



**Policy-on-remuneration
report and payouts
awarded of Banco BPM
Group's staff 2023**





Policy-on-remuneration report and payouts awarded of Banco BPM Group's staff 2023

SECTION II

2022 Payouts awarded

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, and with art. 84-quater of the Issuers' Regulation (Consob resolution no. 11971/1999, as amended)

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(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 20 April 2023


(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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Executive summary
2022 Payouts awarded

Executive summary

2022 Payouts awarded

OVERVIEW

In 2022, despite the difficult macroeconomic framework, the Group's commercial and organisational efforts allowed for positive operating results, with profitability representing the best result since the establishment of the Banco BPM Group.

To cope with the current economic situation, with the desire to support the families of the Group's employees, the Bank paid the staff of the Professional Areas and Middle Managers an initial extraordinary disbursement in welfare services for an amount of approximately Euro 10 million, added to a subsequent amount of approximately Euro 28 million, with the aim of enhancing the commitment and dedication of the Group's people.

FY 2022 in a nutshell: ahead of Strategic Plan and beating 2022 guidance

Operating performance: solid delivery

- **NET INCOME AT RECORD LEVEL:** €886m Adj. (+24.8% Y/Y), €703m Stated (+23.5%)
- **ACCELERATED TRAJECTORY IN NII & NET COMMISSIONS** (UP AT €4,202m): +6.3% Y/Y, +14.3% Q/Q
- **INCREASE IN PRE-PROVISION INCOME:** €2,166m vs. €1,995m in FY 2021 (+8.6% Y/Y)
- **C/I RATIO FURTHER DOWN:** TO 54% (vs. 56% in FY 2021)
- **COST OF RISK:** 62 BPS (81 BPS IN FY 2021), WITH "CORE" AT 52 BPS

Asset quality: further derisking

- **GROSS NPE STOCK DOWN BY €1.6BN IN 2022**
(-25.2% Y/Y)
- **GROSS NPE RATIO DOWN TO 4.2%**
(from 5.6% at YE 2021)
- **NET NPE RATIO DOWN TO 2.2%**
(from 3.0% at YE 2021)

Capital: solid position and buffers

- **CET 1 FULLY LOADED¹ at 13.3%**
(from 12.4% as at 30/09/2022)
- **MDA BUFFER¹ up at 464 bps**
(from 387bps as at 30/09/2022)

Reaching **EPS of €46 cents** (vs. November guidance of ~€45 cents)...
... maintaining a **50% dividend payout ratio** (DPS proposal of €23 cents for FY 2022)

Notes: 1. Adjusted, including application of Danish Compromise.

2. Key Highlights

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Profit from current operating activities before tax rose to Euro 1,311 million against Euro 921 million in 2021, marking growth of 42.4%, and the dividend amounts to Euro 0.23 cents (Euro 0.19 cents in 2021). BBPM's Total Return in 2022 was +34.5%.

On the road towards excellence...

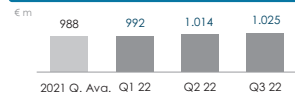
2017-2019: restructuring

Starting point: 1E 2016

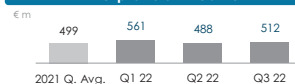
- Gross NPE Ratio to **9.1%** from 24.1%¹
- Branches (#)² **-25%** (-568 to 1,727 from 2,295)
- Total Savings: **-€0.4bn**
Operating costs to €2,604m from €2,971m³

2021-Q3 2022: steady improvement

NII + Net Commissions



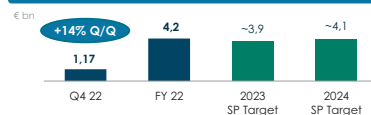
Pre-provision income



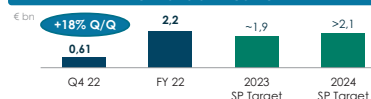
- New Bancassurance set-up
- Digital-based customer service model
- ESG-focused approach

Q4 2022: a new accelerated trajectory

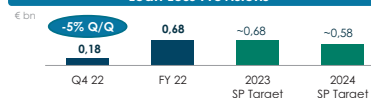
NII + Net Commissions



Pre-Provision Income



Loan Loss Provisions



2023 EPS

Guidance: >60 cents

(vs. ~49 cents originally targeted in the Strategic Plan)

Notes: 1. IAS 39 data. Restated for managerial purposes (inclusion of a portion of write-offs, in coherence with the restatement done in 2017). 2. Core retail franchise of the commercial network. 3. Proforma operating costs for 2016, updated to take account of the perimeter change. 2016 and 2019 data are also affected by different accounting effects.

1. Executive Summary

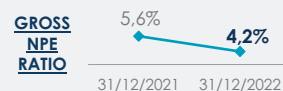
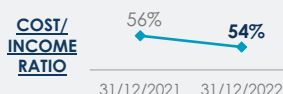
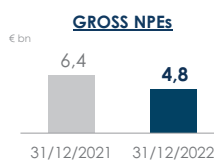
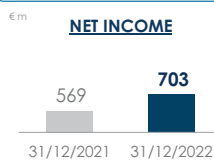
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Solid delivery track record confirmed, beating the 2022 guidance

2022: STRONG Y/Y IMPROVEMENT IN ALL KEY FIGURES

BEST FY RESULT EVER ACHIEVED

ADJ. NET INCOME: € 886m +25% Y/Y



2022: ACTUAL RESULTS BEYOND GUIDANCE

	ACTUAL €m	GUIDANCE €bn
TOTAL REVENUES	4,706	~4.6
O/W NII	2,314	~2.2
OPERATING COSTS	(2,539)	>(2.5)
PRE-PROVISION INCOME	2,166	>2.0
LLPs	(682)	~(0.7)
EPS	~46 cents	~45 cents
GROSS NPE RATIO	4.2%	<4.7%
CET1 FL	13.3% ²	>13% ²

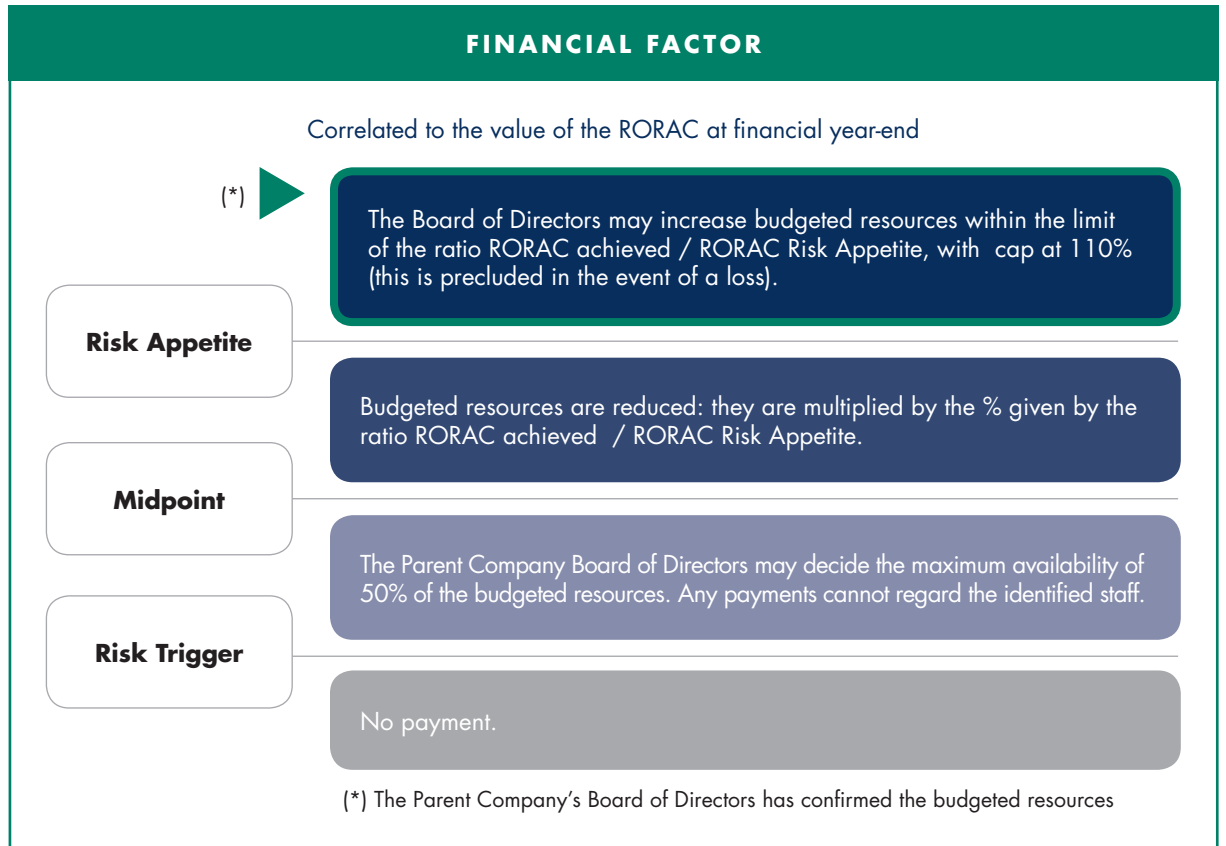
Proposed DPS: €23 cents (+21% Y/Y)

Notes: 1. Calculated as Net Profit from P&L (year x) / Tangible Shareholders' Equity end of period (excluding FY Net Profit, AT1 instruments and Intangible assets net of fiscal effect).
2. Adjusted data, including Danish Compromise. CET1 FL excluding Danish Compromise at 12.8%.

1. Executive Summary

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The decisions relating to the variable remuneration of staff were merit-based, and motivated people to support the Group's performance by retaining and attracting the best professionals in a highly competitive market.



NON-FINANCIAL FACTOR

		ECAP Reputational Risk	
		Result < Alert	Result ≥ Alert
AML	Result < Alert	No reduction	-10%
	Result ≥ Alert	-10%	-20%

Legend



CHIEF EXECUTIVE OFFICER'S VARIABLE REMUNERATION AWARDED: PERFORMANCE ACHIEVED IN THE 2022 SHORT-TERM INCENTIVE PLAN (STI)

The 2022 Short-Term Incentive Plan, which also regulates the Chief Executive Officer's short-term variable remuneration, provides for entry gates, financial and non-financial adjustment factors that modulate the economic resources of the incentive system, as well as performance objectives.

The 2022 performance objectives for the Chief Executive Officer related to indicators regarding profitability, credit and asset quality, liquidity, capital adequacy, ESG (Environmental, Social and Governance) and qualitative aspects relating to management activities.

The performance achieved by the Chief Executive Officer reflects the positive results achieved by the Group. The incentive to be awarded amounts to approximately the maximum achievable, equal to 100% of the gross annual remuneration (GAR).

AREA	OBJECTIVE	WEIGHT	MINIMUM	TARGET	MAXIMUM	RESULT	PERFORMANCE LEVEL VS TARGET VALUE	
Financial KPIs	Profitability	Consolidated ROTE (*)	15%	-10%		+10%	7.39%	
		Consolidated RORAC (*)	15%	-10%	Risk Appetite	+10%	8.98%	
		Consolidated Cost to Income ratio (*)	10%	+3%		-3%	54%	
	Credit and asset quality	Credit Policies Indicator (*)	10%	Risk Trigger +1%	midpoint	Risk Trigger +7%	93.97%	
	Capital adequacy	Maximum Distributable Amount (MDA) buffer phased in (*)	20%	-5%	Risk Appetite	+5%	561 bps	
	Liquidity	Regulatory consolidated Liquidity Coverage Ratio (LCR) phased in (*)	10%	Risk Trigger +5%	Risk Appetite	Risk Appetite +5%	191%	
Non-financial KPIs	ESG	Share of new disbursements in green and low-risk transition sectors	10%	-5%	48%	+5%	55.63%	
		Share of ESG Corporate bond in own portfolio		-5%	18%	+5%	24.15%	
		Green or social bonds issues			500 mln		2,050 mln	
	Qualitative aspects related to the management activity	Qualitative assessment of the Chief Executive Officer's management activities, drawn up by the Board of Directors, after consultation with the Remuneration Committee.	10%	in line with expectations	above expectations	excellent	excellent	
		Drivers who led the assessment:						
		<ul style="list-style-type: none"> consolidated positive climate stimulated by his leadership Stakeholders' appreciation of the bank 						

Legend

● Lower than the target / ● In line with the target / ● Higher than the target / ● Maximum

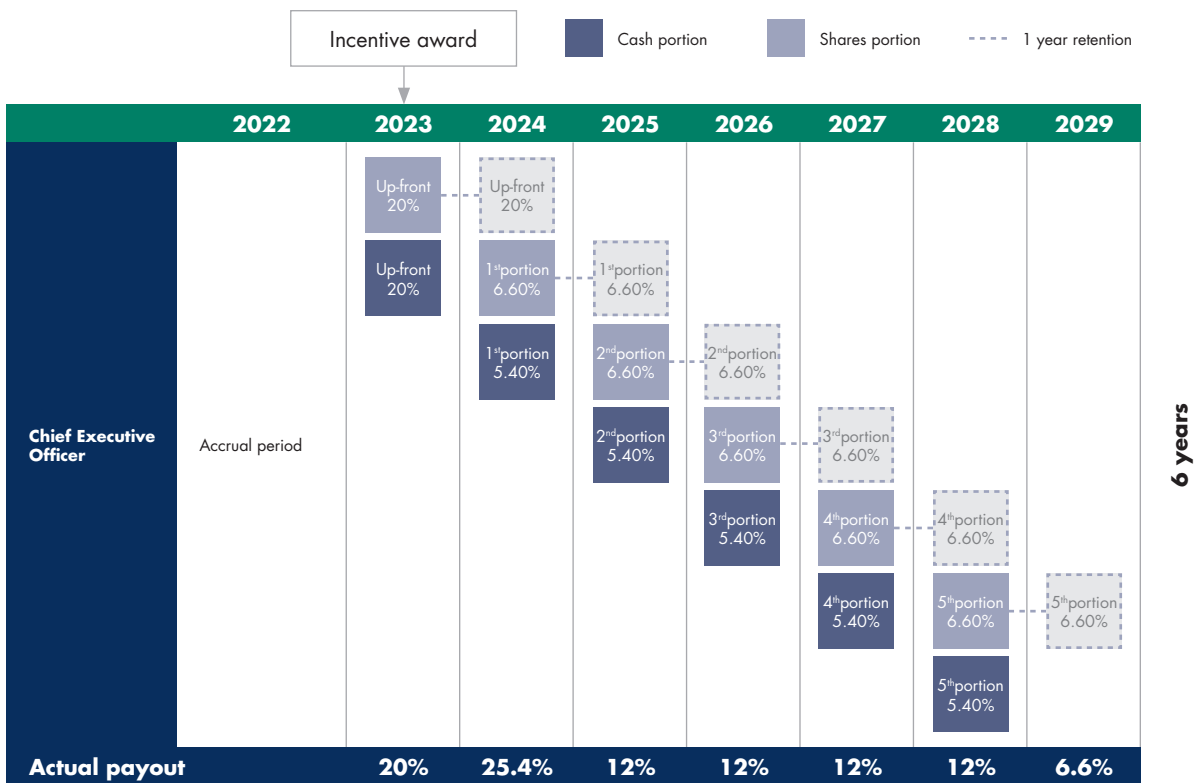
(*) Calculated according to RAF methodology.

PAY OUT

The incentive is paid over a six-year period, from 2024 to 2029, and is divided into an up-front portion of 40%, and, for the remaining 60%, into five annual portions of the same amount deferred over the five-year period following the year of vesting of the up-front portion, subject to the fulfilment of future conditions. 50% of the up-front portion is awarded in Banco BPM ordinary shares and 55% of the deferred portions is constituted of Banco BPM ordinary shares.

For vested shares, a retention period (selling restriction) of one year is envisaged, both for the up-front and for the deferred ones; for the latter, the retention period starts from the moment in which the deferred remuneration is vested. The vesting of the shares takes place together with the respective monetary portions, while the actual possession by the beneficiary takes place at the end of the retention period; the last portion of shares will be paid in 2029.

