTS OF REMUNERATION

5.1 Remuneration of the Group's Corporate Bodies

5.1.1 Remuneration of the Parent Company's Board of Directors members

The Shareholders' Meeting approves the remuneration policy for the members of the Board of Directors and determines their remuneration. Therefore, the members of the Board of Directors receive not only reimbursement of the costs incurred in accordance with their office, but an annual remuneration that the Shareholders' Meeting establishes at the time of their appointment, for a fixed amount for their term in office. The Board of Directors establishes the distribution of remuneration approved by the Shareholders' Meeting, where not specified thereby. The Shareholders' Meeting of 16 April 2026, in the context of the renewal of the Board of Directors, including the Chairman and the Deputy Chairman, is called upon to resolve on the fixed remuneration to be granted to the Directors for the financial years 2026–2027–2028 (until the approval of the financial statements as at 31 December 2028), to be paid on a pro rata temporis basis in accordance with the actual duration of their term of office.

The Board of Directors shall determine the fees²⁹ to award to the directors with specific duties³⁰ on the basis of proposals by the Remuneration Committee and having obtained the opinion of the Board of Statutory Auditors.

The Bank's relationship with the Chief Executive Officer is regulated by law and by the contract of executive employment or contract of collaboration existing between them.

At the meeting of 13 March 2025, the Board of Directors determined the fixed remuneration of the Chief Executive Officer, at the proposal of the Remuneration Committee and having obtained the opinion of the Board of Statutory Auditors³¹.

At its meeting of 17 February 2026, on the proposal of the Remuneration Committee and with the opinion of the Board of Statutory Auditors, the Board of Directors resolved to allocate to the 2026 short-term incentive plan a maximum incentive of Euro 1.95 million, to be awarded in 2027 in the event of maximum overperformance against the targets set for all assigned objectives. Considering that the long-term incentive plan provides for a maximum incentive of Euro 1.45 million on a pro rata annual basis in the event of maximum performance (as resolved by the Board of Directors at the launch of the plan), in line with previous financial years the maximum variable component of remuneration (i.e. payable only in the event of maximum performance) is equal to twice the fixed component, being the limit set by the Shareholders' Meeting. The incentives under the short-term incentive plan and the long-term incentive plan will be paid over a six-year period, subject to the verification of additional conditions.

The number of shares held by the Chief Executive Officer as of 31 December 2025 amounted to 2,445,246. Their total value far exceeds the minimum requirements set in companies that adopt shareholding guidelines (normally between 0.5 and 3 times the fixed gross annual remuneration), based on the official closing price of 3/3/2026.

²⁸ Those holding a position in more than one Group company are listed once only.

²⁹ Pursuant to article 2389, paragraph 3, of the Italian Civil Code

³⁰ Pursuant to article 22.1. of the Bylaws.

³¹ In compliance with article 2389 of the Italian Civil Code and article 22.1. of the Bylaws.

A third-party insurance policy and a cumulative occupational accidents policy are envisaged for members of the Board of Directors. Members of the Board of Directors with individual contracts may be granted the benefits provided for Group managers.

Neither variable components of the remuneration nor end-of-office payments are envisaged for members of the Board of Directors without individual contracts (Non-executive Directors).

The Chairman of the Board of Directors' remuneration does not exceed the fixed remuneration of the Chief Executive Officer or the General Manager, where appointed.

5.1.2 Remuneration of the Parent Company's Board of Statutory Auditors

The Shareholders' Meeting approves the remuneration policy for members of the Board of Statutory Auditors and determines the remuneration to be paid for the duration of their office.

Therefore, the Chairman and the standing members of the Board of Statutory Auditors are entitled – in addition to reimbursement of the expenses incurred in fulfilling their office – to an annual fee which is determined by the Shareholder's Meeting at the time of their appointment, as a fixed amount for their period of office.

The Shareholders' Meeting of 16 April 2026 is called upon to resolve on the remuneration to be granted to the members of the Board of Statutory Auditors, including the Chairman, for the financial years 2026–2027–2028 (until the approval of the financial statements as at 31 December 2028), to be paid on a pro rata temporis basis in accordance with the actual duration of their term of office.

The outgoing Board of Statutory Auditors has made available to the Shareholders the document on the qualitative-quantitative composition of the Board of Statutory Auditors, aimed at identifying the qualitative-quantitative profile deemed optimal to ensure an adequate collective composition of the Control Body, in order to provide instructions and recommendations to the Shareholders' Meeting of Banco BPM in anticipation of the renewal for the years 2026-2028. The outgoing Board of Statutory Auditors paid attention to the proper functioning of the Body and the contribution of each member to the internal dialogue³² and, confirming the previous assessments, made a reference estimate to assess the minimum time deemed necessary for the effective performance of the assignment. The estimate (also subsequently confirmed) envisages 100 days per year for the Chairman of the Board of Statutory Auditors and 80 for each Statutory Auditor.

A third-party insurance policy and cumulative occupational accidents policy are envisaged for members of the Board of Statutory Auditors.

With regard to the Bank of Italy Supervisory Regulations, members of the Board of Statutory Auditors shall not receive any variable remuneration.

The Board of Statutory Auditors is not currently assigned the powers pursuant to article 6(1) b, Italian Legislative Decree no. 231/2001. The Board of Directors of Banco BPM, in its meeting of 10 January 2017, decided not to make use of the powers envisaged in paragraph 4-bis of said article, and actually appointed a specific Supervisory Body (SB) to which it assigned the duty to monitor, among other things, the compliance and functioning of the organisational, management and control model, as well as ensuring its update and of the consequent powers and duties. The Parent Company's Supervisory Body provides for the appointment of a statutory auditor from among its members; an additional fee is therefore paid to this person as decided by the Board of Directors, in addition to reimbursement for the expenses incurred in fulfilling their office.

³² In compliance with article 16 of Ministerial Decree 169/2020.

5.1.3 Remuneration of members of Corporate Bodies of subsidiary companies

Provision is made for fixed remuneration differentiated in relation to their respective offices within their respective organisations for members of corporate bodies of subsidiary companies, in addition to reimbursement for out-of-pocket expenses and possible attendance fees, where resolved by their respective Shareholders' Meetings.

This remuneration is approved by the respective Ordinary Shareholders' Meetings, according to the Bylaws, for members of the Board of Directors and the Board of Statutory Auditors of subsidiary companies.

No provision is made for variable remuneration components for members of the Boards of Directors without individual contracts.

In accordance with prevailing laws, the members of the Board of Statutory Auditors of the Group's subsidiary companies shall not receive any variable remuneration. If they also hold the office as member of the Supervisory Body established pursuant to Legislative Decree 231/2001, additional remuneration shall be assigned for the office held, determined in compliance with the Guidelines approved by the Board of Directors of the Parent Company.

The fee of the Chairman of the Board of Directors of each subsidiary bank shall not exceed the fixed remuneration awarded to the head of the body with the function of managing the subsidiary company (Chief Executive Officer or General Manager).

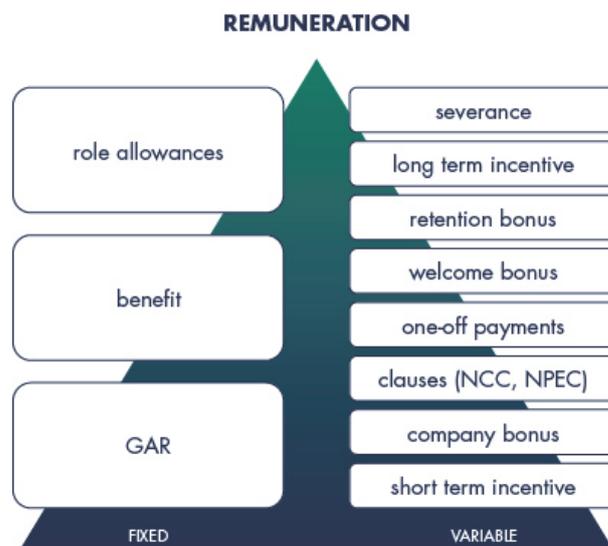
Lastly, a policy for third-party liability is stipulated for representatives of subsidiary companies.

5.2 Remuneration of the Group's employees

The remuneration of the Group's employees consists of fixed and variable components and is consistent with the regulatory framework, taking into account the sector-specific requirements applicable to the Group's companies.

The fixed component reflects professional experience, organisational responsibilities and technical expertise, according to a principle of equal opportunities and fair pay.

The variable component is linked to performance or other parameters (such as length of service) and allows staff to be rewarded for their individual contribution to the achievement of results: the conditions necessary for this recognition are compliance with regulations, long-term results, conduct based on criteria of diligence, transparency and fairness in customer relations, and sound and proper risk management. The criteria used to assess increases in the fixed and variable components of remuneration comply with the remuneration requirements of MiFID II and do not create conflicts of interest that encourage staff to act against the interests of customers.



To ensure competitiveness in the reference market in terms of the Group's ability to attract and retain individuals whose professionalism and expertise meet the needs of the company, constant attention is paid to calibrating total compensation considering seniority and experience in the position, pursuing a balance between the objective of alignment with market values and the need to differentiate for the purpose of retention. The comparison with the external market is made by participating in surveys on remuneration and, for managerial positions, also through specific remuneration benchmarks that refer to competitors in the same sector, as provided by a prime consulting company (see paragraph 2).

FIXED REMUNERATION³³

GAR	<p>The gross annual remuneration components, determined by the relative labour contracts based on the National Collective Labour Agreement (CCNL) and any second-level contracts in force at the time or any agreements with the Social Partners.</p> <p>Changes to the fixed component are represented by promotions to a higher level of remuneration or to a higher category, based on an actual increase in responsibilities, and by personal allowances, awarded ad personam for continuing deserving performance.</p>
Role allowances	<p>It is possible to assign role allowances, consisting of an increase in remuneration, paid on a monthly basis and subject to holding a specific position. This remuneration is predetermined, permanent, until the recipient changes the role for which the allowance was granted, does not provide incentives for risk-taking and is not revocable, is not discretionary, and reflects the level of professional experience and seniority. It is therefore assigned on the basis of predefined criteria, governed by company rules.</p>
Benefits	<p>Benefits for personal and family use granted by the Parent Company and its subsidiary companies to their employees, resulting from national agreements and/or from second-level contracts and/or related to specific internal reference policies.</p> <p>The most important benefits concern the following areas: corporate welfare, supplementary pensions and healthcare. The Group's employees, according to the specific nature of the company to which they belong and/or the company of origin, also benefit from advantages when using bank services and insurance coverage.</p>

³³Remuneration may include additional items, classified as fixed and variable components in compliance with applicable regulations.

VARIABLE REMUNERATION³³

Incentives	Incentives linked to objectives with an annual timeframe (short-term incentive plan and variable component connected to operating results), awarded in compliance with the provisions set out in Chapter 6.
LTI incentive	Incentives linked to long-term incentive plans, referred to in paragraph 6.9. Additional long-term incentive mechanisms may be adopted within asset management companies, in accordance with the applicable sector regulations (these are described in the AMC's remuneration policy or governed by specific regulations) ³⁴ .
Company Bonus - National Collective Labour Agreement	Variable component linked to economic results and/or specific objectives, for non-executive staff of the banking Group companies that apply the National Credit Agreement. This payment shall depend on full compliance with the following conditions identified on 31/12 on a consolidated basis: (i) the Common Equity Tier 1 (CET1) ratio is higher than the relative Risk Trigger threshold ³⁵ defined in the Risk Appetite Framework ³⁶ ; (ii) the regulatory Liquidity Coverage Ratio (LCR) is higher than the relative Risk Trigger threshold ³⁵ defined in the Risk Appetite Framework ³⁶ ; (iii) the profit from current operating activities before tax is positive. Said component is included in the calculation of the ratio between the variable and fixed component of the remuneration and is awarded in compliance with the provisions of chapter 6 regarding the application of the malus and claw-back mechanisms. ³⁷ The criteria and methods used to establish and disburse ³⁸ this remuneration are subject to information, comparison and/or negotiation with the Social Partners.
Company Bonus for productivity	Variable component related to economic results and/or specific objectives, for insurance companies that apply the ANIA National Collective Labour Agreement "Regulation of relations between insurance companies and non-executive employees" and make provision for said entitlement in the second-level contract. This payment shall depend on full compliance with the following conditions identified on 31/12 on a consolidated basis: (i) the Common Equity Tier 1 (CET1) ratio is higher than the relative Risk Trigger threshold ³⁵ defined in the Risk Appetite Framework ³⁶ ; (ii) the regulatory Liquidity Coverage Ratio (LCR) is higher than the relative Risk Trigger threshold ³⁵ defined in the Risk Appetite Framework ³⁶ ; (iii) the profit from current operating activities before tax is positive. The criteria and methods used to establish and disburse ³⁹ this remuneration are subject to information, comparison and/or negotiation with the Social Partners.
One-off payments	Limited to other staff of Group companies, therefore excluding identified staff established for the reference year and for the previous year ⁴⁰ , modest awards may be made relating to specific extraordinary situations. These payments are subordinate to full compliance with the following conditions, as identified in the last quarterly report available on a consolidated basis: (i) the Common Equity Tier 1 (CET1) ratio is higher than the relative Risk Trigger ³⁵ threshold as defined in the Risk Appetite Framework ³⁶ ; (ii) the regulatory Liquidity Coverage Ratio (LCR) is higher than the relative Risk Trigger threshold ³⁵ defined in the Risk Appetite Framework ³⁶ ; (iii) the profit from current operating activities before tax is positive. The maximum limit of impact of these payments is set at 10% of the fixed component of individual remuneration. The total amount of resources to be dedicated to these payments cannot exceed the limit of 0.2% of the recurring staff cost ⁴¹ , envisaged in the budget of the financial year in question. The process for any award is coordinated by the Human Resources function, which submits the proposal to the CEO (or delegate of the same).
Welcome bonus	Any disbursements paid on an exceptional basis to newly hired staff in the Group, limited to the first year of contract. Their use can only be assessed in cases of recruitment of people of high standing or top professionals in the reference market, with a view to attracting talents. These payments, if not paid on an on-off basis upon hiring, are included in the calculation of the ratio between the variable and fixed component of the remuneration ⁴² .

³⁴ Plans are currently in place at Kairos Partners SGR and Banco BPM Invest.

³⁵ Risk Trigger threshold means the lower point of the Risk Appetite objective area, in line with the RAF framework.

³⁶ Expected value on 31/12 of the same financial year.

³⁷ See paragraph 6.8.

³⁸ By way of example, the use of cash or welfare services could be envisaged.

³⁹ By way of example, the use of cash or welfare services could be envisaged.

⁴⁰ As identified on process activation date.

⁴¹ Staff costs recognised in the budget for the relevant financial year, excluding the following variable remuneration components: bonus pool, company bonus – National Collective Labour Agreement (CCNL), company productivity bonus, pro rata cost of the long-term incentive and one-off payments.

⁴² See paragraph 6.1.

