

## PRESS RELEASE

Press release pursuant to art. 84-bis of Consob Regulation no. 11971/1999 and of the art. 114 of Legislative Decree 24 February 1998

### **Approval “Long Term Incentive Plan 2019-2021” based on financial instruments, for some of the Key Personnel resources and purchase of treasury shares to support the “Long Term Incentive Plan 2019-2021”**

*Modena – 28 February 2019.* BPER Banca S.p.A. informs that the Board of Directors resolved the Long Term Incentive Plan 2019-2021 (the Plan) based on shares of BPER Banca, pursuant to art. 114-bis of Legislative Decree no. 58/98 (TUF) and 84-bis of Regulation no. 11971/1999 and subsequent amendments and additions (Regulations for Issuers), to be submitted for approval to the Shareholders' Meeting of 17 April 2019.

According to the provisions of articles 2357 and 2357-ter of the Civil Code, 132 of Legislative Decree no. 58/1998 and 144-bis of Consob Regulation n. 11971/1999, the Board of Directors resolved to submit to the aforementioned Shareholders' Meeting the authorization to purchase and to dispose of treasury shares for a maximum number of 5,000,000 BPER Banca ordinary shares, in order to acquire the financial instruments needed to carry out the Plan.

Also with reference to the provisions of art. 84-bis, paragraph 3, of the Issuers' Regulation, below are reported the main characteristics of the Plan, as well as the aforementioned purchase of treasury shares.

#### **a. Reasons that motivate the Plan**

The Long Term Incentive Plan 2019-2021 is aimed to reward the Recipients with an incentive to be paid only in BPER Banca ordinary shares, in accordance with the relevant provisions and coherently in line with the Industrial Plan 2019-2021.

In the context of the remuneration policies adopted by the Group for 2019, the Plan is therefore proposed to:

- align Management interests with the creation of long-term shareholder value;
- motivate the Management to achieve the objectives of the Industrial Plan 2019-2021, in a context of sound and prudent risk management and of ESG sustainability;
- strengthen the sense of belonging of key people for the achievement of the Group's long term strategy.

#### **b. Recipients**

The plan has as recipients employees of the BPER Group included in the perimeter of the Key Personnel of the Group (approximately 40 persons). The heads of the control functions and assimilated functions are excluded from the Plan, for which a maximum incidence of variable remuneration of 33% on fixed remuneration is expected.

### **c. Procedures and clauses for implementing the Plan**

The implementation of the Plan is subject to the achievement of predetermined access conditions, which guarantee not only profitability but also the Group's capital stability and liquidity.

The bonus recognized at the end of the performance period - the amount of which depends also on the achievement of specific performance objectives, share performance and sustainability - is paid through the free allocation of BPER Banca ordinary shares, subject to deferral and retention periods.

From 55% to 60% of the bonus is deferred, depending on the amount awarded at the end of the three-year period 2019-2021 (if lower or higher than the "particularly high variable amount" defined in the remuneration policies for the year 2021). The deferral has a duration of 5 years (2022-2026), during which the deferred portion is allocated in 5 annual installments of the same amount, subject to the malus conditions. Each share allocated both upfront and deferred is then subject to a one-year retention clause.

Considering the retention period, the Plan will end in 2027.

### **d. Treasury and disposal of the shares of BPER Banca S.p.A. to support the "Long Term Incentive Plan 2019-2021"**

The requested authorization is for a maximum number of 5,000,000 ordinary shares, equal to today's date at 1.039% of total shares representing the share capital, for a maximum amount in any case for a total value not higher than Euro millions; therefore, it is below the limit of 20% of the share capital, as required under Article 2357, paragraph 3 of the Italian Civil Code, also taking into account the 455,458 treasury shares already owned by the Company as at today's date, which are equal to 0.095% of the total shares representing the share capital.

The purchase price of each treasury share, including accessory charges, will be, at a minimum, not lower than 5% and, as a maximum, not higher than 5%, of the official share price recorded on the Italian Electronic Equity Market (MTA) the day prior to the relevant purchase.

The authorization to purchase will be requested for a period of eighteen months from the date of the Shareholders' Meeting that passed the resolution for authorization.

Operations of treasury and disposal of shares could be executed only after having received the necessary authorization of the Regulator, according to articles 77-78 Reg. UE no. 575/2013 (CRR) dated June 26th, 2013.

Any purchase and sale orders of treasury shares should be effectuated on regulated capital markets, according to art. 132 of the Italian Legislative Decree no. 58/1998 (The Italian Financial Act, "TUF") and to art. 144-bis, subsection 1, paragraph b), of the Rules for Issuers no. 11971/1999, in accordance with the operating procedures set forth in the organizational and managing rules of the markets themselves, so as to ensure an equal treatment for all Shareholders. Accordingly, the purchase shall be made exclusively, including in several tranches, on the regulated market organized and managed by Borsa Italiana S.p.A., pursuant to the operating procedures established by the latter which do

not allow for the direct matching of purchase negotiation proposals with predetermined sale negotiation proposals.

The purchase of treasury shares will be carried out within the limits of distributable profits and of available reserves as shown in the last available financial statements (annual report) at the time of such purchase.

As far as the disposal of the treasury shares is concerned, the Board of Directors will establish from time to time the criteria for the definition of the corresponding fees and/or modalities, terms and conditions of use of such treasury shares, taking into account the procedure to be followed, the share price trend in the period prior to transaction is and the best interests of the Company.

Given the purpose of the proposal of the resolution to proceed with the purchase and disposal of its treasury shares, the transactions on such treasury shares may fall within the purpose set out under article 5 - Regulation (EU) No 596/2014 of The European Parliament and of the Council of 16 April 2014 as well as within the accepted market practice set out under article 13 of the same Regulation.

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The Informative Document of the Plan and the Report of the purchase of treasury shares will be available to the public for consultation by the deadline established by law at the head office of each BPER Group Bank, or at the head office of the Parent Company in Via San Carlo 8/20, Modena, as well as on the Bank's website [www.bper.it](http://www.bper.it) – Area Istituzionale > Governance – Corporate Bodies – Shareholders' Meeting or on each Group Bank's website.

BPER Banca S.p.A.

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The Manager responsible for preparing the Company's financial reports, Marco Bonfatti, declares in accordance with art. 154-bis, para. 2, of Legislative Decree 58/1998 (Consolidated Finance Act) that the accounting information contained in this press release agrees with the books of account, accounting entries and supporting documentation.

Manager responsible for preparing the  
Company's financial reports  
Marco Bonfatti

*This is a translation into English of the original in Italian. The Italian text shall prevail over the English version.*

Il comunicato è anche disponibile nel meccanismo di stoccaggio 1INFO.

*Contatti:*

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