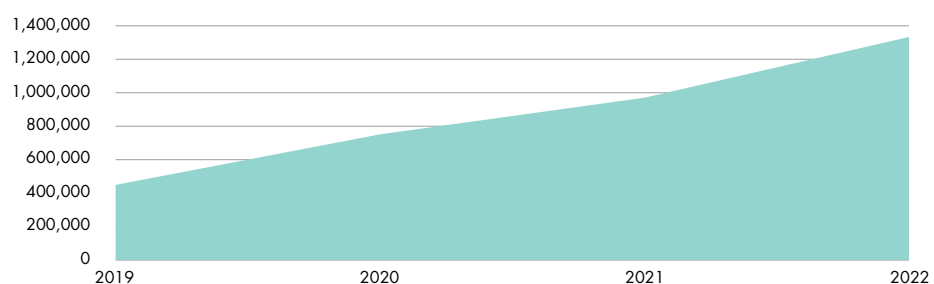
The vesting of each deferred portion of the incentive is subject to full compliance with the consolidated entry gates and the relative comparison threshold values envisaged for the incentive system of the year preceding the year of vesting, as well as all the others malus mechanisms provided for from time to time by the remuneration policies.



Mechanisms for the repayment of amounts already vested (claw-back clause) may be applied to the incentive, in accordance with the provisions of the remuneration policies in force at the time.

The value of the shares held by the Chief Executive Officer as of 31/12/2022 amounts to about four times his fixed gross annual remuneration (based on the official closing price of 7/3/2023). Considering also about 600,000 shares that vested as of 31/12/2022 and are not yet in the Chief Executive Officer's possession, the countervalue rises to about 5.6 times the fixed gross annual remuneration.

Share ownership of the Chief Executive Officer (number of shares)



ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG)

To support the dissemination of corporate culture oriented towards attention to ESG (Environmental, Social, Governance) issues, an increasingly widespread assignment and diversification of KPIs related to these areas are provided for in the short-term incentive plan.

The achievement of these objectives was over the target in general, indicating the increased awareness by Banco BPM staff of these issues, which permitted a culture of sustainability to be promoted also with respect to customers and suppliers.





Section II
Report on 2022 payouts awarded

Section II

Payouts awarded

PART 1 – IMPLEMENTATION OF REMUNERATION POLICY

In the Banco BPM Banking Group (hereafter the Group), the Parent Company's Human Resources, Risks, Planning and Control, Administration and Budget, Compliance and Secretariat Corporate Affairs functions worked together, each within their own scopes of responsibility, to define the operational application of the 2022 remuneration policy (hereafter the 2022 Policy), in compliance with the legislative provisions in force and in line with the Board of Directors' guidelines and the strategic objectives of the Group.

The 2022 Policy was defined by the Board of Directors and approved by the Ordinary Shareholders' Meeting on 7 April 2022, transposed and approved by the Corporate Bodies of the subsidiary companies and published on the website gruppo.bancobpm.it (Section Corporate Governance – Remuneration Policies).

For definitions of terms used in Section II, please refer to the 2022 Policy.

1. INFORMATION ON REMUNERATION

1.1 Remuneration paid to members of Corporate Bodies of the Parent Company and of the Group's subsidiary companies

The remuneration policy implemented in 2022 for members of the Corporate Bodies of the Parent Company and subsidiary companies did not involve the payment of any variable remuneration to members of the Boards of Directors without individual contracts.

The total amount of remuneration of the Chairman of the Board of Directors of each of the Group banks did not exceed the fixed remuneration paid to the respective heads of the Body with management function (Chief Executive Officer or General Manager). This policy therefore complied with the current Bank of Italy Supervisory Regulations.

The following paragraphs provide the details of the remuneration amounts paid.

1.1.1 Remuneration paid to members of the Board of Directors of the Parent Company

In 2022, the members of the Board of Directors - other than the Chief Executive Officer - without specific individual contracts, received fixed remuneration differentiated according to their respective offices held on the Board itself (Chairman, Deputy Chairman and Directors) and on any internal Board Committees (Chairman and Committee Member).

In particular, the ordinary and extraordinary Shareholders' Meetings on 4 April 2020 resolved to award each member of the Board of Directors, for the period 2020-2021-2022, a gross annual remuneration of Euro 110,000 - in addition to the reimbursement of expenses, a third-party liability insurance policy and a cumulative occupational accidents policy - to be paid pro-rata in relation to the actual term in office.

For directors holding specific offices, in accordance with the Bylaws¹, on the proposal of the Remuneration Committee and having considered the opinion of the Board of Statutory Auditors, at a meeting held on 5 May 2022, the Board of Directors approved the following additional fixed components for the period that will end on the date of the Shareholders' Meeting called to approve the financial statements as at 31 December 2022:

- a gross annual emolument of Euro 450,000 payable for the office of Chairman of the Board of Directors;
- a gross annual emolument of Euro 180,000 payable for the office of Deputy Chairman of the Board of Directors;
- a gross annual emolument of Euro 90,000 payable for the office of Chair of the Internal Control, Risks and Sustainability Committee;
- a gross annual emolument of Euro 45,000 payable for the office of member of the Internal Control, Risks and Sustainability Committee;
- a gross annual emolument of Euro 10,000 payable for the office of Chairwoman of the Related Parties Committee;
- a gross annual emolument of Euro 5,000 payable for the office of member of the Related Parties Committee;
- a gross annual emolument of Euro 20,000 payable for the office of Chairman of the Appointments Committee;
- a gross annual emolument of Euro 10,000 payable for the office of member of the Appointments Committee;
- a gross annual emolument of Euro 20,000 payable for the office of Chairwoman of the Remuneration Committee;
- a gross annual emolument of Euro 10,000 payable for the office of member of the Remuneration Committee;

to be paid in relation to the respective term of office or of the specific position of the representatives in question.

Neither variable components of the remuneration nor end-of-term in office payments were envisaged for members of the Board of Directors without individual contracts. The Chairman of the Board of Directors' emolument was determined *ex ante* to an extent not exceeding the fixed remuneration of the Chief Executive Officer.

The gross annual remuneration (GAR) of the Chief Executive Officer decided at the Board of Directors meeting held on 14 March 2017, as proposed by the Remuneration Committee and with the advice of the Board of Statutory Auditors, remained the same.² At the meeting of 1 March 2022, the Board of Directors, taking into account that at the meeting of 23 February 2021 it had resolved to link 100% of the gross annual remuneration to the 2021-2023 long-term incentive plan as a maximum pro-rata incentive on an annual basis, resolved to associate with the 2022 short-term incentive plan of the Chief Executive Officer, the maximum incentive equal to 100% of the gross annual remuneration linked to a full performance, and to associate the 2022-2024 long term incentive plan to, as the maximum incentive, 100% of the gross annual remuneration, to be calculated in full in 2024.

In 2022, the Board of Directors also resolved on the objectives to be assigned to the Chief Executive Officer of the Parent Company within the scope of the short-term incentive plan.

¹ Article 22.1.

² In compliance with article 2389 of the Italian Civil Code and article 22.1 of the Bylaws.

The Chief Executive Officer, an employee of the Group, was granted the benefits provided for the managers of the Group (pension fund, health care, survivors' fund, car and accident policy).

1.1.2 Remuneration paid to members of the Board of Statutory Auditors

The Chairman and the standing members of the Board of Statutory Auditors are entitled – in addition to the reimbursement of expenses incurred – to annual remuneration which is determined by the Shareholders' Meeting at the time of their appointment, at a fixed rate for the full term of office.

On 4 April 2020, the Shareholders' Meeting, with regard to the renewal of the members of the Board of Statutory Auditors (including the Chairman), resolved to award the standing members of the Board of Statutory Auditors, for the financial years 2020-2021-2022, gross annual remuneration of Euro 160,000 for the Chairman of the Board of Statutory Auditors and Euro 110,000 for each Standing Auditor - in addition to the reimbursement of expenses and third-party liability insurance cover - to be paid pro-rata temporis in relation to the actual term in office.

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, paragraph 1, letter 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 presence of a statutory auditor among its members; an additional gross annual remuneration of Euro 33,600 is therefore given to this person in accordance with the board decision made on 7-8 May 2019.

1.1.3 Remuneration paid to members of the Corporate Bodies of subsidiary companies

In 2022, in accordance with the remuneration policies of the Group, fixed remuneration, which varied in relation to respective offices fulfilled within the body to which they belonged, was paid to members of Corporate Bodies of subsidiary companies, as well as any reimbursement for expenses incurred and any attendance fees, where resolved by the respective Shareholders' Meetings.

For members of the Board of Directors without individual contracts, no variable remuneration component was envisaged or paid.

The employees of the Parent Company and the subsidiaries did not receive remuneration for positions held, representing the Group, on the Boards of Directors of subsidiaries other than those to which they belong. Except as provided for in individual contracts, this remuneration, where envisaged, were paid in full to the company by the company where the office was held.

In compliance with the provisions in force, no variable remuneration was envisaged or paid to the members of the control bodies.

1.2 Variable remuneration to be paid in 2023

With regard to the implementation of the framework relating to the 2022 Policy, no exceptions were made to the remuneration policy.

At the meeting of 7 February 2023, the Board of Directors decided on the non-recurring components identified for the purposes of compliance with Consob Communication no. DEM/6064293 of 28 July 2006 and contained in the Directors' Report on Group Management for 2022, assessing, based on the opinions provided by the Compliance and Audit functions and the Remuneration Committee, the impact of these components on the income date related to Profit from current operating activities and on the financial adjustment factor Return On Risk Adjusted capital (RORAC) of the 2022 Policy.

The non-recurring items of profit before tax were identified on the basis of the criteria resolved on 6 May 2021 by the Board of Directors.

The guiding principle for the classification of non-recurring items is the relevance of the income statement item to the Group's operating activities, and specifically the following were considered "non-recurring":

- the results of the sale transactions of all the fixed assets (interests in associates and joint ventures, property, plant and equipment excluding the financial assets in the Hold to Collect ("HiC") portfolio);
- gains and losses on non-current assets and asset disposal groups held for sale;
- adjustments/recoveries on receivables (both due to valuation and actual losses) deriving from a change in the NPE Strategy approved during the year by the Board of Directors consisting of an amendment in the objectives and/or type of receivables subject to assignment with respect to those set forth previously;
- the income statement items of significant amounts connected with streamlining, restructuring, etc. (e.g. expenses for use of the redundancy fund, early retirement incentives, merger/integration expenses);
- income statement items of a significant amount which are not destined to reoccur frequently (e.g. penalties, impairments of property, plant and equipment, goodwill and other intangible assets, extraordinary debits/credits by Resolution Funds and the Interbank Deposit Protection Fund, effects associated with legislative changes, exceptional results, etc.);
- the economic impacts deriving from the fair value measurement of properties and other property, plant and equipment (artworks);
- tax effects connected with the income statement impacts set out in the previous points.

The cases and events configured as non-recurring with respect to the ordinary *business* carried out by the Group in 2022 had a net negative impact on the economic result for the year at consolidated level of Euro 183.7 million, mainly attributable to value adjustments on receivables originating from the change in the strategy for the disposal of non-performing loans and the *fair value* measurement of owned properties. These components are illustrated in detail in the "Results" section of the Group Report on Operations. Considering all the aforementioned components as recurring would not have precluded access to the variable components of remuneration.

The Board of Directors of the Parent Company, on 7 February 2023, having acknowledged the opinion of the Remuneration Committee also in relation to the impacts on the *short-term incentive* plan deriving from the non-recurring components, verified the opening of the consolidated³ and corporate gates⁴ envisaged in the 2022 *Policy* for access to the *bonus pool* for the year. The positive verification of the consolidated gates determines the vesting, also in 2022, of the deferred portions of the

³ Common Equity Tier 1 ratio (CET1 ratio), phased-in, MDA buffer phased-in, Liquidity Coverage Ratio (LCR) regulatory, Net Stable Funding Ratio (NSFR) regulatory, UOC (profit from current operating activities before tax, net of non-recurring items identified for the purposes of compliance with Consob Communication no. DEM/6064293 of 28 July 2006 and reported in the Directors' Report on Group Management for the year 2022, minus any gains or losses resulting from the fair value measurement of the certificates issued).

⁴ In addition, for the short-term incentive plan, for Banca Akros and Banca Aletti corporate UOC and for Banco BPM Vita and Banco BPM Assicurazioni Solvency ratio.

incentive pertaining to previous years, including the third deferred portion of the 2017-2019 long-term incentive system.

During the same meeting of 7 February 2023, the Board of Directors also verified the maximum measure of consolidated economic resources to be awarded as part of the Short-Term Incentive plan, in application of the (i) financial adjustment factors⁵, whose measure is proportional to the value of the risk adjusted profitability indicator Return on Risk Adjusted Capital (RORAC) achieved at the end of the year in comparison with the related Risk Trigger and Risk Appetite thresholds defined in the Risk Appetite Framework for the same year, and (ii) non-financial, related to the consolidated level of the ECAP Reputational Risk and Anti Money Laundering (AML) indicators achieved at the end of the year in comparison with the related Alert thresholds defined in the Risk Appetite Framework. With reference to the financial adjustment coefficient, the RORAC value achieved was above the relative Risk Appetite threshold and the Board of Directors of the Parent Company confirmed the consolidated economic resources envisaged in the budget without providing for increases; with reference to the non-financial adjustment coefficient, both the ECAP Reputational Risk achieved and the AML achieved were lower than the relative Alert threshold⁶, thus not reducing the consolidated economic resources of the short-term incentive plan provided for in the budget for the year. These economic resources (equal to approximately Euro 58 million in gross amount) constitute the maximum limit within which individual incentives will be awarded, quantified in relation to the performance achieved for the objectives assigned.

Lastly, the Board of Directors verified compliance with the conditions⁷ laid down in the 2022 Policy for the award of the additional short-term variable components (retention bonus, monthly payment of non-competition clauses - for the portion that exceeds the last annual fixed remuneration - or notice period extension agreements to be made in 2023, any award in 2023 of amounts for the early termination of the employment relationship).

1.2.1 Short-term variable remuneration to be awarded to the Parent Company's Chief Executive Officer in 2023

The 2022 performance objectives for the Chief Executive Officer related to indicators regarding profitability, credit and asset quality, liquidity, capital adequacy, ESG (Environmental, Social and Governance) and qualitative aspects relating to management.

The amount of the incentive associated with the 2022 short term incentive plan of the Chief Executive Officer could amount to 100% of his gross annual remuneration (GAR), corresponding to the maximum performance of the objective-card.

The performance achieved by the Chief Executive Officer reflects the positive results achieved by the Group. The incentive to be paid amounts to approximately the maximum achievable. Details regarding the extent to which the objectives assigned for 2022 have been achieved are described below:

⁵ It does not affect the portion of the economic resources to be awarded to identified staff of functions with control tasks.

⁶ The greater the value recorded, the greater the risk for the Group.

⁷ Consolidated indicators CET1 ratio phased in and LCR regulatory.

AREA	OBJECTIVE	WEIGHT	MINIMUM	TARGET	MAXIMUM	RESULT	PERFORMANCE LEVEL VS TARGET VALUE	
Financial KPIs	Profitability	Consolidated ROTE (*)	15%	-10%		+10%	7.39%	
		Consolidated RORAC (*)	15%	-10%	Risk Appetite	+10%	8.98%	
		Cost to Income ratio consolidated (*)	10%	+3%		-3%	54%	
	Credit and asset quality	Credit Policies Indicator (%) (*)	10%	Risk Trigger +1%	midpoint	Risk Trigger +7%	93.97%	
	Capital adequacy	Maximum Distributable Amount (MDA) buffer phased in (*)	20%	-5%	Risk Appetite	+5%	561 bps	
	Liquidity	Regulatory consolidated Liquidity Coverage Ratio (LCR) (*)	10%	Risk Trigger +5%	Risk Appetite	Risk Appetite +5%	191%	
Non-financial KPIs	ESG	Percentage of new loans in green and low-transition risk sectors	10%	-5%	48%	+5%	55.63%	
		Corporate Bond Ownership Portfolio (share of ESG bonds)		-5%	18%	+5%	24.15%	
		Green or social bond issues			500 mln		2,050 mln	
Qualitative aspects regarding management activity	Qualitative assessment of the Chief Executive Officer's management activities, drawn up by the Board of Directors, after consultation with the Remuneration Committee.	10%	in line with expectations	above expectations	excellent	excellent		
Drivers that informed the assessment:		<ul style="list-style-type: none"> • Consolidated positive climate stimulated by his leadership • Appreciation of the bank by stakeholders 						

Key

● Below target / ● Aligned to target / ● Above target / ● Maximum

(*) Calculated according to the RAF methodology.