VARIABLE REMUNERATION³³

Retention bonus	Any disbursements related to the staff remaining, subject to their presence on a certain date or until a certain event. The amount, which cannot constitute the preponderant part of the total individual variable remuneration, is awarded upon the successful verification of the event to which it is related, in compliance with the capital and liquidity adequacy conditions referred to in paragraph 6.11, is included in the calculation to determine the ratio between the variable and fixed component of the remuneration ⁴³ , disbursed in accordance with the terms envisaged for the relevant category of staff at the time of award ⁴⁴ , and is subject to the malus and claw-back mechanisms ⁴⁵ . As permitted by the Bank of Italy Supervisory Regulations, in exceptional and duly justified cases ⁴⁶ , the same person may be awarded multiple retention bonuses.
Arrangements	Any payments regarding non-competition clauses or notice period extension clauses. These payments are made whilst in contract or on termination of the same, in accordance ⁴⁷ with the provisions of paragraph 6.11 (including the capital adequacy and liquidity conditions), and, with reference to identified staff, are included in the calculation of the ratio between the variable and fixed component of the remuneration ⁴³ .
Carried interest	Incentive mechanism that can be adopted in asset management companies. These are instruments that involve proportionally higher profit sharing than that of other investors, regulated in the remuneration policy prepared by the AMCs, in line with the applicable sector regulations and with the principles set out in the Group Policy. This component is not included in the calculation of the ratio between the variable and fixed components ⁴⁸ of remuneration and can be paid entirely up-front as multi-year variable remuneration strictly correlated to the results of the funds managed and already in itself deferred in consideration of the life cycle of the same funds. ⁴⁹
Severance	Any additional termination amounts (golden parachute in the case of identified staff). These payments are made in accordance with the provisions of paragraph 6.11 (including the capital adequacy and liquidity conditions), and, with reference to identified staff, are included in the calculation of the ratio between the variable and fixed components of the remuneration. ⁵⁰

The award of guaranteed variable remuneration is not envisaged⁵¹.

There are no stability clauses.

There are no discretionary pension benefits provided for as things stand. If introduced, they will be attributed to the beneficiaries in compliance with current legislation⁵².

Variable remuneration is sustainable in relation to the Group's financial position and does not limit its ability to maintain a level of capitalisation appropriate to the risks assumed⁵³. The system that allows the award of retention bonuses, non-competition clauses and notice period extension clauses also in stress situations respects the spirit of the requirements set forth in the guidelines for institutions to improve the possibility of resolution (in force since 1 January 2024), which require banks to adopt retention plans to preserve business continuity even during the resolution phase.

All remuneration measures, even if not expressly indicated in this paragraph, as long as in compliance with the provisions in force at the time, are implemented subject to prior approval, both on the merits and in economic terms, by the Chief Executive Officer of the Parent Company, or any delegates of the same⁵⁴.

⁴³ See paragraph 6.1.

⁴⁴ See paragraph 6.7.

⁴⁵ See paragraph 6.8 point 2.

⁴⁶ For example, the payment of retention bonuses occurs at different times and there are specific reasons for the award of each of them. In any event, the provisions set out in paragraph 8.1 of the Bank of Italy's Supervisory Provisions shall continue to apply.

⁴⁷ Without prejudice to the specific conditions envisaged by the Bank of Italy Supervisory Regulations.

⁴⁸ In compliance with the provisions of note 16 of Annex II to the Bank of Italy Measure.

⁴⁹ As an exception to the rules set forth in paragraph 6.2., point 4) of Annex II to the Bank of Italy Measure.

⁵⁰ Unless defined in application of the predefined formula contained in paragraph 6.11. See Paragraph 6.1 for the ratio between variable and fixed components of remuneration.

⁵¹ Without prejudice to any welcome bonus.

⁵² See Bank of Italy Supervisory Regulations, Section III, paragraph 2.2.1.

⁵³ Without prejudice to the specific provisions of the Bank of Italy's Supervisory Provisions, Section III, paragraph 2.1, note 3.

⁵⁴ Mandate assigned by the Parent Company's Board of Directors or by the Parent Company's Chief Executive Officer to implement all the formalities, deeds and requirements of the remuneration policy.

Generally, unless stated otherwise in the individual's contract, the Group's staff do not receive remuneration for positions held in Corporate Bodies of subsidiary companies and/or investee companies as designated by the Group: this remuneration is paid in full to the company to which they belong by the company in which the position is held and the incentive is not linked to said positions.

No remuneration is awarded to employees of the Parent Company and of subsidiary companies who are members of the Supervisory Body (pursuant to Italian Legislative Decree 231/2001).

5.3 Remuneration of external non-employed staff

The remuneration of Group external non-employed staff is regulated by the respective contracts.

For non-employed staff that belong to the category of financial advisers authorised for off-premises sales and financial agents, the remuneration comprises a recurring component which may include, depending on the case, commission from entry fees and/or management fees and/or linked to the contribution of assured revenue and/or to units and/or to brokered volumes. A welcome bonus may be awarded only for the first year of contract in the Group. A non-recurring component of remuneration may be provided for, including in the form of commissions for incentive purposes, in order to steer commercial activity towards the achievement of specific objectives. Any award of the non-recurring component of remuneration for incentive purposes is subject to the achievement of a minimum level of performance against predefined objectives, compliance with the capital adequacy, liquidity and profitability conditions (gateways) set out in paragraph 6.3, takes risk into account, is made in accordance with the payment method applicable to employees based on their category⁵⁵ and is subject to the application of malus and claw-back mechanisms.⁵⁶

Any payment of non-recurring components of the remuneration for external non-employed staff not belonging to the category of financial agents, insurance agents and financial advisers authorised for off premises sales is subject to the conditions defined in chapter 6, including the application of malus and claw-back mechanisms⁵⁷.

In accordance with the short-term incentive plan guidelines of the Group, for all the non-employed staff, any non-recurring component of the remuneration is linked to quantitative indicators and qualitative indicators expressed with criteria that can be quantitatively measured (including but not limited to the risk involved in its different meanings, the compliance with the legislation and regulations, customer protection and loyalty, product quality, quality of the service provided, limiting complaints and legal or reputational risks)⁵⁸. The Compliance function must verify these criteria, pursuant to that indicated in paragraphs 3.2 and 3.3.

With reference to financial agents, the provisions on transparency of banking and financial operations and services defined in paragraph 6.5 apply.

All remuneration measures, even if not expressly indicated in the paragraphs above, as long as in compliance with the provisions in force at the time, are implemented subject to

⁵⁵ See paragraph 6.7.

⁵⁶ See paragraph 6.8 point 2.

⁵⁷ See paragraph 6.8 point 2.

⁵⁸ See paragraph 6.5.

prior approval, both on the merits and in economic terms, by the Chief Executive Officer of the Parent Company or any delegates of the same.⁵⁹

6. CHARACTERISTICS OF THE REMUNERATION AND INCENTIVE SYSTEM

The characteristics of the remuneration and incentive system are illustrated below, taking into consideration strict criteria in evaluating results achieved, in accordance with current regulatory provisions. No variable remuneration component is envisaged for members of the Board of Directors – other than the Chief Executive Officer – without a specific individual contract and for members of the Board of Statutory Auditors.

The Group's Staff may not use personal hedging strategies or insurance on remuneration or on other aspects that may alter or undermine the risk alignment effects embedded in their remuneration arrangements. To ensure compliance with the aforementioned, the Audit function shall sample the custody and administration accounts held by the Group in the remuneration policy control process, for at least the identified staff who are holders or joint-holders.⁶⁰ Any violations found shall be considered to be misconduct.⁶¹ Based on Bank of Italy Supervisory Regulations, with the process activated by the Parent Company's Human Resources function, the bank requests identified staff of the banking Group to notify the existence or opening of custody and administration accounts at other intermediaries.

No Group initiatives for Staff which may affect risk alignment mechanisms are envisaged, including in the incentive plans. Any initiatives reserved for specific categories of the commercial network, to support the Group's strategy, will be defined in compliance with the provisions in force and in line with the criteria and principles established in the Policy⁶².

With the Issuers' Regulation, CONSOB requires indication in the policy of the applicable process and the elements of the policy that can be temporarily waived in the exceptional circumstances indicated by article 123-ter of the Consolidated Finance Law, in which waiver is necessary for the purposes of pursuing the long-term interests and sustainability of the Group as a whole, or to ensure its ability to remain on the market. In application of this rule, the Board of Directors of the Parent Company, in compliance with the procedure for Related Parties Transactions, as applicable, adopted by the Group in implementation of the related CONSOB regulations, having heard the opinion of the Remuneration Committee and, for the areas of competence, the Internal Control and Risk Committee, may intervene on the economic parameters of the short-term incentive and long-term incentive plans. The elements of the policy that can be waived therefore do not include the amounts for the early termination of the contract. Any changes thereto are presented, the following year, in Section II of the Report on remuneration policy and compensation awarded.

⁵⁹ Mandate assigned by the Parent Company's Board of Directors or by the Parent Company's Chief Executive Officer to implement all the formalities, deeds and requirements of the remuneration policy.

⁶⁰ See paragraph 3.2.

⁶¹ See paragraph 6.8.

⁶² They would be financed by a portion of the profitability generated.

6.1 Ratio between variable and fixed components of remuneration

For the purpose of determining the ratio between the variable and fixed component of the remuneration⁶³, the set of elements indicated in paragraphs 5.2 and 5.3 are taken into account with reference, respectively, to variable or non-recurring remuneration and fixed or recurring remuneration.

The upper limit of the variable/fixed component ratio of Group Staff is:

- 2:1 for specific figures deemed to be strategic and selected from top identified staff and finance, corporate, investment banking and private banking staff, as resolved by the Ordinary Shareholder's Meeting of 7 April 2018 (see infra);
- 70% for the financial reporting manager in charge of preparing the corporate accounting documents;
- 1/3 for staff belonging to functions with control tasks⁶⁴ not included in the previous point;
- 1:1 for all staff not included in the categories above.

With reference to profiles assigned to it by legislation and Bylaws, the Ordinary Shareholder's Meeting held on 7 April 2018 approved an increase in the upper limit for general criteria (1:1) of up to 2:1 (as permitted by the Bank of Italy) for specific figures as listed in the previous paragraph (maximum 125 persons). The proposal submitted to said Shareholders' Meeting was made necessary to use all managerial leverage to attract and retain individuals in the Group whose professionalism and expertise meet the needs of the company, with a view to achieving a competitive advantage and good governance. In this regard, considering that the main competitors had already increased the upper limit of the ratio of variable to fixed remuneration to 2:1, matching market practice enables the Group to have greater compensation leverage to act on total compensation. In accordance with the Bank of Italy Supervisory Regulations, this topic will not be submitted once again to the Shareholders' Meeting for approval since the conditions for the increase, the staff to which it refers and the measure of the limit of the ratio of variable to fixed components of remuneration remain unchanged, as resolved by the Ordinary Shareholders' Meeting of 7 April 2018.

Within the limits of the faculty granted under the Bank of Italy's Supervisory Provisions, for staff performing their activities for an asset management company and not belonging to functions with control duties, a maximum ratio of the variable component to the fixed component in excess of 2:1 and up to 4:1 is provided for⁶⁵.

This provision is necessary in order to use all available management levers to attract and retain key resources within the Anima Group, to the benefit of competitiveness and sound governance, given that the regulations applicable to the asset management sector do not provide for constraints in setting the maximum limit. Moreover, there are no implications, including on a forward-looking basis, for the Group's ability to continue to comply with all prudential requirements, given that the provision is potentially reserved for a non-significant proportion of individuals and access to incentives is subject, in addition to the achievement of individual performance, to stringent mechanisms for verifying capitalisation, liquidity and profitability levels, in line with the risk appetite framework.

⁶³ Without prejudice to the specific conditions envisaged by the Bank of Italy Supervisory Regulations.

⁶⁴ See Definitions.

⁶⁵ As provided for in the Provisions for the asset management sector, derogations from the above may be permitted in exceptional circumstances, subject to approval by the Board of Directors of the AMC and notified, at the first available opportunity, to the relevant Board of Statutory Auditors and Shareholders' Meeting.

6.2 Determination of the bonus pool

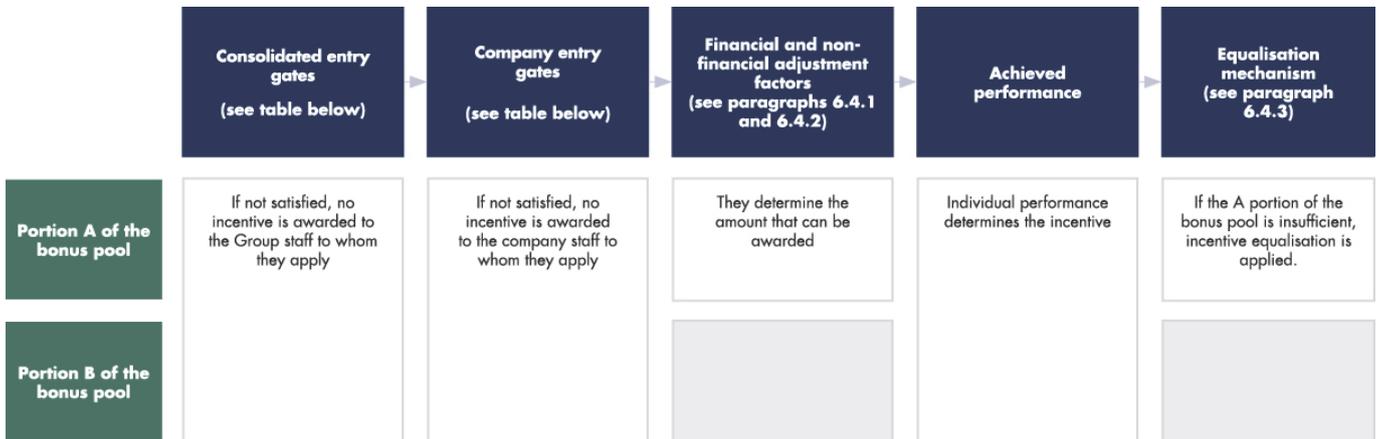
The Group’s bonus pool represents part of the consolidated staff costs, approved by the Parent Company’s Board of Directors at the end of the Group’s budgeting process. Its annual amount is defined on the basis of time series, budget profit forecasts, as well as the shareholders remuneration target. The bonus pool is set also considering the Group’s capitalisation and liquidity objectives. In the event of a recessionary phase, the annual amount cannot, in any case, exceed the limit of 20% of the consolidated profit from current operating activities before tax (net of non-recurring items) envisaged in the budget.⁶⁶

The Group's bonus pool consists of:

- a portion A, relating to the short-term incentive plan for all Group staff. This portion is subject to the gateways⁶⁷, the financial and non-financial adjustment factors⁶⁸ and the equalisation mechanism⁶⁹, as set out in the following paragraphs;
- a portion B, of a smaller amount, relating to the variable component linked to operating results (for example, in line with the best practice adopted within the Anima Group, performance fees generated, ability to outperform the benchmark, net inflows and profitability of assets under management⁷⁰). This portion is subject to the gateways, as set out in the following paragraphs.

6.3 Connection to results

The award of the incentive⁷¹ considers the profitability, the levels of capital resources and the necessary liquidity (hereinafter entry gates), is parametrised to performance indicators measured net of risks (hereinafter the financial and non-financial adjustment factor), considers the quality of the performance achieved and is implemented in accordance with the guidance issued by the Supervisory Authority.



In accordance with the Risk Appetite Framework approved by the Parent Company’s Board of Directors, the award of the incentive for identified staff and other staff shall depend on the indicators and relative comparative values shown in the following table.

⁶⁶ Profit from current operating activities before tax (net of non-recurring items identified for the purpose of complying with CONSOB Communication no. DEM/6064293 of 28 July 2006) estimate, calculated without the amount of said bonus pool.

⁶⁷ See paragraph 6.3.

⁶⁸ See paragraph 6.4.

⁶⁹ See paragraph 6.4.3.

⁷⁰ See paragraph 6.6.

⁷¹ See paragraph 5.2: short-term incentive plan and variable component linked to operating results.

