REMUNERATION POLICY AND REPORT **2024**

FINECO

This is an English translation of the original Italian document.
The original version in Italian takes precedence

LETTER FROM THE CHAIRMAN OF THE REMUNERATION COMMITTEE

Dear shareholders,
as Chairman of the Remuneration Committee, I am pleased to present you FinecoBank Group's Remuneration policy and report.
The document starts with an "Executive Summary", which summarizes the features of the new Remuneration policy and report and the main results achieved in 2023. Then two Sections follow: the "2024 Remuneration policy" which describes the key principles of our approach to remuneration and 2024 incentive systems for Employees and Financial Advisors, as well as the 2024-2026 Long Term incentive Plan; the "2023 Remuneration report", which provides detailed information on the results of the processes implemented in the previous financial year.
In 2024, we continue to propose a Policy oriented towards rewarding performance and merit thanks to promoting the value of equity, sustainability, diversity and inclusion of human resources and development of people's strategic skills. Our approach is based on the concept of transparency, as an element able to protect and strengthen our reputation and to create value over the long term, in the interest of all the stakeholders. Thus, the remuneration structure of the Chief Executive Officer and the criteria by which the incentives are linked to the economic-financial and sustainability objectives in the short and medium-long term, are clearly and transparently presented in both the policy and the report.
FinecoBank Group closed 2023 with strong growth and with results strengthened by the solid boost towards investments and by a growing advisory request, with customers even more interested in interacting with markets through the investment platform. A path that is based on the quality of products and services, operational efficiency and, above all, an approach oriented towards transparency and great respect for the client. In addition, an important contribution was given by Fineco Asset Management, thanks to the wide offer of investment strategies proven to be efficient, innovative and suitable to the market. Fineco's digital DNA continues to represent a solid basis for the achievement of important economic-financial objectives and a positive footprint in the wider system, in line with its corporate purpose: "supporting customers in the responsible management of their savings in order to create the conditions for a more prosperous and equitable society".
In this context, the Group is constantly promoting employees' wellbeing and satisfaction, also through specific welfare and wellbeing initiatives, creating an inclusive working environment, in which diversity, equal opportunities and work-life balance are guaranteed. As proof of its commitment to Diversity and Inclusion, in 2023 Fineco obtained the Gender Equality Certification pursuant to the UNI 125:2022 Reference Practice.

Our governance model aims at ensuring adequate control of all the Group's remuneration processes, so that informed decisions are taken independently and promptly, in order to avoid conflicts of interest. In line with previous years and in order to better respond to its tasks, the Remuneration Committee took part in each phase of the remuneration processes, ensuring consistency with best market practices and transparency and verifying the alignment with the "pay for performance" principle that drives the Group's incentive systems.

During 2023, the Remuneration Committee has been working closely with the Bank's management to define the new 2024-2026 LTI Plan in line with the Bank's strategy and, in general, with the evolving context in which the Group operates, with the aim of strengthening the alignment with stakeholders' interests.

The 2024 Remuneration Policy, designed in alignment with the guidelines of investors and proxy advisors and the regulatory framework, confirms the close correlation with the Group's Multi-Year Plan and the ESG Multi-Year Plan for 2024-2026.

The overall structure of the Remuneration policy and report remain intact, as well as the main elements and mechanisms of the incentive systems also considering the feedback received from shareholders and proxy advisors during the engagement campaign, as well as the great consensus achieved during the 2023 AGM.

As Chairman of the Remuneration Committee, I would like to express my sincere thanks to the Directors Giancarla Branda and Marin Gueorguiev for the meaningful contribution to the discussion and for the continuous attention in searching for effective and balanced solutions.

On behalf of the Remuneration Committee, I would like to thank you Shareholders for the constant willingness to share needs and perspectives, and for the time you will spend reading our 2024 Remuneration policy and report, trusting in your positive appreciation.

Sincerely,

Sincerely,
Chairman of the Remuneration Committee
GIANMARCO MONTANARI

Executive Summary

OUR COMPENSATION APPROACH

The principles set in FinecoBank Group's (hereinafter also "Fineco Group" or "Group" or "FinecoBank Group")[1] Remuneration policy and report provide the framework for the design of reward programs.

The Group's compensation approach, coherent with the regulations and the best market practices, guarantees the link to the performance and the market context, and the alignment with the business strategy and the long-term shareholders' interest.

The key principles set forth in the 2024 remuneration policy (Section I) (also "Compensation Policy") reflect the most recent regulations in terms of remuneration and incentive policies and practices, in order to develop – in the interest of all stakeholders – remuneration systems that are aligned with the Group's Multi Year Plan 2024-2026. The incentive systems are consistent with corporate values and objectives, including ESG factors, with the long-term strategies linked to company results and to prudent risk management policies. The FinecoBank Group, in fact, is committed to developing a sound and effective risk management, throughout mechanisms for correcting the systems themselves in order to maintain consistency with the reference framework for determining the risk appetite and with the levels of capital and liquidity necessary to support all undertaken activities and, in any case, such as to avoid distorted incentives that could lead to a breach of law or to excessive risk-taking. With reference to the ESG objectives, the remuneration approach is consistent with the ESG Multi-Year Plan 2024-2026, through the implementation of the environmental, social and governance factors within the remuneration framework.

In the definition of the remuneration policies, the Group also considers its employees' compensation and working conditions, offering various solutions for their wellbeing and satisfaction. As proof of this commitment, FinecoBank was confirmed as Italy's Top Employer. The self-titled Institute annually awards this certification to companies that outstand for their HR strategies and policies, offering their employees the best working conditions. Furthermore, the Group is committed to ensuring an inclusive and fair working environment, with equal opportunities for remuneration and professional development, also ensuring that the Compensation Policy is gender neutral. In this context, the MYP ESG sets specific objectives relating to "gender neutrality", in terms of both compensation and gender balance. As proof of its commitment to enhancing diversity and equal opportunities, FinecoBank received in 2023 the Gender Equality Certification according to the UNI 125:2022 Reference Practice.

During 2023 FinecoBank continued the dialogue with shareholders and proxy advisors, which raised valuable insights on the remuneration approach and specific suggestions for an effective disclosure to the public, based on national and international standards, which were taken into account in drafting this document.

[1] Instead, the term "FinecoBank S.p.A." refers to the Italian legal entity (hereinafter also "Fineco" "FinecoBank" or the "Bank"). The Remuneration Policy of Fineco Asset Management DAC (FAM) is aligned with the principles of the Group Remuneration Policy and with Circ. no. 285 of 2013 of the Bank of Italy with reference to the specific provisions relating to asset management companies.

KEY ELEMENTS OF OUR 2024 COMPENSATION APPROACH

1. Fundamentals

- Clear and transparent governance;
- Continuous monitoring of market trends and practices (Benchmarking) and motivation and retention of all staff;
- Alignment with the Group's ESG strategy;
- Compliance with regulatory requirements and principles of good professional conduct;
- Pay for sustainable performance.

Details – Section I paragraph 2

Our Compensation Policy Fundamentals ensure a correct definition of competitive compensation levels, internal equity and transparency, avoiding unnecessarily complex practices[2].

The remuneration governance model aims to ensure clarity, reliability and transparency in the remuneration decision-making processes through an adequate control of the Group's remuneration processes and ensuring that decisions are made appropriately in an independent, informed and timely manner.

In order to align the remuneration policies with the strategy set out in the 2024-2026 ESG Multi Year Plan, there is a focus on goals linked to sustainability, defined as the ability to create and sustain value for all stakeholders over the medium to long term.

The Remuneration policy and report are aligned to the national and international regulatory requirements. For example, it considers also: Legislative Decree no. 385/1993, Legislative Decree no. 58/1998 (TUF), the European Directives as transposed into Italian law e.g. European Directive 2017/828 Shareholder Rights Directive II, EU Dir. 36/2013 CRD as amended by EU Dir 878/2019 CRD V, the EU Reg. 575/2013 no. CRR and the EU Delegated Regulation no. 923/2021, the Issuers' Regulation (Consob), the Circular of the Bank of Italy no. 285/2013 as updated from time to time, the March 19 2019 Bank of Italy Provision (Provisions on transparency of banking and financial operations and services - fairness of relations between intermediaries and customers).

In addition, the EBA Guidelines on Sound Remuneration Policies, ESMA Guidelines on Certain Aspects of MiFID II Remuneration Requirements (ESMA35-43-3565), ESMA Guidelines on Product Governance Requirements under MiFID II are also taken into account.

The involvement of the Company Control Functions particularly Compliance Chief Risk Officer[3] and Internal Audit, assures full compliance of compensation policies with the Risk Appetite Framework and sectorial regulations.

2. Continuous monitoring of market trends and practices (Benchmarking)

Through benchmarking, we aim to implement a competitive remuneration structure for effective retention and motivation of key resources and to deliver compensation that is consistent with the creation of long-term value for stakeholders. For comparative analysis, a peer group is defined.

---

[2] In line with ESMA Guidelines on certain aspects of the MiFID II remuneration requirements, firms should avoid creating unnecessarily complex policies and practices (such as combinations of different policies and practices, or multi-faceted or multi-layered schemes, which increase the risk that relevant persons' behaviour will not be driven to act in the best interests of clients, and that any controls in place will not be as effective to identify the risk of detriment to the client). Relevant persons are defined in the Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 (Art. 2(1)).

[3] The Risk Management function is represented in FinecoBank by the CRO Department. The two terms are used interchangeably throughout the document.

Details – Section I paragraph 2.2

The Remuneration Committee, with particular reference to the population of FinecoBank Group's Identified Staff, through the support of an independent external consultant identifies the peer group, defined considering a panel of comparable companies, based on which specific comparative analysis on compensation are carried out. As a compensation policy objective, the fixed component of the remuneration for Identified Staff targets the market median.

3. Remuneration system and ESG Strategy

The incentive systems are consistent with corporate values and objectives, including those based on environmental, social and governance (ESG) factors, in line with the 2024-2026 ESG MYP. In this context, the Group is also committed to ensuring a gender-neutral Remuneration Policy, considering also employees' wellbeing.

Details – Section I paragraph 2.3

With regard to the short-term incentive systems for Employees, the scorecard of the Chief Executive Officer and General Manager and other Identified Staff includes sustainable parameters within the clusters named "Stakeholder Value" and "Tone from the top".
In particular, in the 2024 Incentive System, new objectives were set out in line with the KPIs and targets envisaged in the 2024-2026 ESG MYP.
In addition, sustainability targets were also included in the 2024 Short-Term Incentive System for Financial Advisors.
Furthermore, the 2024-2026 Long-Term Incentive Plan includes KPIs in the areas of social, environmental and responsible finance.
The Board of Directors, with the support of the Remuneration Committee, within the periodic review of the Remuneration Policy, analyzes the neutrality of the policies with respect to gender and monitors any gender pay gap (Gender Pay Gap and Gender Equity Pay Gap) and the trend over time, according to the methodology described.

4. Share Ownership Guidelines

As part of the "pay for sustainable performance" principle and to further strengthen the alignment of managerial interests with those of the shareholders, minimum levels of shareholding for the Chief Executive Officer and General Manager and for Executives with strategic responsibilities are set to be achieved, normally, within 5 years of the first appointment and to be maintained for the entire duration of the office held.

Details – Section I paragraph 2.5

The share ownership requirements for the Chief Executive Officer and General Manager are equal to 200% of the fixed remuneration and for Executives with strategic responsibilities to 100% of the fixed remuneration.

5. Ratio between variable and fixed remuneration

In compliance with the regulatory requirements, a maximum ratio between variable and fixed remuneration applies.

Details – Section I paragraph 3.1

In particular, a 2:1 maximum ratio between variable and fixed remuneration is confirmed for the employees belonging to business functions.
For the Identified staff of the Company Control Functions, the variable remuneration cannot exceed 1/3 of the fixed remuneration. For the Head of Human Resources function and the Manager in charge of financial statement, the remuneration is predominantly fixed. For the aforementioned functions, the incentive mechanisms are consistent with the assigned tasks as well as independent of the results achieved by the areas under their control; bonuses tied to economic performance are therefore avoided.
For the Financial Advisors belonging to Identified Staff, a 2:1 ratio is adopted between the non-recurring and the recurring component of the remuneration.
The adoption of a 2:1 ratio between variable and fixed compensation has no implication on the Bank's ability to continue to respect all prudential rules, in particular capital requirement.

6. Identified Staff definition

The annual process of identifying the Identified Staff at group level is carried out by applying the qualitative and quantitative criteria required by the regulatory provisions introduced by Circular no. 285 of 2013 of the Bank of Italy and the EU Delegated Regulation no. 923/2021.

Details – Section I paragraph 4.1

The definition of the Identified Staff has been performed involving Compliance and CRO functions of FinecoBank S.p.A. The self-evaluation led to a total number of Identified Staff for 2024 equal to 24 employees and 11 Financial Advisors.

7. Short Term Incentive System for Employees Identified Staff

FinecoBank's 2024 Incentive System confirms the strong link between remuneration, company results, risk profile and sustainable profitability.

Details – Section I paragraph 4.2

Specific entry conditions are defined, which act as ex-ante risk adjustment mechanisms and assess the Group's performance in terms of profitability, capital and liquidity. Only if all entry conditions are met the bonus pool is confirmed with the possibility of applying further adjustments based on the overall assessment of the risk factors of the so-called "CRO dashboard".
Once the bonus pool is defined, individual bonuses are determined in line with the annual performance appraisal process, based on the principles of transparency and clarity to ensure a direct link between variable remuneration and performance. The performance assessment process requires that all Identified Staff are assigned specific individual objectives at the beginning of the year, with an adequate balance between economic-financial factors and non-economic factors, also considering performance objectives linked to risks, compliance and the adherence to Fineco values, thus guaranteeing sustainability in the medium to long term for the Group and all stakeholders.

Individual bonuses for Identified Staff, in cash and shares in accordance with the provisions of the law, are delivered in several instalments, over a multi-year period, in line with the long-term interests of the shareholders. Vested and paid variable remuneration is subject to ex-post corrective mechanisms (respectively malus and claw back) which take into account individual behavior.

8. 2024-2026 Long Term Incentive Plan for Employees

With the aim to incentivize, motivate and retain selected employees and to align the interests of the Group's management with the creation of long-term shareholder value, a share-based Long Term Incentive Plan has been established for the three-year performance period 2024-2026.
The Plan sets financial and sustainability performance goals linked to the 2024-2026 MYP and provides for the payment of a bonus in shares, over a multi-year period.

Details – Section I paragraph 5.1

In particular, financial performance goals such as ROAC, Net Sales of AUM, Total Net Sales, Cost Income Ratio and Operational Losses on Revenues have been set. Three new ESG parameters have been identified with regard to Scope 1 and 2 (market-based) emissions reduction, the achievement of Diversity, Equity & Inclusion goals, and the enlargement of the ESG product offering with article 8 e 9 SFDR funds.
In addition, entry and malus conditions are defined on the basis of performance indicators in terms of profitability, capital and liquidity.
A risk adjustment mechanism is defined on the basis of indicators coherent with Fineco's Risk Appetite Framework.
Individual bonuses are delivered in FinecoBank shares, in instalments, over a multi-year period, subject to malus and claw-back condition, to compliance assessment of individual behaviors and to continuous employment.