The incentive is paid over a six-year period and is divided into an up-front portion equal to 40%, and, for the remaining 60%, into five annual portions of the same amount deferred over the 2024-2028 five-year period, subject to the fulfilment of future conditions. 50% of the up-front portion and 55% of the deferred portion consist of ordinary Banco BPM shares.

There is a retention period (sale restriction) on up-front vested deferred shares of one year; for deferred portions, the retention period starts from the time they vest. The vesting of the share portions takes place with the respective cash portions, while actual transfer of ownership to the beneficiary takes place at the end of the retention period.

The vesting of each deferred portion is subject to total compliance with the consolidated entry gates and with the relative threshold comparative values envisaged by the short-term incentive system of the year preceding the year of vesting, as well as all other malus mechanisms envisaged at the time by the remuneration policy.

1.2.2 Short-term variable remuneration to be awarded to the Parent Company's Joint General Managers in 2023

For 2022, the objectives assigned to executives with strategic responsibilities not belonging to functions with control tasks, including the Joint General Managers of the Parent Company, regarded the areas relating to profitability, credit and asset quality, liquidity, capital adequacy, ESG and qualitative aspects.

The performances achieved by the Joint General Managers reflect the positive results achieved by the Group.

Details of the achievement of the objectives assigned for 2022 are provided below, based on the best estimate currently available:

Joint General Manager, Resources Area

AREA	OBJECTIVE	WEIGHT	RESULT	PERFORMANCE LEVEL VS TARGET VALUE
Fin. KPIs	Profitability	~ 50%	Consolidated RORAC (*)	8.98%
			Consolidated Cost to Income ratio (*)	54%
	Risk based (*)		ECAP Reputational Risk - Group (**)	127.68 mln
Non-financial KPIs	Strategic actions	~ 50%	Number of training hours for employees on ESG issues - Group	281,661
			New Banca Aletti network model	8 days
			Time to resolve any anomalies	
	Digital transformation		quantitative objectives and project milestones: in line	
Qualitative aspects regarding management	Qualitative assessment of the activity carried out, formulated by the Chief Executive Officer of the Parent Company. The assessment is linked with specific regard to resolving findings raised by the Regulator and internal control functions.		excellent	

Key

● Below target / ● Aligned to target / ● Above target / ● Maximum

(*) Calculated according to the RAF methodology.

(**) For the purpose of the objective, the results of the 4 quarters of 2022 are considered.

Joint General Manager, Commercial Area

AREA	OBJECTIVE	WEIGHT	RESULT	PERFORMANCE LEVEL VS TARGET VALUE	
Financial KPIs	Profitability	~ 67%	Consolidated ROTE (*)	7.39%	
			Consolidated RORAC (*)	8.98%	
			Consolidated Cost to Income ratio (*)	54%	
	Risk based (*)		Commercial EVA	11.23%	
Non-financial KPIs	Growth	~ 33%	Customer Satisfaction Indicator (Retail) <ul style="list-style-type: none"> Trim index: scale from 0 to 100 NPS (net promoter score): scale from -100 to +100 	<ul style="list-style-type: none"> Trim index: 71 points NPS: 24 points 	
	ESG		Percentage of new loans in green and low-transition risk sectors	55.63%	
	Qualitative aspects regarding management activity		Qualitative assessment of the activity carried out, formulated by the Chief Executive Officer of the Parent Company. The assessment is linked with specific regard to resolving findings raised by the Regulator and internal control functions.	excellent	

Key

● Below target / ● Aligned to target / ● Above target / ● Maximum

(*) Calculated according to the RAF methodology.

For the proportion between fixed and variable remuneration with respect to total remuneration, please refer to the tables contained in the second part of this Section.

1.3 Other types of remuneration

1.3.1 Extraordinary contribution and welfare payment

Considering the wish to provide an extraordinary payment to the families of the Group's workers to help them deal with the current economic situation, in December 2022, an agreement was reached with the trade union organisations that envisaged an extraordinary payment, to be paid in welfare services for the amount of Euro 500 per capita, for staff belonging to the category of Professional Areas and Middle Managers.

The desire to give value to the commitment and dedication of employees in helping, during 2022, to support the interests of customers and the Group in the best possible way acted as the condition for negotiating the awarding of a non-monetary disbursement of welfare services for an amount of Euro 1,500 per capita. This disbursement, also intended for staff belonging to the Professional Areas and Middle Managers category, is to be used exclusively for welfare purposes in support of the needs related to the personal and family spheres of Group employees, with the usual methods of individual choice.

1.3.2 Merit measures

With regard to measures on remuneration aimed at finding consistency among responsibility, professionalism, commitment, and level of remuneration of employees, in 2022, measures were taken on fixed remuneration corresponding to around Euro 5.25 million (cost relating to 2022 on an annual basis).

1.3.3 Other remuneration measures

The 2022 Policy envisaged the opportunity to activate non-competition clauses and extension of notice period clauses that provide for monthly payments, with continuity of employment.

Overall, agreements (non-competition or notice extension) were activated for a cost of approximately Euro 1.20 million (referring to the year 2022 on an annual basis).

1.3.4 Welfare and other non-monetary benefits

In addition to the system of company contributions for the supplementary health and social security services, company welfare initiatives include the implementation of benefits of a non-monetary nature for 2022 to meet the social needs of employees and their families. In particular, such measures are:

- advantageous conditions for loans and banking services;
- continued reliance on remote working;
- right to periods of partially paid voluntary work leave;
- forms of supplementary economic assistance for the reimbursement of charges incurred for health care;
- forms of protection for the events of premature death and permanent invalidity of the employee;
- use of meal tickets;
- scholarships for student workers and students children;
- payments for disabled family members;
- summer camps and the award of Christmas provisions for the benefit of children.

1.4 Variable remuneration awarded in 2022 with relation to the 2021 short-term incentive plan

With reference to the 2021 short-term-incentive plan, on the basis of the performance achieved, the amount actually awarded was approximately Euro 56.6 million (gross for employees) vis-à-vis the available economic resources.

1.5 Malus and Claw-back

In 2022 a process was launched, still in progress, for the application of the *claw-back* provisions, for an amount of approximately Euro 90,000.

With reference to the application of the *claw-back* launched in 2019 and 2020, in 2022 Banco BPM obtained the conviction of a former executive who had left office, also confirmed by the competent Court of Appeal, as well as confirmation by the Court of Appeal of a previous sentence of conviction against another former executive with strategic responsibility, pronounced in the first instance in 2021.

Therefore, the external lawyers were engaged to proceed with the recovery of the respective amounts due to Banco BPM.

2. TABLES DRAWN UP PURSUANT TO ART. 450 OF THE CRR EBA REMA TABLE: REMUNERATION POLICY

QUALITATIVE DISCLOSURE

a) Information relating to the bodies responsible for supervising remuneration.

Name, composition and mandate of the main body (Management Body or Remuneration Committee, if applicable) which oversees the remuneration policy and number of meetings held by such Body during the year

The current Remuneration Committee, established in April 2020, comprises three Directors: Manuela Soffientini (Chairwoman), Alberto Manenti and Giulio Pedrollo, who will remain in office until the approval of the 2022 financial statements.

In 2022, the Committee met nineteen times; the average participation of the members of the Committee was over 96 per cent; the average duration of the meetings was one hour and 15 minutes. In line with what was tested in 2021, in order to make the supervision, control and challenge of the remuneration framework even more effective, the Committee implemented the following levers: (a) significant frequency of meetings; (b) topics of particular relevance or interest dealt with in more than one working session; (c) systematic engagement with the Risk Control, Compliance and Audit functions to the extent of their responsibility; (d) involvement of the Internal Control, Risks and Sustainability Committee on specific issues; (e) use of a specific budget for consultancy of internationally recognised leading companies, for independent opinions on important issues. In the 2022 meetings, it, inter alia: (i) supervised the identified staff identification process; (ii) examined the conditions of access to the variable remuneration components in implementation of the 2021 short term incentive policy (2021 short term incentive and further variable components of remuneration); (iii) evaluated the strength of the non-recurring items of the profitability gate for the access to the variable remuneration components and the risk-adjusted profitability adjustment factor to apply to the economic resources of the short term incentive plan; (iv) evaluated the structure, access conditions and performance indicators of the LTI 2022-2024 plan; (v) examined the implementation of the share-based remuneration plan of Banco BPM S.p.A. approved by the Ordinary Shareholders' Meeting of Banco BPM - year 2021 and proposed the share-based remuneration plan of Banco BPM S.p.A. with respect to the 2022 short-term incentive plan and the 2022-2024 long term incentive plan; (vi) evaluated the 2022 Policy proposal and the criteria for determining the remuneration to be awarded in the event of early termination of the employment relationship or early termination of office; (vii) conducted preliminary investigations regarding the verification of the performance achieved by the Chief Executive Officer in relation to the objectives assigned for the year 2021; (viii) advised regarding the remuneration of the representatives of subsidiary banks and the main non-banking subsidiaries of the Group; (ix) conducted preliminary evaluations regarding the determination of the objectives of the 2022 short-term incentive plan to be assigned to the Chief Executive Officer and the related variable remuneration for the year; (x) performed an evaluation of the proposals relating to the maximum incentive values to be associated with the 2022 short-term incentive and 2022-2024 long-term incentive (LTI) plan of the individuals in the area of competence; (xi) evaluated the solidity of the 2021 short-term incentive plan regarding the correlation of the Group's performance with the individual incentives in accordance with the defined risk system; (xii) received detailed information on the objectives of the 2022 short-term incentive plan for identified staff; (xiii) assessed, in coordination with the Board of Statutory Auditors, the correct application of the rules established by the 2021 Policy for the variable remuneration of the heads of

the internal control functions; (xiv) received information on the performance by staff within the scope of the 2021 short-term incentive plan; (xv) monitored the continued implementation of the 2022 short-term incentive plan; (xvi) acknowledged the project carried out on diversity, equity & inclusion by the Group with the support of a leading consultancy company, an analysis regarding the neutrality of the remuneration policy with respect to gender, and a check on the gender pay gap; (xvii) evaluated the proposal to adjust the remuneration policy of the insurance companies Banco BPM Vita S.p.A. and Banco BPM Assicurazioni S.p.A., which became part of the Group in July 2022, to the changed reference context; (xviii) initiated a consultation with a leading international company for assessments, gap analysis and benchmarking regarding remuneration policies related to the Chief Risk Officer (CRO) and the Heads of the Risk Management Function.

To perform its activities, it received the information deemed necessary and the support of the relevant company functions.

Unless otherwise decided on each occasion by the Chairwoman, the Committee meetings were attended by the Joint General Manager - Resources Area, the Human Resources Manager, the Remuneration Policy Manager, the Risk Manager and/or Enterprise Risk Management Manager, the Compliance Manager and/or his/her delegate and the Audit Manager and/or his/her delegate. If deemed necessary and / or appropriate for the performance of its activities, the Committee also made use of the support of other managers of the Bank.

The Statutory Auditor, specifically appointed to this effect, attended Committee meetings, without prejudice to the right of all members of the Board of Statutory Auditors to attend meetings, as established by Regulations.

External consultants whose services were used, the Body that appointed them and in which sector of the remuneration framework

The Remuneration Committee, assisted by the competent corporate functions and by leading internationally recognised consulting firms, has based its methodological approach on constant comparison with peers and with market best practices. In particular, the areas in which it used the expertise of consulting firms relate to the system for evaluating positions with the international IPE (International Position Evaluation) methodology, the analysis of remuneration competitiveness with the external market, the analysis of the neutrality of the remuneration policy with respect to gender and the scouting of the practices adopted by competitors in terms of giving incentives to staff in specific areas of activity.

A description of the scope of application of the entity's remuneration policy (for example by region or by business line), with an indication of the extent to which it is applicable to subsidiaries and branches located in third countries

As part of the management and coordination activities of the subsidiaries, the Parent Company ensures the consistency of the remuneration and incentive systems within the Group, in compliance with the specificities of the sectors to which they belong and the related organisational structures.

In particular, the process of identifying identified staff, implemented at Group level for all the companies of the Group, provided for an assessment at company level for the Italian banks, carried out by the Parent Company (by virtue of the outsourcing contracts in place) and took into account organisational positions, hierarchical levels, salary ranges and the impact on risks of all Group staff.

The 2022 short-term incentive plan, in implementation of the provisions of the 2022 Policy, was designed with regard to the specific nature of the businesses and/or organisation of the various Group companies.

Following the acquisition of full control of the capital of Banco BPM Vita and, indirectly, of Banco BPM Assicurazioni (100% owned by Banco BPM Vita), the 2022 remuneration policy of the two companies was integrated with the areas of the 2022 Policy of the Banco BPM Banking Group, sharing, in terms of approach, banking and insurance regulations. The Ordinary Shareholders' Meetings of Banco BPM Vita and Banco BPM Assicurazioni of 29 November 2022 approved these additions, on the basis of the provisions of Article 93, paragraph 5, of IVASS Regulation no. 38/2018.

A description of the staff or categories of staff whose professional activities have a significant impact on the risk profile of the institution

The process to establish identified staff was implemented in accordance with the specific policy approved by the Shareholders' Meeting of 7 April 2022 as an integral part of the remuneration policy and implemented within the Group's internal regulations.

The Human Resources function of the Parent Company coordinated the activities, involving the Compliance, Organisation, Risks and Planning and Control and Audit functions, within their specific scopes.

At the beginning of 2022, 177 people were identified (of which 149 employees or non-employed staff). The perimeter was updated during the year, identifying a further 18 people mainly following (i) the acquisition of 100% of the capital of the insurance companies and (ii) turnover on the positions already included in the perimeter.

For 2022, a total of 195 people were therefore identified (of which 166 employees or non-employed staff), corresponding to around 0.9% of staff, broken down into the following categories:

- top identified staff - 43 persons, of which:
 - 40 not belonging to internal control functions;
 - 3 belonging to internal control functions;
- other identified staff - 152 persons, of which:
 - 136 not belonging to internal control functions;
 - 16 belonging to internal control functions.

At the end of the year, the Group had identified: 149 people in the Parent Company, 20 in Banca Akros, 12 in Banca Aletti, 13 in insurance companies (of whom 12 identified pursuant to article 2, paragraph 1, letter m, of IVASS Regulation 38/2018) and 1 in an additional subsidiary.

The Parent Company has not initiated any administrative proceedings regarding the non-inclusion of persons identified on the basis of quantitative criteria only in the scope of identified staff.

For newly identified persons, the Parent Company Human Resources function (a) sent an individual letter informing each person that he/she had been identified as identified staff, (b) requested a statement of commitment not to adopt strategies of personal hedging or insurance on remuneration or on any other aspect that may alter or invalidate the risk-alignment effects of remuneration mechanisms in accordance with prevailing law and the 2022 Policy, and (c) for employees, notification regarding the fact that the matter of remuneration is subject to specific provisions, as well as to company Policies, in force at the time, and to the legislative provisions that regulate the system. Said notification represented (where necessary and as far as necessary) an adjustment of the individual employment contracts as any deviations or individual agreements that are considered non-compliant are to be considered as being replaced by law.

The Human Resources function of the Parent Company also asked all employees of the banking group included in the identified staff to (a) communicate the existence or opening of custody or administration accounts in their name or jointly, with other intermediaries and (b) report, during the deferral and/or retention period, any transactions relating to awarded variable remuneration which could affect the risk alignment mechanisms (the latter information is in fact considered in the calibration of the remuneration and incentive systems).

b) Information relating to the characteristics and structure of the remuneration system for identified staff.