VALID FOR	AREA	INDICATOR	COMPARISON VALUE IT APPLIES TO	
Group company	Capital adequacy	CET 1 ratio - consolidated level -	> Risk Trigger threshold defined in the RAF	- Identified staff - Other staff
		MDA buffer - consolidated level -	> Risk Trigger threshold defined in the RAF	- Identified staff - other staff
	Liquidity adequacy	Regulatory LCR - consolidated level -	> Risk Trigger threshold defined in the RAF	- Identified staff - other staff
		Regulatory NSFR - consolidated level -	> Risk Trigger threshold defined in the RAF	- Identified staff - other staff
Group company ⁷²	Profitability	UOC - consolidated level -	> 0	- identified staff not belonging to functions with control tasks - other staff
- Banca Akros - Banca Aletti	Profitability	UOC - company level -	> 0	- identified staff not belonging to functions with control tasks - other staff
Anima Holding	Profitability	EBITDA ⁷³ - Anima Group -	> 50% budget	- Identified staff not belonging to functions with control tasks - other staff
- Anima SGR - Kairos Partners SGR	Capital adequacy	Capital requirement % ⁷⁴ - company level -	> Risk Trigger threshold defined in the RAF	- Identified staff - other staff
	Profitability	EBITDA ⁷³ - company level -	> 50% budget	- Identified staff not belonging to functions with control tasks - other staff
		Assets under management (AuM) of funds managed with a one-star Morningstar rating as a proportion of total AuM of funds managed - company level -	> Alert threshold defined in the RAF	- Identified staff not belonging to functions with control tasks - other staff
- Castello SGR - Anima Alternative SGR	Capital adequacy	Capital requirement % ⁷⁴ - company level -	> Risk Trigger threshold defined in the RAF	- Identified staff - other staff
	Profitability	EBITDA ⁷³ - company level -	> 50% budget	- Identified staff not belonging to functions with control tasks - other staff
		Impact of net YTD write-downs on AuM - company level -	> Alert threshold defined in the RAF	- Identified staff not belonging to functions with control tasks - other staff
Banco BPM Invest	Capital adequacy	Capital requirement ⁷⁴ - company level -	> Risk Trigger threshold defined in the RAF	- Identified staff - other staff
	Profitability	UOC - company level -	> 0	- identified staff not belonging to functions with control tasks - other staff
- Banco BPM Vita - Vera Vita	Capital adequacy	Solvency ratio ⁷⁵ - company level -	> Risk Trigger threshold defined in the RAF	- Identified staff not belonging to functions with control tasks ⁷⁶ - other staff ⁷⁷
BBPM Life	Capital adequacy	Solvency ratio ⁷⁵ - company level -	> Risk Trigger threshold defined in the RAF	- Chief Executive Officer and Executive Director

⁷² This provision does not apply to the Anima Group for as long as it remains listed.

⁷³ Both the final value and the comparison threshold are calculated net of the variable component of short-term remuneration.

⁷⁴ In any event, the incentive is not awarded where the Board of Directors of the AMC identifies objective significant risks to the capital stability of the AMC (a condition applicable to all AMCs) and of the Anima Group (a condition applicable only to the AMCs within the Anima Group).

⁷⁵ Average of quarterly observations.

⁷⁶ To avoid potential conflicts of interest arising.

⁷⁷ Refers to management staff.

The award of the incentive to identified staff of control functions is not subject to profitability indicators, to avoid it being linked to economic results, as provided for by the provisions.

6.4 Adjustment factor

Following verification of the gateways⁷⁸ but prior to any payments, the actual amount of financial resources available under the short-term incentive plan (portion A of the bonus pool) is determined on the basis of the economic results achieved (financial adjustment factor) and qualitative non-financial indicators (non-financial adjustment factor), in line with the Group's risk appetite framework.

6.4.1 Financial adjustment factor

A financial adjustment factor is applied to portion A of the bonus pool as defined in the annual budget, the level of which is proportional to the value of the consolidated risk-adjusted profitability indicator, Return on Risk Adjusted Capital (RORAC), achieved at year-end, compared with the Risk Trigger and Risk Appetite thresholds set out in the Risk Appetite Framework for the year⁷⁹. It may result in the reduction to zero of the economic resources or their increase, and in the latter case if approved by the Board of Directors of the Parent Company, which determines the exact amount. More specifically, the factors to apply are shown in the table below.

RORAC RECORDED (R)	FINANCIAL ADJUSTMENT FACTOR TO BE APPLIED TO THE FINANCIAL RESOURCES OF PORTION A OF THE BONUS POOL ⁸⁰
$R \leq \text{RORAC Risk Trigger}$	0%
$\text{RORAC Risk Trigger} < R < \text{midpoint}^{\text{81}}$	The Parent Company's Board of Directors may resolve to authorise payment of up to a maximum amount equal to 50% of portion A of the bonus pool as provided for in the budget. Any payments cannot regard the identified staff.
$\text{midpoint}^{\text{81}} \leq R \leq \text{RORAC Risk Appetite}$	% given by the ratio RORAC recorded/RORAC Risk Appetite.
$R > \text{RORAC Risk Appetite}$	Percentage determined by the Parent Company's Board of Directors in relation to and within the ratio RORAC recorded/RORAC Risk Appetite, with a fixed cap of 110%.

In the event of a consolidated accounting loss for the financial year, a mechanism is applied, prior to the financial adjustment factor, to reduce portion A of the bonus pool as provided for in the annual budget. Specifically, where the gateways for the short-term incentive plan are met and, at the same time, a consolidated accounting loss for the financial year is recorded, portion A of the bonus pool as provided for in the budget is reduced by the amount of the loss, up to a maximum reduction of 20% of that portion. In this circumstance, the subsequent application of the financial adjustment factor may not increase the economic resources.

The coefficient linked to RORAC and the reduction mechanism in the event of a consolidated accounting loss for the financial year are not applied to portion A of the bonus pool for identified staff within functions with control duties, in order to avoid linking

⁷⁸ See paragraph 6.3.

⁷⁹ Both the final balance value and the comparison thresholds are determined as the ratio between the financial year's results, represented by the net income as at 31/12 calculated net of items removed to calculate the UOC (see Definitions) and without the amount of portion A of the bonus pool, and the capital requirement recorded at year-end calculated as a percentage of risk-weighted assets considering the target CET 1 ratio. The method used to calculate the result for the year is governed by internal regulations.

⁸⁰ The factor does not affect the portion of the financial resources of the short-term incentive plan assigned to identified staff of functions with control tasks.

⁸¹ Midpoint between Risk Trigger and Risk Appetite.

the incentive to financial results, nor to portion A of the bonus pool for staff of the Anima Group, for as long as it remains listed.

A financial adjustment factor is applied to portion A of the bonus pool for staff of the Anima Group as defined in the annual budget, the level of which is proportional to the value of the Anima Group's EBITDA⁸² achieved at year-end compared with the budget set for the year. It may result in the reduction to zero of the economic resources or their increase, and in the latter case if approved by the Board of Directors of Anima Holding, which determines the exact amount. More specifically, the factors to apply are shown in the table below.

EBITDA ⁸² (R)	FINANCIAL ADJUSTMENT FACTOR TO BE APPLIED TO THE FINANCIAL RESOURCES OF PORTION A OF THE BONUS POOL FOR THE ANIMA GROUP⁸³
R ≤ 50% budget	0%
50% budget < R ≤ budget	% determined by the ratio EBITDA achieved/budgeted EBITDA.
R > budget	Percentage determined by Anima Holding's Board of Directors in relation to and within the ratio EBITDA achieved/budgeted EBITDA, with a fixed cap of 110%.

6.4.2 Non-financial adjustment factor

A non-financial adjustment factor is applied to portion A of the bonus pool, the level of which is linked to the consolidated values of the ECAP Reputational Risk and Anti-Money Laundering (AML) indicators achieved at year-end, compared with the respective Risk Trigger thresholds defined in the Risk Appetite Framework for the year.

The ECAP Reputational Risk indicator represents the amount of economic capital against reputational risk estimated through an internal model. The status of the Group's reputation is monitored through the collection and analysis of indicators that may influence the Group's reputation in regard to the main stakeholders (customers, shareholders, market counterparties, regulators, employees, and the financial community) from a retrospective, prospective and stressed perspective. The indicators selected relate to the macro areas of market risk, litigation or sanctioning, IT services, corporate social responsibility, regulatory affairs, and are internal, i.e. derived from company processes, and external to the Group, i.e. derived from market data. In order to measure the Group's reputation on the most popular internet platforms (e.g. X, Facebook, blogs, press agencies, etc.), a measurement relating to the sentiment in the social media sphere is provided for in the internal model. Specific engines, based on machine learning and artificial intelligence techniques and tools, monitor the discussions circulating on the main social platforms, assess the relevance and significance of the opinions expressed, associate the messages to the stakeholders affected and measure the sentiment expressed towards the Group; this sentiment, suitably classified, is considered to integrate the reputational measure obtained with traditional models. The estimation methodology adopted also includes the assessment of potential negative economic and financial impacts originating from a sudden deterioration of the Bank's image in relation to the possible occurrence of ESG (Environmental, Social, Governance) risks. The model is therefore consistent with the relevant provisions of the Supervisory Authority, as it allows the potential deterioration of the Group's reputation to be identified if it is perceived by its various stakeholders as not being adequately sensitive to environmental, social or governance issues.

⁸² Both the final value and the comparison threshold are calculated net of the variable component of short-term remuneration.

⁸³ The factor does not affect the portion of the financial resources of the short-term incentive plan assigned to identified staff of functions with control tasks.

The AML represents the ratio between the number of NDGs⁸⁴ with an expired profile and the total number of NDGs profiled.

The application of the non-financial adjustment factor may reduce portion A of the bonus pool for all staff, including identified staff within functions with control duties.

Specifically, the factors to be applied are shown in the following table (the higher the value, the greater the risk that the Group is assuming).

		ECAP REPUTATIONAL RISK	
		Result < Risk Trigger	Result ≥ Risk Trigger
AML	Result < Risk Trigger	no reduction	-10%
	Result ≥ Risk Trigger	-10%	-20%

The non-financial adjustment coefficient is not applied to portion A of the bonus pool for staff of the Anima Group⁸⁵.

6.4.3 Equalisation mechanism

Following application of the financial and non-financial adjustment coefficients, if portion A of the bonus pool⁸⁶ proves insufficient to cover the total incentives calculated on the basis of the performance achieved, an equalisation mechanism will be applied, reducing individual incentives proportionally by the same percentage.

6.5 Short-term incentive plan

The short-term incentive plan consists of the set of entry gates referred to in paragraph 6.3, the financial and non-financial adjustment factors referred to in paragraph 6.4 and the principles and methods of implementation, outlined in this paragraph, which are applied in the assignment of annual objectives. These elements, on the whole, ensure correlation with company and individual performance, connection with risks (including legal and reputational risks), compatibility with the Group's capital and liquidity levels, and orientation towards medium-long-term results, consistency with the strategies for monitoring and managing non-performing loans and compliance with the rules.

The short-term incentive plan, in addition to providing for the assessment of the quantitative performances, is characterised by mechanisms aimed at monitoring risk, the compliance of behaviour vis-à-vis the reference (internal and external) laws from time to time in force, the respect of customers and the maximisation of their satisfaction, and the avoidance of potential conflicts of interest.

Said purpose is mainly pursued by means of joint action on the following aspects:

- the use of qualitative parameters that impact on the quantification of the incentive and are expressed with quantitatively measurable criteria, aimed at measuring customer



⁸⁴ Identifier of the customer, for internal use in each bank.

⁸⁵ This provision applies for as long as the Anima Group remains listed.

⁸⁶ Excluding the portion relating to staff of the Anima Group, for as long as it remains listed.

- satisfaction, operational excellence, excellence in the service offered, compliance with regulations (including but not limited to the results of the customer satisfaction survey, the number of complaints, the adequacy of customer advice, compliance with rules and regulations, the assessment of qualitative performance understood as an assessment of active behaviour). For the objective cards of the commercial networks, the incidence of these elements on the total represents on average about one quarter. Therefore, also in compliance with the regulations on transparency with specific reference to networks, the short-term incentive plan is not based exclusively on commercial objectives;
- with reference to risk containment, the allocation:
 - for commercial networks, wherever applicable, of objectives pertaining to the control of credit risk profiles and capital;
 - for identified staff, where this does not generate a potential conflict of interest, of risk-based KPIs, consistent with the risks assumed by people in relation to the responsibilities and activities carried out, in alignment with the Risk Appetite Framework. In this context, special attention is paid to the monitoring of operational risk;
 - the provision of malus and claw-back mechanisms⁸⁷, which affect the incentive until it is eliminated, to discourage misconduct, further align the interests of staff with those of customers and adjust the variable remuneration if unlawful conduct towards the customer is ascertained.

Customer satisfaction is measured through an indicator that measures the level of satisfaction based on loyalty in the company-customer relationship, assessed through the customer's propensity to recommend the bank to friends and colleagues. The registration and calculations of the indicators are carried out by a leading external company and are based on both telephone interviews and web questionnaires provided to customers.

To support the dissemination of corporate culture on ESG (Environmental, Social, Governance) issues, the incentive system provides for an increasingly widespread assignment of diversified KPIs related to these areas; please refer to paragraph 6.10 for further information on the inclusion of ESG objectives in variable remuneration.

With reference to the area of transparency of banking and financial transactions and services, in the networks' short-term incentive plan⁸⁸:

- there is no incentive to place unsuitable products in relation to customers' financial needs;
- the joint sale of an optional contract and the loan agreement is not encouraged or rewarded to a greater extent than the sale of the two separate contracts;
- there is no incentive to offer a specific product, or a specific category or combination of products, when this could be detrimental to the customer;
- there is no incentive to offer a specific product which entails higher costs than another product which is also adequate, consistent and useful in relation to the interests, objectives and characteristics of the customer.

⁸⁷ See paragraph 6.8.

⁸⁸ These provisions apply to "identified persons" as defined in the "Provisions on the transparency of banking and financial transactions and services. Fairness of relationships between intermediaries and customers", i.e., the staff offering products to customers, interacting with them (5,841 persons on the date of drafting the document, of which 5,629 in the Retail Banking business area and 212 in the Investment Banking business area), as well as those to whom they report hierarchically (1,357 persons on the date of drafting the document of which 1,314 in the Retail Banking business area and 43 in the Investment Banking business area). The remuneration policy developed pursuant to the transparency provisions also relates to credit intermediaries (20 credit intermediaries) who collaborate with the Group.

For staff responsible for handling complaints, any incentives take into account, among other things, the results achieved in the handling of complaints and the quality of customer relations.

These provisions, implemented since the establishment of the Group, promote a corporate culture oriented towards fairness in the performance of its responsibilities and activities and at the same time towards risk management, favouring a context of lower potential impact on operational and conduct risks. They make it possible to aim for operational excellence and excellence in the service offered, essential elements to meet the increasingly high expectations of customers, in compliance with the regulations.

The structure of the incentive systems in place for staff, and in particular for identified staff, as well as the method of payment of incentives⁸⁹ are therefore in line with the MiFID regulations, also with reference to the exclusion of mechanisms that may encourage them to favour their own interests or the interests of the company to the potential detriment of any customer.

For identified staff established on the basis of their responsibilities and recipients of incentive⁹⁰, and for specific staff of the Group sales networks⁹¹, the performance assessment method provides for the assignment, at the start of the system, of a scorecard to compare with results achieved at the end of the year. In the remaining cases⁹⁰, the assessment is carried out by the head of the pertinent structure upon achievement of the qualitative and quantitative objectives.

