

**RESULTS OF CHECKS ON COMPLIANCE OF REMUNERATION PRACTICES WITH APPROVED POLICIES  
AND THE LEGAL CONTEXT**

**BANCA IFIS GROUP**

Board of Directors' Meeting of 28 March 2019

The decision-making processes pertaining to the methods used to define Banca IFIS Group's remuneration and incentive policies and practices comply with the provisions of Regulatory Bodies.

Checks carried out on compliance of remuneration practices with approved policies showed consistent implementation and the data examined proved in line with the indications of the Shareholders' Meeting, of the Board of Directors and of applicable reports.

As regards the decision-making and information processes in force within the Parent company, the analysis carried out identified the following:

Banca IFIS S.p.A.'s Shareholders' Meeting

The definition by the Shareholders' Meeting, ex ante:

- of remuneration policies for directors, employees and collaborators of the Banca IFIS Group with the absence of specific payments at the end of office or at early termination of the relationship (without prejudice to provisions of the law);
- of a maximum limit to the total amount of payments for members of the Parent company's and Subsidiaries' Boards of Directors per individual financial year, with specific provisions as regards remuneration for the Parent company's Chairman of the Board of Directors and the Chief Executive Officer;
- of pre-set fixed payments for members of the Parent company's and Subsidiaries' Boards of Statutory Auditors;

allows shareholders to be aware of the total costs of the Governance and Control bodies.

The Report on remuneration completes shareholders' level of awareness and monitoring.

Banca IFIS S.p.A.'s Board of Directors (Strategic Supervisory Body)

The Board of Directors, also availing itself of support from the Remuneration Committee, carries out a strategic supervisory role, specifically by:

- defining, subject to the opinion of the Board of Statutory Auditors, remuneration for Directors vested with special offices, within the maximum limit set by the Shareholders' Meeting;

- identifying 'Risk-takers' within the whole Group through the self-evaluation process;
- defining remuneration and incentive systems for the main personnel categories, specifically with regards to the Parent company, the General Manager, Heads of corporate control functions, the Financial Reporting Officer and Managers with strategic responsibilities, in compliance with the policies approved by the Shareholders' Meeting;
- defining the Proxy system for the management of human resources and examining the required periodical reporting;
- examining incentive systems and relevant financial reports presented to the Parent company's Chief Executive Officer;
- examining reports prepared by the Internal Auditing Officer on checks on compliance of remuneration practices with approved policies and the legal context;

all integrated in a process that involves analysis, evaluation and approval by the Parent company's Board of Directors of the Industrial Plan, of the Risk Appetite Framework, of risk management and control policies, of periodical reports on results obtained as well as on risk management (financial reports, deviations of results from the Strategic Plan forecasts, tableau de bord of business audit functions, etc.) and of the exercising of proxies (credit, finance, expenditures, personnel management, etc.).

#### 'Risk-takers'

The self-evaluation process, aimed at identifying categories of individuals whose professional activity has or may have an impact on the Group's risk profile, carried out at least on an annual basis by identifying and evaluating individual positions (responsibilities, hierarchical levels, activities carried out, operational proxies, etc.) makes it possible to constantly update the perimeter of individuals to whom the remuneration and incentive criteria defined ex-ante apply, with a suitable degree of transparency.

Banca IFIS S.p.A.  
Internal Auditing Officer  
Miceli Ruggero