A summary of the main characteristics and objectives of the remuneration policy and information on the decision-making process followed to define the remuneration policy and on the role of the interested parties

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 stakeholders.

The approval of the remuneration policy is reserved to the Shareholders' Meeting. Corporate bodies, internal board committees and company functions are involved in the process of drafting, preparation and approval, in particular:

- the Human Resources function provided technical support to the Corporate Bodies and prepared the supporting documentation;
- the Risks, Planning and Control functions identified the strategic and performance objectives to ensure that the remuneration system is consistent with the risk appetite, and the company's long-term strategies and objectives;
- the Compliance function verified the compliance of the remuneration policy with the reference legislative framework;
- the Audit function verified the correct implementation of the remuneration policy;
- the Board of Directors, with the assistance of the Chief Executive Officer and internal Board committees, drew up the remuneration policy to submit to the approval of the Shareholder's Meeting.

Information on the criteria used for performance evaluation and adjustment for ex ante and ex post risks

For identified staff of the banking Group, established on the basis of qualitative criteria and incentive beneficiary, the assessment of performance envisaged the assignment, at the start of the system, of individual and/or team objective-cards to compare with results achieved at the end of the year.

The 2022 Short-Term Incentive Plan, in addition to providing for the assessment of the quantitative performances, was characterised by mechanisms aimed at monitoring risk, the compliance of the behaviours with the reference regulatory framework (internal and external) from time to time in force, the respect of customers and the maximisation of their satisfaction.

This purpose was pursued through the joint action of three elements:

- the use of qualitative parameters that impact on the quantification of the incentive and are expressed with quantitatively measurable criteria, aimed at measuring customer 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). Therefore, the short-term incentive plan was not based exclusively on commercial objectives, also in compliance with the regulations on transparency with specific reference to networks;

- 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 in reference to the responsibilities and activities carried out, aligned with the Risk Appetite Framework, with particular attention to operational risk;
- the provision of malus and claw-back mechanisms, which act directly on the incentive until it is reduced to zero, for the purpose of discouraging misconduct.

In order to support the dissemination of corporate culture oriented towards attention to ESG (Environmental, Social, Governance) issues, an increasingly widespread assignment and diversification of KPIs related to these areas are provided for in the short-term incentive plan. The achievement of these objectives was over the target in general, indicating the increased awareness by Banco BPM staff of these issues, which also permitted a culture of sustainability to be promoted with respect to customers and suppliers.



In the short-term incentive Plan, the non-financial adjustment factor, through the ECAP Reputational Risk indicator, correlated the economic resources of all staff to the Group's image, also in relation to the possible occurrence of ESG risks. This indicator was found to be within the relative risk threshold (alert).

With reference to the area of transparency of banking and financial transactions and services, in the short-term incentive plan for the networks, there were no incentives for the following: (i) placing inadequate products in relation to customers' financial needs, (ii) the joint sale of an optional contract and the loan agreement to a greater extent than the sale of the two separate contracts; (iii) the offer of a specific product, or a specific category or combination of products, when this could be detrimental to the customer, (iv) the 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.

For details on the criteria used for 2023 performance evaluation and adjustment for ex ante and ex post risks of identified staff, please refer to paragraphs 6.4, 6.5 and 6.7 of section I.

If the Management Body or the Remuneration Committee, where established, has reviewed the institution's remuneration policy over the past year and, if so, a summary of any changes made, the reasons for such changes and the related impact on remuneration

Following the acquisition of full control of the capital of Banco BPM Vita and, indirectly, of Banco BPM Assicurazioni (100% owned by Banco BPM Vita), the 2022 remuneration policy of the two companies was integrated with the areas of the 2022 Policy of the Banco BPM Banking Group, sharing, in terms of approach, banking and insurance regulations. The Ordinary Shareholders' Meetings of Banco BPM Vita and Banco BPM Assicurazioni of 29 November 2022 approved these additions, on the basis of the provisions of Article 93, paragraph 5, of IVASS Regulation no. 38/2018.

For the main new features of the 2023 remuneration policy, please refer to the Executive Summary of the 2023 Policy (page 9 of Section I.)

Information on the way in which the entity ensures that the staff who cover internal control functions are remunerated regardless of the activities they control

In order to avoid the incentives of the identified staff of the functions with control tasks being linked to the economic results⁸, the award is not subject to the entry gate established by the profit from current operating activities before tax (net of non-recurring items) or the financial adjustment coefficient, consisting of the risk adjusted profitability indicator RORAC (Return On Risk Adjusted Capital) which can reduce (to zero) the economic resources of the short-term incentive plan, as well as the mechanism for reducing the aforementioned economic resources in the event of a consolidated accounting loss for the year.

The short-term incentive plans of the heads of the functions with control tasks envisage objectives that are not related to the economic performance and results of the Group or the units subject to their control, but rather to the individual qualitative performance. They contemplate indicators related to a first or second pillar risk measure or included in the Risk Appetite Framework, the effectiveness of the control activity, the resolution of findings and issues, the area of responsibility, the activities carried out in relation to the role and evaluation referring to organisational behaviour and managerial skills.

The process to define and manage the short-term incentive plan is governed by the Group's internal regulations; the Remuneration Committee plays an active role, in particular to verify alignment with the risks assumed with the support of the Internal Control, Risk and Sustainability Committee.

⁸ As envisaged by the Bank of Italy Supervisory Regulations.

The Board of Directors defines and approves the objective-card of the Audit Manager and on the basis of the opinion of the Internal Control, Risks and Sustainability Committee and the Board of Statutory Auditors, ensures the absence of potential conflicts of interest in the objective-cards assigned to the heads of functions with control tasks.

Policies and criteria applied for the recognition of guaranteed variable remuneration and severance pay

The Banco BPM Group envisages that, during the recruitment phase and only for the first year of presence, welcome bonuses may be awarded to highly professional and experienced people. These amounts incentivise the change from the previous company by amortising the risk that could be associated with the same.

It is not the practice of the Group to award amounts at the time of hiring to compensate for any loss of compensation accrued in previous employment.

As required by the law and the Articles of Association, the Shareholders' Meeting approves the criteria for determining the amounts in the event of early termination of the employment relationship of all Staff, including the limits set in terms of annual fixed remuneration and the maximum amount resulting from their application.

Details are provided in paragraph 6.10 of Section I.

c) Description of how current and future risks are taken into account in the remuneration processes. The information includes a summary of the main risks, their measurement and how these measures affect remuneration.

The process relating to the definition and management of the incentive system provides for involvement by the Chief Risk Officer, with the assistance of the Planning and Control 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.

In line with the Risk Appetite Framework, the award of incentives for the identified staff and the remaining staff is dependent on the indicators of: capital adequacy (Common Equity Tier1 ratio (CET1) and Maximum Distributable Amount (MDA) buffer at consolidated level and Solvency ratio at the level of the insurance companies and only applied to them), liquidity adequacy (Liquidity Coverage Ratio (LCR) regulatory and Net Stable Funding Ratio (NSFR) regulatory at consolidated level), profitability at consolidated and corporate level, in the latter case for the subsidiary banks.

With regard to the short-term incentive plan, the following also have an effect: the risk adjusted profitability indicator RORAC (Return On Risk Adjusted Capital) which can reduce (to zero) the economic resources, and the ECAP Reputational risk and Anti-Money Laundering indicators, respectively related to reputational risk and money laundering risk, which could reduce the economic resources.

The details for the *short-term incentive plan* are provided in paragraphs 6.3 and 6.4 and for the *long-term incentive plan* in paragraph 6.8 of Section I.

d) The relationships between the fixed and variable components of the remuneration established in accordance with Article 94, paragraph 1, letter g), of the CRD.

The upper limit of the variable/fixed component ratio 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;
- 70% for the manager responsible for preparing the Company's financial report;
- 1/3 for staff belonging to functions with control tasks not included in the category above;
- 1:1 for all staff not included in the categories above.

Details are provided in paragraph 6.1 of Section I.

e) Description of the way in which the institution tries to link the performances recorded in the evaluation period to the remuneration levels.

A summary of the main performance criteria and metrics of the institution, business lines and individuals

The award of incentives for identified staff and the other staff is dependent on the following indicators: capital adequacy (Common Equity Tier1 ratio (CET1) and Maximum Distributable Amount (MDA) buffer at consolidated level and Solvency ratio at the level of the insurance companies and only applied to them) liquidity adequacy (Liquidity Coverage Ratio (LCR) regulatory and Net Stable Funding Ratio (NSFR) regulatory at consolidated level) and profitability at consolidated and corporate level, in the latter case for the subsidiary banks.

The details regarding performance criteria and metrics are provided in paragraph 6.5 of Section I regarding the short-term incentive plan, and paragraph 6.8 regarding the long-term incentive plan.

A summary of how the amounts of individual variable remuneration are linked to individual and institution performance

As regards the variable remuneration related to the short-term incentive plan, the objective-card includes a predefined number of indicators, which focus on the bank's 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.

If the economic resources of the short-term incentive plan are not enough with respect to the total amount of incentives calculated on the basis of performance achieved, an equalisation mechanism will be applied that will reduce, on a proportional basis, the individual incentives by the same percentage.

As regards the variable remuneration related to the long-term incentive plan, the details are provided in paragraph 6.8 of Section I.

Information on the criteria used to determine the balance between the different types of awarded instruments, including shares, equity investments, options and other instruments

A significant part of the variable remuneration is deferred and paid with shares to align the interests between management and shareholders, remunerating the identified staff of the Group based on the creation of value in the medium-long term.

For details, see paragraphs 6.6 and 6.8.1.3 of Section I.

Information on the measures that the institution will implement to adjust the variable component of remuneration in the event that the performance measurement metrics are weak, including the institution's criteria for establishing that these metrics are "weak"

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. The annual amount is only defined in the hypothesis that the budget provides for a profit and it can not exceed the limit of 20% of the consolidated profit from current operating activities before tax (net of non-recurring items) provided for in the budget. The bonus pool is set also considering the Group's capitalisation and liquidity objectives. A possible revision of the budget during the year would result in an adjustment of the bonus pool, in compliance with the aforementioned constraints of expected profitability, capitalisation and liquidity.

The award of incentives for identified staff and the other staff is dependent on the following indicators: capital adequacy (Common Equity Tier1 ratio (CET1) and Maximum Distributable Amount (MDA) buffer at consolidated level and Solvency ratio at the level of the insurance companies and only applied to them) liquidity adequacy (Liquidity Coverage Ratio (LCR) regulatory and Net Stable Funding Ratio (NSFR) regulatory at consolidated level) and profitability at consolidated and corporate level, in the latter case for the subsidiary banks.

In the presence of the positive verification of the entry gates, a financial adjustment coefficient is applied to the economic resources of the short-term incentive plan defined in the budget for the year, the measure of which is proportional to the value of the consolidated Return on Risk adjusted Capital (RORAC) which can, inter alia, reduce them to zero.

The vesting of the deferred portions of the incentives is subject to total compliance with the consolidated entry gates and with the relative threshold comparative values envisaged by the short-term incentive plan of the year preceding the year of vesting of the same for the staff category to which they belong 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.

The Risk Trigger threshold defined within the Risk Appetite Framework is the minimum condition to be pursued for each indicator⁹, below which no short- or long-term incentive is awarded, and the deferred portions do not accrue.

f) Description of the ways in which the entity seeks to adjust the remuneration to take into account long-term performance.

A summary of the institution's policy on deferral, payment by instruments, retention periods and accruals of variable remuneration, even where it differs between staff or categories of staff

The incentive for identified staff established in the year, is divided into an up-front portion and five or four annual deferred portions, conditional to the fulfilment of future conditions. At least 50% of the incentive awarded for the short-term incentive plan and 100% of that recognised for the long-term incentive plan is paid through ordinary

⁹ For the profitability condition, the reference threshold is to achieve a value greater than zero.

Banco BPM shares. Each share portion vested is subject to a retention clause of one year.

As required by the Supervisory Provisions of the Bank of Italy, 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 remuneration, the relative amount is paid out in cash and in a lump sum. For details, see paragraphs 6.6 and 6.8.1.3 of Section I.

Information on the institution's criteria for ex post adjustments (malus during the period of deferral and return after vesting, if permitted by national law)

The disbursements of the variable components of the remuneration are subject to the ex-post correction system (so-called malus and claw-back), consisting of both elements related to the performance of the Group and of the performance of each concerned employee.

For details, see paragraph 6.7 of Section I.

Where applicable, shareholding requirements that may be imposed on Identified Staff

Even though no shareholding requirements are provided by law, the value of the number of shares held by the Chief Executive Officer of the Parent Company as of 31/12/2022 amounts to about four times his fixed gross annual remuneration. Considering also about 600,000 shares that vested as of 31/12/2022 and are not yet in the Chief Executive Officer's possession, the countervalue rises to about 5.6 times the fixed gross annual remuneration.

To align the interests between management and shareholders, and to remunerate the Group's identified staff in relation to the creation of value in the medium-to-long term, a significant part of the variable remuneration is deferred and paid with ordinary Banco BPM shares subject to retention clauses.

The schedule regarding the information on shares held by members of management and supervisory boards, general managers and other executives with strategic responsibilities is provided in paragraph 2 of Section II, Part 2.

g) The description of the main parameters and reasons for any variable remuneration schedule and any other non-monetary benefit in accordance with Article 450, paragraph 1, letter f) of the CRR.

Information on the specific performance indicators used to determine the variable components of remuneration and the criteria used to determine the balance between the different types of awarded instruments, including shares, equity investments, equity-related instruments, equivalent non-monetary instruments, options and other instruments

The short-term incentive plan consists of the set of entry gates, the financial and non-financial adjustment factors and the principles and methods of implementation, 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, orientation towards medium-long term results 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 the behaviours with the reference regulatory framework (internal and external) from time to time in force, the respect of customers and the maximisation of their satisfaction, and the avoidance of potential conflicts of interest. A focus is also reserved to the assessment of performance related to the ESG area, as specified in more

detail in paragraph 6.9 of section I. For details, see paragraph 6.5 of section I and, for the long-term incentive plan, see paragraph 6.8 of section I.

A significant part of the variable remuneration of the identified staff is deferred and paid with shares to align the interests between management and shareholders, remunerating the identified staff of the Group based on the creation of value in the medium-long term. For details, see paragraphs 6.6 and 6.8.1.3 of Section I.

With regard to the implementation of the 2022 Remuneration Policy, see paragraph 1 of Section II.

h) At the request of the relevant Member State or the competent authority, the total remuneration for each member of the administrative body or Senior Management.

For information on total remuneration of the Chairman of the body with strategic supervisory functions, each member of the body with management function and the Joint General Managers of Banco BPM, please refer to the tables below as required by the Issuers' Regulation.

SURNAME AND NAME	OFFICE HELD (*)	COMPANY	PERIOD FOR WHICH OFFICE WAS HELD	TOTAL REMUNERATION FOR THE OFFICE HELD DURING THE PERIOD
Tarantini Graziano	Chair of the Board of Directors	Banca Akros	01/01/2022 - 31/12/2022	150,000
Turrina Marco Federico	CEO - General Manager	Banca Akros	01/01/2022 - 2/12/2022	606,861 (**)
Ambrosoli Umberto	Chair of the Board of Directors	Banca Aletti	01/01/2022 - 31/12/2022	150,000
Varaldo Alessandro	Chief Executive Officer	Banca Aletti	01/01/2022 - 31/12/2022	527,215 (**)
Rigo Leonardo	General Manager	Banca Aletti	01/01/2022 - 31/12/2022	325,880 (**)

Notes:

(*) In addition to the offices shown in the table, the position of General Manager of Banca Akros was taken by Puccio Giuseppe Maria Bernardo on 3/12/2022.

(**) Including the entire 2022 short-term incentive plan (STI) (estimated on the basis of the performance calculated as at 3 March 2023). In compliance with the 2022 Policy, incentives are in part deferred over a multi-year period; the separate deferred portions will vest from 2024 onwards subject to the positive fulfilment of the entry conditions envisaged at the time.

i) Information on the possible application to the institution of an exemption, pursuant to Article 94, paragraph 3, of the CRD, in accordance with Article 450, paragraph 1, letter k) of the CRR.