The scorecard⁹⁰ includes a predefined number of indicators, which focus on priority objectives. Each indicator is assigned a weight in percentage terms on the total and a result curve on achievement levels (minimum, target and maximum). The result obtained by each KPI determines a weighted score, in a variable awarding curve between a minimum and a maximum achievable. The sum of the weighted scores corresponds to the performance achieved in proportion to which, only if at least equal to a pre-established minimum score, the amount of the incentive, which cannot exceed a pre-established maximum level, is quantified.

For recipients of scorecards, the value of the incentive is calculated, in consideration of the financial resources, with reference to the level of the position, the type of activity performed, also in relation to the proximity to the business, the individual's total remuneration with reference to market benchmarks and the need for differentiation for retention purposes.

The process to define and manage the short-term incentive plan is regulated by the Group's internal regulations, so that staff are informed as to how the system works. The Parent Company Remuneration Committee plays an active role, in particular to verify its alignment with the risks assumed, with the support of the Internal Control and Risk Committee. On the basis of the opinion prepared by the Internal Control and Risk Committee and the Board of Statutory Auditors, the Board of Directors ascertains the absence of potential conflicts of interest with regard to the scorecards of the identified staff of the internal control functions.

⁸⁹ See paragraph 6.7.

⁹⁰ Without prejudice to any specific provisions applicable within the insurance and asset management sectors, in line with the relevant sector regulations; reference should also be made to the clarifications set out in paragraph 6.6.

⁹¹ The list of individuals to receive a scorecard is not exhaustive.

6.5.1 Short-term incentive plan of the Parent Company's Chief Executive Officer

The objectives assigned to the Chief Executive Officer for 2026 concern the areas of profitability, credit and asset quality, capital adequacy and ESG (Environmental, Social and Governance). The objectives differ from those set out in the LTI plans and represent a combination of quantitative and qualitative criteria with respect to the Group's results. The quantitative objectives are taken from the Risk Appetite Framework approved by the Board of Directors of the Parent Company for the year, make provision for result curves applied by the Board of Directors, closely linked to the Appetite and consistent with the RAF also with respect to risk limits. The risk-based indicators⁹² represent 90% of the total. The ESG indicators represent a total of 20%. The qualitative indicator, with a weight of 10% of the total, makes provision for an assessment formulated by the Board of Directors, after consulting the Remuneration Committee, the Internal Control and Risk Committee and the Sustainability Committee, with respect to predefined drivers based on objective elements (for example, project documentation, Risk Appetite Monitoring reports, results achieved).

AREA	OBJECTIVE	WEIGHT	MINIMUM	TARGET	MAXIMUM
Profitability	Consolidated RORAC ⁹³	20%	-10%		+2.5%
	Consolidated Cost/Income ratio ⁹³	20%	+2.5%	Risk	-1.5%
Credit and asset quality	Credit Policies Indicator ⁹³	20%	-2.5%	Appetite	+2.5%
Capital adequacy	Maximum Distributable Amount (MDA) Buffer ⁹³	20%	-10%		+2.5%
Sustainability ⁹⁴	- Low-Carbon MLT new financing ⁹³ (weight 60%)		-10%	6.05 billion	+5%
	- ESG Bond – % share of Corporate Banking Book ⁹³ (weight 40%)	10%	-2%	40%	+1%
	Qualitative assessment of overall management performance carried out by the Board of Directors, having heard the opinion of the Committees (Remuneration, Internal Control and Risk, Sustainability), also taking into account the following drivers:				
	- oversight and development of areas related to the Prudential Transition Plans in compliance with the EBA Guidelines on ESG risks	10%	in line with expectations	above expectations	excellent
	- monitoring and development of areas related to the Corporate Sustainability Reporting Directive				
	- monitoring of operational and reputational risks and dissemination of a risk culture				
	- promotion of values and behaviour in line with the corporate culture				

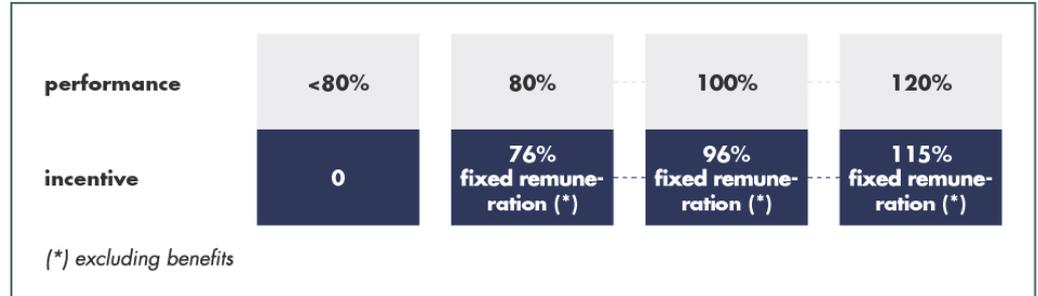
The weighted score attributed to each KPI amounts to 80% of the weight assigned in the case of a minimum result and 120% in the case of a maximum result. The amount of the incentive is quantified in proportion to the performance achieved, only if the sum of the weighted scores of the individual KPIs is at least equal to 80% (in that case, the incentive amounts to 80% of the target incentive) and otherwise, the incentive is not awarded. If the maximum performance of 120% is achieved, the incentive amounts to 120% of the target incentive.

⁹² The following are classified as *risk-based* KPIs: (i) RAF indicators relating to or correlated with first or second pillar risk measures, (ii) indicators relating to the plan of activities related to the spread of the risk culture, including RAF indicators related to it or included in the risk culture dashboard, (iii) indicators indirectly linked to the *Risk Appetite Framework* referring to the resolution of *findings* or the activity plan and related methodologies, (iv) additional RAF indicators.

⁹³ Risk-based objective, RAF indicator.

⁹⁴ ESG objectives.

The incentive amount linked to the Chief Executive Officer’s 2026 objectives may reach up to a maximum of 115% of his/her fixed remuneration⁹⁵ in the event of maximum performance.



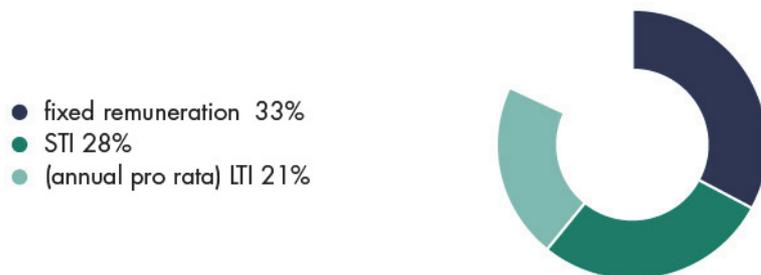
Regarding the conditions for the award of the incentive, the same provisions envisaged for the identified staff not belonging to functions with control tasks (chapter 6) apply.

6.5.2 Short-term incentive plan of other executives with strategic responsibilities of the Parent Company

The scorecard for Parent Company executives with strategic responsibilities is defined on the basis of schedules clustered by staff category, which envisage both across-the-board KPIs, correlated to the Group’s main objectives, and KPIs relating to specific areas of responsibility. The assignment of company indicators defined for the Chief Executive Officer of the Parent Company may be envisaged, where this does not generate a potential conflict of interest. The weighted score attributed to each KPI amounts to 80% of the weight assigned in the case of a minimum result and 120% in the case of a maximum result. The amount of the incentive is quantified in proportion to the performance achieved, only if the sum of the weighted scores of the individual KPIs is at least equal to 80% (in that case, the incentive amounts to 80% of the target incentive) and otherwise, the incentive is not awarded. If the maximum performance of 120% is achieved, the incentive amounts to 120% of the target incentive.

The scorecard of executives with strategic responsibilities that do not belong to functions with control tasks, including the Co-General Managers of the Parent Company, may regard areas of profitability, credit and asset quality, capital adequacy, ESG and qualitative aspects, with reference to operational and reputational risk. The amount of the maximum incentive⁹⁶ associated with the 2026 objectives is defined according to the criteria illustrated in paragraph 6.5 and in compliance with the limits indicated in paragraph 6.1.

**Components of remuneration
 Average incidence compared to the cap (2:1)**



⁹⁵ Excluding benefits.

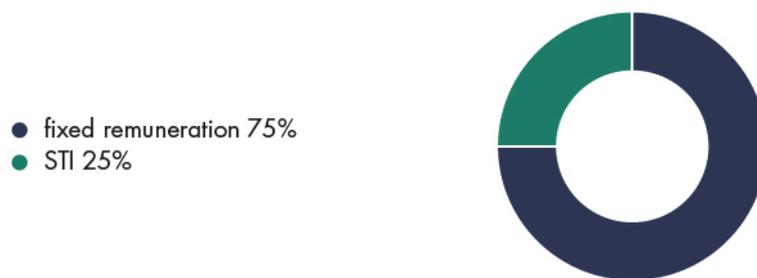
⁹⁶ Namely awarded when achieving maximum performance.

AREA	INDICATORS	EXAMPLES	RANGE OF WEIGHT ⁹⁷
Cross-departmental objectives		Consolidated RORAC, operational risk indicators	25%
Structural objectives	Indicators related to growth, profitability, productivity or to strategic action directly relating to the scope of responsibility.	Net interest and other banking income, capital indicators, MDA buffer, consolidated cost/income ratio, indicators of compliance with credit policies or in the non-performing loan domain, digitalisation, managerial projects and initiatives included in annual planning, enhancement of the real estate and equity investments portfolio, customer satisfaction	55%
ESG	Quantitatively measurable indicators related to the Environmental, Social and Governance dimension.	Annual breakdown of the ESG objectives set out in the Strategic Plan, completion of project initiatives related to the Prudential Transition Plans in compliance with the EBA Guidelines on ESG risks.	10%
Quality performance	Assessment of specific drivers also referring to the area of sustainability.		10%

The risk-based indicators represent at least 45% of the total.

The scorecard of the executives with strategic responsibilities of functions with control tasks include KPIs relating to the verification activities in the areas of competence, risk management and qualitative aspects, with particular reference to the resolution of findings and remarks. The amount of the maximum incentive⁹⁸ associated with the 2026 objectives is defined according to the criteria illustrated in paragraph 6.5 and in compliance with the limits indicated in paragraph 6.1.

Components of remuneration Average incidence compared to the cap



AREA	INDICATORS	RANGE OF WEIGHT ⁹⁹
Operational excellence or compliance	Indicators related to the effectiveness of control activity, to the resolution of findings and remarks and to the risk culture, for internal control functions.	30%-35%
Structural objectives	KPIs related to the scope of responsibility or to activities performed with relation to the position, also with reference to the ESG area, such as by way of example, the preparation of the annual audit plan or specific projects also related to the entry into force of new legislation.	55%-60%
Quality performance	Assessment of specific drivers also referring to the area of sustainability.	10%

⁹⁷ As a guideline.

⁹⁸ Namely awarded when achieving maximum performance.

⁹⁹ As a guideline.

The risk-based indicators represent at least 25% of the total.

As regards the conditions for the award of the incentive, the provisions envisaged for the identified staff in chapter 6, for the reference category (namely belonging or not belonging to functions with control tasks) are applicable.

6.6 Variable component linked to operating results (portion B of the bonus pool)

Within the Investment Departments of the AMCs, asset management activities are characterised by the transparency of the returns generated for clients, making the quality of performance one of the key factors affecting corporate profitability in the medium to long term. In line with market practice, the remuneration structure applied to managers includes a variable component linked to the results achieved in asset management.

The incentive mechanisms adopted enhance the work of managers, taking into account both the different objectives and technical features of the products and the overall distribution strategy pursued through commercial channels, in full compliance with applicable regulations and, in particular, those relating to sound and prudent remuneration policies.

With regard to Absolute/Total Return products, the distinctive feature of this line lies in the pursuit of positive absolute returns, irrespective of the performance of the relevant markets. Performance fees are generally applied to these products, a portion of which is allocated to the management team as an incentive. The percentage awarded to managers varies according to the type of investor.

In relation to benchmark products, the objective of managers is to achieve results that outperform the relevant benchmark, while ensuring rigorous risk control. Incentives are awarded to the management team based on their ability to outperform the benchmark.

For staff within the asset management company responsible for managing and developing client relationships, incentives are linked to parameters relating to net inflows and the profitability of assets under management.

6.7 Payment of incentive

The procedures for the payment of incentives to the Group's Staff are described in the following paragraphs (portion A and portion B of the bonus pool).

6.7.1 Payment of incentive of other staff

The incentive for other staff is paid in cash and on a one-time basis, by the month of July of the year following the relevant year.

With a view to staff retention and in line with the ESMA guidelines on certain aspects of the remuneration requirements of MiFID II, for the recipients of the scorecards in the private banking network, provision is made for the deferred disbursement in the following year of any incentive to be awarded for the portion corresponding to 25% of the same.

For the remaining staff within the Investment Department of significant AMCs¹⁰⁰, where the amount of the incentive exceeds 100% of fixed remuneration and, at the same time, exceeds Euro 50,000, it is paid 60% as an up-front portion and the remaining 40% in two deferred instalments, as follows:

- 50% of the deferred portion is disbursed one year after the up-front portion;
- 50% of the deferred portion is disbursed two years after the up-front portion.

¹⁰⁰ Pursuant to the reference regulations, the following are significant managers: Anima SGR and Kairos Partners SGR.

The vesting of these deferred portions is subject to compliance with the provisions set out in paragraph 6.8.

In the event of the termination of contract, both the up-front portion and the deferred portions of the incentive are paid¹⁰¹ in the case of retirement, access to the solidarity fund, death, specific provisions contained in individual contracts or in individual agreements to terminate employment, without prejudice to cases in which all rights are lost. The loss of all rights¹⁰² is envisaged if the contract is terminated due to resignation, dismissal for just cause or justified subjective grounds, as well as termination of the contract for any reason or grounds, including access to the solidarity fund, that entail termination before 30 June 2026. The same provisions regarding the retention or loss of entitlement to payment also apply to deferred portions of incentives relating to previous years that are still being accrued.

6.7.2 Payment of incentive of identified staff

The incentive for identified staff¹⁰³ established in the year, is paid over a period of six or five years, divided into an up-front portion and five or four annual deferred portions, conditional to the fulfilment of future conditions.

The up-front portion, to be assigned by July of the year following the pertinent year, irrespective of the beneficiary, is equal to:

- 60% of the incentive awarded, in cases where the annual individual variable remuneration is less than Euro 455,000;
- 40% of the incentive awarded, in cases where the annual individual variable remuneration is equal to or greater than Euro 455,000.

For the Group, the figure of Euro 455,000 is a particularly high variable remuneration level, determined according to criteria set forth in Bank of Italy Supervisory Regulations¹⁰⁴.

50% of the up-front portion of the incentive is awarded in Banco BPM ordinary shares.

Other deferred portions consist of:

- five annual instalments of the same amount, deferred in the five-year period following the year of vesting of the up-front portion, for 55% in Banco BPM ordinary shares, for:
 - senior identified staff;
 - the managers of main business lines of Banca Akros or Banca Aletti directly reporting to the Chief Executive Officer or senior management of Banca Akros or Banca Aletti, if the individual variable remuneration amount awarded is equal to or greater than Euro 455,000;
- four annual instalments of the same amount, deferred in the four-year period following the year of vesting of the up-front portion, for 50% in Banco BPM ordinary shares, for identified staff not included in the previous point.