9. Severance Payments

Termination payments take into consideration long-term performance, in terms of shareholder added value, do not reward failures or abuses and shall not exceed in general 24 months of total compensation (including the indemnity in lieu of notice).

Details – Section I paragraph 3.2

With reference to the termination Payments Policy, a specific formula for severance payments calculations is defined, while a maximum limit of 24 months of total remuneration is set, also comprehensive of the indemnity in lieu of notice. Total Remuneration is calculated taking into consideration the average bonus perceived in the three years prior the termination, after applying malus and claw-back conditions.

10. Short Term Incentive for Financial Advisors Identified Staff

The provisions of Group FinecoBank's Compensation Policy also apply to the members of the Financial Advisors Network, in line with their compensation peculiarities. Following the incentive model provided for the Employees Identified Staff, the 2024 PFA Incentive System for Identified Staff provides for a strong link between remuneration, risk and sustainable profitability.

Details – Section I paragraph 4.3

Specifically, entry and malus conditions are set based on performance indicators in terms of profitability, capital and liquidity. In addition, risk adjustment based on indicators consistent with Fineco's Risk Appetite Framework is guaranteed.
Incentive amounts are allocated taking into consideration the available bonus pool and the individual performance appraisal based on specific performance indicators.
Bonuses, delivered in cash and shares, pursuant to law, are paid out over a multi-year period, ensuring alignment with shareholders' interests and each payment is subject to malus and claw-back conditions, as well as to a compliance assessment of individual behaviors.

FOCUS

2024 Remuneration policy – new features

2024-2026 Long-term Incentive Plan for Employees - Section I paragraph 5.1

With the aim to incentivize, motivate and retain selected employees and to align the interests of the Group's management with the long-term value creation for shareholders, a share-based Long Term Incentive Plan has been introduced for the three-year performance period 2024-2026.
The Plan sets financial and sustainability performance goals linked to the 2024-2026 MYP and provides for the payment of a bonus in shares over a multi-year period for the three-year performance period 2024-2026.

Sustainability parameters within the incentive systems for Employees and Financial Advisors - Section I paragraph 2.3

With regard to the 2024 Short-Term Incentive System for Employees, new sustainability parameters have been set out in the scorecard of the Chief Executive Officer and General Manager and other Identified Staff, within the "Stakeholder Value" macro-category, in line with the KPIs and targets of the 2024-2026 ESG MYP.
It's worth mentioning the introduction in the platform of new funds with a Fineco ESG* rating greater than or equal to 6 (average rating), customer satisfaction and the renewal of EMAS Registration**.
In addition, starting in 2024, the contribution to the promotion of sustainability initiatives and behaviors within the organization is also assessed within the "Tone from the top" goal.
Furthermore, in the 2024 Incentive System for Financial Advisors, specific sustainability targets have been introduced relating to the percentage of assets held in funds and sicavs pursuant to Articles 8 and 9 of Regulation (EU) 2019/2088 (SFDR) and to the recruitment of financial advisors of the least represented gender.
Finally, the Long-Term Incentive Plan for the three-year period 2024-2026 for employees includes new sustainability targets in the areas of (i) environmental, with reference to the reduction of Scope 1 and 2 (market-based) emissions from operating activities; (ii) social, with regard to the achievement of Diversity, Equity & Inclusion objectives; and (iii) responsible finance, through the enlargement of the ESG product offering with the introduction of new funds pursuant to articles 8 and 9 SFDR compared to total new funds (ISIN) entered in the platform in the relevant period.

* Fineco's ESG rating assesses the environmental, social and governance sustainability of a financial instrument. It is calculated by Fineco by reprocessing the sustainability data provided by a leading company specialized in this sector.
**According to the requirements of the EMAS Regulation No. 1221/2009/EC.

Gender neutrality of the Remuneration Policy - Section I paragraph 2.3.1 and Section II paragraph 3.1.

As part of the Group's commitment to ensuring the Remuneration Policy is gender neutral, specific objectives relating to the improvement of the Gender Equity Pay Gap and Gender Balance in line with the 2024-2026 ESG MYP have been included in the 2024-2026 Long-Term Incentive Plan.

These targets have been first approved by the Board of Directors within the scope of the Gender Equality Certification, achieved by Fineco in 2023 in accordance with the UNI:125/2022 Reference Practice.

In addition, with reference to the 2023 financial year, Section II includes the Gender Equity Pay Gap, assessed on the categories of employees who carry out the same work or work of equal value within the organization. The overall results is below 3% with reference to total remuneration.

Incentive System linked to the Chief Executive Officer and General Manager annual performance - Section I paragraph 4.2

The 2024 objectives defined and approved by the Board of Directors of FinecoBank S.p.A., as the main performance indicators for the Chief Executive Officer and General Manager of FinecoBank, include targets linked to the Group's profitability, with particular attention to risk and compliance with the RAF, and sustainability indicators.

The weight of each financial and non-financial objective in relation to the overall performance appraisal is reported in the 2024 scorecard.

Among the new features of the 2024 CEO scorecard, it's worth mentioning the new sustainability objectives, in alignment with the 2024-2026 ESG MYP, for which measurable targets have been set ex-ante in order to ensure an objective and transparent evaluation.

2023 FINANCIAL YEAR MAIN RESULTS

The results achieved by FinecoBank Group as of December 31, 2023 (2023 financial year) confirm a strong growth, strengthened by the solid boost towards investments and by a growing advisory request, with customers even more interested in interacting with markets through the investment platform. In addition, an important contribution was given by Fineco Asset Management, thanks to the wide offer of investment strategies proven to be efficient, innovative and suitable to the market.
In particular:

- **NET PROFIT € 609.1 mln (+42.0% y/y*)**
- **TOTAL REVENUES € 1,237.6 mln (+30.5% y/y*)**
- **COST/INCOME RATIO 24.1%**
- **CET1 at 24.3%**

*Adjusted data

In line with the most recent regulatory updates[4], paragraph 6.1 of Section II displays the annual variation of Company results and the other required information.

OUR COMPENSATION DISCLOSURE

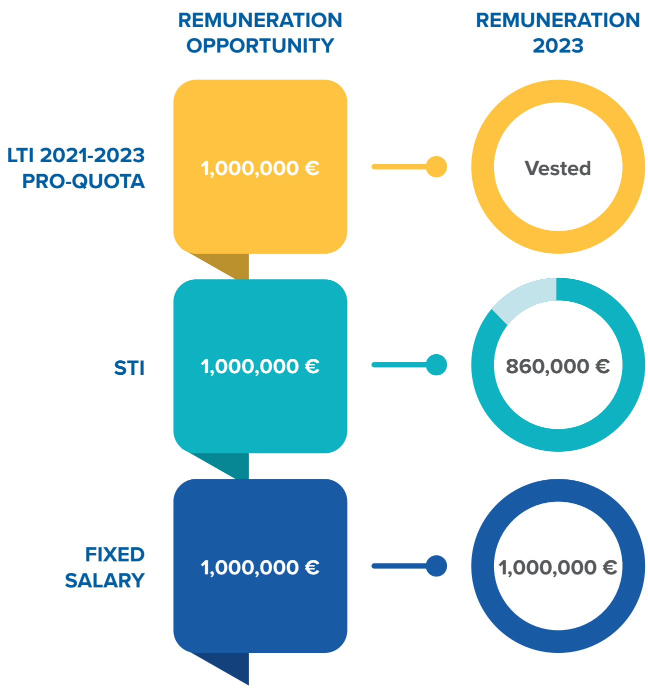
The 2023 remuneration report (Section II) - issued pursuant to art. 123-ter of Legislative Decree 58/1998 (Consolidated Text of Finance" - "TUF"), as updated by Legislative Decree May 10, 2019, n. 49, and pursuant to Consob Regulation n. 11971 of 14 May 1999 (Regolamento Emittenti), as updated with the Decision n. 21625 of December 11, 2020 - provides the description of our compensation practices and the implementation outcomes of FinecoBank Incentive Systems, as well as remuneration data, with a focus on Identified Staff, defined in line with regulatory requirements.
Full disclosure on compensation payout amounts, deferrals and ratio between variable and fixed components of remuneration for Identified Staff is provided in Section II, including the data regarding members of the Board of Directors and the Board of Statutory Auditors, and the Executives with strategic responsibilities.
Data pursuant to art. 84-quarter Consob Issuers Regulation no. 11971, as well as the information on incentive systems under art. 114-bis of legislative decree 58/1998 ("Consolidated Text of Finance" – "TUF") are included in this document as well as in Annex II[5].

CHIEF EXECUTIVE OFFICER AND GENERAL MANAGER VARIABLE AND FIXED COMPENSATION DATA

Considering the overall business results achieved by the Company and on the basis of the elements reported in Section II – paragraph 3, the Board of Directors, upon the favorable opinion of the Remuneration Committee, assessed positively the 2023 performance of the Chief Executive Officer and General Manager, awarding a short-term variable bonus equal to € 860,000 in line with the pay for sustainable performance principle.
For the purpose of applying the ratio between variable and fixed remuneration, it should be noted that the Chief Executive Officer received a fixed remuneration of € 1,000,000 and that an annual pro rata of € 1,000,000 tied

[4] Consob Regulation no. 11971 of 14 May 1999 (Regolamento Emittenti).
[5] Annex II: Compensation systems based on financial instruments for FinecoBank staff.

to the long-term variable remuneration (LTI 2021-2023)[6] is also included as variable remuneration, in line with the applicable legislation.
In this regard, it should be noted that, at the end of the 2021-2023 LTI Plan performance period, the achievement of all conditions was positively verified, as further described in paragraph 3.1.3 of Section II.
The € 860,000 bonus linked to the short-term incentive system awarded for the 2023 performance will be delivered in cash and in shares, with an upfront and a deferred portion, according to the deferral scheme described in Section II p. 3.1, which considers the period of unavailability of the share installments, both upfront and deferred, as required by law.



[6] See the representation of the CEO/GM's remuneration. It should be noted that the term vesting refers to the performance period of the 2021-2023 LTI Plan.

Section I

2024
Remuneration Policy

2024 REMUNERATION POLICY

1. INTRODUCTION

Integrity is at the core of Group's values, as a condition to transform profit into value for our stakeholders.
By upholding the standards of responsible behaviors, our compensation strategy represents a key instrument to enhance and protect our reputation and to create long-term value for all stakeholders.
Also through appropriate compensation mechanism, we aim to create a work environment which is comprehensive of any form of diversity and which fosters and unlocks individual potential, to attract, retain and motivate highly qualified employees.
Relying on our governance model, our Compensation Policy sets the framework for a common and coherent design, implementation and monitoring of compensation practices across our Company that reinforce sound risk management policies and long-term business strategy.
To ensure the competitiveness and effectiveness of remuneration as well as transparency and internal equity, the key principles of Compensation Policy are:

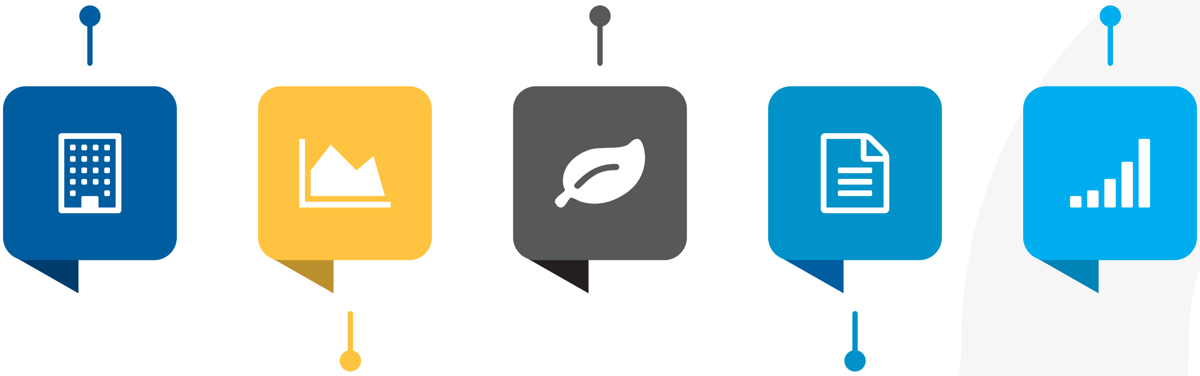
Clear and transparent governance, through efficient corporate and organizational governance structures, as well as clear and rigorous systems and governance rules.

Continuous monitoring of national and international market trends and practices, aimed at sound formulation of competitive compensation ensuring transparency and internal equity and **motivation and retention of all staff** to attract, motivate and retain the best resources capable of achieving the company mission according to Bank's values.

Alignment with the Group's ESG strategy, aimed at sustainable and organic growth, with an integration of the principles of environmental and social sustainability within business and operational management choices.

Compliance with regulatory requirements and principles of good professional conduct, by protecting and enhancing the company reputation, as well as avoiding or managing conflicts of interest.

Pay for sustainable performance, by maintaining consistency between remuneration and performance, and between rewards and value creation, as well as enhancing both the actual result achieved and the way by which they are achieved.



2. FUNDAMENTALS

2.1 GOVERNANCE

Our compensation governance model aims to assure clearness, transparency and reliability in the governance processes related to remuneration through an appropriate monitoring of the Group's remuneration practices by ensuring that decisions are made in an independent, informed and timely manner at appropriate levels, avoiding conflicts of interest and guaranteeing appropriate disclosure in full respect of the general principles defined by Regulators.

2.1.1 Role of the Board of Directors

The Board of Directors of FinecoBank, in line with the relevant legislation, prepares, submits to the Shareholders' Meeting and reviews, at least[7] on an annual basis, the Remuneration Policy and is responsible for its correct implementation. It ensures that the incentive systems are consistent with the overall choices of the Group in terms of risk assumption, strategies, long-term objectives, corporate governance and internal controls structure. Furthermore, it ensures that the remuneration and incentive systems are suitable for ensuring compliance with the provisions of the law, regulations and statutory provisions as well as codes of ethics or conduct, promoting the adoption of compliant behaviors.
The Board of Directors with the support of the Remuneration Committee analyzes the neutrality of the policies with respect to gender and monitors any gender pay gap.

2.1.2 Role of the Remuneration Committee

The Board of Directors established a Delegation of Powers system to regulate appropriately effective decision-making processes throughout the organization.
In particular, the Remuneration Committee is vested with the role of providing advice and opinions to the Board of Directors with regard to Remuneration strategy. It also involves Risk Management and Compliance functions, and it receives the support of an independent external advisor, if required and needed, in order to make the incentives underlying the remuneration system consistent with the management of risk, capital and liquidity profiles.
The main topics discussed by the Committee are also brought to the attention of the Board of Statutory Auditors, prior to their submission to the Board of Directors. The Remuneration Committee consists of 3 non-executive members[8].

2.1.3 Role of the other Committees

The Risks and Related Parties Committee supports the Board of Directors in order to ensure that the Remuneration Policy is consistent with sound and effective risk management.
In particular, without prejudice to the responsibilities of the Remuneration Committee, the Risks and Related Parties Committee is involved in the process of identifying the Group's Identified Staff and ascertains that the incentives underlying the remuneration and incentive system are consistent with the Risk Appetite Framework, taking into account in particular risks, capital and liquidity, in line with current legislation[9].
The Risks and Related Parties Committee is involved in defining the remuneration and in setting/evaluating per-

[7] In addition to the periodic review, the remuneration policy can be reviewed in a timely and efficient manner upon any relevant and significant amendment to the business activities or structure, with particular reference to the case in which there is a residual risk of detriment to the clients stemming from it.