For the purposes of this point, the entities benefiting from this exemption indicate whether it is based on Article 94, paragraph 3, letter a) and / or letter b) of the CRD. They also indicate to which of the remuneration principles the derogation or derogations apply, the number of staff members benefiting from the derogation or derogations, and their overall remuneration, divided into fixed remuneration and variable remuneration.

The derogation based on letter b) applied to the remuneration requirements referred to in Article 94, paragraph 1, letters l) and m). The number of staff members benefiting from the derogation is 74. Their total remuneration is Euro 12.42 million, of which the fixed remuneration is Euro 10.26 million and the variable remuneration is Euro 2.16 million.

j) Large entities publish quantitative information on the remuneration of the collective management body, distinguishing between executive and non-executive members, in accordance with Article 450, paragraph 2, of the CRR.

For information on Banco BPM's remuneration, please refer to the Tables set out below, in the Issuers' Regulations.

Table REM 1: Remuneration awarded for the financial year

	A	B	C	D
	MB SUPERVISORY FUNCTION	MB MANAGEMENT FUNCTION	OTHER SENIOR MANAGEMENT	OTHER IDENTIFIED STAFF
1	14	1	7	148
	Number of identified staff			
2	2,560,000	1,268,426	3,365,106	24,734,993
	Total fixed remuneration			
3	2,560,000	1,200,000	3,209,176	23,173,093
	Of which: cash-based			
4				
	(Not applicable in the EU)			
EU-4a				
	Of which: shares or equivalent ownership interests			
5				
	Of which: share-linked instruments or equivalent non-cash instruments			
EU-5x				
	Of which: other instruments			
6				
	(Not applicable in the EU)			
7		68,426	155,930	1,561,900
	Of which: other forms			
8				
	(Not applicable in the EU)			
9		1	7	127
	Number of identified staff			
10		1,199,800	2,276,397	6,993,442
	Total variable remuneration			
11		563,906	1,115,307	4,701,722
	Of which: cash-based			
12		323,946	453,846	896,665
	Of which: deferred			
EU-13a		635,894	1,161,090	2,291,720
	Of which: shares or equivalent ownership interests			
EU-14a		395,934	546,296	925,269
	Of which: deferred			
EU-13b				
	Of which: share-linked instruments or equivalent non-cash instruments			
EU-14b				
	Of which: deferred			
EU-14x				
	Of which: other instruments			
EU-14y				
	Of which: deferred			
15				
	Of which: other forms			
16				
	Of which: deferred			
17	2,560,000	2,468,226	5,641,503	31,728,435
	Total remuneration (2 + 10)			

Table REM2: Special payments to staff whose professional activities have a material impact on institution's risk profile (identified staff)

	A			B		C		D
	MB SUPERVISORY FUNCTION	MB MANAGEMENT FUNCTION	OTHER SENIOR MANAGEMENT	OTHER SENIOR MANAGEMENT	OTHER IDENTIFIED STAFF			
	Guaranteed variable remuneration awards							
1	Guaranteed variable remuneration awards - Number of identified staff							
2	Guaranteed variable remuneration awards - Total amount							
3	Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap							
	Severance payments awarded in previous periods, that have been paid out during the financial year							
4	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff							
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount							
	Severance payments awarded during the financial year							
6	Severance payments awarded during the financial year - Number of identified staff							
7	Severance payments awarded during the financial year - Total amount							
8	Of which paid during the financial year							
9	Of which deferred							
10	Of which severance payments paid during the financial year, that are not taken into account in the bonus cap							
11	Of which highest payment that has been awarded to a single person							

Table REM3: Deferred remuneration

	A	B	C	D	E	F	EU-G	EU-H
	TOTAL AMOUNT OF DEFERRED REMUNERATION AWARDED FOR PREVIOUS PERIODS	OF WHICH DUE TO VEST IN THE FINANCIAL YEAR	OF WHICH VESTING IN SUBSEQUENT FINANCIAL YEARS	AMOUNT OF PERFORMANCE ADJUSTMENT MADE IN THE FINANCIAL YEAR TO DEFERRED REMUNERATION THAT WAS DUE TO VEST IN THE FINANCIAL YEAR	AMOUNT OF PERFORMANCE ADJUSTMENT MADE IN THE FINANCIAL YEAR TO DEFERRED REMUNERATION THAT WAS DUE TO VEST IN FUTURE PERFORMANCE YEARS	TOTAL AMOUNT OF ADJUSTMENT DURING THE FINANCIAL YEAR DUE TO EX POST IMPLICIT ADJUSTMENTS (I.E. CHANGES OF VALUE OF DEFERRED REMUNERATION DUE TO THE CHANGES OF PRICES OF INSTRUMENTS)	TOTAL AMOUNT OF DEFERRED REMUNERATION AWARDED BEFORE THE FINANCIAL YEAR ACTUALLY PAID OUT IN THE FINANCIAL YEAR	TOTAL OF DEFERRED REMUNERATION AWARDED FOR PREVIOUS PERFORMANCE PERIOD THAT HAS VESTED BUT IS SUBJECT TO RETENTION PERIODS
1	MB Supervisory function							
2	Cash-based							
3	Shares or equivalent ownership interests							
4	Share-linked instruments or equivalent non-cash instruments							
5	Other instruments							
6	Other forms							
7	MB Management function	806,570	1,221,344			1,095,903	758,272	76,064
8	Cash-based	815,366	555,967				242,165	
9	Shares or equivalent ownership interests	547,171	665,377			1,095,903	516,107	76,064
10	Share-linked instruments or equivalent non-cash instruments							
11	Other instruments							
12	Other forms							
13	Other senior management	693,271	1,088,268			908,797	676,227	88,030
14	Cash-based	696,686	496,058				198,714	
15	Shares or equivalent ownership interests	492,642	592,210			908,797	477,513	88,030
16	Share-linked instruments or equivalent non-cash instruments							
17	Other instruments							
18	Other forms							
19	Other identified staff	1,547,847	1,559,855	96,529	71,666	1,246,548	1,339,960	290,238
20	Cash-based	1,410,238	769,066	41,264	35,833		532,103	
21	Shares or equivalent ownership interests	1,697,465	790,789	55,265	35,833	1,246,548	807,857	290,238

	A	B	C	D	E	F	EU-G	EU-H
	TOTAL AMOUNT OF DEFERRED REMUNERATION AWARDED FOR PREVIOUS PERFORMANCE PERIODS	OF WHICH DUE TO VEST IN THE FINANCIAL YEAR	OF WHICH VESTING IN SUBSEQUENT FINANCIAL YEARS	AMOUNT OF PERFORMANCE ADJUSTMENT MADE IN THE FINANCIAL YEAR TO DEFERRED REMUNERATION THAT WAS DUE TO VEST IN THE FINANCIAL YEAR	AMOUNT OF PERFORMANCE ADJUSTMENT MADE IN THE FINANCIAL YEAR TO DEFERRED REMUNERATION THAT WAS DUE TO VEST IN FUTURE PERFORMANCE YEARS	TOTAL AMOUNT OF ADJUSTMENT DURING THE FINANCIAL YEAR DUE TO EX POST IMPLICIT ADJUSTMENTS (I.E. CHANGES OF VALUE OF DEFERRED REMUNERATION DUE TO THE CHANGES OF PRICES OF INSTRUMENTS)	TOTAL AMOUNT OF DEFERRED REMUNERATION AWARDED BEFORE THE FINANCIAL YEAR ACTUALLY PAID OUT IN THE FINANCIAL YEAR	TOTAL OF DEFERRED REMUNERATION AWARDED FOR PREVIOUS PERFORMANCE PERIOD THAT HAS VESTED BUT IS SUBJECT TO RETENTION PERIODS
22	Share-linked instruments or equivalent non-cash instruments					(*)		
23	Other instruments							
24	Other forms							
25	Total amount	3,047,688	3,869,467	96,529	71,666	3,251,248	2,774,459	454,332

Notes:

(*) Implied theoretical correction calculated as the difference between the value determined on the basis of the official market price of 7 February 2023 (equal to Euro 4.295) and the relative value at the assignment. This correction refers to the amounts that accrue during the year and those that will accrue in subsequent years.

Table REM4: Remuneration of 1 million EUR or more per year

EUR	A
	IDENTIFIED STAFF THAT ARE HIGH EARNERS AS SET OUT IN ARTICLE 450(I) CRR
1 1 000 000 to below 1 500 000	2
2 1 500 000 to below 2 000 000	
3 2 000 000 to below 2 500 000	1
4 2 500 000 to below 3 000 000	
5 3 000 000 to below 3 500 000	
6 3 500 000 to below 4 000 000	
7 4 000 000 to below 4 500 000	
8 4 500 000 to below 5 000 000	
9 5 000 000 to below 6 000 000	
10 6 000 000 to below 7 000 000	
11 7 000 000 to below 8 000 000	

Table REM5: Information on the remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)

	A	B	C	D	E	F	G	H	I	J
	MANAGEMENT BODY REMUNERATION			BUSINESS AREAS						
	MB SUPERVISORY FUNCTION	MB MANAGEMENT FUNCTION	TOTAL MB	INVESTMENT BANKING	RETAIL BANKING	ASSET MANAGEMENT	CORPORATE FUNCTIONS	INDEPENDENT CONTROL FUNCTIONS	ALL OTHER	TOTAL
1 Total number of identified staff	14	1	15							170
2 Of which: members of the MB				3	2		2			
3 Of which: other senior management				43	72		19	14		
4 Of which: other identified staff										
5 Total remuneration of identified staff	2,560,000	2,468,226	5,028,226	11,499,973	15,203,262		7,638,342	3,028,359		
6 Of which: variable remuneration		1,199,800	1,199,800	3,102,931	3,376,028		2,215,259	575,620		
7 Of which: fixed remuneration	2,560,000	1,268,426	3,828,426	8,397,042	11,827,234		5,423,083	2,452,739		

3. COMPARISON INFORMATION - PURSUANT TO PARAGRAPH 1.5 OF THE FIRST PART OF SECTION II OF SCHEME NO. 7-BIS OF ANNEX 3 A TO THE REGULATION NO. 11971 OF 14 MAY 1999 AS AMENDED AND SUPPLEMENTED

The comparison on the total remuneration is carried out by considering the incentives awarded, including the deferred instalments that will vest after the positive verification of the entry conditions envisaged from time to time, as well as, for 2020, the voluntary reductions on fixed remuneration destined for charity.

TOTAL REMUNERATION (*)		DELTA (2020 VS 2019)	DELTA (2021 VS 2020)	DELTA (2022 VS 2021)
Chief Executive Officer	CASTAGNA GIUSEPPE	-41% (a)	26% (c)	2% (f)
Joint General Manager	DE ANGELIS DOMENICO	-28% (a)	17% (c)	6%
	POLONI SALVATORE	-31% (a)	32% (c)	8%
Chairman of the Board of Directors	TONONI MASSIMO	(b)	(d)	0%
Member of the Board of Directors	PAOLONI MAURO	-12%	2%	1%
	ANOLLI MARIO	-22%	19%	0%
	COMOLI MAURIZIO	-36%	-7%	3%
	FARUQUE NADINE FARIDA	(b)	(d)	0%
	FRASCAROLO CARLO	-24%	0%	-13%
	MANENTI ALBERTO	(b)	(d)	0%
	MANTELLI MARINA	(b)	(d)	15%
	PEDROLLO GIULIO	-14%	21%	0%
	ROSSETTI EUGENIO	(b)	(d)	0%
	SOFFIENTINI MANUELA	-11%	22%	0%
	TAURO LUIGIA	(b)	(d)	0%
	TORRICELLI COSTANZA	-31%	9%	0%
	ZANOTTI GIOVANNA	(b)	(d)	0%
	Chairman of the Board of Statutory Auditors	PRIORI MARCELLO	-10%	11%
Member of the Board of Statutory Auditors	LAURI MAURIZIO	(b)	(d)	0%
	MUZI SILVIA	(e)	(e)	(g)
	SONATO ALFONSO	-11%	11%	0%
	VALENTI NADIA	(b)	(d)	8%
Staff	Average total gross annual remuneration	0.2%	4.5%	1.7%
Profit from current operating activities before tax (net of non-recurring items)		-39%	180%	31%

Notes:

- (*) The variable remuneration component includes the entire short-term incentive (STI) awarded and, for 2019, also the entire 2017-2019 LTI incentive awarded.
- (a) With regard to the 2020 short-term incentive (STI), an equalisation higher than that estimated at the time of drafting the Policy-on-remuneration and payouts awarded - 2021 was applied.
- (b) The comparison cannot be made as the representative took up the position for the first time in 2020.
- (c) With regard to the 2021 short-term incentive (STI), a lower equalisation was applied than that estimated at the time of the drafting of the Policy-on-remuneration and payouts awarded - 2022. For the Chief Executive Officer the total 2021 remuneration was therefore Euro 2,414,753.
- (d) The comparison is not on a like-for-like basis since the representative took office for the first time in 2020.
- (e) The comparison cannot be made as the representative took up the position for the first time in 2021.
- (f) The 2022 total remuneration of the CEO is estimated at Euro 2,468,226.
- (g) The comparison is not on a like-for-like basis since the representative took office for the first time in 2021.

4. DATA TRANSMISSION OBLIGATIONS

In 2022, the Parent Company fulfilled the obligations of annual submission to the Bank of Italy of data on remuneration¹⁰, as established in the Communication of 7 October 2014¹¹.

¹⁰ See Circular no. 285/2013 as amended.

¹¹ See Bank of Italy Communication of 7 October 2014 regarding collection of remuneration data from banks and investment companies.

PART 2 – INFORMATION TABLES (GROSS AMOUNTS)

1. Tables complying with the provisions of CONSOB Resolution 11971/1999, as amended and supplemented

Table 1: Remuneration paid to the members of management and supervisory boards, general managers and other executives with strategic responsibilities (Euro)
Remuneration paid to members of the Board of Directors (Euro)

(A) SURNAME AND NAME	(B) OFFICE HELD	(C) PERIOD FOR WHICH OFFICE WAS HELD	(D) EXPIRY OF OFFICE	(1) FIXED REMUNERATION				(2) REMUNERATION FOR PARTICIPATION IN COMMITTEES			(3) VARIABLE NON-EQUITY REMUNERATION		(4) NON-MONETARY BENEFITS	(5) OTHER REMUNERATION	(6) TOTAL	(7) FAIR VALUE OF EQUITY REMUNERATION (a)	(8) SEVERANCE PAYMENTS
				EMOLUMENTS RESOLVED BY THE SHAREHOLDERS' MEETING	ATTENDANCE FEES	LUMP SUM REFUND	REMUNERATION PURSUANT TO ART. 2389	FIXED REMUNERATION ON EMPLOYMENT	TOTAL	FIXED REMUNERATION	ATTENDANCE FEES	TOTAL					
TONONI MASSIMO	Chair of the Board of Directors	01/01/2022 31/12/2022	approv. 2022 financial statements			450,000								450,000			
	Board Director	01/01/2022 31/12/2022	approv. 2022 financial statements	110,000										110,000			
				110,000		450,000								560,000			
				110,000		450,000								560,000			
PAOLONI MAURO	Deputy Chair of the Board of Directors	01/01/2022 31/12/2022	approv. 2022 financial statements			180,000								180,000			
	Board Director	01/01/2022 31/12/2022	approv. 2022 financial statements	110,000										110,000			
	Appointments Committee Member	01/01/2022 31/12/2022	approv. 2022 financial statements			10,000		10,000						10,000			
				110,000		180,000		290,000	10,000					300,000			
				15,000	3,750	25,000		43,750						43,750			
				10,000	3,750	20,000		33,750						33,750			
				25,000	7,500	45,000		77,500						77,500			
				135,000	7,500	225,000		367,500	10,000					377,500			
						1,200,000		1,200,000						1,832,332			
						563,906		68,426 (a)						1,832,332			
						563,906		68,426						1,832,332			
						1,200,000		1,200,000						1,709,882			
						563,906		68,426						1,832,332			
						1,200,000		1,200,000						1,832,332			
						563,906		68,426						1,709,882 (*)			

(*) The countervalue of the share component of the 2022 STI plan is equal to Euro **635,894** (see Table 3A on page 53, column 5), amount that determines a 2022 total remuneration of Euro **2,468,226**. On the other hand, the fair value shown in the table refers to an accumulation of remuneration related to all share-based plans, which are subject to different future conditions for the years to come (see table 3A on page 53, column 12).