The deferred portions are allocated by the end of July of each year.

¹⁰¹ Pro-quota based on the twelfths of presence in service during the year, determined in accordance with internal regulations.

¹⁰² Both in relation to the incentive accrued for the current year, and to the deferred portions of incentives relating to previous years that are still in the process of vesting.

¹⁰³ With the exception of Group employees who hold positions in the Boards of Directors of subsidiary companies in representation of the Group itself, if the employees do not receive any fixed or variable remuneration for said positions. In such cases, the provisions relating to the payment of the incentive of the remaining staff apply (see paragraph 6.7.1).

¹⁰⁴ See, First Part, Title IV, Chapter 2, Section III, Paragraph 2. As allowed by the same Provisions, the value provided in the 2025 Policy is confirmed.

By virtue of the option permitted under the Bank of Italy's Supervisory Provisions¹⁰⁵ and in accordance with the Provisions for the asset management sector, the following specific provisions apply to identified staff operating within AMCs, by way of derogation from the general rules set out above.

For identified staff operating within significant AMCs¹⁰⁶:

- 50% of the incentive is awarded in portions of funds managed, instead of Banco BPM shares¹⁰⁷:
 - for identified staff not directly involved in asset management activities, or directly involved in asset management activities but not directly responsible for specific funds, a basket of UCIs or a representative fund of funds covering the main asset classes managed by the AMC may be used;
 - for identified staff directly involved in asset management activities and responsible for specific funds, the portion of variable remuneration awarded in financial instruments consists predominantly of units of UCIs managed by the same staff and allocated on a proportional basis, and, to a residual extent, of the basket or the fund of funds¹⁰⁸;
- the incentive is paid:
 - for the Chief Executive Officer, the General Manager, the Co-General Manager and for other identified staff whose incentive exceeds 300% of fixed remuneration, the incentive is paid 40% up-front and 60% in five instalments, both in cash and in portions of funds, deferred over the five-year period following the year in which the up-front portion accrues, allocated as follows: the first deferred instalment is equal to 40% of the total deferred component, and each of the subsequent four instalments is equal to 15%;
 - for other identified staff whose incentive is between 100% and 300% of fixed remuneration, the incentive is paid 50% up-front and 50% in three deferred portions, both in cash and in portions of funds, over the three-year period following the year in which the up-front portion accrues, allocated as follows: the first deferred instalment is equal to 40% of the total deferred component and each of the subsequent two instalments is equal to 30%;
 - for other identified staff whose incentive does not exceed 100% of fixed remuneration, the incentive is paid 60% up-front and 40% in three deferred portions, both in cash and in portions of funds, over the three-year period following the year in which the up-front portion accrues, allocated as follows: the first deferred instalment is equal to 40% of the total deferred component and each of the subsequent two instalments is equal to 30%.

For identified staff operating within non-significant AMCs¹⁰⁹, by virtue of the principle of proportionality¹¹⁰, the incentive is paid 60% up-front and 40% in three deferred portions, in cash, over the three-year period following the year in which the up-front portion accrues, allocated as follows: the first deferred instalment is equal to 40% of the total deferred component and each of the subsequent two instalments is equal to 30%.

¹⁰⁵ See Part One, Title IV, Chapter 2, Section I, Paragraph 8.1.

¹⁰⁶ Pursuant to the reference regulations, the following are significant managers: Anima SGR and Kairos Partners SGR.

¹⁰⁷ Pursuant to the Provisions for the asset management sector, a portion of the variable remuneration consists of units or shares of the UCITS or AIFs managed, or of a combination that takes into account, as far as possible, their relative proportion.

¹⁰⁸ In order to avoid encouraging excessive risk-taking by the manager, levels of predominance (i.e. the proportion of UCI units relative to the total financial instruments awarded) are defined, differentiated according to the number of funds allocated. Without prejudice to the necessary specific provisions applicable to any delegated funds.

¹⁰⁹ Pursuant to the reference regulations, the following are not significant managers: Castello SGR, Alternative SGR and Banco BPM Invest SGR.

¹¹⁰ Provisions for the asset management sector, Annex 2, paragraph 4.

There is a retention period (selling restriction) on the shares vested of one year both for the up-front shares and for deferred shares; for the latter, the retention period starts from the moment the deferred remuneration is vested (vesting takes place with the respective monetary shares). For the financial instruments used within the AMCs, a retention period of one year applies to the up-front portion and six months to the deferred portions.

The financial instruments relating to the up-front portion and the deferred portions will be subject to taxation by reference to the so-called "normal value", equal to the arithmetic average of the official prices recorded over the thirty calendar days preceding the date on which each instalment is transferred to the beneficiary's securities account¹¹¹.

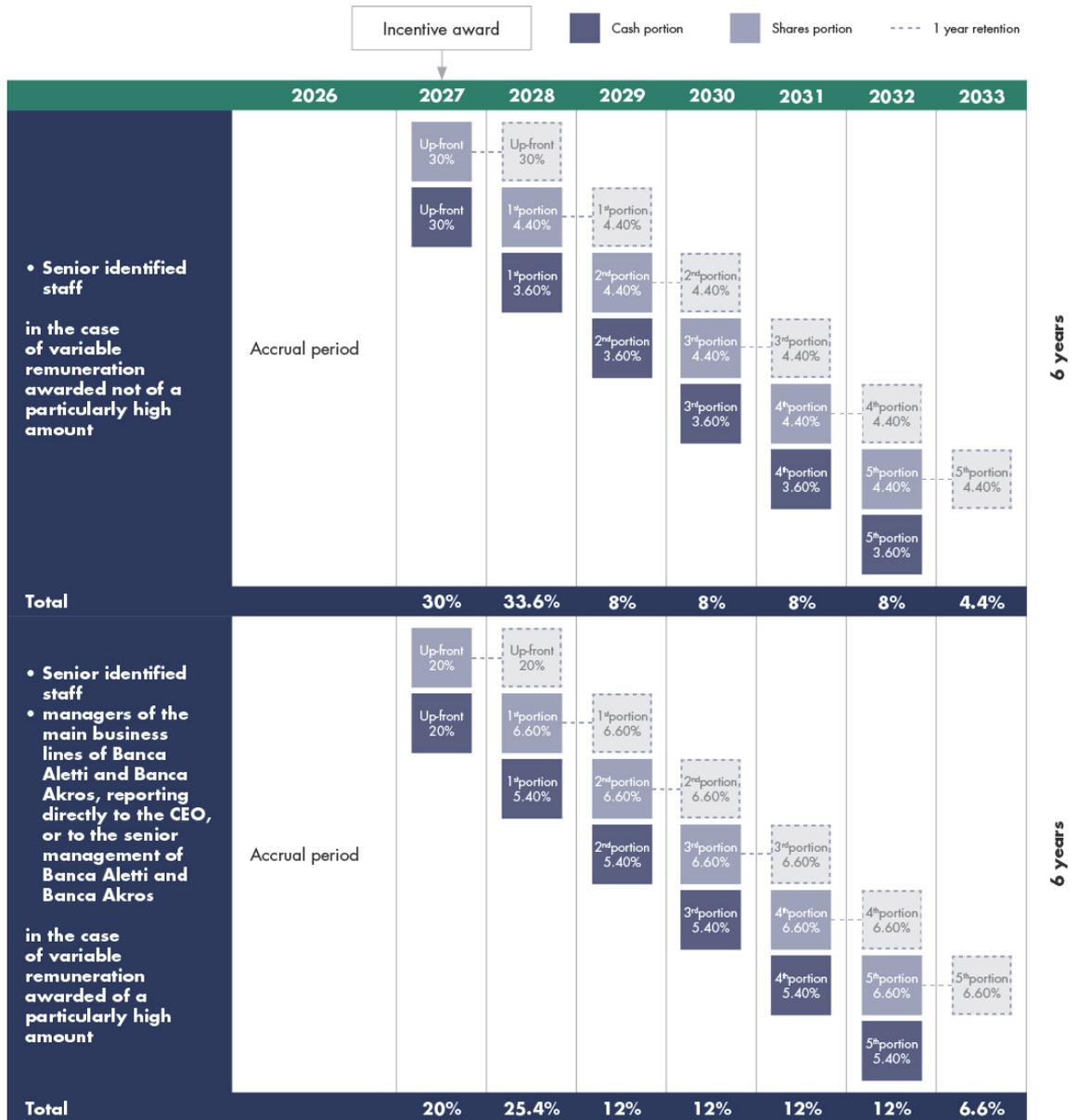
Any rights and/or dividends will only vest with reference to the period following the transfer to the beneficiary's securities portfolio.

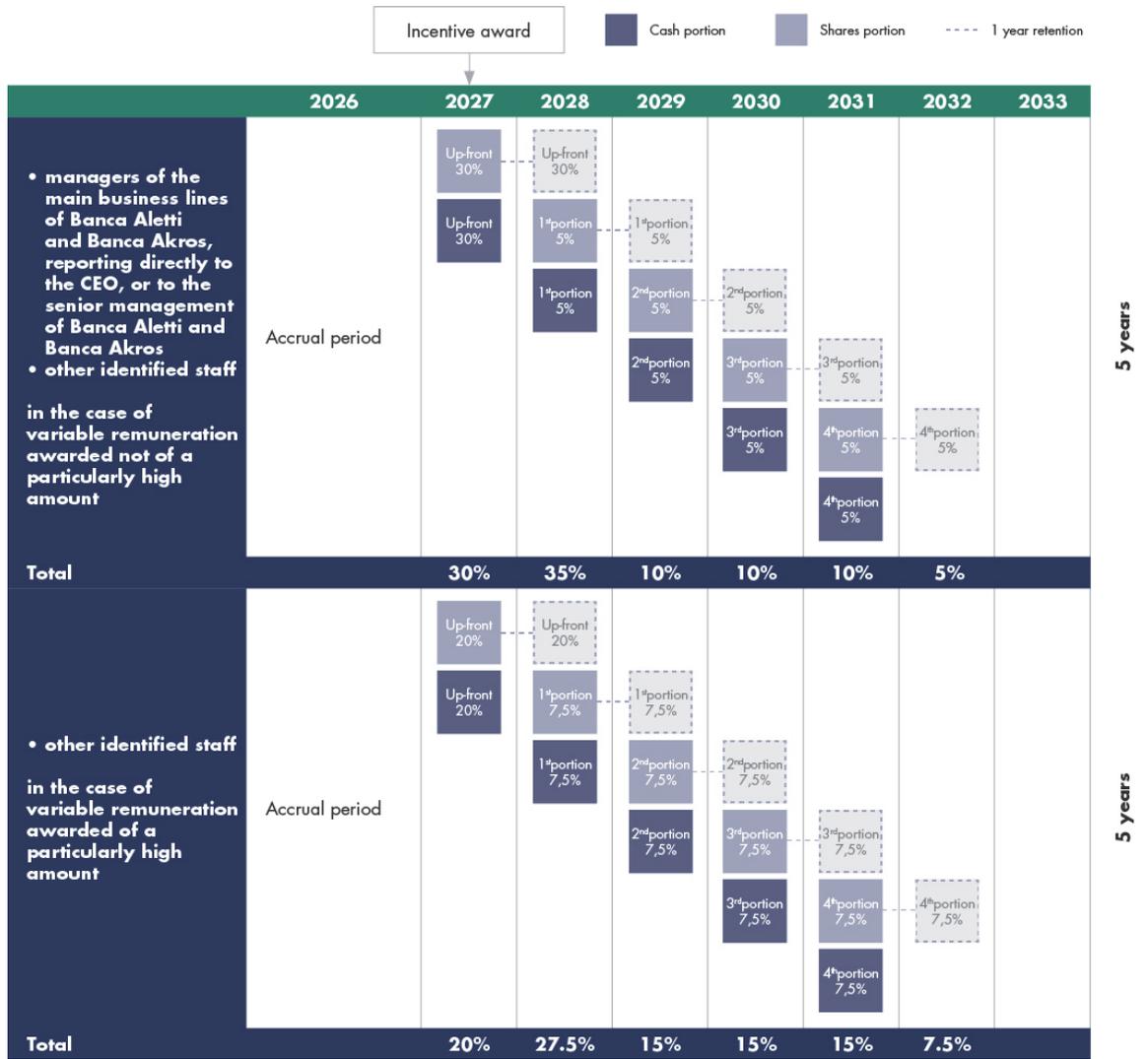
For shares, in the event of extraordinary capital operations which envisage the exercise of an option right¹¹², the Parent Company Board of Directors may assess any consequent adjustments to any share portions that have vested but are not yet available to the beneficiaries.

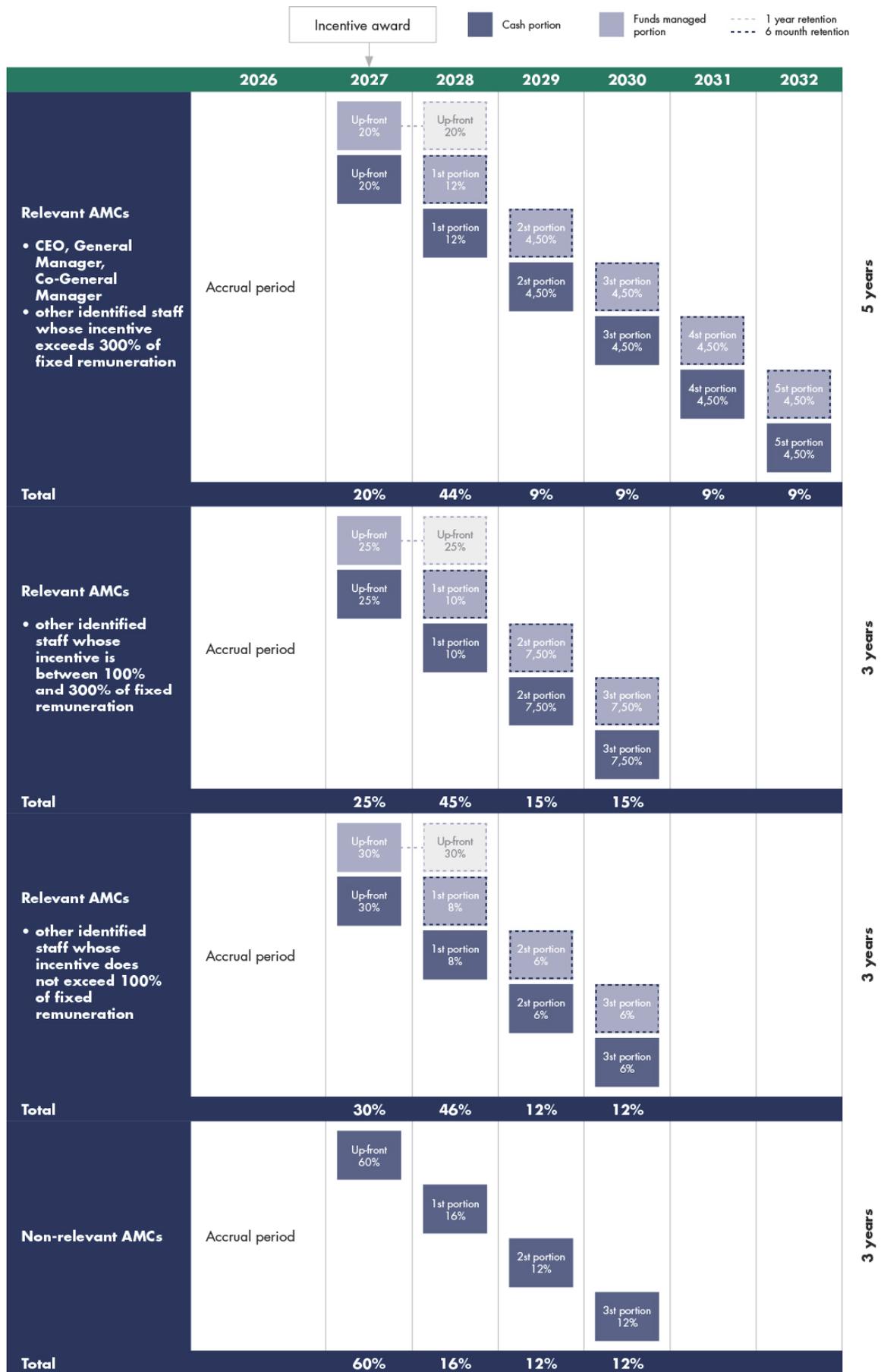
The tables show the breakdown and amount of the incentive portions recognised, in relation to the year of payment of the monetary portions and the year of end of retention of the shares.