[8] For details on the composition and activities of the Remuneration Committee, please refer to the specific paragraph in Section II, paragraph 2.1.

[9] Cf. Circ. no. 285 of Bank of Italy and EBA Guidelines "Guidelines for sound remuneration policies pursuant to EU Directive no. 36/2013.

formance objectives of the Head of Compliance, Risk Management, Internal Audit and Anti-Money Laundering Function, expressing a formal opinion about the Head of Internal Audit Function.
In addition, within the Remuneration Policy, the Corporate Governance and Environmental and Social Sustainability Committee is also involved with respect to the Group's sustainability strategy (such as, for example, the definition of ESG objectives).

2.1.4 Role of the FinecoBank Group's functions

The Compensation Policy of FinecoBank Group, as drawn up by the Human Resources function, with the involvement of other company functions according to the area of expertise, is validated by the Compliance and Risk Management functions, prior to being submitted to the Remuneration Committee. Yearly, the Remuneration Committee proposes and submits the Compensation Policy to the Board of Directors for approval. As a last step, the document is presented to the Shareholders' Meeting for approval, in line with the regulatory requirements[10].
The principles of Fineco Compensation Policy are applicable to the entire organization with regard to:

- all categories of Group employees. Specific provisions of the Compensation Policy are applicable to Identified Staff;
- the members of the Bank's Financial Advisors' Network, in line with the specific pay conditions, applicable to them.

Furthermore, FinecoBank, as parent company, ensures that remuneration in the Group companies is in line with the principles and rules contained in the Group Remuneration Policy, coherently with the specific industry and local regulatory framework[11].

Role of the Human Resources Function[12]

The Human Resources function, interacting with the Remuneration Committee, drafts the Remuneration Policy, defines the incentive systems and the remuneration levels, taking care of the aspect of neutrality with respect to gender, with the aim of motivating and retaining personnel and contributing to ensure alignment with the long-term strategies.
With particular reference to the incentive systems for Financial Advisors, the function collaborates with the PFA Network Commercial Department & Private Banking / Network Controls, Monitoring and Network Services Department.
In addition, with respect to financial data, the Human Resources function involves the Manager in charge of the financial statements, while for all ESG topics within the Compensation Policy is supported by the Sustainability Team.

Role of the Compliance Function

The Compliance function operates in close coordination with the Human Resources function, in order to support the design and the definition of compensation policy and processes in line with the regulatory framework. Specifically, the Compliance function verifies the consistency with *"the goal of complying with regulations, articles of association and any other code of ethics or other standards of conduct applicable to the bank, so that compliance risks mostly embedded in the relationship with customers are duly contained".*
In this framework, the Compliance function evaluates, for all related aspects, Fineco Compensation Policy and

[10] Cf. art. 123 ter Legislative Decree no. 58/1998.

[11] The Remuneration Policy of Fineco Asset Management DAC (FAM) is aligned with the principles of the Group Remuneration Policy and with the regulations set out by the Bank of Italy in the Circ. no. 285 of 2013 with reference to the specific provisions relating to asset management companies. The functions of the parent company cooperate and exchange all relevant information with those of the legal entities.

[12] The Human Resources function in FinecoBank is carried out by the Chief People Officer Department.

– according to the applicable regulations – the incentive systems designed by the Human Resources function for the employees, and by PFA Network & Private Banking Department/Network Controls, Monitoring and Service Department for the Financial Advisors. It provides, if necessary, suggestions – as far as it is concerned – for the design of compliant incentive systems. Furthermore, the Compliance function is involved, among others, in the process for the identification of Group's risk takers, for all aspects that fall within its perimeter.
The guidelines for the definition of the incentive systems for non-Identified Staff population of FinecoBank are set, in collaboration with the Compliance function, for all related aspects by:

- the Human Resources function for the employees
- the PFA Network & Private Banking Department / Network Controls, Monitoring and Service Department for the Financial Advisors

Role of the CRO Function[13]

The consistency between remuneration and accountable and sustainable risk assumption is guaranteed through rigorous governance processes based on informed decisions taken by the Corporate Bodies. Compensation plans include the risk adjustment appetite defined through the evaluation of the consistency with the results achieved and the Fineco Risk Appetite Framework.
The CRO function is constantly involved, according to the area of expertise, in the definition of the remuneration policy, the incentive systems and the compensation processes as well as in the definition of targets, in the individual performance appraisal, in the ex-ante and ex-post risk adjustment mechanism and in the identification of the Group's Identified Staff. This involvement contributes to ensure a direct link between the incentive mechanisms and the Risk Appetite Framework, so that the incentives are consistent with the risk assumption defined and approved by the Board of Directors.

Role of the Internal Audit Function

The Internal Audit function assesses yearly the consistency of the implementation of policies and practices with the Compensation policy that was approved and the regulatory framework and performs an audit on data and processes. The function provides a final assessment on the remuneration practices, providing recommendations aimed at improving the processes and informing the competent Bodies on any findings, in order to adopt any corrective measures. Yearly the AGM is informed about the results of the audit.
The Corporate Control Functions involved in designing, monitoring and reviewing remuneration policies and practices have access to all relevant documents and information, which are drawn up in a transparent way, in order to understand the background and decisions that led to remuneration policies and procedures[14].

2.2 CONTINUOUS MONITORING OF MARKET TRENDS AND PRACTICES (BENCHMARKING)

With specific reference to Identified Staff, an independent external advisor supports the Remuneration Committee on the definition of a list of selected competitors that represent the relevant peer group for the purpose of compensation benchmarking analysis. The identification of the peer group takes into consideration a panel of Italian financial intermediaries listed on the FTSE MIB or FTSE MidCap stock indexes and comparable from the point of view of the applicable regulations (Banking and / or Asset Management), as well as in terms of market capitalization, total assets, dimension or business model, to assure a competitive alignment with the reference market.

[13] The Risk Management function is represented in FinecoBank by the CRO Department. The two terms are used interchangeably throughout the document.

[14] Cf. ESMA Guidelines on certain aspects of the MiFID II remuneration requirements.

The results of the benchmark analysis are provided to the Remuneration Committee, in order to support the formulation of opinions to the Bodies of the Bank responsible for taking such decisions.
Through benchmarking, we aim at adopting a competitive compensation structure for an effective retention and motivation of the key resources, as well as for defining payments that are consistent with the long-term value for stakeholders.
The compensation structures, which are defined in relation to market-specific benchmarking, are in any case aligned with the values of the Group, with particular reference to compliance and sustainability.
The definition of the Compensation Policy for the Identified Staff, both employees and Financial Advisors, with particular reference to the 2024 incentive systems, takes into account specific benchmarking analysis based on our peer group.
The peer group used to benchmark compensation policy and practices with particular reference to Identified Staff employees has been defined by the Remuneration Committee upon the proposal of the independent external advisor.
The peer group, subjected to annual review, for 2024[15] includes:

- Anima Holding
- Banca Generali
- Banca Mediolanum
- Banca Popolare di Sondrio
- Banco BPM
- BPER
- Credito Emiliano
- Intesa Sanpaolo
- Mediobanca
- Poste Italiane
- UniCredit

The Remuneration Committee constantly monitors the peer group, with particular reference to the Chief Executive Officer and General Manager, and in the event of aggregation or de-listing processes, makes the appropriate adjustments in line with the comparability criteria described above.
The benchmarking analysis shows that the CEO and General Manager fixed remuneration is positioned below the median considering the peer group.
In addition to what mentioned above, for the Chief Executive Officer and General Manager, compensation trends are monitored also with respect to an international panel composed by European Banking Groups of significant size and complexity.

2.3 REMUNERATION SYSTEM AND ESG STRATEGY

Fineco Group is aware that its strategy, oriented to a sustainable and organic growth, should necessarily be sided by a progressive integration of ESG principles in its business choices and operations management.
In 2023, the Group updated its sustainability strategy, through the definition of objectives and targets to be achieved over the three-year period 2024-2026. The 2024-2026 ESG MYP aims to combine business growth and financial strength with social and environmental sustainability, creating long-term value for all stakeholders. As part of the MYP target-setting process, the mid-term Net Zero Commitment target, set in relation to the

[15] No variations compared to the 2023 peer group.

Scope 1 and 2 (market-based) emissions reduction, was updated. Specifically, this target was increased from a 35% reduction in Scope 1 and 2 (market-based) emissions in 2030, compared to the year 2021 (baseline), to a 55% reduction in these emissions in 2026, compared to the same baseline.

In addition, in order to increasingly foster a culture of diversity and inclusion within the organization, the objectives defined as part of the Italian Gender Equality Certification pursuant to Law no. 162/2021 and Reference Practice UNI:125/2022, which certified Fineco's commitment to gender diversity topics, were included in the 2024-2026 ESG MYP.

Within the scope of the Certification, in addition to the Global Policy on Gender Equality, already adopted to enhance diversity and ensure equal opportunities in the workplace[16], a Management System for Gender Equality, overseen by a dedicated Steering Committee, has been defined. Furthermore, a Plan for the three-year period 2024-2026 with measurable objectives for each of the following areas was approved:

- Culture, strategy and governance;
- Supporting parenting and work-life balance;
- HR processes and Opportunities for growth and inclusion of the least represented gender in the company;
- Gender Pay Equity.

For the purpose of defining a KPI in the "Gender Pay Equity" area, the Directive (EU) 2023/970, so-called "Pay Transparency", which introduces measures to promote equal pay between the most and least represented gender for the same job or for a job of equal value, has been taken into account.

As required by art. 5 EU Regulation no 2019/2088, the information on how the Remuneration Policy is consistent with the integration of sustainability risks are illustrated below.

The sustainability objectives included in the short and long-term Incentive Systems for Employees were defined in line with the KPIs and targets set out in the 2024-2026 ESG MYP[17], which also takes into account the materiality analysis[18].

In this respect, the 2024 scorecard of the CEO and General Manager[19], and that of the other Identified Staff, linked to the short-term incentive system, includes goals linked to sustainability within the two macro-categories "Stakeholder Value" and "Tone from the top".

The "Stakeholder Value", defined as the ability of creating and sustaining value for all stakeholders over the medium to long term, includes the objectives relating to the introduction in the platform of new funds with a Fineco ESG rating greater than or equal to 6 (average rating), customer satisfaction and the renewal of EMAS Registration.

With regard to the environmental KPI, the Group is increasingly attentive to the integration of climate and environmental risks in the remuneration systems in order to promote behaviors consistent with the strategy adopted by Fineco in this area.

The macro-category "Tone from the top" considers the integrity of conduct and the spreading of the compliance culture within the organization and, starting from 2024, the promotion of sustainability initiatives.

Additionally, the new long-term incentives system (2024-2026 LTI Plan) for employees, includes among its performance drivers three ESG KPIs related to achievement of Diversity, Equity and Inclusion goals, Scope 1 and 2 emissions reduction and enlargement of the ESG product offering with articles 8 and 9 SFDR funds.

Lastly, with reference to the 2024 Incentive System for Personal Financial Advisors, the eligible beneficiaries

[16] The Global Policy on Gender Equality is available on Fineco's website at the following link https://about.finecobank.com/it/sustainability/per-le-persone/.

[17] For details on the 2024-2026 ESG MYP objectives and targets, refer to the 2023 Consolidated Non-Financial Statement. The MYP was defined starting from the Group's material themes identified in 2022 and reconfirmed for 2023.

[18] The Materiality Analysis is the fundamental process for defining the sustainability strategy and aims to select the economic, environmental and social themes to be reported. For further details, please refer to the Consolidated Non-Financial Statement.

[19] Cf. paragraph 4.2 for CEO and General Manager individual scorecard.

may receive a greater bonus if they hold more than 60% of assets in funds and sicavs ex artt. 8 and 9 SFDR at the end of the performance period. In addition, a further boost is provided for eligible managers who recruit a defined percentage of financial advisors belonging to the least represented gender.
FinecoBank Group is committed to develop and implement a common risk culture at all organizational levels. This provides a fundamental condition to grant a sustainable return in the long term. Among the risks with potential ESG implications, are worth mentioning operational risks and reputational risks, which could be determined by specific social, environmental and customer relationship risks.

2.3.1 Gender neutrality in the remuneration system

The FinecoBank Group is committed to ensuring that the Compensation Policy is gender neutral, thus concurring to pursue equal opportunities in terms of professional development and remuneration.
From a remuneration point of view, the goal is to ensure that, for the same activity carried out, corresponds an equal level of remuneration. Furthermore, the Group aims at preserving diversity with the ultimate scope of creating a non-discriminatory working environment that offers equal opportunities[20].
In order to increase the sensitivity and the attention towards gender equality and diversity at all levels of the organization and to pursue gender neutrality in remuneration policies, the following measures were adopted, in application of the provisions of Circular no. 285 of 2013 of the Bank of Italy and the EBA Guidelines:

- The Board of Directors, with the support of the Remuneration Committee, examines, within the periodic review of the Remuneration Policy, the remuneration policy's gender neutrality and monitors any gender pay gap over time.
- The Gender Pay Gap is monitored as the ratio between the average remuneration of the most represented gender and the average remuneration of the least represented gender[21] analyzing separately the members of the Board of Directors, Identified Staff personnel and the remaining staff.
- In addition, as defined in the "Pay Transparency" Directive, the Equity Pay Gap is also monitored, which allows to make an assessment according to the concept of equal pay for equal work, factoring in the organizational complexity and the professional roles[22].
- In order to further strengthen the commitment on gender diversity topics with a focus on gender pay gap and gender balance and in line with the commitments within the Gender Equality Certification achieved in 2023, the 2024-2026 ESG MYP, among others, includes the following objectives:
  1) Increase in the percentage of the least represented gender in the organization in positions of responsibility with a minimum target of 5%;
  2) Gender equity pay gap below 5% for all comparable categories of employees[23].
- In view of the considerations outlined, the above-mentioned Gender Balance and Gender Equity Pay Gap targets are included in the new Long-Term Incentive Plan for the three-year period 2024-2026[24].
- Starting from 2021, Gender Balance and Gender Pay Gap goals have been monitored among the Bank's operational risks. Moreover, the Gender Pay Gap is reported in the Consolidated Non-Financial Statement[25] according to the GRI standards.

[20] For more details on equal opportunities initiatives and non-discrimination, please refer to the 2023 consolidated non-financial statement of the FinecoBank Group.

[21] As defined by the Circ. no. 285 of 2013 (37th update).

[22] To this end, the Global Job Model is used: a system that describes, standardizes and calibrates all roles.

[23] The Gender Equity Pay Gap is defined as the residual pay gap net of the application of gender-neutral pay differentiation criteria.

[24] The Management is empowered with reference to a gender-neutral application of the remuneration systems: from 2017 to 2023, the CEO and General Manager performance scorecard, as well as that of the other Identified Staff, included the sub-goal "Y/Y delta on Gender Pay Gap and Gender Balance" with reference to the short-term incentive system.

[25] in accordance with the LD 254/2016.