(A) SURNAME AND NAME	(B) OFFICE HELD	(C) PERIOD FOR WHICH OFFICE WAS HELD	(D) EXPIRY OF OFFICE	(1) FIXED REMUNERATION				(2) REMUNERATION FOR PARTICIPATION IN COMMITTEES			(3) VARIABLE NON-EQUITY REMUNERATION BONUSES AND OTHER INCENTIVES (1)	(4) NON-MONETARY BENEFITS	(5) OTHER REMUNERATION	(6) TOTAL	(7) FAIR VALUE OF EQUITY REMUNERATION (2)	(8) SEQUENCE PAYMENTS
				EMOLUMENTS RESOLVED BY THE SHAREHOLDERS MEETING	ATTENDANCE FEES	LUMP-SUM REFUND	REWARD ON BASIS OF EMPLOYMENT 2389	TOTAL	FIXED REMUNERATION ON	ATTENDANCE FEES						
ANOLLI MARIO	Board Director	01/01/2022 31/12/2022	01/01/2022 31/12/2022	110,000				110,000					110,000			
	Member of the Internal Control, Risk and Sustainability Committee	01/01/2022 31/12/2022	01/01/2022 31/12/2022					45,000		45,000			45,000			
	Chair of the Board of Directors VEBA VITA S.p.A.	01/01/2022 31/12/2022	01/01/2022 31/12/2022	20,000	4,500	20,000	20,000	44,500	15,723 (d)	3,900	19,623 (c)		64,123			
				20,000	4,500	20,000	20,000	44,500	15,723	3,900	19,623		64,123			
				130,000	4,500	20,000	20,000	154,500	60,723	3,900	64,623		219,123			
				110,000				110,000					110,000			
COMOLI MAURIZIO	Board Director	01/01/2022 31/12/2022	01/01/2022 31/12/2022	110,000				110,000					110,000			
	Member of the Internal Control, Risk and Sustainability Committee	01/01/2022 31/12/2022	01/01/2022 31/12/2022					45,000		45,000			45,000			
	Chair Vero Assicurazioni S.p.A.	01/01/2022 31/12/2022	01/01/2022 31/12/2022	10,000	4,200 (e)	15,000	15,000			45,000			29,200			
	Chair Vero Polizza S.p.A.	01/01/2022 31/12/2022	01/01/2022 31/12/2022	10,000	4,200 (f)	15,000	15,000			45,000			29,200			
				20,000	8,400	30,000	30,000			45,000			58,400			
				130,000	8,400	30,000	30,000	168,400	45,000	45,000			213,400			
				110,000				110,000					110,000			
FARUQUE MADINE FARIDA	Board Director	01/01/2022 31/12/2022	01/01/2022 31/12/2022	110,000				110,000					110,000			
	Member of the Internal Control, Risk and Sustainability Committee	01/01/2022 31/12/2022	01/01/2022 31/12/2022					45,000		45,000			45,000			
				110,000				110,000					110,000			
				110,000				110,000					110,000			
FRASCAROLO CARLO	Board Director	01/01/2022 31/12/2022	01/01/2022 31/12/2022	110,000				110,000					110,000			
	Chair of Appointments Committee	01/01/2022 31/12/2022	01/01/2022 31/12/2022	20,000				20,000		20,000			20,000			
				110,000				110,000					110,000			
				110,000				110,000					110,000			
				110,000				110,000					110,000			
				20,000				20,000		20,000			20,000			
				110,000				110,000					110,000			
				110,000				110,000					110,000			
				20,000				20,000		20,000			20,000			
				130,000				130,000					130,000			
				130,000				130,000					130,000			

(A) SURNAME AND NAME	(B) OFFICE HELD	(C) PERIOD FOR WHICH OFFICE WAS HELD	(D) EXPIRY OF OFFICE	(1) FIXED REMUNERATION			(2) REMUNERATION FOR PARTICIPATION IN COMMITTEES			(3) VARIABLE NON-EQUITY REMUNERATION		(4) NON-MONETARY BENEFITS	(5) OTHER REMUNERATION	(6) TOTAL	(7) FAIR VALUE OF EQUITY REMUNERATION (2)	(8) SEQUENCE PAYMENTS
				EMOLUMENTS RECEIVED BY THE SHAREHOLDERS MEETING	ATTENDANCE FEES	LUMP SUM REFUND	REMUNERATION ON LUMP SUM TO ART. 2389	TOTAL	FIXED REMUNERATION ON	ATTENDANCE FEES	TOTAL					
MANENTI ALBERTO	Board Director	01/01/2022 31/12/2022	approv. 2022 financial statements	110,000									110,000			
	Remuneration Committee Member	01/01/2022 31/12/2022	approv. 2022 financial statements				10,000						10,000			
	Remuneration in the company drafting the financial statements															
	Remuneration from subsidiaries and associates															
				110,000			10,000						120,000			
MANTELLI MARINA	Board Director	01/01/2022 31/12/2022	approv. 2022 financial statements	110,000									110,000			
	Member of Appointments Committee	01/01/2022 31/12/2022	approv. 2022 financial statements				10,000						10,000			
	Remuneration in the company drafting the financial statements															
	Board Director of BANCO BPAVITA S.p.A.	22/07/2022 31/12/2022	approv. 2022 financial statements	6,676	2,000			1,750					10,426			
	Board Director of BANCO BPA ASSICURAZIONI S.p.A.	22/07/2022 31/12/2022	approv. 2022 financial statements	4,451	2,000			1,000					7,451			
	Remuneration from subsidiaries and associates															
				11,126	4,000		2,750						17,876			
				121,126	4,000		2,750						137,876			
PEDROLLO GIULIO	Board Director	01/01/2022 31/12/2022	approv. 2022 financial statements	110,000									110,000			
	Related Parties Committee Member	01/01/2022 31/12/2022	approv. 2022 financial statements				5,000						5,000			
	Remuneration Committee Member	01/01/2022 31/12/2022	approv. 2022 financial statements				10,000						10,000			
	Remuneration in the company drafting the financial statements															
	Remuneration from subsidiaries and associates															
				110,000			15,000						125,000			
ROSSETTI EUGENIO	Board Director	01/01/2022 31/12/2022	approv. 2022 financial statements	110,000									110,000			
	Internal Control, Risk and Sustainability Committee (Chair)	01/01/2022 31/12/2022	approv. 2022 financial statements				90,000						90,000			
	Remuneration in the company drafting the financial statements															
	Remuneration from subsidiaries and associates															
				110,000			90,000						200,000			
SOFFENTINI MANUELA	Board Director	01/01/2022 31/12/2022	approv. 2022 financial statements	110,000									110,000			
	Remuneration Committee (Chair)	01/01/2022 31/12/2022	approv. 2022 financial statements				20,000						20,000			
	Remuneration in the company drafting the financial statements															
	Remuneration from subsidiaries and associates															
				110,000			20,000						130,000			
				110,000			20,000						130,000			

(A) SURNAME AND NAME	(B) OFFICE HELD	(C) PERIOD FOR WHICH OFFICE WAS HELD	(D) EXPIRY OF OFFICE	(1) FIXED REMUNERATION			(2) REMUNERATION FOR PARTICIPATION IN COMMITTEES			(3) VARIABLE NON-EQUITY REMUNERATION BONUSES AND PROFIT SHARING AND OTHER INCENTIVES (1)	(4) NON-MONETARY BENEFITS	(5) OTHER REMUNERATION	(6) TOTAL	(7) FAIR VALUE OF EQUITY REMUNERATION (2)	(8) SEQUENCE PAYMENTS
				EMOLUMENTS RESOLVED BY THE SHAREHOLDERS MEETING	ATTENDANCE FEES	LUMP SUM REFUND	REMUNERATION ON PUS (ART. 2389)	FIXED REMUNERATION ON EMPLOYMENT	FIXED REMUNERATION ON						
TAURO LUGIA	Board Director	01/01/2022 - 31/12/2022	approv. 2022 financial statements	110,000								110,000			
	Member Internal Control, Risk and Sustainability Committee	01/01/2022 - 31/12/2022	approv. 2022 financial statements				45,000					45,000		45,000	
				110,000			45,000					155,000		155,000	
				110,000			45,000					155,000		155,000	
				110,000			10,000					10,000		10,000	
				110,000			10,000					120,000		120,000	
				110,000			10,000					120,000		120,000	
				110,000			5,000					5,000		5,000	
				110,000			5,000					115,000		115,000	
				110,000			5,000					115,000		115,000	
				110,000			45,000					110,000		110,000	
				110,000			45,000					155,000		155,000	
				110,000			45,000					155,000		155,000	
				110,000			10,000					10,000		10,000	
				110,000			10,000					120,000		120,000	
				110,000			10,000					120,000		120,000	
				110,000			5,000					5,000		5,000	
				110,000			5,000					115,000		115,000	
				110,000			5,000					115,000		115,000	

Notes:

- (a) Including: pension fund, health care, survivors fund, car and accident insurance policy.
- (b) Remuneration paid by the Company to Banco BPM S.p.A.
- (c) Remuneration for the office of Member of the Control and Risks Committee period 1/1/2022 - 31/12/2022.
- (d) Of which Euro 723.28 for 2021 fee adjustment.
- (e) Of which Euro 600.00 for 2021 fee adjustment.
- (f) Of which Euro 600.00 for 2021 fee adjustment.
- (g) Of which Euro 1,000.00 for the Control and Risk Committee and Euro 750.00 for the Remuneration Committee.
- (h) For the Control and Risks Committee.
- (1) This value corresponds to that indicated in Table 3B with regard to the bonus for the year (value estimated on the basis of the performance achieved), sum of payable and deferred portions.
- (2) For the Plans starting from 2020, the fair value of the equity compensation shown in the Table is in line with the amount listed in the Financial Statements; the cost pertaining to the share plans includes the breakdown of the awarded incentive (up front portion and deferred portion) over the respective vesting period.

Table 1: Remuneration paid to the members of management and supervisory boards, general managers and other executives with strategic responsibilities (Euro)
Remuneration paid to members of the Board of Statutory Auditors (Euro)

(A) SURNAME AND NAME	(B) OFFICE HELD	(C) PERIOD FOR WHICH OFFICE WAS HELD	(D) EXPIRY OF OFFICE	(1) FIXED REMUNERATION		(2) REMUNERATION FOR PARTICIPATION IN COMMITTEES		(3) VARIABLE NON-EQUITY REMUNERATION BONUSES AND OTHER SHARING INCENTIVES	(4) NON- MONETARY BENEFITS	(5) OTHER REMUNERATION	(6) TOTAL	(7) FAIR VALUE OF EQUITY REMUNERA TION	(8) SEVERANCE PAYMENTS
				EMOLUMENTS ATTENDANCE FEES RESOLVED BY THE SHAREHOLDERS' MEETING	LUMP SUM REFUNDS	REMUNERATI ON PURSUANT TO ART. 2389	FIXED REMUNERATI ON						
PRIORI MARCELLO	Chair of the Board of Statutory Auditors	01/01/2022- 31/12/2022	approv. 2022 financial statements	160,000							160,000		
()Remuneration in the company drafting the financial statements													
	Chair of the Board of Statutory Auditors BANCA ARCO S.p.A.	01/01/2022- 31/12/2022	approv. 2024 financial statements	48,918							48,918		
	Standing Auditor BANCA ALETI S.p.A.	01/01/2022- 31/12/2022	approv. 2023 financial statements	35,000							35,000		
	Chair of the Board of Statutory Auditors BANCO BPM VITA S.p.A.	01/01/2022- 31/12/2022	approv. 2022 financial statements	50,000							50,000		
	Standing Auditor BANCO BPM ASSICURAZIONI S.p.A.	01/01/2022- 21/07/2022	21/07/2022	8,879							8,879		
	Chair of the Board of Statutory Auditors BANCO BPM ASSICURAZIONI S.p.A.	22/07/2022- 31/12/2022	approv. 2022 financial statements	13,352							13,352		
()Remuneration from subsidiaries and associates													
()Total				156,149							156,149		
	LAURI MAURIZIO	Standing Auditor	01/01/2022- 31/12/2022	110,000							110,000		
()Remuneration in the company drafting the financial statements													
()Remuneration from subsidiaries and associates													
()Total				110,000							110,000		
	MUZI SILVIA	Standing Auditor	01/01/2022- 31/12/2022	110,000							110,000		
()Remuneration in the company drafting the financial statements													
()Remuneration from subsidiaries and associates													
()Total				110,000							110,000		

(A) SURNAME AND NAME	(B) OFFICE HELD	(C) PERIOD FOR WHICH OFFICE WAS HELD	(D) EXPIRY OF OFFICE	(1) FIXED REMUNERATION				(2) REMUNERATION FOR PARTICIPATION IN COMMITTEES		(3) VARIABLE NON-EQUITY REMUNERATION		(4) NON-MONETARY BENEFITS	(5) OTHER REMUNERATION	(6) TOTAL	(7) FAIR VALUE OF EQUITY REMUNERATION	(8) SEVERANCE PAYMENTS
				EMOLUMENTS RESOLVED BY THE SHAREHOLDERS MEETING	ATTENDANCE FEES	LUMP SUM REFUNDS	REMUNERATION ON PURSUANT TO Art. 2389	FIXED REMUNERATION	ATTENDANCE FEES	TOTAL	BONUSES AND OTHER INCENTIVES					
SONATO ALFONSO	Standing Auditor	01/01/2022-31/12/2022	approv. 2022 financial statements	110,000										110,000		
	Member of Supervisory Body pursuant to Italian Legislative Decree 231/01	01/01/2022-31/12/2022	approv. 2022 financial statements					33,600							33,600	
	Chair of the Board of Statutory Auditors BANCA ALETTI S.p.A.	01/01/2022-31/12/2022	approv. 2023 financial statements	110,000				33,600							143,600	
	Member of Supervisory Body pursuant to Italian Legislative Decree 231/01 BANCA ALETTI S.p.A.	01/01/2022-31/12/2022	approv. 2023 financial statements					8,000							8,000	
	Remuneration from subsidiaries and associates			50,000				8,000							58,000	
	Total			160,000				41,600							201,600	
VALENTI NADIA	Standing Auditor	01/01/2022-31/12/2022	approv. 2022 financial statements	110,000										110,000		
	Remuneration in the company drafting the financial statements			110,000											110,000	
	Standing Auditor BANCA AKROS S.p.A.	01/01/2022-31/12/2022	approv. 2024 financial statements	33,839											33,839	
	Remuneration from subsidiaries and associates			33,839											33,839	
	Total			143,839											143,839	

Table 1: Remuneration paid to the members of management and supervisory boards, general managers and other executives with strategic responsibilities (Euro)
Remuneration paid to members of General Management (Euro)

(A) SURNAME AND NAME	(B) OFFICE HELD	(C) PERIOD FOR WHICH OFFICE WAS HELD	(D) EXPIRY OF OFFICE	(1) FIXED REMUNERATION		(2) REMUNERATION FOR PARTICIPATION IN COMMITTEES		(3) VARIABLE NON-EQUITY REMUNERATION BONUSES AND OTHER INCENTIVES (1)	(4) NON- MONETARY BENEFITS	(5) OTHER REMUNERATION	(6) TOTAL	(7) FAIR VALUE OF EQUITY REMUNERATI ON (2)	(8) SEVERANCE PAYMENTS
				EMOLUMENTS RECEIVED BY THE SHAREHOLDERS' MEETING	ATTENDANC E FEES	LUMP SUM REFUNDS	REMUNERATI ON PURSUANT TO ART. 2389 EMPLOYMENT						
DE ANGELIS DOMENICO	Executive	01/01/2022- 31/12/2022	indefinite duration			700,000	700,000	700,000	700,000		922,207	712,400	
	Joint General Manager	01/01/2022- 31/12/2022				700,000	700,000	190,224	31,983		922,207	712,400	
<p>(1) Remuneration in the company drafting the financial statements</p> <p>(2) Remuneration from subsidiaries and associates</p> <p>(3) Total</p>													
POLONI SALVATORE	Executive	01/01/2022- 31/12/2022	ended on 31/12/2022			550,000	550,000	254,386	24,999		829,384	363,057	3,505
	Joint General Manager	01/01/2022- 31/12/2022				550,000	550,000	254,386	24,999		829,384	363,057	3,505
<p>(1) Remuneration in the company drafting the financial statements</p> <p>(2) Remuneration from subsidiaries and associates</p> <p>(3) Total</p>													

Notes:

- (a) Pension fund, health care, car, accident insurance policy.
 (b) Pension fund, health care, survivors fund, car, accident insurance policy.
 (c) Compensation not envisaged.
 (d) Estimate of the non-monetary benefit relating to the car. As regards the consultancy contract stipulated for a period of one year, the amount of Euro 50,000 is deducted from the allowance received, as a member of the "solidarity fund". Termination of office does not entail the disbursement of specific indemnities or remuneration, without prejudice to the maintenance of valid incentive plans, in compliance with the remuneration policies.
 (1) This value corresponds to that indicated in Table 3B with regard to the bonus for the year (estimate on the basis of the performance calculated at 3 March 2023), sum of payable and deferred portions.
 (2) For the Plans starting from 2020, the fair value of the equity compensation shown in the Table is in line with the amount listed in the Financial Statements; the cost pertaining to the share plans includes the breakdown of the awarded incentive (up front portion and deferred portion) over the respective vesting period.