¹¹¹ For portions of funds, reference is made to the last thirty calendar days preceding the date of the most recently available NAV.

¹¹² One such example is share capital increases.







The up-front portion and the deferred portions are subject to malus and claw-back mechanisms, as set forth in paragraph 6.8.

In the event of the termination of contract, both the up-front portion and the deferred portions are paid¹¹³ in the case of retirement, access to the solidarity fund, death, specific provisions contained in individual contracts or in individual agreements to terminate employment, without prejudice to cases in which all rights are lost. The loss of all rights is envisaged if the contract is terminated due to resignation, dismissal for just cause or justified subjective grounds, as well as termination of the contract for any reason or grounds, including access to the solidarity fund, that entail termination before 30 June 2026. The same provisions regarding the retention or loss of entitlement to payment also apply to deferred portions of incentives relating to previous years that are still being accrued.

As required by the Bank of Italy Supervisory Regulations, in cases where the annual individual variable remuneration is lower than or equal to the significance threshold of Euro 50,000, and, at the same time, lower than or equal to one third of the total annual individual remuneration¹¹⁴, the relative amount is paid out in cash and in a lump sum. For identified staff operating within the AMCs, where the individual annual variable remuneration is less than or equal to the materiality threshold of Euro 80,000, the relative amount is paid out in cash and in a lump sum.

6.8 Malus and claw-back mechanisms

Payments of variable remuneration components are subject to the ex post correction system (malus) described below:

1. The vesting of each deferred portion of the incentive awarded to identified staff is subject to total compliance with the consolidated entry gates¹¹⁵ and with the relative threshold comparative values envisaged for the short-term incentive plan of the year preceding the year of vesting of the same for the relevant Staff category in the same year. This ex post correction system, therefore, operates in the deferral period, before the actual vesting of the deferred portions of the incentive;
2. in the case of ascertainment, during the year, of misconduct of the identified staff and other staff, the Board of Directors of the Parent Company and/or the subsidiary companies and/or the Chief Executive Officer of the Parent Company (or their delegate), each to the extent of their responsibility, shall assess what action to take (which may entail its reduction or cancellation) in relation to the incentive and to the company bonus for the year, the deferred portions of incentives relating to previous years vesting with reference to the same year and to any retention bonuses.

The following constitute misconduct:

- conduct resulting in a suspension from service and remuneration for a period of at least one day. This excludes receipt of the above-mentioned variable remuneration components;

¹¹³ Pro-quota based on the twelfths of presence in service during the year, determined in accordance with internal regulations.

¹¹⁴ Where the individual annual variable remuneration exceeds the materiality threshold, the more detailed rules are applied to the variable remuneration in its entirety.

¹¹⁵ In addition, for AMCs, reference is made to the respective company-level profitability gateway (EBITDA for the AMCs within the Anima Group and UOC for Banco BPM Invest). Furthermore, for as long as the Anima Group remains listed, the following provisions apply: (i) for the companies within that Group, vesting is not subject to the consolidated profitability gateway (UOC); and (ii) for Anima Holding, vesting is subject to the relevant profitability gateway (Anima Group EBITDA).

- conduct which does not comply with legal, regulatory or bylaw provisions or with codes of ethics or conduct applicable, leading to a significant loss for the company or the Group or for customers;
 - breaches¹¹⁶ of the requirements stated pursuant to article 26 or, when the entity is an affected party, pursuant to article 53 of the Consolidated Banking Law;
 - violations of the obligations imposed pursuant to article 76 of the Private Insurance Code (CAP) - Requirements of professionalism, integrity and independence of company representatives and persons who perform key functions;
 - infringements¹¹⁶ of the obligations imposed pursuant to article 13 or, when the individual is an affected party, pursuant to article 6, paragraphs 2-octies e 2-novies of the Consolidated Finance Law;
 - infringements of the obligation not to use personal hedging strategies or insurance on remuneration or on other aspects to alter or undermine the risk alignment effects embedded in the remuneration mechanisms;
 - fraudulent or grossly negligent conduct causing damage to a Group company;
 - conduct that has led or contributed to significant damage to customers or a significant infringement of the rules contained in title VI of the Consolidated Banking Law, of the relative implementing provisions or the set of legal provisions or codes of ethics or of conduct to protect customers applicable to the bank;
3. for identified staff and for other staff operating within the Investment Department of significant AMCs, furthermore, where the following are identified:
- during the financial year, breaches of the investment limits set out in internal and external regulations and in the offering documentation of the Products, the Board of Directors of the AMC shall assess the measure to be adopted (which may result in a reduction or cancellation) in relation to the incentive relating to the relevant financial year and to the deferred portions of incentives from previous financial years that are vesting in respect of the same financial year. The extent of the adjustment is linked to the seriousness of the breaches, their duration, the existence of any repeat occurrences, the portfolio manager's role in the occurrence of the breaches and any operational losses or reputational damage caused to the AMC;
 - for two consecutive years, gross performance of the funds or individual portfolios that is negative and exceeds the relevant defined risk limits (for example, relating to tracking error or volatility), the Board of Directors of the AMC shall assess the measure to be adopted, which may reduce the deferred variable component in proportion to the weight of the fund or mandate in relation to the total assets managed by the responsible manager.

In the event of misconduct as described in point 2, the Board of Directors of the Parent Company and/or the subsidiary companies and/or the Chief Executive Officer of the Parent Company (or their delegate), each to the extent of their responsibility, also reserve the right to activate mechanisms for the return of previously vested amounts of the incentive or portions thereof, of the company bonus and retention bonus (claw-back clause), from the time of their vesting up to the following five years.

With reference to the Group, the Parent Company's Human Resources function, with the relevant corporate functions of the same and of subsidiary companies, verifies the potential existence of conditions that determine the non-awarding or non-vesting or return of already vested amounts and evaluates any cases to submit to the decision of the Board of Directors of the Parent Company and/or the subsidiary companies and/or the Chief Executive Officer of the Parent Company (or their delegate), each to the extent of their responsibility.

¹¹⁶ For example in cases of infringements of professionalism, integrity and independence requirements.

The company has the right to offset the amounts subject to the request for repayment with those due for any reason to the interested party. In this case, the offsetting will take effect from the moment of communication of the exercise of the compensatory power by the company to the interested party, without prejudice to any other action provided for by law to protect the company itself.

6.9 Long-term incentive (LTI)

The long-term incentive plan supports the 2024–2026 Strategic Plan, updated to 2027, with the aim of achieving results that create long-term value for shareholders and all relevant stakeholders, and provides for two performance periods (LTI Plan 2024–2026 and LTI Plan 2025–2027¹¹⁷).

The scope of the beneficiaries of the LTI plan includes around 85 positions (excluding those belonging to functions with control tasks), selected on the basis of the level of the position, the impact on the business or for retention purposes. The beneficiary roles include the Chief Executive Officer and the other executives with strategic responsibilities of the Parent Company.

The incentive correlated to the LTI plan (LTI incentive) is fully assigned in Banco BPM ordinary shares (performance shares) and is proportional to the level of achievement of the conditions and of the performance objectives referred to in the paragraphs below.

6.9.1 Operating mechanism of the LTI plan

The rules that govern the system are clear and pre-established.

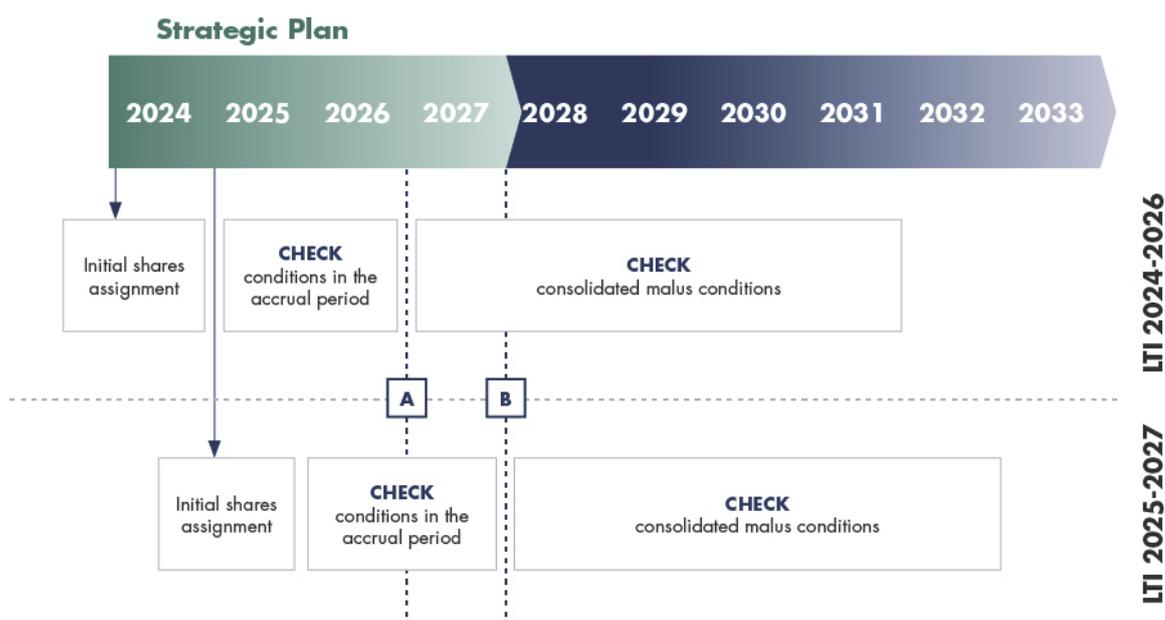
The award of the LTI requires meeting conditions to be verified during the course and at the end of the plan (see paragraph 6.9.1.1) and long-term performance objectives of the bank (see paragraph 6.9.1.2). The LTI plan provides for minimum levels (floors) below which no shares are awarded, and maximum levels (caps) above which the number of shares to be awarded does not increase further.

For all beneficiaries, the shares awarded at the end of the accrual period are assigned over the course of the vesting period in up-front and deferred portions, the latter subject to consolidated subsequent malus conditions (see paragraph 6.9.1.4). All shares are subject to one year of retention (selling restriction) from the vesting of each portion (see paragraph 6.9.1.4).

The maximum duration of each plan is ten years¹¹⁸.

¹¹⁷ The Shareholders' Meeting approved the long-term incentive plan on 18 April 2024 and 30 April 2025.

¹¹⁸ Including the year in which the *retention* period of the last portion in shares will end. The 2024-2026 LTI ends in 2033 and the 2025-2027 LTI ends in 2034.



CHECK gates and **CHECK** performance objectives

A LTI 2024-2026

B LTI 2025-2027

6.9.1.1 LTI plan conditions

The award of the LTI incentive is subject to indicators and relative comparative values at consolidated level (hereinafter entry gates):

INDICATOR AT A CONSOLIDATED LEVEL	2024-2026 LTI	2025-2027 LTI	COMPARISON VALUE
CET1 ratio ¹¹⁹ (a)	✓	✓	
Leverage ratio ¹¹⁹ (a)	✓		> Risk threshold in the last year of the performance period (a) defined in the RAF
MDA buffer (a)	✓	✓	
Regulatory NSFR (a)	✓	✓	
UOC ¹²⁰ (a)	✓	✓	> 0

(a) 2026 for the 2024-2026 LTI plan, 2027 for the 2025-2027 LTI plan.

Failure to achieve even one of the conditions shall mean that the related LTI plan will not be activated and the corresponding LTI incentive will not be awarded.

For each financial year of the accrual period of each plan, in the event that the entry gate of the short-term incentive plan related to the Common Equity Tier 1 (CET1) ratio is lower than the relative threshold, the number of shares initially assigned for the reference plan shall be cut by 10%.

6.9.1.2 Performance objectives

In order to determine the number of shares to award (LTI incentive), at the end of each performance period, verification of the level of achievement of the performance objectives indicated below is required, selected from the main objectives of the Group's Strategic Plan or correlated to the creation of value for shareholders.

¹¹⁹ The indicator is determined by considering the impact of the regulations in force at the time of the calculation.

¹²⁰ Determined as specified in reference to the short-term incentive plan of the last year of the accrual period.

For the 2024-2026 LTI plan, the verification is performed at the end of 2026.

AREA	2024-2026 LTI PERFORMANCE OBJECTIVES	WEIGHT	FLOOR	CAP
Profitability	ROTE ¹²¹ as of 2026	35%	10%	13.5%
Asset quality	Gross NPE ratio ¹²² as of 2026	30%	4%	3%
Value creation for shareholders	Total Shareholder Return (TSR) ¹²³	20%	16% ¹²⁴	44%
ESG	Increase in women in managerial positions as at 31/12/2026 ¹²⁵	15% ¹²⁶	+15%	+20%
	Green, Social & Sustainable bond issues		€ 3.75 billion	€ 5 billion

For the 2025-2027 LTI plan, the verification is performed at the end of 2027.

AREA	2025-2027 LTI PERFORMANCE OBJECTIVES	WEIGHT	FLOOR	CAP
Profitability	ROE ¹²¹ as of 2027	35%	13%	18%
Asset quality	Gross NPE ratio ¹²² as of 2027	30%	4%	3%
Value creation for shareholders	Total Shareholder Return (TSR) ¹²⁷	20%	18% ¹²⁸	46%
ESG	Increase in women in managerial positions as at 31/12/2027 ¹²⁹	15% ¹²⁶	+11%	+17% ¹³⁰
	Green, Social & Sustainable bond issues		€ 3.75 billion	€ 5 billion

¹²¹ In line with the Strategic Plan and the Risk Appetite Framework.

¹²² In line with the Strategic Plan and the Risk Appetite Framework. This is the gross NPE ratio indicator of the Strategic Plan.

¹²³ Banco BPM's TSR is compared in absolute terms with the floor and cap achievement levels. For the purpose of calculating the TSR, the average share price will be considered in the December 2023-January 2024 period and in the December 2026-January 2027 period, respectively. The TSR is calculated considering the reinvestment of the dividend in the security.

¹²⁴ In the event of a result below the threshold, the floor level will be in any case awarded if Banco BPM's TSR is higher than the average of the TSR of the peer group consisting of: Intesa Sanpaolo, Unicredit, Banca Popolare dell'Emilia Romagna, Credito Emiliano, Banca Popolare di Sondrio, and Monte dei Paschi di Siena.

¹²⁵ Percentage increase in the percentage incidence of women in managerial roles out of total managerial roles, recorded as at 31/12/2023.

¹²⁶ Each ESG objective is equally weighted.