FOCUS

Global Job Model and Gender Equity Pay Gap

The Global Job Model is the system that evaluates and describes all positions within the organisation and is marked by two distinctive elements:
(i) a Global Job Catalogue consisting of 3 Job Areas, i.e. the following levels of aggregation: Product & Business, Support and Corporate Centre. The Job Areas are in turn broken down into Job Families (e.g. the Product & Business Job Area is made up of the 'products' and 'network' Job Families, among others).
ii) the Global Band, which weighs and classifies all the roles in Bands, starting from the staff position to that of CEO. In this context, for example, coordination of processes, management of resources, responsibility for the performance and results of different persons or areas, influence on operational, business or functional strategies, etc. are evaluated.
For the purposes of calculating the Gender Equity Pay Gap, the Global Band and Job Families, as defined by the Global Job Model, are applied to identify the comparable categories of workers, for which the existence of gender pay gaps not explainable on the basis of gender-neutral criteria (such as professional scope, responsibilities, performance, etc.) is assessed. For each comparable category, the ratio between women's and men's remuneration is then calculated, with reference to fixed remuneration and total remuneration.

2.3.2 Employees' working conditions

In Fineco, people constitute one of the main Key Success Factors. The goal that we aim to achieve is to become "The Place To Be", a workplace in which everyone can fully express their potential and aspirations, free of any form of discrimination, contributing to the success and sustainability of the business.
With this aim, Fineco always invests in people wellbeing and engagement, maintaining a fair and inclusive working environment as well as an adequate work-life balance. The employees can take advantage of a comprehensive welfare system, which is continuously evolving and improving.
In particular, with reference to the work-life balance initiatives, they may elect flexible arrangements in terms of working hours and remote working, maintaining the right to receive meal vouchers.
As part of the supplementary health care, employees are offered a Health Plan, which also benefits their tax-dependent family members, dental coverage and additional dedicated policies (e.g. Life, Accident, Permanent Disability, Professional and extra-professional "Kasko" policies).
There are also several initiatives supportive of families, like an ad-hoc maternity medical package within the medical insurance as well as medical assistance for common-law spouses, and conventions with nursery school and baby-sitting service. Finally, additional permits are available for breastfeeding, for key life events (like children graduation, mortgage signing, etc.) or to assist ill children or family members with disabilities as well as contributions for disabled children and family members.
Furthermore, it is possible to join the complementary pension fund as well as to access discounted conditions for banking products and other FinecoBank services.
In addition, FinecoBank is committed to ensuring employees' psychophysical well-being: to this end, besides the psychological support service and the creation of new spaces at the company offices dedicated to sociality, wellbeing and healthy lifestyles, fitness courses were made available in the Wellness Area in Milan.
Fineco is committed to support the employees' purchasing power through specific initiatives.
For example, in 2023 the employees received, in addition to a Productivity Award[26] of about € 2,300[27], a one-time € 650 net welfare contribution for purchasing goods and services.

[26] Executives are not beneficiaries of the Productivity Award.
[27] This amount is granted in case of electing to credit the award to the welfare wallet.

The above-mentioned welfare initiatives, in line with our total reward approach, positively affect employee engagement and retention purposes.

More details about benefits are contained in Section I, paragraph 3.2.3. The welfare initiatives adopted in 2023 are described in the 2023 Consolidated Non-financial Statement.

2.4 COMPLIANCE DRIVERS

One of the key principles of the Compensation Policy is full compliance with the laws, regulations and statutory provisions as well as with codes of ethics or conduct, with the aim of promoting the adoption of compliant behaviors and in order to protect and strengthen our reputation, as well as prevent or manage potential conflicts of interest between roles within the Bank or towards our customers.

The commitment towards compliance with internal and external regulations for the FinecoBank Group is demonstrated by the inclusion, among the goals assigned to the Identified Staff, of a specific one concerning the integrity of conduct and the spread of compliance and risk culture within the organization ("Tone from the top"), as a driver of sustainable value creation.

In this context, specific "Compliance drivers" requirements have been defined to support the design of remuneration and incentive systems.

COMPLIANCE DRIVERS

PERFORMANCE MANAGEMENT	maintenance of an adequate ratio between economic and non-economic goals, depending on the role (in general, at least one goal should be non-economic);
	qualitative measures must be accompanied by an ex-ante indication of objective parameters to be considered in the evaluation, the descriptions of expected performance and the person in charge of the evaluation;
	non-economic quantitative measures should be related to an area for which the employee perceives a direct link between her/his performance and the trend of the indicator;
	among the non-financial goals (quantitative and qualitative), include, where relevant, goals related to Risk as well as to Compliance (e.g. operational risks, climate risks, application of MIFID principles, compliance with banking transparency obligations, products sale quality, respect of the customer, Anti Money Laundering requirements fulfilment);
	set and communicate *ex-ante* clear and pre-defined parameters, as drivers of individual performance, and for determining the amount of remuneration, the weights assigned to each criterion, the consequences of non-compliance and the steps and timeline of the evaluation process; in particular, the weights assigned to the criteria used to determine remuneration should not make the qualitative criteria insignificant, giving excessive priority to commercial ones;
	ensure coherence between the targets set for the PFA Network within all incentive systems and the company's objectives;
	avoidance of incentives with excessively short timeframes;
	for Control Functions (CRO, Compliance, Internal Audit and AML), HR and Manager in charge for preparing financial statements, economic goals must be avoided and individual goals set for employees in these functions shall reflect primarily the performance of their own function and be independent of results of monitored areas, in order to avoid conflict of interests;
	the approach adopted for Company Control Functions is also recommended where possible conflicts may arise due to the function's activities. In particular, this is the case of functions (if any) performing control activities pursuant to internal/external regulations such as some structures that perform accounting/tax activities;
	in case individual performance evaluation systems are fully or partially focused on the manager decision making authority, the evaluation parameters should be defined *ex-ante*, clear and documented to the manager at the beginning of the evaluation period. Such parameters should reflect all applicable regulation requirements (also in line with the regulation references reported in previous paragraphs). The results of managerial evaluation should be formalized for the adequate and predefined monitoring process by the proper functions;
	the entire evaluation process must be conveniently put in writing and documented;
	introduce penalty mechanisms into the remuneration systems, based on the evaluation of indicators of compliance and quality of the behavior/operations of Financial Advisors, which can lead, depending on the severity, to interventions to reduce the amount of bonuses accrued based on the plans of incentives for the network with the aim of promoting and incentivizing scrupulous compliance with regulations and company processes.

COMPLIANCE DRIVERS

DEFINITION OF INCENTIVE SYSTEMS AND CLIENTS' INTERESTS	
	take into account, in the definition of remuneration policies, the decisions taken by the corporate bodies with regard to the products and services offered and, in particular, with regard to their target market, the identification of which is based on the compatibility between the customers needs and the ability of the products and services to satisfy them (see ESMA Guidelines on product governance pursuant to MIFID II);
	define incentives to encourage responsible professional conduct and fair treatment of clients and to avoid conflicts of interest. This principle is also applicable to the remuneration and quantitative and qualitative criteria used to evaluate the performance of members of the bank's management body and senior management, in order to avoid conflicts of interest or incentives that could lead them or relevant individuals to favor their own interests or those of the firm to the potential detriment of client interest;
	promotion of a customer-centric approach which places customer needs and satisfaction at the forefront and which will not constitute an incentive to sell unsuitable products to clients;
	consider, even in remuneration systems of the external networks (Financial Advisors), the principles of fairness in relation with customers, management of legal and reputational risks, protection and loyalty of customers, compliance with the provisions of law, regulatory requirements, and applicable self-regulations;
	introduce corrective mechanisms in the remuneration systems, based on the assessment of compliance and quality indicators of the behavior / operations of the Financial Advisors, which can lead to a reduction of the bonuses accrued within the incentive plans of the network with the objective of promoting and encouraging scrupulous compliance with legislation and company processes;
	create incentives that are appropriate in avoiding potential conflicts of interest with customers, considering fairness in dealing with customers, transparency and the endorsement of appropriate business conduct, in the best interest of the customer;
	to promote responsible risk management for personnel assigned to the evaluation of credit rating, and to consider the results of complaints management and customer care quality for personnel who handles complaints;
	avoidance of incentives on a single product / financial instrument or specific categories of financial instruments, as well as single banking product;
	for Commercial Network Roles, performance goals shall be defined including drivers on quality/riskiness/sustainability of the products sold, in line with client risk profiles. Particular attention shall be paid to the provision of non-economics goals for customer facing roles selling products covered by MiFID Directive; for those roles, incentives must be set in order to avoid potential conflict of interest with customers*;
	in compliance with the applicable regulatory provisions (Circular no. 285/2013 Bank of Italy, part. I, Title IV Chapter 2 Section III), maintenance of adequate balance of fixed and variable compensation elements also with due regard to the role and the nature of the business performed. The fix portion is maintained sufficiently high in order to allow the variable part to decrease, and in some extreme cases to drop down to zero;
	in case of a multiple contracts offer aside of a credit contract, if the side contract is optional, even through third parties, in order to avoid the offer of unsuitable, incoherent and not appropriate product to the customer's interests and objectives, remuneration and appraisal of sale staff (employees and third personnel) do not incentive the combined sale of the two contracts more than a separate sale of the same products;

* C.f. the ESMA Guidelines on Remuneration Policies and Practices - MiFID and the specific provisions of the MiFiD II Directive for the remuneration/incentive part of relevant subjects.

COMPLIANCE DRIVERS

DEFINITION OF INCENTIVE SYSTEMS AND CLIENTS' INTERESTS	FinecoBank Group adopts and applies remuneration policies and practices that take into account consumers' rights and interests, in relation to the products offer. To this extent, Fineco ensures that: a) the remuneration does not provide, among others, an incentive to pursue own interests or the Company's, with a harm for its customers; b) proper measures are in place to consider any risk that could harm the customers, providing for organisational measures to adopt regarding the launch of new products or services, that appropriately take into account their remuneration policies and practices and the risks that these products or services may pose. In particular, before launching a new product, it should be necessary to assess whether the remuneration features related to the distribution of that product comply with the firm's remuneration policies and practices and therefore do not pose conduct of business and conflicts of interest risks. c) the variable remuneration: i) is linked to clearly predetermined and communicated quantitative and qualitative criteria and such that some criteria, especially qualitative criteria, are not made meaningless; ii) does not provide an incentive to offer a specific product or a specific category of products or a combination of products (i.e. because those are particularly convenient for the Company or the relevant subjects or the intermediaries), if doing so would harm the customer in terms of unsuitability of the product for its financial needs, or because it is more expensive than another equivalent and suitable product; iii) is adequately balanced with respect to fixed remuneration; iv) is subject to adjustment mechanisms that can reduce the amount or eliminate it, for instance in case of behaviors that directly or indirectly damaged the costumers, as well as in case of a violation of the relevant regulation (Title VI T.U.B.) or the related provisions that protect the customers' interests; v) the criteria used to assess career progression comply with the MiFID II remuneration requirements. For instance, the career progression management systems should not be used to reintroduce quantitative commercial criteria upon which may depend relevant persons' career advancement and having an impact on their (fixed and/or variable) remuneration that may create conflicts of interests that may encourage such relevant persons to act against the interests of their firms' clients.
COMPLIANCE	for the purpose of granting incentive, the absence of any ongoing or closed proceeding or disciplinary sanctions and/or sanctions by regulatory authorities should be considered. For personnel in internal or external networks and for those with control tasks, special reference is made to the supervisory regulations on banking transparency and fairness of relations between intermediaries and customers, as well as those on anti-money laundering;
	provide for clauses for the cancellation of the incentive in the event of significant inappropriate behavior or disciplinary actions;
	rewarding system communication and reporting phases shall clearly indicate that the final evaluation of the employee achievements will also rely, according to local requirements, on qualitative criteria such as: - compliance to external (i.e. laws/regulations) and internal rules (i.e. policies) and company values - mandatory training completion - existence of disciplinary procedures officially activated/in progress and/or disciplinary sanctions actually applied.

With regard to the network's Financial Advisors, particular attention is paid to all commercial initiatives that involve the aforementioned network.
Such initiatives may be organized after the evaluation and authorization of the competent Bank's Bodies and they represent business actions aimed at providing guidance to the sales network towards the achievement of the period's commercial targets (also intermediate) and with a direct impact on the budget and related incentive systems.
The initiatives can also have the function to accelerate the achievement of certain objectives of the incentive system.
The aforementioned compliance requirements ("compliance drivers") must also be considered for the network of Financial Advisors (PFA), as applicable.

FOCUS

Focus on control functions

To further ensure compliance with internal and external regulations, there are specific provisions applicable to the functions and bodies involved in conducting controls:

- In order to guarantee the independence of the corporate control functions (Internal Audit, Compliance, Risk Management, Anti-Money Laundering) from the results of the areas they monitor and to minimize potential conflicts of interest, no economic objectives or objectives linked to the economic results of the monitored areas are assigned. The individual objectives for the employees of these functions primarily reflect the performance of their own function.
- The variable remuneration of Identified Staff of the Company Control Functions cannot exceed 1/3 of the fixed remuneration in line with the applicable regulatory framework and the incentive systems reflect the nature of their responsibilities and consistent with market practices.
- In order to adequately remunerate qualified and expert personnel in these functions, ensuring competitiveness in terms of total compensation, the Identified staff belonging to the corporate control functions benefit from a specific "Role based allowance" on the basis of the global band title*. Role-Based Allowances (RBA) are considered fixed remuneration.
- From a governance point of view, the Remuneration Committee directly supervises the remuneration of all Identified Staff belonging to the corporate control functions, regardless of their global band title, making proposals to the Board of Directors on the amounts of remuneration to be awarded. In addition, the Corporate Bodies Regulation provides that the Risk and Related Parties Committee is involved in setting and evaluating performance goals and in defining the overall remuneration of the Heads of corporate control functions.
- For the above-mentioned Heads of Corporate Control Functions, starting from 2023, the weight of the Tone from the top objective has been increased to 20 percent of the overall scorecard in view of the specificity of the role. In this context, the promotion of sustainability initiatives and behaviors is also evaluated.

* Defined according to the Global Job Model, a system describing, standardizing and allowing for the calibration of all roles. The "Banding" system (Global Banding Structure) is one of the fundamental elements of the Global Job Model. RBAs are awarded individually to the employee Identified Staff appointed as Responsible of the Company control functions with a band equal or higher than Senior Vice President. The annual gross amount is equal to 20,000 EUR for SVP, 40,000 EUR for EVP and 60,000 EUR for SEVP.

2.5 PAY FOR SUSTAINABLE PERFORMANCE

The objectives are defined consistently with the strategic guidelines, in line with the 2024 objectives linked to the 2024-2026 Multi-Year Plan. Performance is also evaluated in terms of risk-adjusted profitability taking into consideration ex-ante and ex-post mechanisms.
Incentive systems must not favor in any way risk-taking behaviors in excess of the risk appetite envisaged by the business strategies; in particular, they should be aligned with the Risk Appetite Framework ("RAF").

2.5.1 Definition of performance targets

- Consider the customers and their needs as the central focus of all incentive systems;
- design forward-looking incentive plans which balance the achievement of internal key drivers with external measures of value creation for the market;
- consider performance on basis of annual achievements and on their impact over time;
- individual performance appraisal cannot be based solely on financial criteria[28], but should also be based on non-financial criteria, considering the specificity of each role;
- maintain an adequate balance between economic and non-economic objectives, also considering performance targets such as risk management, adherence to the internal or external regulations and to the Group's values or customer satisfaction and/or loyalty and other behaviors;
- consider initiatives that aim at improving the Company's ESG performance.