Table 1: Remuneration paid to the members of management and supervisory boards, general managers and other executives with strategic responsibilities (Euro)
Remuneration paid to other executives with strategic responsibilities (Euro)

6 OTHER EXECUTIVES WITH STRATEGIC RESPONSIBILITIES	(1) FIXED REMUNERATION				(2) REMUNERATION FOR PARTICIPATION IN COMMITTEES		(3) VARIABLE NON-EQUITY REMUNERATION		(4) NON-MONETARY BENEFITS (1)	(5) OTHER REMUNERATION (3)	(6) TOTAL	(7) FAIR VALUE OF EQUITY REMUNERATION (4)	(8) SEVERANCE PAYMENTS				
	EMOLUMENTS RESOLVED BY THE SHAREHOLDER'S MEETING	ATTENDANCE FEES	LUMP SUM REFUNDS	REMUNERATION PURSUANT TO ART. 2389	FIXED REMUNERATION FROM EMPLOYMENT (1)	TOTAL	FIXED REMUNERATION	ATTENDANCE FEES						TOTAL	BONUSES AND OTHER INCENTIVES (4)	PROFIT SHARING	
					1,975,818				1,975,818		482,306			102,645	30,000	2,590,769	783,722
(II) Remuneration from subsidiaries and associates (5)																	
(III) Total					1,975,818				1,975,818		482,306			102,645	30,000	2,590,769	783,722

Notes:

- (1) Includes the fixed remuneration paid in 2022.
(2) This value corresponds to that indicated in Table 3B with regard to the bonus for the year (estimate on the basis of the performance calculated at 3 March 2023), sum of payable and deferred portions.
(3) Relating to a non-compete agreement.
(4) For the Plans starting from 2020, the fair value of the equity compensation shown in the Table is in line with the amount listed in the Financial Statements; the cost pertaining to the share plans includes the breakdown of the awarded incentive (up-front portion and deferred portion) over the respective vesting period.
(5) For the offices held on the Boards of Directors of the subsidiaries representing the Group, any remuneration was paid by the Companies to Banco BPM S.p.A.

Table 3A: Incentive plans based on financial instruments, other than stock-options, payable to the members of the management board, general managers and other executives with strategic responsibilities (Euro)
Please note that the parties indicated in the table (by name or in aggregate form) are not yet legitimate owners of the Banco BPM shares indicated but will become owners during the vesting period only in the case of satisfaction of the predefined conditions for each individual plan.

(A) SURNAME AND NAME	(B) OFFICE HELD	(1) PLAN	FINANCIAL INSTRUMENTS ASSIGNED IN PREVIOUS YEARS AND NOT VESTED DURING THE FINANCIAL YEAR				FINANCIAL INSTRUMENTS ASSIGNED DURING THE YEAR				(9) FINANCIAL INSTRUMENTS VESTED DURING THE YEAR AND ASSIGNABLE	(10) FINANCIAL INSTRUMENTS VESTED THE YEAR AND ASSIGNABLE	(11) FINANCIAL INSTRUMENTS VESTED DURING THE YEAR	(12) FAIR VALUE
			(2) NUMBER AND TYPE OF FINANCIAL INSTRUMENT	(3) VESTING PERIOD	(4) NUMBER AND TYPE OF FINANCIAL INSTRUMENT	(5) FAIR VALUE AT THE ASSIGNMENT DATE	(6) VESTING PERIOD	(7) ASSIGNMENT DATE	(8) MARKET PRICE ON ALLOCATION	(9) NUMBER AND TYPE OF FINANCIAL INSTRUMENT				
Chief Executive Officer of BANCO BPM														
(I) Remuneration in the company stating the financial statements.														
CASTAGNA GIUSEPPE		IT (2022/2024) 7/04/2022			444,339	1,200,000	2022-2030	07/04/2022	2,70064					287,371
		IT (2021-2023) 15/04/2021	1,490,498 Banco BPM Ordinary Shares	2021-2029										862,114
		IT (2017-2019) 6/04/2017									94,562 Banco BPM Ordinary Shares	406,144		42,000
		2022 7/04/2022			N.D.	635,894	2022-2028	27/06/2023	N.D.			239,960		354,781
		2021 15/04/2021	103,166 Banco BPM Ordinary Shares	2021-2027							25,791 Banco BPM Ordinary Shares	110,772		110,293
		2020 4/04/2020	57,279 Banco BPM Ordinary Shares	2020-2026							19,093 Banco BPM Ordinary Shares	82,004		53,323
		2019 6/04/2019	98,643 Banco BPM Ordinary Shares	2019-2025							49,321 Banco BPM Ordinary Shares	211,834		
		2018 7/04/2018	37,574 Banco BPM Ordinary Shares	2018-2024							37,572 Banco BPM Ordinary Shares	161,372		
		2017 6/04/2017									14,473 Banco BPM Ordinary Shares	62,162		
(II) Remuneration from subsidiaries and associates														
(III) Total			1,787,160		444,339	1,835,894					240,812	1,274,248		1,709,882

(A) SURNAME AND NAME	(B) OFFICE HELD	(C) PLAN	FINANCIAL INSTRUMENTS ASSIGNED IN PREVIOUS YEARS AND NOT VESTED DURING THE FINANCIAL YEAR				FINANCIAL INSTRUMENTS ASSIGNED DURING THE YEAR				(9) FINANCIAL INSTRUMENTS VESTED DURING THE YEAR AND ASSIGNABLE	(10) FINANCIAL INSTRUMENTS VESTED THE YEAR AND ASSIGNABLE	(12) FINANCIAL INSTRUMENTS FOR THE YEAR
			(2) NUMBER AND TYPE OF FINANCIAL INSTRUMENT	(3) VESTING PERIOD	(4) NUMBER AND TYPE OF FINANCIAL INSTRUMENT	(5) FAIR VALUE AT THE ASSIGNMENT DATE	(6) VESTING PERIOD	(7) ASSIGNMENT DATE	(8) MARKET PRICE ON ALLOCATION	(11) VALUE AT THE VESTING DATE			
DE ANGELIS Domenico													
Joint General Manager of BANCO BPM													
(II) Remuneration in the company drafting the financial statements.													
IT (2022/2024)					203,655	550,000	2022/2030	07/04/2022	2,70064				131,711
IT (2021/2023)			683,145	2021/2029									395,136
IT (2021/2023)			Banco BPM Ordinary Shares										
IT (2017/2019)													
IT (2017/2019)			Banco BPM Ordinary Shares										
2022					N.D.	206,076	2022/2028	27/06/2023	N.D.				144,174
IT (2021/2023)													
IT (2017/2019)			19,604	2021/2027									20,958
IT (2017/2019)			Banco BPM Ordinary Shares										
2020			8,401	2020/2026									7,821
IT (2021/2023)			Banco BPM Ordinary Shares										
2019			15,209	2019/2025									32,655
IT (2017/2019)			Banco BPM Ordinary Shares										
(III) Total			726,359		203,655	756,076						43,672	306,462
POLONI Salvatore													
Joint General Manager of BANCO BPM (up to 31/12/2022)													
(II) Remuneration in the company drafting the financial statements.													
IT (2021/2023)													131,711
IT (2021/2023)			455,430	2021/2029									
IT (2021/2019)			Banco BPM Ordinary Shares										
IT (2017/2019)													
IT (2017/2019)			Banco BPM Ordinary Shares										
2022					N.D.	286,560	2022/2028	27/06/2023	N.D.				160,046
IT (2021/2023)													
IT (2017/2019)													
IT (2017/2019)			Banco BPM Ordinary Shares										
2021			42,437	2021/2027									45,369
IT (2021/2023)			Banco BPM Ordinary Shares										
2020			14,321	2020/2026									13,331
IT (2021/2023)			Banco BPM Ordinary Shares										
2019			25,166	2019/2025									54,040
IT (2021/2023)			Banco BPM Ordinary Shares										
2018			14,329	2018/2024									61,534
IT (2021/2023)			Banco BPM Ordinary Shares										
(III) Total			551,683			286,560						70,660	411,734
(II) Remuneration from subsidiaries and associates													
(III) Total													

(A) SURNAME AND NAME OFFICE HELD	(B) PLAN	FINANCIAL INSTRUMENTS ASSIGNED IN PREVIOUS YEARS AND NOT VESTED DURING THE FINANCIAL YEAR				FINANCIAL INSTRUMENTS ASSIGNED DURING THE YEAR				FINANCIAL INSTRUMENTS VESTED DURING THE YEAR AND ASSIGNABLE (1)	FINANCIAL INSTRUMENTS FOR THE YEAR	
		(2) NUMBER AND TYPE OF FINANCIAL INSTRUMENT	(3) VESTING PERIOD	(4) NUMBER AND TYPE OF FINANCIAL INSTRUMENT	(5) FAIR VALUE AT THE ASSIGNMENT DATE	(6) VESTING PERIOD	(7) ASSIGNMENT DATE	(8) MARKET PRICE ON ALLOCATION	(9) NUMBER AND TYPE OF FINANCIAL INSTRUMENT			(10) NUMBER AND TYPE OF FINANCIAL INSTRUMENT
6 OTHER EXECUTIVES WITH STRATEGIC RESPONSIBILITIES												
(I) Remuneration in the company drafting the financial statements												
LT (2022-2024) (7/04/2022)		496,833	2021-2029	166,627	450,000	2022-2030	07/04/2022	2,70064				107,765
LT (2021-2023) (15/04/2021)		Banco BPM Ordinary Shares										287,372
LT (2017-2019) (8/04/2017)												3,500
2022 (7/04/2022)	(e) (**)			N.D.	460,626	2022-2028	27/06/2023	N.D.				326,531
				Banco BPM Ordinary Shares								
2021 (15/04/2021)		32,280	2021-2027									42,414
		Banco BPM Ordinary Shares	(c)									
2020 (4/04/2020)		13,780	2020-2026									16,140
		Banco BPM Ordinary Shares	(d)									
2019 (6/04/2019)		19,906	2019-2025									71,426
		Banco BPM Ordinary Shares										
(II) Total		562,799		166,627	910,626					43,729	456,994	783,722

Notes:

- (1) The shares will be effectively available to the beneficiaries at a later time after the retention period ends.
- (2) For each plan, the date of the Shareholders' Meeting that approved it is specified.
- (3) For the plans prior to 2022 and for the LT Plan (2017-2019), the value is calculated at the official market price recorded on 7/02/2023, which is equal to Euro 4.29500.
- (4) For the Plans starting from 2020, the fair value of the equity compensation shown in the table is in line with the amount listed in the Financial Statements; the cost pertaining to the share plans includes the breakdown of the awarded incentive (up front portion and deferred portion) over the respective vesting period.
- (a) The actual assignment will take place at the time of accrual of the respective up-front portion in cash (27/06/2023) and the corresponding number of shares will be calculated on the basis of the arithmetic average of the official prices recorded in the thirty calendar days prior to 27/06/2023.
- (b) 2 executives have a 2022-2028 vesting period and 3 executives have a 2022-2027 vesting period.
- (c) 1 executive has a 2021-2027 vesting period and 4 executives have a 2021-2025 vesting period.
- (d) 1 executive has a 2020-2026 vesting period and 4 executives have a 2020-2024 vesting period.
- (*) Values estimated on the basis of the performance achieved.
- (**) Estimated on the basis of performance calculated at 3 March 2023.

Table 3B: Monetary incentive plans for the members of the management board, general managers and other executives with strategic responsibilities (Euro).
Note that the amounts shown in the table will only be paid following the successful fulfilment of the predefined conditions of each single plan.

A SURNAME AND NAME	B OFFICE HELD	(1) PLAN (1)	(2) BONUS OF THE YEAR			DEFERRAL PERIOD (C)	(3) BONUS OF PREVIOUS YEARS			(4) OTHER BONUSES
			DEFERRED		NO LONGER PAYABLE (A)		PAYABLE/PAID (B)		STILL DEFERRED (C)	
			PAYABLE/PAID (A)	DEFERRED (B)			PAYABLE/PAID (B)	STILL DEFERRED (C)		
CASTAGNA GIUSEPPE Chief Executive Officer of BANCO BPM										
(I) Remuneration in the company staffing the financial statements										
		2022 (7/04/2022) (a)	239,960	323,946	2023-2028					
		2021 (15/04/2021)					62,234		248,937	
		2020 (4/04/2020)					45,924		137,771	
		2019 (6/04/2019)					52,817		105,635	
		2018 (7/04/2018)					63,624		63,624	
		2017 (8/04/2017)					34,800			
(II) Remuneration from subsidiaries and associates										
(III) Total			239,960	323,946			259,399		555,967	
DE ANGELIS DOMENICO Joint General Manager of BANCO BPM										
(I) Remuneration in the company staffing the financial statements										
		2022 (7/04/2022) (b)	118,890	71,334	2023-2028					
		2021 (15/04/2021)					11,826		47,303	
		2020 (4/04/2020)					6,735		20,206	
		2019 (6/04/2019)					8,143		16,285	
(II) Remuneration from subsidiaries and associates										
(III) Total			118,890	71,334			26,704		83,794	
POLONI SALVATORE Joint General Manager of BANCO BPM (p. n. 31/12/2022)										
(I) Remuneration in the company staffing the financial statements										
		2022 (7/04/2022) (b)	108,249	146,136	2023-2028					
		2021 (15/04/2021)					25,600		102,400	
		2020 (4/04/2020)					11,481		34,443	
		2019 (6/04/2019)					13,474		26,949	
		2018 (7/04/2018)					24,262		24,262	
(II) Remuneration from subsidiaries and associates										
(III) Total			108,249	146,136			74,817		188,054	

A SURNAME AND NAME	B OFFICE HELD	(1) PLAN (1)	(2) BONUS OF THE YEAR		(C) DEFERRAL PERIOD	(3) BONUS OF PREVIOUS YEARS		(4) OTHER BONUSES
			(A) PAYABLE/PAID	(B) DEFERRED		(A) NO LONGER PAYABLE	(B) PAYABLE/PAID	
						(C)		
6 OTHER EXECUTIVES WITH STRATEGIC RESPONSIBILITIES								
(f) Remuneration in the company during the financial statements								
		2022 (7/04/2022) (b)	314,852	167,454	2023-2028 (c)			
		2021 (5/04/2021)				32,507	85,912	
		2020 (4/04/2020)				20,088	35,396	
		2019 (6/04/2019)				19,397	21,317	
(f) Remuneration from subsidiaries and associates								
		(iii) Total	314,852	167,454		71,992	142,625	

Notes:

- (1) For each plan, the date of the Shareholders' Meeting that approved it is specified.
(a) Values estimated on the basis of the performance achieved.
(b) Estimated on the basis of performance calculated at 3 March 2023.
(c) 2 executives have a 2023-2028 deferral period and 3 executives have a 2023-2027 deferral period.

