

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



**EXPLANATORY REPORT
OF THE BOARD OF DIRECTORS OF BANCO BPM SPA
ON ITEM 5) ON THE AGENDA OF THE ORDINARY SHAREHOLDERS' MEETING**

(Drawn up pursuant to Article *123-ter* of Legislative Decree No. 58 of 24 February 1998, as amended and supplemented, and pursuant to Article *84-quater* of the Regulation adopted by Consob Resolution No. 11971 of 14 May 1999, as amended and supplemented)

Ordinary Shareholders' Meeting of 30 April 2025



Explanatory report of the Board of Directors of Banco BPM S.p.A. on item 5) on the agenda of the Ordinary Shareholders' Meeting called for 30 April 2025, in a single call, regarding:

"Adjustment, within the framework of the remuneration policy, of the maximum amount of any amounts to be granted in the event of early termination of employment or early departure from office. Related and consequent resolutions".

Dear Shareholders,

you have been called to the Shareholders' Meeting to resolve (with a binding vote) upon the proposal to adjust, within the framework of the remuneration policy, the maximum amount of any amounts to be granted in the event of early termination of employment or early termination of office of all personnel, which results from the application of the criteria and limits resolved by the Shareholders' Meeting of 20 April 2023, which remain unchanged.

In this regard, the Supervisory Provisions issued by the Bank of Italy on the subject of remuneration (Bank of Italy Circular No. 285/2013 and subsequent additions and amendments, '**Supervisory Provisions**') provide that it is within the competence of the Shareholders' Meeting to approve the criteria for determining the amount to be granted to staff in the event of early termination of employment, including the limits set on that amount in terms of annual fixed remuneration and the maximum amount resulting from their application.

These criteria and limits were defined by Banco BPM S.p.A. in accordance with the provisions of the Supervisory Provisions and lastly approved by the Shareholders' Meeting in 2023 (in relation to which reference should be made to the explanatory report on item 4) on the agenda of the Shareholders' Meeting of 20 April 2023, available on the website www.gruppo.bancobpm.it, section "*Corporate Governance - Shareholders' Meeting*").

Both the criteria for determining the compensation to be granted in the event of early termination of employment and the maximum limit of 24 months of fixed remuneration (excluding the indemnity for lack of notice determined in accordance with the law) remain unchanged with respect to what they are at present; the amendment that we are submitting to the approval of the Shareholders' Meeting only concerns the adjustment to €3.4 million (gross of employees) of the maximum amount to be granted in the event of early



termination of employment or early termination of office, in order to take into account the changes that have occurred in the meantime in the fixed remuneration of staff.

* * *

Dear Shareholders,

in light of the above, we invite you to approve the following proposed resolution:

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

- examined and acknowledged the content of the Report on the remuneration policy and compensation paid by the Banco BPM Group 2025, in relation to the criteria for determining the amounts to be granted in the event of early termination of employment or early termination of office, made available to shareholders and the public in the manner and within the time limits set forth current regulations;*
- taking into account what is explained in this Explanatory Report,*

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the approval of the adjustment to € 3.4 million (gross of employees) of the maximum amount of any amounts to be granted in the event of early termination of employment or early termination of office of all staff, resulting from the application of the criteria and limits resolved by the Shareholders' Meeting of 20 April 2023, which remain unchanged, assigning mandate to the Chairman of the Board of Directors and Chief Executive Officer, separately and with the right to sub-delegate, in order to correctly and promptly execute this resolution and the formalities and acts relating and/or consequent to it, attributing to them for this purpose all the necessary powers, including that of introducing changes or additions that become necessary and/or appropriate in relation to requests or recommendations of the Supervisory Authorities or the market management company".

Milan, 27 March 2025

The Board of Directors