2.5.2 Performance appraisal

- Base performance evaluation upon profitability, capital strength and other drivers of sustainable business with particular reference to risk, cost of capital and efficiency;
- design flexible incentive systems such as to manage pay-out levels in consideration of the Bank's and of FinecoBank Group performance results and individual achievements, adopting a meritocratic approach to selective performance-based reward, including, where appropriate, the possibility of paying no variable remuneration at all;
- adopt and maintain measures to effectively identify cases of not acting in the client's best interest and take corrective action and to guarantee that evaluations and appraisals linked to compensation are, as far as possible, available for the scrutiny of independent checks and controls;
- assess all incentive systems, programs and plans in order to avoid the risk of damaging our Company's reputation.

2.5.3 Payment of variable compensation

- Defer, as foreseen by regulatory requirements, performance-based incentive pay-out to coincide with the risk timeframe of such performance by subjecting the pay-out of any deferred component of performance-based compensation to the actual sustainable performance demonstrated and maintained over the deferral timeframe, so that the variable remuneration takes into account the time trend of the risks assumed by the Group;
- subject the variable component to ex-post correction mechanisms (malus and claw-back) suitable to reflect the performance levels net of the risks assumed or actually achieved and the trend of capital and liquidity levels as well as to take into account individual behaviors in line with the relevant legislation[29];
- consider claw-back actions as legally enforceable on any performance-based incentive paid out on the basis

[28] As provided by Directive no. 2013/36/EU article 94, 1 a). Financial criteria include performance indicators reported in the annual financial report and in particular linked with the profit and loss report, the balance sheet and relevant components or indicators.

[29] Cf. Circ. no. 285/2013 Bank of Italy and EBA Guidelines pursuant to the art.94 Dir. 2013/36/EU.

of circumstances subsequently proven to be erroneous[30];

- include malus and claw-back clauses, namely respectively the reduction / cancellation and the reclaim of any form of variable remuneration, in the event of individual conduct in violation of external regulations or internal codes (see below “Focus on compliance breach, individual Malus and Claw-back”);
- require the employee or the Financial Advisor not to use personal hedging strategies or remuneration and liability related insurance or other strategies to undermine or modify the risk alignment effects embedded in their remuneration arrangements. The detailed rules of the Incentive Systems also describe such obligation. In order to ensure compliance with this provision, the Company Control and HR Functions establish a procedure to carry out checks on the internal custody or administration accounts of the personnel Identified Staff and request to disclose the existence of custody and administration accounts with other intermediaries, as well as any transactions and financial investments made. A sample and not complete list of operations and subjects interested by the personal hedging ban is communicated to all Identified Staff.

.

[30] Provision envisaged with particular reference to the Chief Executive Officer and other Executives with Strategic Responsibilities, in the Corporate Governance Code of Borsa Italiana. The malus and claw-back clauses are managed by the plan rules of the incentive plans.

FOCUS

Compliance breach, individual Malus and Claw-back

Fineco reserves the right to activate malus and claw-back mechanisms, meaning respectively the reduction/cancelation and the return of any form of variable compensation.

The malus clause (i.e. the reduction/cancelation of the variable remuneration) can be activated with reference to the variable remuneration to be paid or awarded but not already paid, related to the performance period which the compliance "violation" is referred to. In case the variable pay affected is not enough to ensure an adequate malus application, the reduction can be applied also to other components of variable remuneration.

The claw-back clause (i.e. the restitution of all or part of the variable remuneration) can be activated with reference to the overall variable remuneration already paid, awarded for the performance period which the "violation" is referred to, without prejudice to more restrictive local laws or provisions and as legally enforceable.

The claw-back clause can be activated for a period up to 5 years after each tranche (upfront or deferred) has become available to the beneficiary (that means after deferrals and/or applicable retention periods), even after the termination of the employment relationship and/or of the role and takes into account legal, pension and tax aspects and the time limits provided by law and practices locally applicable.

Malus and claw-back can be activated upon the assessment of certain behaviors within the referred period, which starts with the performance period and ends with the tranche becoming available to the beneficiary (that means after deferrals and/or applicable retention periods), in case the staff*:

- has adopted conduct that does not comply with legal, regulatory or statutory provisions or with codes of ethics or conduct applicable to the bank, in the cases envisaged by the latter; for example, any deficiency or violation of the regulatory provisions on banking transparency and fairness of relations between intermediaries and customers under, among others, MIFID II regulations, as well as those on anti-money laundering, are relevant;
- has adopted further conduct that does not comply with legal, regulatory or statutory provisions or with codes of ethics or conduct applicable to the bank, which resulted in a significant loss for the bank or for its customers;
- has contributed with fraudulent behavior or gross negligence to incurring significant financial losses, or by his conduct had a negative impact on the risk profile or on other regulatory requirements at Bank or FinecoBank Group level;
- has engaged in misconduct and/or fails to take expected actions which contributed to significant reputational harm to the Bank or the FinecoBank Group, or which were subject to disciplinary procedures, included those still in progress, or measures by the Authority;
- is the subject of disciplinary measures and initiatives envisaged in respect of fraudulent behavior or characterized by gross negligence during the reference period;
- has infringed the requirements set out by articles 26 and 53 TUB, where applicable, or the obligations regarding remuneration and incentives.

In 2018 the Compliance Breach Committee was established**, composed of the Chief Executive Officer and General Manager, the Head of Human Resources and the Head of Compliance***. With reference to FinecoBank's Identified Staff, the Committee has the function of assessing potential impacts on variable remuneration following the ascertainment of any anomalous behavior or violations, possibly involving sanctions, or of any sanctioning proceedings or imposition of sanctions in the process of being initiated or initiated and in any case not yet defined against the parties concerned or the Bank, following notification by the Bank or Internal Audit structures or Public Authority.

In particular, ex-post clauses can be applied to staff who are directly responsible for a compliance breach, considering whether they should also be applied to staff whose responsibilities include the areas where the relevant events occurred****.

On the basis of the analyzes carried out and in relation to the seriousness of the violation, the Committee proposes to the Board of Directors, after examination of the Remuneration Committee - on the basis of the established governance - the consequent measures to be adopted with reference to the variable remuneration of the Identified Staff (reduction/cancellation – (malus) or return – (claw-back).

* Employees and all personnel, including Personal Financial Advisors.
** For the PFA Identified Staff, the functions of Compliance Breach Committee are covered by the competent Disciplinary Committee.
*** The Head of Internal Audit is a permanent guest of the Committee, without voting rights.
**** ESMA guidelines on certain aspects of MIFID II remuneration requirements

2.5.4 Share Ownership Guidelines

In line with the "pay for sustainable performance" principle, minimum levels for company share ownership are set for Executives, aiming to align interests of top management to those of shareholders by assuring appropriate levels of personal investment in FinecoBank shares over time. As part of a total compensation approach, equity incentives provide for opportunities of share ownership, in compliance with the applicable laws.
In order to further strengthen the alignment of managerial interests with those of the shareholders, effective January 1st 2023, the Board of Directors has increased the share ownership requirements[31], for the Chief Executive Officer and General Manager and the other Executives with strategic responsibilities.

POPULATION	SHARES OWNERSHIP	%
CEO and General Manager	2 x annual fixed remuneration	200%
Executives with strategic responsibilities	1 x annual fixed remuneration	100%

As a rule, the established levels described in the above table should be reached within 5 years from the first appointment in the covered role or starting from January 1st, 2023, for those already holding the above positions, and they should be maintained for the entire duration of the role covered.
The established levels should be reached through a linear pro rata approach, providing for a minimum portion every year.
Involved Executives are also expected to refrain from entering into schemes or arrangements that specifically protect the unvested value of equity granted under incentive plans ("hedging").
Any violation of the above-mentioned minimum levels and any form of hedging shall be considered in breach of compliance rules with such consequences as provided for under enforceable rules, provisions and procedures.

2.5.5 Exemptions in case of exceptional circumstances

As provided by art. 123-ter, letter 3-bis of TUF amended in 2019, in case of exceptional circumstances FinecoBank can temporarily derogate from its remuneration policies, still taking into account all legal and regulatory restrictions. Exceptional circumstances are intended to be only situations for which the exemption from the remuneration policy is necessary in order to preserve the Company's long-term interests and sustainability, or to ensure its market competitiveness. For example, but not limited to, exceptional circumstances are defined as extraordinary and unforeseeable circumstances such as the case of resolution, post-resolution, change of control, negative impacts on shares resulting from divisions, capital reductions due to losses by share cancellation, etc.
The process is summarized as follows.
The Board of Directors, having heard the opinion of the Remuneration Committee and the Risk and Related Party Committee, can temporarily derogate from the remuneration policy in the aforementioned circumstances, in coherence with FinecoBank Group Global Policy on the management of transactions with individuals in potential conflict of interests whenever applicable, and limited to some elements defined in paragraphs 3.2 and 3.3 Section I, specifically the short and long term variable remuneration systems.
Information regarding the application of any exemption (in particular, the elements waived, a description of the exceptional circumstances that carry out the exemption, the process followed and the compensation paid due to the exemption) will be disclosed within the Remuneration Report, submitted to the Shareholders' Meeting vote in the year following the application of the exemption.

[31] The share ownership requirements for the Chief Executive Officer and General Manager were increased from 100% to 200% of the fixed remuneration and for Executives with strategic responsibilities from 50% to 100% of the fixed remuneration.

3. COMPENSATION STRUCTURE

3.1 RATIO BETWEEN VARIABLE AND FIXED COMPENSATION

Compensation levels and ratio between the fix and the variable component of the overall remuneration for Identified Staff are managed and monitored according to our business strategy and aligned with Group performance over time.

In compliance with the applicable regulations[32], the adoption of the maximum pay ratio of 2:1[33] for personnel belonging to business functions is confirmed.

For the rest of the employees, a maximum ratio between the components of remuneration equal to 1:1[34] is usually adopted, except for the Identified Staff of the Company Control Functions[35], for which it is provided that the variable remuneration cannot exceed 1/3 of the fixed remuneration. For the Head of Human Resources and the Manager in charge of preparing financial statements, the remuneration is predominantly fixed. For the aforementioned functions, the incentive mechanisms are consistent with the assigned tasks.

For Financial Advisors belonging to Identified Staff, the 2:1 ratio is adopted between the non-recurring and the recurring component of the remuneration.

The adoption of a ratio of 2:1 between variable and fixed compensation has no impact on the Bank's ability to comply with all regulatory requirements.

MAXIMUM RATIO BETWEEN VARIABLE AND FIXED COMPENSATION		
Employees	Business functions	**2:1**
	Identified staff of company control functions	**1:3**
	Other employees	**1:1**
	Head of Human Resources and Manager in charge of preparing financial statements	Fiixed compensation > variable compensation
PFA Identified Staff	**2:1**	

With reference to the CEO and General Manager, a maximum ratio of 2:1 between variable and fixed remuneration applies.

For the application of this ratio, considering the actual fixed remuneration of € 1,000,000, the maximum variable remuneration is as follows:

- a long-term variable remuneration component, inclusive of the LTI Plan 2024-2026 annual pro rata of € 1,000,000;
- a short-term variable remuneration component, tied to the 2024 performance, up to a maximum of € 1,000,000.

[32] Cf. Circular no. 285/2013. In particular, for Fineco Asset Management DAC (FAM) employees not identified as Group's risk takers the sectorial regulation does not provide a pre-determined maximum cap to variable remuneration.

[33] As approved by the Fineco Shareholders Meeting on June 5, 2014. The rationales of the original request did not change, thus no further maximum ratio approval is requested.

[34] The variable component, if present, is limited for all the personnel of the corporate control functions and of the human resources function.

[35] Meaning CRO, Compliance, Internal Audit and AML

3.2 EMPLOYEES

Within the framework provided by its Compensation Policy, the companies of the Group are committed to ensure fair treatment in terms of compensation and benefits regardless of age, culture, gender, disability, sexual orientation, religion, political belief, marital status and any others personal or professional characteristic.

The total compensation approach provides for a balanced package of fixed and variable, monetary and non-monetary elements, each designed to impact in a specific manner the motivation and retention of employees.

In line with the applicable regulations, particular attention is paid to avoid incentive elements in variable compensation that may induce to behaviours not aligned with the company's sustainable business results and risk appetite.

As a Policy target, fix compensation for Identified Staff considers as a reference the market median, with individual positioning being defined on the basis of specific performance, potential and people strategy decisions.

With particular reference to Identified Staff, within the governance defined according to the applicable laws and regulations, the Board of Directors, upon proposal of the Remuneration Committee, establishes the compensation structure for top positions, defining the mix of fixed and variable compensation elements, in line with market trends and internal analysis.

Moreover, the Board of Directors annually approves the criteria and features of Identified Staff incentive plans, ensuring the appropriate balance of variable reward opportunities within the pay-mix structure.

TYPE OF REMUNERATION	PURPOSES	FEATURES
3.2.1. FIXED COMPENSATION		
The fixed salary remunerates the role covered and the scope of responsibilities, reflecting the experience and skills required for each position, as well as the level of excellence demonstrated and the overall quality of the contribution to business results	*Fixed salary is appropriately defined for the specific business in which an individual works and for the talent, skills and competencies. The relevance of fixed compensation weight is sufficient to reward the activity rendered even if the variable part of the remuneration package is not paid due to non-achievement of performance goals such as to reduce the risk of excessively risk-oriented behaviours, to discourage initiatives focused on short-term results and to allow a flexible bonus approach.*	Specific pay-mix composed by fix and variable compensation is defined with respect to each target of employee population. With particular reference to *Identified Staff*, the Remuneration Committee proposes to the Board of Directors: ■ the criteria to perform market benchmarking analysis for each position in terms of compensation levels and pay-mix structure, including the definition of a specific peer group. ■ the positioning in terms of compensation, in line with relevant market's competitive levels, to define individual compensation reviews as necessary.
3.2.2. VARIABLE COMPENSATION		
The variable compensation includes payments depending on performance and amounts agreed between company and personnel in view of or upon the early termination of the employment or office (excluding termination benefits and indemnity in lieu of notice), carried interests and more generally any other form of remuneration that is not uniquely qualify as fixed remuneration	*Variable compensation aims to remunerate achievements by directly linking pay to performance outcomes in the short, medium and long-term, and risk adjusted.*	■ Adequate range and managerial flexibility in performance-based pay-outs are an inherent characteristic of well-managed, accountable and sustainable variable compensation. ■ Incentives remunerate the achievement of performance objectives, both economic and non-economic. ■ An appropriately balanced performance-based compensation element is encouraged for all employee categories as a key driver of motivation and alignment with organizational goals. ■ The systems features, including performance measures and pay mechanisms, avoid an excessive short-term focus by reflecting the principles of this policy, focusing on parameters linked to profitability and sound risk management, in order to guarantee sustainable performance in the medium and long-term.
Incentive Systems linked to yearly performance (Short Term Incentives or STI)	*Aim to attract, motivate and retain strategic resources in alignment with national and international regulatory requirements and with best market's practices.*	■ Pay-out is based on a the "*bonus pool*" providing for a comprehensive performance measurement at individual and at Group level. ■ Reward is directly linked to performance, which is evaluated on the basis of results achieved and in alignment with the Group integrity values. ■ Performance Management is the annual process of assigning objectives and evaluating them, which guarantees, in a fair and transparent manner, consistency between bonuses and individual performances for the entire organization. ■ Where foreseen by regulations, the pay-out is phased to coincide with an appropriate risk time horizon. The incentive plans for *Identified Staff* are aligned with shareholder interests and long-term, firm-wide profitability, providing for an appropriate allocation of a performance related incentive in cash and in shares, upfront and deferred. ■ Individuals' behavior (compliance with internal and external rules and regulations, absence of disciplinary actions, completion of mandatory training) as well as continuous employment during the reference period are verified for the purpose of assigning an incentives award.