2. Table complying with the provisions of CONSOB Resolution 11971/1999, as amended and supplemented

Schedule regarding information on shares held by members of management and supervisory boards, general managers and other executives with strategic responsibilities

In accordance with the criteria established in Annex 3A, scheme no. 7-ter, the tables that follow show the shares held in Banco BPM S.p.A. and in the subsidiaries of the same, by members of the Board of Directors, of the Board of Statutory Auditors, by the General Manager, by Joint General Managers and by other executives with strategic responsibilities, as well as by spouses that are not legally separated and by children (minors), directly or through subsidiaries, trust companies or third parties, recorded in the shareholders' register, in letters received and from other information acquired by the same members of the management and supervisory boards, by the General Manager, by Joint General Managers and by other executives with strategic responsibilities.

Table 1: Shares held by members of management and supervisory bodies and general managers

Board of Directors

SURNAME AND NAME	OFFICE HELD	INVESTE COMPANY	NUMBER OF SHARES HELD ON 01/01/2022 OR ON DATE OF APPOINTMENT		NUMBER OF SHARES (PURCHASED/SUBSCRIBED) FROM 01/01/2022 TO 31/12/2022		NUMBER OF SHARES SOLD/EXPIRED FROM 01/01/2022 TO 31/12/2022		NUMBER OF SHARES HELD ON 31/12/2022 OR ON DATE OF TERMINATION OF OFFICE	
			DIRECT OWNERSHIP	INDIRECT OWNERSHIP (SEE NOTE 1)	DIRECT OWNERSHIP	INDIRECT OWNERSHIP	DIRECT OWNERSHIP	INDIRECT OWNERSHIP	DIRECT OWNERSHIP	INDIRECT OWNERSHIP
TONONI MASSIMO	Chair of the Board of Directors from 01/01/2022 to 31/12/2022	Banco BPM - shares	3,500,000	-	-	-	-	-	3,500,000	-
PAOLONI MAURO	Deputy Chair of the Board of Directors from 01/01/2022 to 31/12/2022	Banco BPM - shares	15	63	-	-	-	-	15	63
CASTAGNA GIUSEPPE	Board Director from 01/01/2022 to 31/12/2022 Chief Executive Officer from 01/01/2022 to 31/12/2022	Banco BPM - shares	973,490	-	476,744 (a)	-	112,999 (b)	-	-1,337,235 (c)	-
ANOLLI MARIO	Board Director from 01/01/2022 to 31/12/2022	Banco BPM - shares	1,172	782	-	-	-	-	1,172	782
COMOLI MAURIZIO	Board Director from 01/01/2022 to 31/12/2022	Banco BPM - shares	12,449	124,475	-	-	-	-	12,449	124,475
FARUQUE NADINE FARIDA	Board Director from 01/01/2022 to 31/12/2022	Banco BPM - shares	-	-	-	-	-	-	-	-
FRASCAROLO CARLO	Board Director from 01/01/2022 to 31/12/2022	Banco BPM - shares	10,271	-	-	-	-	-	10,271	-
MANENTI ALBERTO	Board Director from 01/01/2022 to 31/12/2022	Banco BPM - shares	-	-	-	-	-	-	-	-
MANTELLI MARINA	Board Director from 01/01/2022 to 31/12/2022	Banco BPM - shares	-	-	-	-	-	-	-	-
PEDROLLO GIULIO	Board Director from 01/01/2022 to 31/12/2022	Banco BPM - shares	15,361	923,538	-	-	-	-	15,361	923,538
ROSSETTI EUGENIO	Board Director from 01/01/2022 to 31/12/2022	Banco BPM - shares	-	-	-	-	-	-	-	-
SOFFIENTINI MANUELA	Board Director from 01/01/2022 to 31/12/2022	Banco BPM - shares	313	-	-	-	-	-	313	-
TAURO LUIGIA	Board Director from 01/01/2022 to 31/12/2022	Banco BPM - shares	-	-	-	-	-	-	-	-
TORRICELLI COSTANZA	Board Director from 01/01/2022 to 31/12/2022	Banco BPM - shares	3,186	-	-	-	-	-	3,186	-
ZANOTTI GIOVANNA	Board Director from 01/01/2022 to 31/12/2022	Banco BPM - shares	-	-	-	-	-	-	-	-

Notes:

- (a) Shares delivered as part of the implementation of the remuneration and incentive policies.
- (b) Sale of shares aimed exclusively at settling the tax impact relating to the shares delivered in implementation of the remuneration and incentive policies.
- (c) In addition, about 600,000 shares vested as of 31/12/2022 and are not yet in the Chief Executive Officer's possession.

Board of Statutory Auditors

SURNAME AND NAME	OFFICE HELD	INVESTE COMPANY	NUMBER OF SHARES HELD ON 01/01/2022 OR ON DATE OF APPOINTMENT		NUMBER OF SHARES (PURCHASED/SUBSCRIBED) FROM 01/01/2022 TO 31/12/2022		NUMBER OF SHARES SOLD/EXPIRED FROM 01/01/2022 TO 31/12/2022		NUMBER OF SHARES HELD ON 31/12/2022 OR ON DATE OF TERMINATION OF OFFICE	
			DIRECT OWNERSHIP	INDIRECT OWNERSHIP	DIRECT OWNERSHIP	INDIRECT OWNERSHIP	DIRECT OWNERSHIP	INDIRECT OWNERSHIP	DIRECT OWNERSHIP	INDIRECT OWNERSHIP
			(SEE NOTE 1)							
PRIORI MARCELLO	Chair of the Board of Statutory Auditors from 01/01/2022 to 31/12/2022	Banco BPM - shares	61,997	1,930	-	-	-	-	61,997	1,930
LAURI MAURIZIO	Standing Auditor from 01/01/2022 to 31/12/2022	Banco BPM - shares	-	-	-	-	-	-	-	-
MUZI SILVIA	Standing Auditor from 01/01/2022 to 31/12/2022	Banco BPM - shares	-	-	-	-	-	-	-	-
SONATO ALFONSO	Standing Auditor from 01/01/2022 to 31/12/2022	Banco BPM - shares	30,305	26,673	-	-	-	-	30,305	26,673
VALENTI NADIA	Standing Auditor from 01/01/2022 to 31/12/2022	Banco BPM - shares	-	-	-	-	-	-	-	-

Joint General Managers

SURNAME AND NAME	OFFICE HELD	INVESTE COMPANY	NUMBER OF SHARES HELD ON 01/01/2022 OR ON DATE OF APPOINTMENT		NUMBER OF SHARES (PURCHASED/SUBSCRIBED) FROM 01/01/2022 TO 31/12/2022		NUMBER OF SHARES SOLD/EXPIRED FROM 01/01/2022 TO 31/12/2022		NUMBER OF SHARES HELD ON 31/12/2022 OR ON DATE OF TERMINATION OF OFFICE	
			DIRECT OWNERSHIP	INDIRECT OWNERSHIP	DIRECT OWNERSHIP	INDIRECT OWNERSHIP	DIRECT OWNERSHIP	INDIRECT OWNERSHIP	DIRECT OWNERSHIP	INDIRECT OWNERSHIP
			(SEE NOTE 1)							
DE ANGELIS DOMENICO	Joint General Manager from 01/01/2022 to 31/12/2022	Banco BPM - shares	186,184	2,562	127,107 (*)	-	52,504 (**)	-	260,787	2,562
POLONI SALVATORE	Joint General Manager from 01/01/2022 to 31/12/2022	Banco BPM - shares	146,762	-	151,629 (*)	-	63,366 (**)	-	235,025	-

Notes:

(*) Shares delivered as part of the implementation of the remuneration and incentive policies.

(**) Sale of shares aimed exclusively at settling the tax impact relating to the shares delivered in implementation of the remuneration and incentive policies.

(1) Indirect ownership (meaning scope set forth in provisions contained in art. 84-**quater** of the Issuers' Regulation adopted by CONSOB with Resolution 11971 of 14 May 1999 as amended, as well as, prudentially, by the provisions contained in European Regulation no. 596/2014-Market Abuse Regulation, "MAR").

The significant indirect relationships for the REPRESENTATIVE are shown below for the purpose of the above-cited legislation:

Natural persons: the spouse, not legally separated, or a partner that is the equivalent of a spouse under national law, dependent children and - if they have been living together for at least one year - parents, relatives and equivalent (CLOSELY RELATED PERSONS). At present, pursuant to Article 12 of Italian Presidential Decree 917/86, family members with total income not exceeding the threshold established in the second paragraph of said article, specifically no greater than Euro 2,840.51, before deductible costs, are considered dependent.

Legal entities:

- legal entities, partnerships and trusts controlled directly or indirectly by the REPRESENTATIVE or by a CLOSELY RELATED PERSON (control means the categories set forth in Article 2359, paragraphs 1 and 2 of the Italian Civil Code);
- the legal entities, partnerships and trusts whose economic interests are substantially equivalent to those of the REPRESENTATIVE or of the CLOSELY RELATED PERSON (circumstances in which the REPRESENTATIVE holds, alone or with a CLOSELY RELATED PERSON, a share exceeding 50% of profits);
- the legal entities, partnerships and trusts: (i) for which the REPRESENTATIVE or a CLOSELY RELATED PERSON have management responsibility (to this end, this regards the offices of Sole Director; Director with mandates; General Manager; Joint General Manager; Deputy General Manager or Partner of a Partnership); (ii) set up for the benefit of the REPRESENTATIVE or a CLOSELY RELATED PERSON;
- the legal entities, partnerships and trusts in which the REPRESENTATIVE or a CLOSELY RELATED PERSON is the owner, alone or jointly between them, of the management function (the position of Sole Director is valid for this purpose. In the case of more than one director, the REPRESENTATIVE is the owner of the management function in the event in which over half of the board is comprised by the REPRESENTATIVE and/or CLOSELY RELATED PERSONS).

Table 2 – Shares held by other executives with strategic responsibilities

OTHER EXECUTIVES WITH STRATEGIC RESPONSIBILITIES (SEE NOTE 2)	INVESTEE COMPANY	NUMBER OF SHARES HELD ON 01/01/2022 AND/OR ON DATE OF APPOINTMENT		NUMBER OF SHARES (PURCHASED/SUBSCRIBED) FROM 01/01/2022 (AND/OR FROM DATE OF APPOINTMENT) TO 31/12/2022		NUMBER OF SHARES SOLD/EXPIRED FROM 01/01/2022 (AND/OR FROM DATE OF APPOINTMENT) TO 31/12/2022		NUMBER OF SHARES HELD ON 31/12/2022 OR ON DATE OF TERMINATION OF OFFICE	
		DIRECT OWNERSHIP	INDIRECT OWNERSHIP (SEE NOTE 1)	DIRECT OWNERSHIP	INDIRECT OWNERSHIP	DIRECT OWNERSHIP	INDIRECT OWNERSHIP (SEE NOTE 1)	DIRECT OWNERSHIP	INDIRECT OWNERSHIP
6	Banco BPM Shares	224,260	313	97,214 (*)	-	38,555 (**)	-	282,919	313

Notes:

(*) Shares delivered as part of the implementation of the remuneration and incentive policies.

(**) They relate to the sale of shares aimed exclusively at settling the tax impact relating to the shares delivered in implementation of the remuneration and incentive policies.

(1) Indirect ownership (meaning scope set forth in provisions contained in art. 84-**quater** of the Issuers' Regulation adopted by CONSOB with Resolution 11971 of 14 May 1999 as amended, as well as, prudentially, by the provisions contained in European Regulation no. 596/2014-Market Abuse Regulation, "MAR").

The significant indirect relationships for the REPRESENTATIVE are shown below for the purpose of the above-cited legislation:

Natural persons: the spouse, not legally separated, or a partner that is the equivalent of a spouse under national law, dependent children and - if they have been living together for at least one year - parents, relatives and equivalent (CLOSELY RELATED PERSONS). At present, pursuant to Article 12 of Italian Presidential Decree 917/86, family members with total income not exceeding the threshold established in the second paragraph of said article, specifically no greater than Euro 2,840.51, before deductible costs, are considered dependent.

Legal entities:

- legal entities, partnerships and trusts controlled directly or indirectly by the REPRESENTATIVE or by a CLOSELY RELATED PERSON (control means the categories set forth in Article 2359, paragraphs 1 and 2 of the Italian Civil Code);
- the legal entities, partnerships and trusts whose economic interests are substantially equivalent to those of the REPRESENTATIVE or of the CLOSELY RELATED PERSON (circumstances in which the REPRESENTATIVE holds, alone or with a CLOSELY RELATED PERSON, a share exceeding 50% of profits);
- the legal entities, partnerships and trusts: (i) for which the REPRESENTATIVE or a CLOSELY RELATED PERSON have management responsibility (to this end, this regards the offices of Sole Director; Director with mandates; General Manager; Joint General Manager; Deputy General Manager or Partner of a Partnership); (ii) set up for the benefit of the REPRESENTATIVE or a CLOSELY RELATED PERSON;
- the legal entities, partnerships and trusts in which the REPRESENTATIVE or a CLOSELY RELATED PERSON is the owner, alone or jointly between them, of the management function (the position of Sole Director is valid for this purpose. In the case of more than one director, the REPRESENTATIVE is the owner of the management function in the event in which over half of the board is comprised by the REPRESENTATIVE and/or CLOSELY RELATED PERSONS).

(2) They are 6 Executives with strategic responsibilities, including the manager responsible for preparing the Company's financial report, the Head of the Audit Function, the Head of the Risk Function, the Head of the Compliance Function.

ATTACHMENT - VERIFICATION OF THE INTERNAL AUDIT FUNCTION ON THE CONSISTENCY OF THE PRACTICES ADOPTED FOR REMUNERATION IN 2022

The Audit function reports on annual checks to the remuneration and incentive system of the Banco BPM Group, as required by Supervisory Regulations.

Said activity consisted of the checking of:

- compliance of the remuneration policy adopted with the shareholders' resolution of 7 April 2022, with reference to the financial year 2022 and the Group, to the external reference regulations;
- implementation of "Remuneration Policy" regarding 2021 and the phase implemented up to this point of the 2022 Policy.

Checks were carried out on companies of the Banco BPM Banking Group for whom the incentive system was defined and relative outcomes were brought before corporate bodies (Remuneration Committee, Board of Directors, Statutory Board of Auditors) of the Parent Company and of single companies.

The Audit Function carried out checks on the main phases of the process of defining and implementing the 2021 and 2022 Policies: conditions of entry of the 2021 short term incentive - calculation of current operating profit; evaluation of the MBO 2021 short-term incentive plan performance measurement; liquidation of the 2021 incentives provided for employees of the Banco BPM Group; definition of the rules and fundamental principles of the remuneration system of the 2022 Group and definition of the 2022 objective matrices; identification process of identified staff (PPR); actions taken by the Group in terms of remuneration, benefits and non-competition agreements/extension of notice.

The aforementioned control activities made it possible to ascertain the consistency of the practices adopted on remuneration and incentives with what is defined in the Group Policies in force and approved by the Shareholders' Meeting, as well as with the relevant external legislation.

INFORMATION ON THE SHARE-BASED COMPENSATION PLANS

The information document¹² relating to the remuneration plan that provides for the allocation of Banco BPM shares pursuant to Article 114-bis of the Consolidated Law on Finance Law (Italian Legislative Decree 58/1998, as amended and supplemented), and Article 84-bis of the Issuers' Regulations (CONSOB Resolution no. 11971/1999 as amended and supplemented) is available on the Bank's website gruppo.bancobpm.it, in the Corporate Governance - Remuneration Policies section.

¹² The information documents do not form an integral part of the Policy-on-remuneration report and payouts awarded.