¹²⁷ Banco BPM's TSR is compared in absolute terms with the floor and cap achievement levels. For the purpose of calculating the TSR, the average share price will be considered in the December 2024-January 2025 period and in the December 2027-January 2028 period, respectively. The TSR is calculated considering the reinvestment of the dividend in the security.

¹²⁸ In the event of a result below the threshold, the floor level will be in any case awarded if Banco BPM's TSR is higher than the average of the TSR of the peer group consisting of: Intesa Sanpaolo, Unicredit, Banca Popolare dell'Emilia Romagna, Credito Emiliano, Banca Popolare di Sondrio, and Monte dei Paschi di Siena.

¹²⁹ Percentage increase in the percentage of women in managerial roles out of total managerial roles, recorded as at 31/12/2024, with reference to companies in the Group perimeter as at 1 January 2025.

¹³⁰ This increase determines a share of female staff in managerial roles equal to the 2027 target of the Strategic Plan (36%).

The result of each objective is measured by linear interpolation in a range that envisages a minimum level (floor) and a maximum level (cap) of achievement. The number of shares that may be awarded for each objective is correlated to the relative percentage to be applied to the initial assignment, which may be reduced in the event of the conditions arising over the course of the plan (see paragraph 6.9.1.1) and corresponds to:

- 100% if the objective is achieved at least at the maximum level;
- 50% if achieved at the minimum level;
- zero if a level lower than the minimum is achieved;
- a value determined by linear interpolation between floor and cap.

The sum of the number of shares that may be awarded for each objective determines the LTI.

6.9.1.3 Payment of the LTI incentive

The LTI incentive is paid¹³¹ in an up-front portion and in equal annual deferred portions. For the 2024-2026 LTI incentive, the provisions in force at the time of its adoption apply and the provisions of the 2024 Remuneration Policy remain in place. For the 2025-2027 LTI incentive, the provisions in force at the time of its adoption apply and the provisions of the 2025 Remuneration Policy remain in place.

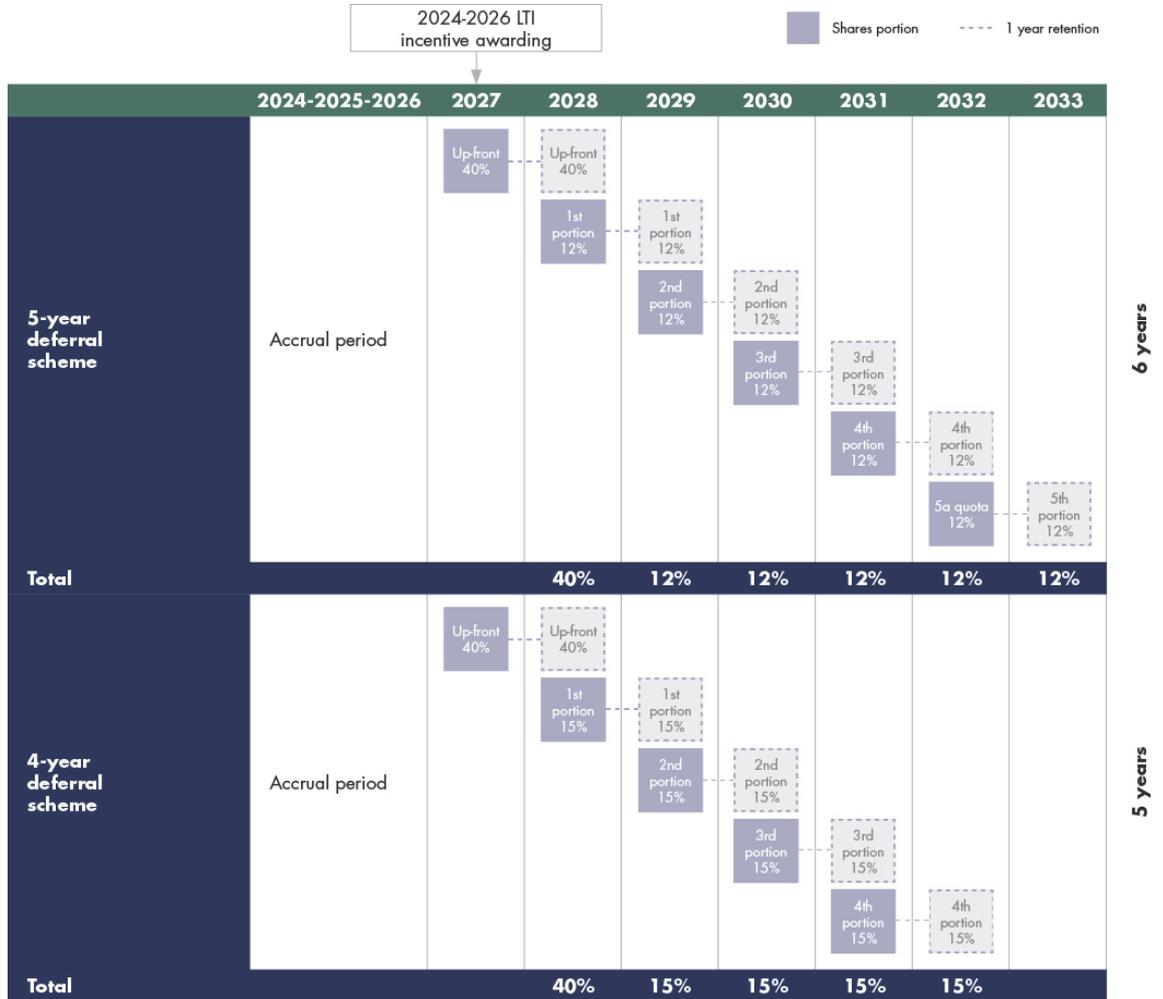
For the vested shares, a one-year retention period is envisaged (selling restriction)¹³¹, which takes effect from the vesting.

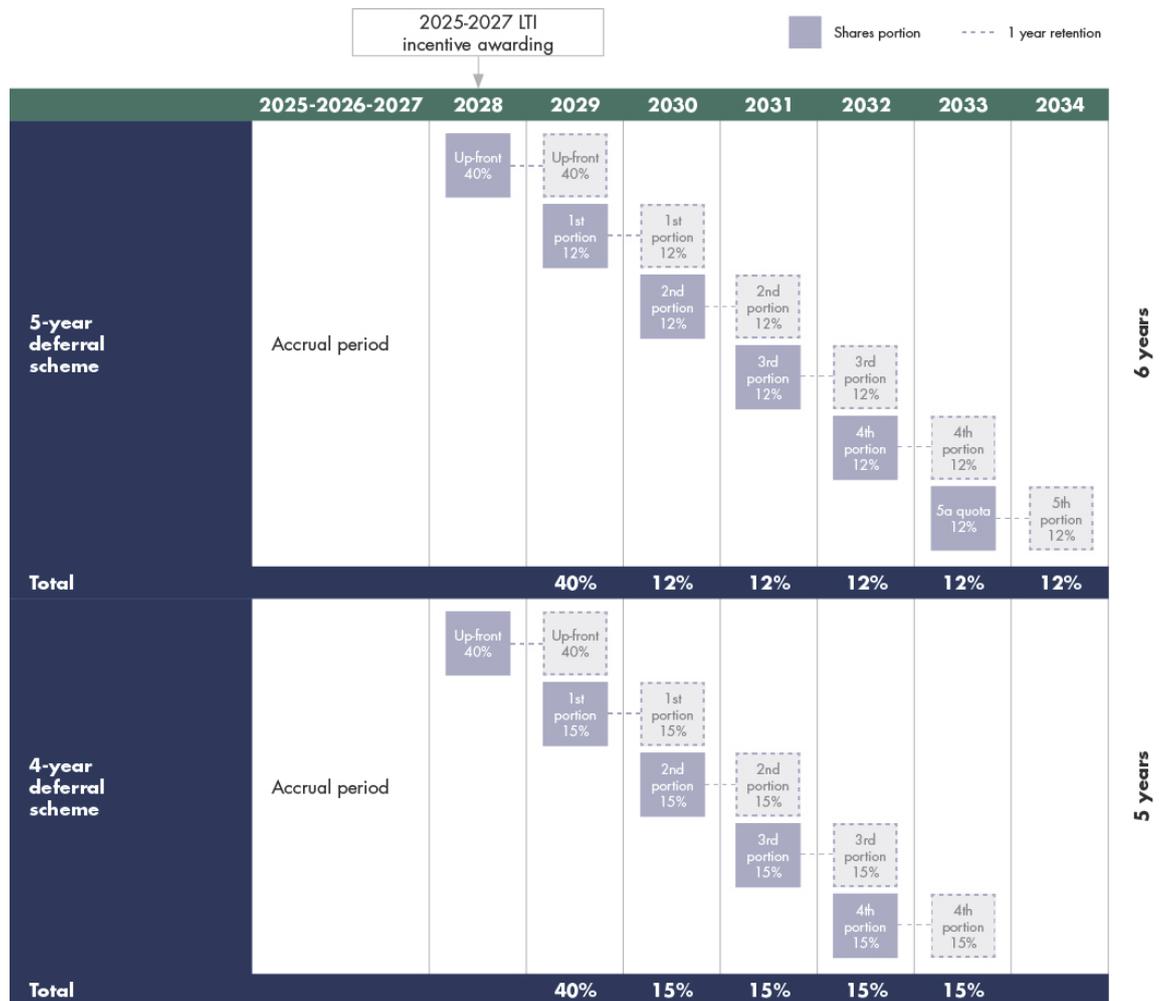
The shares of the up-front and deferred portions will be subject to taxation, using the normal value as reference, corresponding to the arithmetic mean of official prices recorded thirty calendar days before the date on which each portion will be transferred into the beneficiary's security portfolio.

Any rights and/or dividends will only vest with reference to the period following the transfer to the beneficiary's securities portfolio.

¹³¹ The Supervisory Provisions regarding the relevance threshold apply.

The tables show the amount of the LTI portions, in relation to the year of the end of retention.





In the event of termination of contract, both the up-front portion and the deferred portions are paid on a pro quota basis¹³² in the case of retirement, access to the solidarity fund, death, specific provisions contained in individual contracts or in individual agreements to terminate employment, without prejudice to cases in which all rights are lost. The loss of all rights is envisaged in the event of termination of the contract due to resignation, dismissal for just cause or justified subjective reason. In addition, the provisions of paragraph 6.9.2 apply.

6.9.1.4 Malus and claw-back mechanisms

The LTI is subject to the same malus and claw-back conditions provided for the short-term incentive plan by the Group's remuneration policy in force at the time.

6.9.2 Treatment in the case of extraordinary events (LTI)

In the event of changes in the long-term objectives or of regulatory changes that impact the Group or extraordinary corporate events, the Board of Directors of the Parent Company has the power to approve any changes and/or additions to the rules of the plan that are deemed necessary and/or appropriate to render it consistent with the changed context.

¹³² Pro quota on an annual basis according to the date of termination during the performance period, it being understood that for terminations in 2025 and in 2026, the 2025-2027 LTI shall not be awarded. Payment will be made according to the same methods for staff in service who are beneficiaries of the LTI plan, in compliance with the maximum limit of incidence of the total variable remuneration over the fixed portion.

In the event of extraordinary capital operations which envisage the exercise of an option¹³³ right, the Board of Directors of the Parent Company has the power to assess any consequent adjustments to any share portions that have vested but are not yet available to the beneficiaries.

Finally, if company control should change, early pro rata liquidation in cash¹³⁴ on an annual basis shall be carried out in favour of the beneficiaries in service, in compliance with the upper limit of the total variable remuneration with regard to the fixed remuneration and with the deferral methods established by the LTI plan.

Should a significant change in the ownership structure take place, the Board of Directors will consider adopting a similar solution.

The Shareholders' Meeting will be informed should the above events take place.

6.10 Environmental, social and governance (ESG) objectives in the context of variable remuneration¹³⁵

At the initiative of the Sustainability Committee and the ESG Committee, and in light of regulatory requests, the expectations of the financial market and the best practices of national and international peers, the Group has set out in its Strategic Plan its ambition in the field of sustainability, identifying effective metrics and defining appropriate targets to integrate ESG factors into the governance and operational processes of all the businesses in which the Group operates. For further information, refer to the Sustainability section of the Group website <https://gruppo.bancobpm.it/sostenibilita/hp/>.

More specifically, the process of integrating the ESG strategy into the Group's governance processes is also a hugely important part of the remuneration policy, with specific reference to incentive mechanisms. The combination of objectives relating to the banking business, such as profitability, credit and asset quality and capital adequacy, with ESG metrics is regarded as a key factor in pursuing the Group's sustainable success over the medium term, as it makes it possible to combine excellent financial results with a focus on stakeholders satisfaction, support for the communities in the areas in which the Group operates and a contribution to the achievement of a more inclusive, resilient and socially, climatically and environmentally sustainable economic system.

In this context, the 2026 short-term incentive plan uses metrics aimed at promoting business activities that support the implementation of the ESG strategy — in particular by supporting clients requiring liquidity to decarbonise production processes, improve energy efficiency or undertake measures to prevent, mitigate or hedge against potential damage caused by adverse climate events — and at enhancing the production, collection and integration of ESG information necessary for the proper feeding of the financial conglomerate's governance and business processes, as well as quantitative indicators (Key Sustainability Indicators, KSIs) through which the annual pathway towards achieving the ESG objectives included in the Strategic Plan is defined.

¹³³ One such examples is capital increase.

¹³⁴ The shares will be valued at the most recent official price prior to the delisting or issue of new instruments or, if the instrument is not extinguished, the most recent official price prior to notification of the corporate transaction to the market.

¹³⁵ in line with EU Regulation 2019/2088.

In particular, with reference to the short-term incentive plan, the scorecard:

- for the Chief Executive Officer of the Parent Company, provides for KSIs to be assessed over the annual performance horizon, relating to the annual breakdown of the ESG objectives set out in the Strategic Plan, with a weighting of 10%. This is complemented by a further sustainability objective, with a weighting of 10%, concerning, from a regulatory perspective, the Prudential Transition Plans in compliance with the EBA Guidelines on ESG risks; from a disclosure perspective, the preparation of the Sustainability Reporting in accordance with the Corporate Sustainability Reporting Directive; from a risk exposure perspective, operational and reputational risk and the promotion of risk culture; and, lastly, from a sustainable development perspective, the promotion of corporate culture, with a weighting of 10% (see paragraph 6.5.1);
- for executives with strategic responsibilities with control tasks, provides for any quantitatively measurable non-financial ESG indicators, with a minimum weight of 10%, which may, by way of example, be related to the priority execution of activities relating to the ESG area envisaged in the annual plans or at the conclusion of project actions;
- for the other executives with strategic responsibilities, provides for quantitatively measurable ESG indicators, with a weighting of 10%, relating to the annual breakdown of the ESG objectives set out in the Strategic Plan, including, by way of example and not exhaustively, those linked to "Low-Carbon MLT new financing", "ESG Bonds – % share of Corporate Banking Book", People Strategy objectives and the completion of project initiatives related to the Prudential Transition Plans in compliance with the EBA Guidelines on ESG risks. This is complemented by a further qualitative objective, also related to sustainability matters, with a weighting of 10%;
- for the remaining identified staff within the retail and corporate commercial network, provides for quantitatively measurable ESG indicators, with a weighting of 10%, tailored to the respective areas of responsibility, which incentivise the KSI "Low-Carbon MLT new financing";
- for the remaining identified staff, it may provide for the allocation of quantitatively measurable ESG indicators, with a weighting of 10%, including, by way of example and not exhaustively, those linked to the annual breakdown of the ESG objectives set out in the Strategic Plan and to the completion of project initiatives related to the Prudential Transition Plans in compliance with the EBA Guidelines on ESG risks.