TYPE OF REMUNERATION	PURPOSES	FEATURES
Long-term Incentive plans (Long Term Incentive or LTI)	*The aim of these plans is to strengthen the link between variable pay and long-term results and to further align the interests of Management to those of Shareholders.*	■ For the 2024-2026 performance period, a share based Long Term Incentive Plan for selected Employees considered "key roles", has been approved. ■ The plan sets financial and sustainability goals coherent with Group long-term objectives established within the 2024-2026 Multi Year Plan. ■ The Plan provides entry and malus conditions, claw-back conditions and a specific risk adjustment mechanism. ■ The Plan provides for the payment of a bonus in FinecoBank shares, over a multi-year period.
3.2.3. BENEFITS		
These include welfare benefits supplementary to social security plans and are intended to provide substantial guarantees for the well-being of staff and their families during the active career as well as the retirement	*Benefits aim to reflect internal equity and overall coherence of our remuneration systems, catering to the needs of different categories as appropriate and relevant.*	■ In coherence with Fineco Bank Group governance framework and Global Job Model, benefits are assigned against general common criteria for each employee category. ■ In addition, special terms and conditions of access to various FinecoBank Banking products and other services may be offered to employees in order to support them during different stages of their lives. ■ FinecoBank has always been attentive to the psychophysical well-being of its employees. In this context, various measures are in place to ensure an effective balance between work and private life, with particular attention to safeguarding of parenthood. ■ In addition, employees can take advantage of benefits that improve contractual provisions and public services within of pension, health care and work-life balance support.
Insurance Plans	*As part of the supplementary health care, our employees enjoy healthcare benefits that supplement social security plans.*	■ Employees are offered a comprehensive Health Plan, extended to their tax-dependent family members, which allows them to take advantage of various health services (e.g., surgeries, highly specialized treatments and diagnostics, dental coverage, physiotherapy and maternity-related treatments, etc.) without advance payments or with the possibility to ask for reimbursement. ■ In addition, Employee Benefit insurance policies are available for all employees, covering the risk of professional and non-professional injuries, permanent disability and death. Furthermore, a Professional Kasko policy, which covers damages to vehicles driven by the employee during a business trip, is available and an Extra-Professional Kasko policy is offered at a discounted price.
Complementary pension plans	*Supplementary pension plans are a form of support for employees, supplementing the mandatory pension plan.*	■ Complementary pension plans are offered by external pension funds, legally independent from the Group. In particular, the pension funds usually subscribed by employees are "closed" funds. ■ Subscribers can elect their contribution, depending on their own risk appetite, among investment lines characterized by different risk/yield ratios. ■ For employees who choose to join the reference Pension Fund for FinecoBank, with some exceptions, the Company recognizes a contribution calculated on the compensation useful for calculating the "Trattamento di Fine Rapporto", if the employee chooses to pay the contribution at his own expense.

TYPE OF REMUNERATION	PURPOSES	FEATURES
Mobility management		■ For employees with managerial qualifications and for those who, as part of their business, travel around the area for service reasons, a car is assigned for mixed use. The choice of available models is in line with the objectives set out in the ESG Multi-Year Plan, providing only hybrid and / or electric cars, with the aim of reducing the environmental impact resulting from vehicular traffic. ■ The employees can take advantage of the specific initiatives included in the Commuter Benefit Plan aimed at reducing the environmental impact of vehicular traffic in urban and metropolitan areas.

3.2.4. TERMINATION PAYMENTS

The last update of the remuneration policy in the event of early termination of the employment relationship ("Termination Payments Policy" - so-called "Severance") has been approved by the Shareholders' Meeting on April 10, 2019, implementing the regulatory provisions provided by Bank of Italy Circular 285 and in particular the provisions on remuneration amounts agreed upon early termination.
With the exception of the notice required by law and Severance Payments, the aforementioned amounts constitute variable remuneration and should therefore be included in the calculation of the variable remuneration limit for Identified Staff, with the exception of:
• the fees for non-competition agreements that do not exceed a fixed annual remuneration for each year of the term of the agreement
• the amounts for the settlement of a current or potential litigation related to the termination of the employment relationship, if calculated on the basis of a predefined formula in the Policy.
Therefore, it has been determined a predefined formula for the calculation of severances that, if used, allows not to compute them within the maximum limit set for variable remuneration.
Reference is made to the aforementioned Policy regarding criteria, limits and authorization processes in relation to termination payments.
In general, the calculation of any severance pay-outs prescribed or suggested by the specific market of reference takes into consideration the long-term performance in terms of shareholder added value, as well as any local legal requirements, collective/individual contractual provisions, and any individual circumstances, including the reason for termination.
According to the Severance Policy, the maximum limit for termination payments - inclusive of the indemnity in lieu of notice – is equal to 24 months of total compensation (in any case, the amount of payments in addition to the indemnity in lieu of notice does not exceed eighteen months of total compensation), calculated considering the average of the incentives actually received in the 3 years preceding the termination, after the application of the malus and claw-back clauses. In any case, the termination payments do not exceed the limits foreseen by the laws and collective labour agreements.
As a rule, discretionary pension benefits are not granted and, in any case, even if they may be provided in the context of local practices and/or, exceptionally, within individual agreements, they are paid consistently with the specific and applicable laws and regulations.
The individual contracts must not contain clauses envisaging the payment of indemnities, or the right to keep post-retirement benefits, in the event of resignations or dismissal without just cause or if the employment relationship is terminated following a public purchase offer. In case of early termination of the mandate, the ordinary law provisions would therefore apply.
The payments defined accordingly replace the provisions of the national collective contract of employment in case of termination, and they will be awarded only under subscription of an out of court agreement that implies a waiver by the beneficiary, with regards to any claim linked to the employment relationship and the role covered. These agreements are defined keeping into account all the applicable regulations; therefore, they do not include payments and awards due on the basis of law provisions and collective contract.

3.2.5 OTHER REMUNERATION COMPONENTS

Additional elements of remuneration may be envisaged, subject to a specific decision-making process through the involvement of the relevant functions and, where envisaged, the corporate bodies.
Welcome bonus and retention bonus are considered variable remuneration and are limited only to exceptional situations related to hiring, the need to attract the best competencies from the market, the launch of special projects, high risk of leaving for critical/strategic employees/roles, in line with the market practices. Bonuses linked to the hiring of new staff cannot be paid more than once to the same person, neither by the bank nor by any other company of the banking group and contribute to the determination of the limit to the ratio between fixed and variable remuneration of the first year, unless it is paid as a lump sum upon hiring.
Retention bonuses, in accordance with Bank of Italy Circular No. 285 of 2013, may be paid to staff by reason of their remaining in service for a predetermined period of time or until a specified event, and are paid not earlier than the end of the retention period or the occurrence of the event.
These forms of remuneration, awarded in compliance with regulations in force and the governance processes of the Group, are not a common practice for Identified Staff.
All remuneration classified as variable remuneration is subject to the applicable rules (e.g. cap on the ratio between variable and fixed remuneration, deferral) as well as to malus conditions and claw-back actions, as legally enforceable.
These components are taken into account as retention measures in the Resolution Plan adopted by the Group in line with the Single Resolution Board's Operational Guidance for Operational Continuity in Resolution.

3.3 FINANCIAL ADVISORS

Financial Advisors are tied to the Company by an agency agreement, under which the Advisor is engaged on a permanent basis (without representation) to provide independent services for the promotion and placement of financial instruments and Banking/financial services in Italy, as well as insurance and welfare products or any other products indicated in the contract. Advisors are also responsible for diligently monitoring the assistance to the existing and/or allocated customers in order to fulfil the Company's objectives.

In accordance with existing regulations, contractual relationships with customers acquired by the Financial Advisor, and any other that is subsequently allocated, are conducted exclusively between the customer and the Bank.

FinecoBank's Network of Financial Advisors is composed by:

- Area Managers
- Group Managers
- Financial Advisors

The Group Managers and the Area Managers are Financial Advisors with a secondary role of coordinating other Financial Advisors.

In particular, Area Managers are responsible for coordinating Advisors in their geographic area, for growing the business and for reaching the targets set by Commercial Department and are supported - for the purposes of coordination activity - by Group Managers.

The Commercial Department uses Company's internal structures, to provide support to the network. Their tasks are to control the local activities and provide support for commercial activity.

As mentioned in the preamble, the provisions of this Compensation Policy also apply to the members of the Financial Advisors' Network, in line with the Advisors' specific remuneration features.

Financial Advisors are freelancers and their remuneration is entirely variable. The regulatory requirements[36], in order to adapt the same employees' rules on compensation structure, based on a fixed and on a variable component, established for Financial Advisors a comparison between "non-recurring" pay component and variable remuneration and between "recurring" pay component and fix remuneration.

TYPE OF REMUNERATION	PURPOSES	FEATURES
3.3.1. RECURRING REMUNERATION		
This is the most stable and ordinary part of the total remuneration, equivalent to the fixed salary of employees	*Recurring remuneration is sufficient to reward the activity rendered even if the variable part of the remuneration package is not paid due to non-achievement of performance goals such as to reduce the risk of excessively risk-oriented behaviours, to discourage initiatives focused on short-term results and to allow a flexible bonus approach.*	■ Sales commissions, in other words the payment to the Financial Advisor of a percentage of the sales charge, paid by the customer at the time of purchase of investment instruments. It is paid on an individual basis or as a supplement if the Advisor has been given coordination tasks. ■ Management and maintenance commission, in other words the Financial Advisor monthly remuneration for assistance provided to customers during the contract, commensurate with the average value of the investments and the type of product, paid on an individual basis or as a supplement if the Advisor has coordination tasks.

[36] Circ. No 285/2013 of Bank of Italy.

TYPE OF REMUNERATION	PURPOSES	FEATURES
3.3.2. REMUNERAZIONE NON RICORRENTE		
It represents the part of the remuneration that has an incentive value (linked, for example, to the increase in volumes of net deposits, the overcoming of certain product benchmarks, the launch of new products, etc.) and is equivalent to the variable compensation of employees. **In particular, are defined incentive Systems, linked to short-term performance and tied to reach certain goals.**	*Aims at motivating, retaining and rewarding Financial Advisors and Managers of the Network, in full alignment with the regulatory requirements.*	■ Pay-out is based on the "bonus pool" providing for a comprehensive performance measurement at individual and at Group level. ■ Reward is directly linked to performance, which is evaluated on the basis of actual results. ■ For the Financial Advisors belonging to Identified Staff, a dedicated incentive system ("PFA Incentive System") was defined, whose pay-out, as foreseen by regulations, is phased to coincide with an appropriate risk time horizon. The design features of the plan is aligned with shareholder interests and long-term, firm-wide profitability, providing for an appropriate allocation of a performance related incentive in cash and in shares, upfront and deferred. ■ For all the Financial Advisors not belonging to Identified Staff, specific incentive systems were defined, as, for example, "Incentive Plans for PFA-Area Managers-Group Managers", and specific retention initiatives such as the "Additional Future Program". This plan is dedicated to selected PFA and network Managers not Identified Staff and provides the accrual of annual awards (subject to the achievement of specific performance conditions, and the compliance of individual behaviors) in specific insurance policies. The release of those awards is provided at the reach of the retirement age. ■ All the incentive systems provide for ex-ante ("entry conditions") and ex-post (malus on any deferred components) adjustment mechanisms and claw-back clauses. ■ the award of individual incentives is subject to a compliance assessment of individual behaviors (compliance with internal and external rules, Compliance rules and Group's integrity values and regulations and absence of disciplinary actions). The findings of the external Supervisory Authorities and the Internal Audit Department are also taken into account. In addition, to further strengthen compliance, a "Scoring" system is in place, consisting of an adjustment mechanism resulting from the assessment of compliance indicators and quality of operations, relating to specific areas such as mandatory training and internal rules, transparency, MIFID, AML and disciplinary actions. This system is applied during the incentive period and can lead to the revision of the amount of the accrued bonus.

3.4 SALE STAFF (EMPLOYEES AND THIRD PERSONNEL)

The existing provisions on Bank Transparency (for reference, "Disposizioni in materia di trasparenza delle operazioni e dei servizi bancari finanziari – Correttezza delle relazioni tra intermediari e clienti") issued by Bank of Italy on March 19, 2019, appoint two categories of staff (relevant subjects and credit intermediaries)[37] which remuneration has to follow further principles, in addition to the ones provided in Section I, paragraph 2 of the 2024 remuneration policy.

In particular, these subjects' remuneration has to be:

i. coherent with Group's objectives and values;
ii. inspired by diligence, transparency and fairness criteria in the approach to FinecoBank S.p.A.'s customers, towards the protection and retention of them and aimed at keeping legal and reputational risks under control;
iii. considerate of any risk that could cause harm to the costumers;
iv. not only based on economic goals and should not induce to purse self-interests or FinecoBank's, with a prejudice for costumers, nor to offer products that do not meet the costumers' interests;
v. linked to quantitative and qualitative criteria (i.e. costumers fidelity) and not only based on the achievement of targets linked to products' sale;
vi. adequate in a manner that does not induce to offer specific products, or specific categories or combinations of products just because more fruitful for FinecoBank S.p.A. or for the relevant subjects or intermediaries themselves, if that could harm the costumers in terms of an offer based on a product that does not meet their financial needs, or which is more expensive than other equally adequate products with respect of the costumers' needs;
vii. adequately balance with respect to fixed remuneration;
viii. subject to malus, claw-back and zero-factor (see Focus on compliance breach, individual malus and claw-back).

The total number of relevant subjects as of December 31, 2023 is equal to 2,962, of which 210 in a managerial position; these subjects, Financial Advisors allowed to off-site sales, are also entitled to present and offer loan contracts and to other activities pursuant the conclusion of loan contracts[38].

Regarding the personnel who has to evaluate the credit rating, remuneration ensures the adequate risk management by the Bank. Personnel who are assigned to handle complaints, remuneration takes into consideration, among other things, the results of the complaints management and the costumer care quality.

3.5 NON-EXECUTIVE MEMBERS OF ADMINISTRATIVE AND AUDITING BODIES

For non-executives members of the Board of Directors and for the members of the Board of Statutory Auditors, in line with the regulatory provisions, incentives systems are avoided. The remuneration of said subjects is fixed and is defined on the basis of the relevance of the role, of possible additional duties, and of the requested efforts for carrying out the assigned tasks and is not linked to economic results.

As provided by Bank of Italy provisions on remuneration policies and practices, the remuneration of the Chairman of the Board of Directors is not higher than the fixed remuneration of the Chief Executive Officer.

---

[37] Relevant subjects: personnel who offers product to costumers as well as their underling; Credit intermediaries: financial agents, loan mediator and subjects other than the Bank who, in the exercise of their professional/commercial activity, concludes loan contracts on the Bank's behalf as well as presents and offers loan contracts or carries out other related activities in exchange of a monetary compensation or other economic advantage in respect with applicable regulation.

[38] According to art. 31(2) of legislative Decree n. 58, February 24, 1998, "L'attività di consulente finanziario abilitato all'offerta fuori sede è svolta esclusivamente nell'interesse di un solo soggetto. Il consulente finanziario abilitato all'offerta fuori sede promuove e colloca i servizi d'investimento e/o i servizi accessori presso clienti o potenziali clienti, riceve e trasmette le istruzioni o gli ordini dei clienti riguardanti servizi d'investimento o prodotti finanziari, promuove e colloca prodotti finanziari, presta consulenza in materia di investimenti ai clienti o potenziali clienti rispetto a detti prodotti o servizi finanziari. Il consulente finanziario abilitato all'offerta fuori sede può promuovere e collocare contratti relativi alla concessione di finanziamenti o alla prestazione di servizi di pagamento per conto del soggetto nell'interesse del quale esercita l'attività di offerta fuori sede." The Bank contracted an agreement for the promotion and sale of banking and insurance products aimed at distributing mortgage loans.

4. 2024 COMPENSATION SYSTEMS

4.1 PROCESS TO DEFINE IDENTIFIED STAFF

The self-evaluation process to define the Identified Staff population both employees and Financial Advisors is conducted yearly.

The definition of the 2024 Identified Staff at FinecoBank Group and FinecoBank S.p.A. level, is in line with the provisions of the Circular no. 285 of 2013 of the Bank of Italy and the new EU Delegated Regulation 923/2021[39].

Specifically, also to ensure a uniform approach standard at Group level, an evaluation process is performed in which the quantitative and qualitative criteria envisaged by the aforementioned regulatory provisions are analyzed according to the definitions and interpretative keys contained therein.

Such criteria are applied considering the role, the decision-making power, the effective responsibilities of the employees and of the Financial Advisors and, in addition, the total compensation level. Declining the qualitative criteria, all employees with Global band title equal to or greater than band 5 (Senior Vice President) are considered Identified Staff[40].

For the purposes of applying the quantitative criteria based on the remuneration of staff members, the fixed and variable remuneration paid in the previous financial year were considered[41].

The assessment is carried out involving the Compliance and Risk Management functions of FinecoBank, with the support of the independent external consultant of the Remuneration Committee and is reviewed by the Internal Audit function. The Board of Directors approves the results after a positive opinion of the Remuneration Committee and a preliminary step in Risk and Related Parties Committee.

The result of the assessment process brought to the identification of a total number of 24[42] employees and 11 Financial Advisors[43] for 2024.

Regarding employees, the following categories of employees have been defined for 2024 as Identified Staff: Chief Executive Officer and General Manager, Executives with strategic responsibilities, executive positions in Company Control Functions (Compliance, CRO, Internal Audit and AML) and other positions that are responsible for strategic decisions which may have a relevant impact on the Group's risk profile[44].

Regarding Financial Advisors, a qualitative criteria is applied to select those belonging to Identified Staff, on the basis of their impact on business risk (represented by the risk that the Bank's profitability decreases consequently to the exit of Advisors from the Network and the related loss of customers and assets), the only type of risk that the Bank considers attributable to PFA, due to the absence of power of attorney they have to assume any other kind of risks.

In particular, the following categories of Financial Advisors have been identified for 2024 as Identified Staff[45]:

- for the single PFA, the criteria above-mentioned has been applied to select those Advisors with a total yearly compensation higher/equal to Euro 750,000;
- for PFA with a managerial role, the Managers coordinating Advisors with a total asset equal/higher to 5% of the total asset of the PFA Network have been selected.

---

[39] Cf. also art. 92, paragraph 3 of the EU Directive 36/2013.

[40] According to the Global Job Model.

[41] Some elements of the remuneration were considered on an accrual basis.

[42] The non-Executive Directors member of the Board (10 people), identified by the regulatory provisions applicable, are included as Identified Staff; however, the identification does not have any impact on remuneration.

[43] Vs 24 Employees and 11 Financial Advisors identified in 2023.

[44] The list of Fineco Group Identified Staff includes also the CEO of Fineco Asset Management DAC.

[45] These criteria also applies to the identification of 'Relevant Persons' pursuant to the ESMA Guidelines on Certain Aspects of the Remuneration Requirements of MiFID II (ESMA35-43-3565).

4.2 2024 INCENTIVE SYSTEM FOR EMPLOYEES IDENTIFIED STAFF

As in the past years, the 2024 Incentive System, as approved by the Board of Directors of FinecoBank on January 16, 2024 takes into consideration the national and international regulatory requirements and directly links bonuses with company results, ensuring the link between profitability, risk and reward.

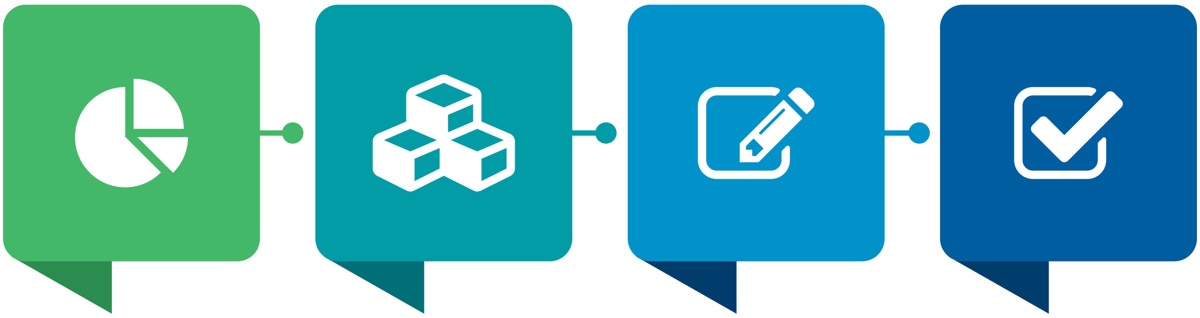
In particular, the system provides for:

- the allocation of a variable incentive defined on the basis of the determined bonus pool linked to company performance, of the individual performance appraisal and of the internal benchmarking on similar roles as well as compliant with the maximum ratio between fixed and variable remuneration approved by the Shareholder's Meeting;
- the definition of entry conditions, assessing the Group's performance in terms of profitability, capital and liquidity, the achievement of which allows to define the bonus pool that can be used. In the event that the entry conditions are not met, the bonus pool related to the 2024 performance will be set to zero, while previous systems deferrals could be reduced from 50% to 100% of their value, based on final actual results;
- risk-adjusted measures in order to guarantee long-term sustainability, regarding Company financial position and to ensure compliance with regulations;
- a balanced structure of "upfront" (following the moment of performance evaluation) and "deferred" payments, in cash and/or in shares[46], to be paid over a period of up to maximum 6 years;
- the delivery of free FinecoBank shares subject to a retention period as required by law. In fact, the payment structure requires a one-year retention period for both upfront and deferred shares.

[46] In compliance with sectorial regulations, the Chief Executive Officer of Fineco Asset Management DAC - Identified Staff of the Group - is the beneficiary of the FAM Incentive System, for which the use of UCITS-compliant instruments is envisaged.

The bonus pool process includes the following steps:

BUDGET | **ACCRUALS** | **ENTRY CONDITIONS ASSESMENT** | **FINAL BONUS POOL**



BONUS POOL DEFINITION PHASE

The Bonus Pool definition process starts with the definition of the "funding rate" in the budget phase

YEARLY PROCESS PHASES

During the year, accruals are made based on actual results

ENTRY BONUS POOL ADJUSTMENT RANGES

Entry Conditions assessment

CRO evaluation of adherence to Risk Appetite Framework

FINAL BONUS POOL AVAILABLE FOR INCENTIVES

Comparison with historical data

"Business perspective" on "appropriate Pool" to be paid out

Budget

The Bonus pool process starts with the definition of the "funding rate" during budgeting phase. The funding rate for FinecoBank is a percentage of the Net Operating Profit (net of Provisions for Risk and Charges, corresponding to Profit Before Tax) considering: historical data analysis, expected profitability, business strategy and previous year pool. The bonus pool is submitted for approval to the Board of Directors of FinecoBank S.p.A.

Accruals

During the year of performance, accruals are based on actual results.

Entry conditions verification and risk adjustment

- The specific "Entry Conditions" set at Group level are verified;
- the bonus pool is risk adjusted in order to guarantee sustainability with respect to Risk Appetite Framework.

The Entry Conditions are based on performance indicators in terms of profitability, capital and liquidity. The entry conditions defined for 2024 – working also as malus conditions for the previous incentive systems deferrals – are reported in the following table.

ENTRY CONDITIONS
Net Operating Profit adjusted >0
Net Profit >0
CET1 Ratio >10.7%*
Liquidity Coverage Ratio >150%*
Net Stable Funding Ratio >125%*

* Corresponding to an intermediate threshold between the Risk Tolerance and the Risk Capacity levels defined in the 2024 RAF.

- Net Operating Profit adjusted is the Net Operating Profit reported in the Financial Statement, with the exclusion of any extraordinary item as considered appropriate by the Board of Directors upon proposal of the Remuneration Committee.
- Net Profit is the Net Profit reported in the Financial Statement that may be adjusted in order to exclude any extraordinary item, as considered appropriate by the Board of Directors upon proposal of the Remuneration Committee.
- Common Equity Tier 1 Ratio is the ratio between the Common Equity Tier 1 capital and the Risk Weighted Assets.
- Liquidity Coverage Ratio is the ratio between the stock of "High Quality Liquid Assets" and the "Net Cash Outflows" in the following 30 calendar days in a high stress liquidity scenario as defined by the Supervisory Authorities.
- Net Stable Funding Ratio is the ratio between the Available Stable Funding and the Required Stable Funding.

The on/off mechanism of the entry conditions affecting the Bonus Pool works as shown below:

A OPEN 100%

- If all Entry Conditions are met **(option "A")**, the bonus pool can be confirmed or adjusted based on the assessment of the risk parameters, as described below.

B ZERO FACTOR

- If even one Entry Condition is not met **(option "B")**, the malus clauses are activated leading to the application of the Zero Factor for the Identified Staff*. For the rest of the population a significant reduction will be applied. It is understood that the Board can allocate part of the pool for retention purposes or to ensure market competitiveness.

* For the Identified Staff belonging to the Control Functions, Human Resources and for the Manager in Charge of the Financial Statements, the implications on the annual bonus of the application of the Zero Factor are specifically assessed by the Board of Directors, considering their independence with respect to the economic results of the areas subject to their control.

In case all Entry Conditions are met (option A), the "multiplier" deriving from the overall assessment of the risk factors included in the CRO Dashboard can be applied to the bonus pool, pursuant to the defined methodology defined by the CRO function and approved by the Board of Directors itself. The dashboard evaluation is carried out by the FinecoBank CRO and verified by the Remuneration Committee and the Board.
The CRO dashboard (defined in coherence with Risk Appetite Framework) includes KPIs taken from the Risk Appetite Framework, measured with reference to the respective relevant thresholds (Risk Appetite, Risk Tolerance and Risk Capacity). Here below a sample of the content of the dashboard:

SAMPLE

DIMENSIONE	2024			
	KPIs	Risk Appetite	Risk Tolerance	Risk Capacity
Capital	CET1 Ratio (%)	--%	--%	--%
	MREL-LRE (%)	--%	--%	--%
Liquidity	LCR (%)		--%	--%
	NSFR (%)		--%	--%
Risk & Return	ROAC (%) based on regulatory capital	--%	--%	--%
Credit	Expected Loss stock (%)	--%	--%	--%
	Coverage on Impaired (%)	--%	--%	--%
Interest Rate Risk on Banking Book	EV Sensitivity (%)		--%	--%
Operational Risk	Operational Risk Losses / Revenues	--%	--%	--%

The bonus pool adjustment ranges derived from the CRO Dashboard assessment are the same as the 2023 Incentive System, as follows.

--	-	=	+	++
50%	75%	100%	110%	120%

The bonus pool can be increased in application of the risk assessment (positive "+" or "++" rating) only in case of a positive EVA at the end of the financial year. In line with the 2023 System, the Remuneration Committee and the Board of Directors may apply a further adjustment up to +20%, while there is no limit to how much the bonus pool can be reduced with respect to the theoretical value.
In any case, as requested by regulations as per Bank of Italy provisions, the evaluation of the sustainable performance parameters and the alignment between risk and remuneration are assessed by the Remuneration Committee and by the Risk and Related Party Committee and defined under the governance and accountability of the Board of Directors.
The Board of Directors may not take into account, when deciding bonus, balance sheet extraordinary items that do not affect operational performance, regulatory capital and liquidity (e.g. goodwill impairment, extraordinary contributions to deposit guarantee schemes, etc.).
Moreover, following potential changes in current regulations and/or in relation to potential extraordinary and/or unpredictable contingencies that can impact the Group, the Bank or the market in which they operate, the Board of Directors, having heard the opinion of the Remuneration Committee and upon competent functions proposition, maintains the right to amend the system and relevant rules.

Overall performance assessment and individual bonus allocation

An annual performance assessment framework supports the 2024 Incentive System. The assessment assures a connection between performance and variable remuneration, clarity of performance objectives and coherence with business strategy. Our performance management process ensures that all Identified Staff receive their own individual goals at the beginning of the year and includes a rigorous review of their goals achievements. Short-term variable remuneration, for instance, is determined based on specific, clear and measurable performance indicators, through an assessment based on objective drivers.

The individual goals are assigned through the Scorecard, which adequately balances economic-financial and non-economic factors, also considering performance goals linked to Risks and Compliance, to the respect of Group values and to ESG parameters. This approach ensures medium-term sustainability for the Group and all its stakeholders.

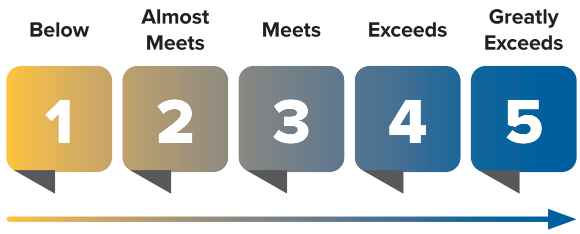
Specifically, the 2024 Scorecard for Identified Staff provides for a minimum of 4 and maximum 6 goals that reflect the Bank and FinecoBank Group's strategy. The Scorecard includes 4-6 goals linked to the Multi-Year Plan, to business objectives and/or to the role, with an overall weight of 80% on the Scorecard, and up to 2 sustainable goals, defined as the ability to generate and sustain value for all stakeholders over the medium to long term, with a 20% weight on the Scorecard.

For Company Control Functions, the Human Resources department and the Manager in charge of financial statements, all goals linked to economic results must be excluded, in order to minimize potential conflicts of interest and be independent from the results of the respective areas.

The goal setting for the Identified Staff, is carried out considering both the strategic factors and the business objectives, as well as the specificities of each role. In addition, with the exception of the Heads of Corporate Control Functions, the Identified Staff have the same sustainability objectives of the CEO and General Manager.