For the retail network, the Short-Term Incentive plan makes provision, continuing with the approach of last year, for a mechanism linked to customer profiling that also integrates the acquisition of customer ESG preferences. For the private network, provision is made for a mechanism related to the consistency of the portfolio with the ESG preferences expressed by customers.

The objective linked to the KSI "Low-Carbon MLT new financing", representing the annual breakdown of the Strategic Plan target, is also assigned to the managers and staff of the commercial functions and to the entire commercial chain serving corporate clients, businesses, small enterprises, retail and institutional customers, in order to promote a commercial offering that supports the achievement of the sustainability objectives set out in the Plan.

In order to integrate sustainability risks assumed in portfolio management, when defining their remuneration policies, the AMCs aim to promote investment policies oriented towards compliance with environmental, social and governance ("ESG") factors, consistent with the Company's business model and integrated into its corporate strategy. For example, for significant AMCs, an ex-ante adjustment method is provided in respect of the achievement of objectives for each individual portfolio where breaches are identified (whether active breaches arising from management activity and/or passive

breaches not attributable to the manager's operations) of the ESG investment limits set out in the applicable regulations. The extent of the adjustment takes into account the seriousness of the breaches, their duration, the existence of any repeat occurrences, the manager's role in the occurrence of the breaches and any operational losses or reputational damage caused to the AMC.

As part of the short-term incentive plan, through the ECAP Reputational Risk indicator that represents the amount of economic capital with respect to the reputational risk estimated using an internal model, the non-financial adjustment factor could reduce the economic resources of all staff in the event of a sudden deterioration of the Group's image, also in relation to the possible occurrence of ESG risks. As an example, the model developed internally for calculating the indicator considers elements of physical, transition and conduct risks (greenwashing), as well as other elements of environmental risk (e.g. loss of biodiversity, pollution, rising sea levels, etc.). The model also considers any sanctions imposed on Group companies relating to climate and environmental issues, participation in campaigns or initiatives that damage the bank's image, the receipt of customer complaints related to environmental and sustainability issues, entering into agreements with counterparties with a low ESG reputation and the downgrading of the rating due to non-compliance with sustainability standards.

In the long-term incentive plan, the performance objectives include ESG metrics related to the main objectives of the Strategic Plan, with reference to the areas of People Strategy, and Green, Social & Sustainable Bond issues (see paragraph 6.9.1.2).

6.11 Severance payments

The criteria and limits approved by the Parent Company Shareholders' Meeting of 20 April 2023, reviewed by the Board of Directors at the meeting of 3 March 2026 and fully reconfirmed, remain unchanged.

The Shareholders' Meeting of the Parent Company approves criteria for determining any amount to be given in case of early termination of contract, for all Staff, including any limits set in terms of years of fixed remuneration.

These criteria and limits apply to all Group companies; they are approved by the Shareholders' Meeting of Banca Akros, Banca Aletti and the asset management companies.

As provided for by the relevant provisions, agreements stipulated for early termination of contract do not include amounts determined by the ruling of a court or arbitration, severance pay established by general employment contract legislation and indemnity for lack of notice. In the latter two cases, this holds true when the amount is determined according to limits established by legislation¹³⁶.

The golden parachute is any agreement pertaining to identified staff.

Amounts for early termination of contract can be awarded up to a maximum limit of 24 months of fixed remuneration (excluding indemnity for lack of notice, determined by legislative provisions) and for up to a maximum value of Euro 3.4 million (gross amount). The combination of said maximum limit, the indemnity for lack of notice as determined by laws and any non-competition clauses upon termination of contract gives rise to an amount that falls within the limit of 24 months of remuneration including the short-term variable amount, a criterion commonly used in the Italian market.

¹³⁶ Said items do not constitute variable remuneration and are not subject to criteria and limits established by the Shareholders' Meeting.

The Parent Company has the unilateral right to enter into arrangements of this nature, subject to compliance with the following provisions and with the regulations in force from time to time.

The award process requires the Parent Company's Human Resources function to submit a report, previously assessed by the Internal Audit function:

- for persons falling within the remit of the Board of Directors of the Parent Company and/or of a subsidiary, to the relevant Remuneration Committee, which in turn prepares the proposal to be submitted to the Board of Directors of the Parent Company and/or of the subsidiary, each within their respective remit (for the heads of the internal control functions, it is also subject to prior assessment by the Board of Statutory Auditors and, for those of the Parent Company, by the Internal Control and Risk Committee);
- for remaining persons, to the Chief Executive Officer of the Parent Company (or delegate).

The award to identified staff and to other staff upon termination shall take place in accordance with the provisions set out below, without prejudice to the specific requirements laid down in the Bank of Italy's Supervisory Provisions¹³⁷ and in the Provisions for the asset management sector¹³⁸; this shall also apply where a member of staff has entered into an individual agreement with the Group in view of the early termination of the contract.

The award of amounts for early termination of contract is subject to the fulfilment of the conditions, with reference to the previous year, correlated to the capital adequacy indicator at a consolidated level Common Equity Tier 1 (CET1) ratio and the regulatory liquidity adequacy indicator at a consolidated level Liquidity Coverage Ratio (LCR).

The table summarises the conditions for the award of amounts for early termination of contract in relation to the results (R) achieved.

Consolidated indicators

		LCR REGULATORY		
		R > RISK TOLERANCE ¹³⁹	MIDPOINT ¹⁴⁰ ≤ R ≤ RISK TOLERANCE	R < MIDPOINT ¹⁴⁰
CET1 RATIO	R > RISK TOLERANCE ¹³⁹	Severance can be awarded	The Parent Company's Board of Directors can decide on the potential availability of economic resources	No award
	MIDPOINT ¹⁴¹ ≤ R ≤ RISK TOLERANCE	The Parent Company's Board of Directors can decide on the potential availability of economic resources	The Parent Company's Board of Directors can decide on the potential availability of economic resources	No award
	R < MIDPOINT ¹⁴¹	No award	No award	No award

¹³⁷ See Section III, paragraphs 2.2.2 and 2.2.3.

¹³⁸ See paragraph 7.2.

¹³⁹ Risk Tolerance threshold means the lower point of the tolerance area, in line with the RAF framework.

¹⁴⁰ Midpoint between Risk Capacity and Risk Tolerance thresholds.

¹⁴¹ Midpoint between Risk Capacity and Risk Tolerance thresholds. Without prejudice, in the case of the CET1 ratio, to the provisions on distribution limits (see paragraph 6.13).

The amount is determined considering each relevant element, and in any event:

- the positive results achieved over time;
- the circumstances that led to the termination, taking into account the interests of the company also to avoid an error of judgement;
- the tasks performed and/or positions held in the course of the contract, also in the sense of risks assumed by the subject;
- the duration of the contract and of the job;
- savings as a result of early termination of contract.

The ascertainment of fraudulent behaviour or gross negligence relating to the three calendar years preceding the termination does not allow for the award of amounts for the early termination of the contract. The assessment of the significance of the fault is carried out by the Board of Directors of the Parent Company and/or the subsidiary companies and/or by the Chief Executive Officer of the Parent Company (or his/her delegate), each to the extent of their responsibility. They also reserve the right to assess any additional misconduct¹⁴² ascertained in the three calendar years prior to the termination.

The amount awarded to identified staff, in the case of the early termination of contract¹⁴³, is calculated within the upper limit of the variable/fixed component ratio with reference to the last year of contract, without prejudice to the specific conditions envisaged by the Bank of Italy Supervisory Regulations¹⁴⁴ and the Provisions for the asset management sector¹⁴⁵.

The Bank of Italy Supervisory Regulations and the Provisions for the asset management sector also envisage the option to use a predefined formula, contained in the remuneration policy of the bank or manager, which defines the amount to be awarded for early termination of contract, within the context of an agreement between the bank and staff, at any stage of legal proceedings, for the resolution of a current or potential dispute. As provided for by Bank of Italy Supervisory Regulations and by the Provisions for the asset management sector, if defined by means of the application of said formula, the amount is not included in the calculation of the upper limit of the variable/fixed component ratio. The formula adopted by Banco BPM regards identified staff and envisages that the amount is equal to:

- for top identified staff: 24 months of fixed remuneration;
- for other identified staff with more than 10 years of seniority in the Group¹⁴⁶: 24 months of fixed remuneration;
- for other identified staff not included under previous points: 18 months of fixed remuneration.

The amounts referred to above may be subject to the following reductions:

- setting to zero, upon ascertainment of fraudulent conduct or gross negligence in the three calendar years prior to termination. The seriousness of such conduct is assessed by the Board of Directors of the Parent Company and/or the subsidiary companies and/or the Chief Executive Officer of the Parent Company (or their delegate), each to the extent of their responsibility;

¹⁴² See paragraph 6.8.

¹⁴³ Including any non-competition clause, if it goes beyond the specific case envisaged by Bank of Italy Supervisory Regulations and the Provisions for the asset management sector.

¹⁴⁴ See Section III, paragraphs 2.2.2 and 2.2.3.

¹⁴⁵ See paragraph 7.2.

¹⁴⁶ For staff of companies that joined the Group after its establishment, length of service in the respective companies is taken into account.

- reduction of 12 months of fixed remuneration in the event of failure to achieve individual performance in at least one of the two calendar years preceding termination;
- 50% reduction if the employee has been operating in the Group¹⁴⁶ for less than three calendar years at the moment of termination, or otherwise, a 25% reduction if at the moment of termination he/she has held his/her current position¹⁴⁷ for less than two calendar years.

The contracts of executives with strategic responsibilities of the Parent Company, including the Chief Executive Officer, are open-ended, and the notice period, where applicable, is governed by the National Collective Labour Agreement for the banking sector. Among the executives with strategic responsibilities of the Parent Company, the Chief Executive Officer and the Co-General Managers have signed individual agreements with the bank regarding the early termination of their respective relationships. In particular, the main terms of the signed agreements and the amount of the related allowances are consistent with what is reported in this paragraph.

Irrespective of the method used to determine the amount, payment, without prejudice to the specific requirements laid down in the Bank of Italy's Supervisory Provisions¹⁴⁸ and in the Provisions for the asset management sector¹⁴⁹, shall take place as follows:

- for other staff, in cash and on a one-time basis;
- for identified staff (golden parachute):
 - in an up-front portion, amounting to 60% in the event the amount is lower than the particularly high amount established in the remuneration policy in force for the award, or 40% under all other circumstances;
 - in five deferred annual instalments of the same amount, for the senior identified staff, regardless of the amount awarded, and for the heads of the main business lines of Banca Akros or Banca Aletti reporting directly to the Chief Executive Officer or senior management of Banca Akros and Banca Aletti, in the event that the amount of the annual individual variable remuneration awarded is equal to or greater than the particularly high amount established in the remuneration policy in force at the award, or in four deferred annual portions in the remaining cases;
 - the up-front portion vests on termination of the contract and is allocated within the time limits provided for in the individual agreements; the deferred portions vest annually, the first after twelve months from the disbursement of the up-front portion, the subsequent ones at the same interval from the vesting of the previous portion;
 - with regard to the up-front portion, 50% in cash and 50% in Banco BPM ordinary shares;
 - with regard to each deferred portion, the component in Banco BPM ordinary shares is 55%, if the deferment in five years is applied, or 50%, in the remaining cases;
 - there is a retention period (selling restriction) on the shares vested of one year; for the deferred portions, the retention period starts from the moment the deferred remuneration is accrued (vesting takes place with the respective monetary shares). The carrying value of the allocated shares, the up-front portion and deferred portions, will be equal to the normal value, equal to the arithmetic average of official prices recorded in the thirty calendar days preceding the date on which each portion will be transferred to the beneficiary's portfolio. Any rights and/or dividends will only vest with reference to the period following the transfer to the securities portfolio;

¹⁴⁷ Also applies to any similar positions (by way of example, change of position within the first line of management).

¹⁴⁸ See Section III, paragraphs 2.2.2 and 2.2.3.

¹⁴⁹ See paragraph 7.2.

- both for identified staff and other staff, only in the absence of ascertained fraudulent conduct or gross negligence committed by the person who has terminated his/her employment. Confirmation of such conduct entails the cancellation of the portions not yet disbursed (malus) and the return of those already disbursed (claw-back). The assessment of the degree of negligence is carried out by the Board of Directors of the Parent Company and/or the subsidiary companies and/or the Chief Executive Officer of the Parent Company (or his/her delegate), each to the extent of their responsibility; this assessment takes place from the moment of vesting of units and for the next five years.

These provisions also apply to staff operating within the AMCs, subject to the following specific provisions:

- for identified staff operating within significant AMCs, the use of portions of managed funds¹⁵⁰ is provided for instead of Banco BPM shares, and for deferred portions that have vested, the retention period (lock-up) is six months;
- for identified staff operating within non-significant AMCs, payment is made in cash (no financial instruments are used).

In general, as regards the members of management bodies, general managers and other executives with strategic responsibilities of the Parent Company, the maintenance of non-monetary benefits is not envisaged, nor the stipulation of consulting contracts for a period following the termination of contract.

With reference to any non-competition clauses or notice period extension clauses stipulated whilst in contract, with regard to identified staff and other staff, the following provisions apply¹⁵¹, without prejudice to specific conditions envisaged by Bank of Italy Supervisory Regulations¹⁵² and by the Provisions for the asset management sector¹⁵³:

- the process for any award involves the preparation of an evaluation by the Human Resources Department of the Parent Company, to be submitted to the Board of Directors of the Parent Company and/or the subsidiary companies and/or the Chief Executive Officer of the Parent Company (or his/her delegate), each to the extent of their responsibility;
- monthly payments are subject to the fulfilment of the capital and liquidity adequacy conditions in force for the early termination of contract amounts, as described in this paragraph;
- payment is also subject to the absence of fraudulent conduct or gross negligence. The seriousness of such conduct is assessed by the Board of Directors of the Parent Company and/or the subsidiary companies and/or the Chief Executive Officer of the Parent Company (or his/her delegate), each to the extent of their responsibility (malus); under such circumstances, the return of the amounts may also be considered (claw-back). Both malus and claw-backs affect the payment of amounts with reference to the year in which ascertainment occurs; claw-back may be exercised from the time of payment and for the following five years;
- the annual amount paid to a person identified as belonging to the identified staff category is calculated within the upper limit of the variable/fixed remuneration ratio for each year;

¹⁵⁰ Units of UCITs and/or a basket of UCITs and/or a fund of funds representative of the main asset classes managed by the AMC, in accordance with the rules set out for the incentive scheme (see paragraph 6.7.2).

¹⁵¹ In force since 2019.

¹⁵² See Section III, paragraphs 2.2.2 and 2.2.3.

¹⁵³ See paragraph 7.2.

- the total amount awarded in the year to a person that qualifies as identified staff will be paid up to the equivalent amount of the up-front portion in cash for the full amount of variable remuneration awarded¹⁵⁴.

6.12 Limits to distribution

If the requirements referred to in articles 141 or 141-ter of the CRD are not met, or in the situations referred to in article 16-bis of directive 2014/59/EU (BRRD), variable remuneration may be awarded and/or paid within the limits and at the conditions indicated in the implementing provisions of the above-cited articles.

In any event, all decisions regarding dividends and variable remuneration must take into account the recommendations made by the European Central Bank and IVASS, also for the insurance companies.

¹⁵⁴ Including the long-term incentive (the latter when and if awarded).