For the purposes of performance appraisal, the reference target and the level of achievement, according to predefined evaluation scale, are defined for each quantitative objective. Qualitative objectives are evaluated based on specific parameters determined ex-ante.

Each quantitative and qualitative objective is evaluated on the basis of a 5-point rating scale with a descriptive outcome (from "Below Expectations" to "Greatly Exceeds Expectations").



Therefore, the overall performance is assessed from 'Below' to 'Greatly Exceeds' on the basis of the weighted average of the values assigned to each goal, also taking into account additional external context and/or market factors.

In line with the principle of "pay for performance", the individual bonus is allocated to beneficiaries based on the performance appraisal, also considering the Bonus Pool allocated for the financial year, internal benchmarking and the maximum ratio between variable and fix compensation as approved by Shareholder's Meeting.

To allocate the individual bonus, individuals' behaviours (compliance with internal and external rules and regulations, absence of disciplinary actions and completion of mandatory training) are also considered.

The Board of Directors, upon the favorable opinion of the Remuneration Committee, evaluates the performance goals for the CEO and General Manager and for other Identified Staff, and determines the amount of the bonus for the reference year.

2024 CEO AND GENERAL MANAGER SCORECARD

The 2024 scorecard defined and approved by FinecoBank S.p.A. Board of Directors as the core drivers of performance for the Chief Executive Officer and General Manager includes goals related to the Group profitability, with particular focus on risk, consistency with Risk Appetite Framework and sustainability.
The weight of each financial and non-financial objective in relation to the overall performance evaluation is disclosed ex-ante in the 2024 scorecard.
Among the new features of the 2024 CEO scorecard, it's worth mentioning the new sustainability objectives in alignment with the 2024-2026 ESG MYP, for which measurable targets have been set ex-ante in order to ensure an objective and transparent evaluation.

	WEIGHT	#	GOAL	TARGET	CATEGORY
FINANCIAL 80%	**30%**	1	ROE	vs. budget	Value Creation
	15%	2	AUM net sales	vs. budget	Value Creation
	15%	3	Total Net Sales	vs. budget	Value Creation
	10%	4	OPEX	vs. budget Operating costs as reported in reclassified P&L, i.e.: Staff expenses + Other Administrative Expenses (direct + indirect) - Expenses Recovery + Depreciations.	Cost Efficiency
	10%	5	Operational Losses on Revenues	vs. target=1.85%*	Risk-Based
SUSTAINABILITY 20%	**15%**	6	Stakeholder Value	assessment based on: • At least 50% of new funds with a Fineco ESG rating ≥ 6 entered in the platform in 2024 on total new funds entered (ISIN) • Customer satisfaction ≥ 90 points • EMAS Registration Renewal, which includes the achievement of the Environmental Program goals	Sustainability
	5%	7	Tone from the top on conduct and sustainability and compliance culture	vs. qualitative assessment based on: • Promotion of initiatives aimed at fostering staff integrity, sustainable behaviours, customer protection and trustworthiness by enhancing risk & control culture • The overall status of audit, compliance and External Authorities findings considering the type, severity and the timely completion of the related remedial actions	Sustainability

** 2024 RAF tolerance*

The targets/budget of each objective will be disclosed ex-post in the 2024 Remuneration Report. This is, in fact, price-sensitive information related to the Group's strategies.

FOCUS

Focus on sustainabily objectives

In line with the principle of alignment of the Remuneration Policy with the Group's ESG strategy, the 2024 scorecard of the Chief Executive Officer and General Manager, linked to the short-term incentive system, includes two macro-objectives: "Stakeholder Value" and "Tone from the top on conduct and compliance culture", with a weight of 15% and 5% respectively on the overall scorecard of the CEO/GM.

Within the "Stakeholder Value", coherently with the 2024-2026 MYP ESG, the following objectives were set:

- Enlargement of the ESG product offering through the introduction of at least 50% of new funds with a Fineco ESG rating ≥ 6 on the total number of new funds entered the platform. The Fineco ESG rating assesses the environmental, social and governance sustainability of a financial instrument and it is calculated by Fineco by reprocessing the sustainability data provided by a leading company specialized in this sector. Fineco's ESG rating, which is also disclosed in the Consolidated Non-Financial Statement, to which reference is made for further details, ranges from 1 to 10, where 1 expresses a high sustainability risk and 10 expresses a low sustainability risk.
- Achievement of a customer satisfaction score of 90 points or more, calculated by a third-party company on the basis of a proprietary algorithm combining satisfaction and preference indicators to measure the strength of the customer relationship.
- Renewal of the EMAS Registration, which certified the FinecoBank's Environmental Management System, implemented throughout the Italian perimeter according to the requirements of EMAS Regulation no. 1221/2009/CE. The objective includes the achievement of the KPIs set in the Environmental Improvement Program, which concern various areas, including, by way of example, energy efficiency, the reduction of emissions related to the mobility of personnel, the consumption of resources, etc.

Furthermore, to strengthen the risk and compliance culture, which are fundamental elements of Fineco's governance, the macro-objective "Tone from the top" is set based on:

- all initiatives aimed at promoting integrity of conduct, sustainability behaviors and initiatives, customer protection and reliability through the strengthening of a risk and control culture;
- the overall status of audit, compliance and External Authorities findings considering the type, severity and timely completion of related corrective actions.

Bonus Payment

As approved by the Board of Directors on January 16, 2024, for the purpose of the applicable payment structure, the Identified Staff will be divided into 3 groups, according to the regulations.

Payment of the incentives is made through immediate and deferred tranches - in cash or in FinecoBank ordinary shares - over a period of up to 6 years:

- in 2025 the first portion of the overall incentive ("1st tranche") will be paid in cash and the first tranche in shares is recognized, after verifying the compliance and adherence at the individual level of compliance rules and principles of conduct and behavior[47];
- the remaining amount of the total incentive will be paid in several installments in cash and/or Fineco free ordinary shares in the period:
  - 2026-2030 for the CEO and GM, and for the other roles foreseen by the legislation[48] with variable remuneration amount over Euro 435,000[49];
  - 2026-2030 for the roles foreseen by the legislation[50] with variable remuneration amount below or equal to Euro 435,000;
  - 2026-2029 for other Identified Staff with no significant amount of variable remuneration;
- the payment structure has been defined in line with Bank of Italy provisions requiring a retention period for both upfront and deferred shares;
- In particular, payment systems are based on two time horizons (5 and 6 total years) differentiated on the basis of the target population and of the total amount of variable remuneration awarded for the performance year, according to the schemes described below.

For the CEO and GM and other roles provided by law with a "significant amount" of total variable remuneration in the performance year (> 435,000 €) a 5-year deferral scheme applies with an overall payout structure of 6 years, with 60% of bonus deferred, consistent with the 2023 payout scheme.

		2025	2026	2027	2028	2029	2030	Totale
ALLOCATION	Cash	20%		12%			12%	44%
	Shares	20%		12%	12%	12%		56%
PAYOUT	Cash	20%		12%			12%	44%
	Shares		20%		12%	12%	12%	56%

Upfront Deferred

[47] Considering also the seriousness of possible internal/external inspections (i.e. Internal Audit, Bank of Italy, Consob and/or similar authorities), and in general, according to the paragraph "Focus on compliance breach, individual Malus and Claw- back".

[48] Cf. Circular no. 285/2013 Bank of Italy. For instance the first reporting line of Management Body (CEO) and responsible of main business areas.

[49] Equal to 25% of the total remuneration of the Italian High Earners according to the EBA report (Benchmarking and High Eaners Report). The threshold includes both the short-term variable remuneration and the annual tranche of the long-term variable remuneration, and it is equal to less than 10x the overall average remuneration of the Bank's employees. As required by the regulatory provisions (Circular 285/2013), the threshold has been defined for the three-year period 2022-2024.

[50] Cf. Circular no. 285/2013 Bank of Italy. For instance the first reporting line of Management Body (CEO) and responsible of main business areas.

For the other roles provided by law with no significant amount of total variable remuneration (≤ 435,000 €) a 5-year deferral scheme applies with an overall payout structure of 6 years, with 50% of bonus deferred.

		2025	2026	2027	2028	2029	2030	Totale
ALLOCATION	Cash	25%		10%			10%	45%
	Shares	25%		10%	10%	10%		55%
PAYOUT	Cash	25%		10%			10%	45%
	Shares		25%		10%	10%	10%	55%

Upfront Deferred

For the other identified staff with no significant amount of total variable remuneration a 4-year deferral scheme applies with an overall payout structure of 5 years, with 40% of bonus deferred.

		2025	2026	2027	2028	2029	Totale
ALLOCATION	Cash	30%			10%	10%	50%
	Shares	30%	10%	10%			50%
PAYOUT	Cash	30%			10%	10%	50%
	Shares		30%	10%	10%		50%

Upfront Deferred

Every tranche is subject to the Zero Factor related to the year of competence and to the verification of the compliance of individual behaviors[51]:

- all instalments are subject to the application of claw-back clause;
- in compliance with the provisions of Circular no. 285[52], no deferral will be applied and the entire amount will be paid in cash when the annual variable remuneration is equal or less than the minimum threshold (50.000 €) and is equal or less than one third of the total annual remuneration;
- the number of shares to be allocated in the respective instalments shall be defined in 2025, on the basis of the arithmetic mean of the official closing market price of FinecoBank ordinary shares during the month preceding the Board resolution that evaluates the 2024 performance results;
- free FinecoBank ordinary shares that will be allocated will be freely transferable;
- the 2024 Incentive System provides for an expected impact on FinecoBank S.p.A. share capital of approximately 0.12%, assuming that all free shares for employees have been distributed also including FinecoBank ordinary shares that may eventually be allocated to hiring Identified Staff from the external market and/or for severance payments. The current overall dilution for all other outstanding equity-based plans for both Employees and Financial Advisors is 0.5% ca;
- the beneficiaries cannot activate programs or agreements that specifically protect the value of unavailable financial instruments assigned within the incentive plans. Any form of coverage will be considered a violation of compliance rules and imply the consequences set out in the regulations, rules and procedures;
- at the local level, the legal entities can calibrate the duration of the deferral schemes and/or use different financial instruments in line with market practices and the local regulatory framework.
- with the exception of death and “good leaver” status, the employee participation to the Incentive System will automatically lapse (as well as any right depending on the Incentive System) upon any of these circumstances happening:

[51] Considering also the gravity of any internal/external findings by the competent Functions or Authorities (e.g. Internal Audit, Bank of Italy, Consob and/or analogous local authorities).

[52] 37th update to the Circ. no. 285 of Bank of Italy.

i. The employee communicates the termination or terminates his/her contract for any reasons; or
ii. The employee is informed of the termination of his/her contract.

The "good leaver" status occurs only when the employee terminates his/her contract (or his/her contract is terminated) with the Company or any other company of FinecoBank Group, during the validity of the Incentive System, because of any of the reasons mentioned in the System's Rule (e.g. physical constraints, retirement, sale of the business…).

It is understood that the beneficiary has the right to receive any of the deferred payment already awarded but subject to a holding period.

4.3 2024 INCENTIVE SYSTEM FOR FINANCIAL ADVISORS IDENTIFIED STAFF

Given the differences in the forms of remuneration and in the modalities of its generation, also for the PFA population Identified Staff in FinecoBank a specific Incentive System is provided. Mirroring what is designed for the Employees, the system is based on a bonus pool approach, it takes into account the national and international regulatory requirements, and it directly links bonuses with Group results, ensuring the link between profitability, risk and reward.

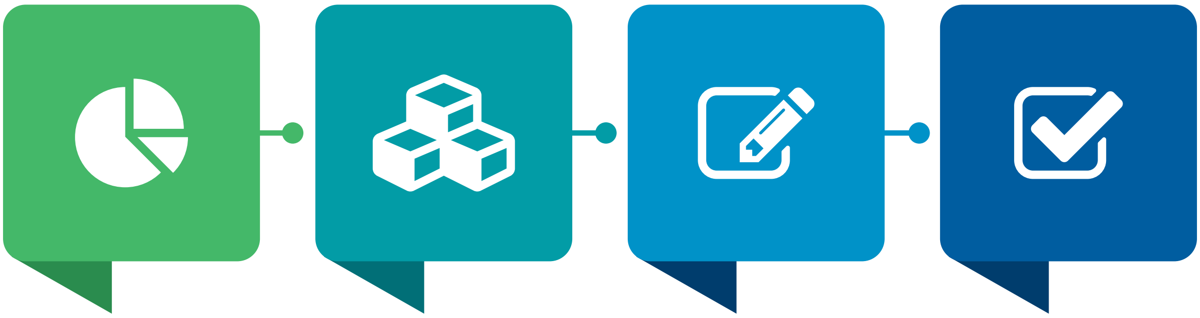
In particular, the 2024 Incentive System for PFA Identified Staff – as approved by the Board on January 16, 2024 – provides for:

- allocation of a variable incentive defined on the basis of the determined bonus pool, of the individual performance appraisal as well as compliant with the ratio between "recurrent" and "no recurrent" remuneration approved by the Shareholder's Meeting;
- the definition of entry conditions, which assess the Group's performance in terms of profitability, capital and liquidity, the achievement of which allows to define the bonus pool that can be used. In case entry conditions are not met, the bonus pool related to 2024 performance will be set to zero, while previous systems deferrals could be reduced from 50% to 100% of their value, based on final effective results;
- risk-adjusted measures in order to guarantee long-term sustainability, regarding Company financial position and to ensure compliance with regulations;
- definition of a balanced structure of "upfront" (following the moment of performance evaluation) and "deferred" payments, in cash and/or in shares, to be paid over a period of up to maximum 5 years;
- the delivery of the share[53] instalments takes into account the applicable regulatory requirements regarding the application of a retention period. In fact, the payment structure defined requires a one-year retention period for both upfront and deferred payments.

[53] Unlike what happens in the Incentive System for Employees, the FinecoBank shares used for the purposes of payments to the PFA, are not generated by a free capital increase but are purchased directly on the market, pursuant to article 2357 of Italian Civil Code.

In coherence with what previously described for the Employees, the process of bonus pool definition includes the following steps:

BUDGET | **ACCRUALS** | **ENTRY CONDITIONS ASSESSMENT** | **FINAL BONUS POOL**



BONUS POOL DEFINITION PHASE

The Bonus Pool definition process starts with the definition of the "funding rate" in the budget phase.

YEARLY PROCESS PHASES

During the year, accruals of Bonus Pool are made based on actual results.

ENTRY BONUS POOL ADJUSTMENT RANGES

Entry Conditions assessment.

CRO evaluation of adherence to the Risk Appetite Framework.

FINAL BONUS POOL AVAILABLE FOR INCENTIVES

Comparison with historical data.

"Business perspective" on "appropriate Pool" to be paid out.

Budget phase

The Bonus pool process starts with the definition of the "funding rate" during budgeting phase. The funding rate is a percentage of the Net Operating Profit (net of Provisions for Risk and Charges, corresponding to Profit Before Tax) considering: historical data analysis, expected profitability, business strategy and previous year pool. The bonus pool is submitted for approval to the Board of Directors of FinecoBank S.p.A.

Accruals

During the performance year, accruals are based on actual results.

Entry conditions verification and risk adjustment

- the "Entry Conditions" set at Group level are verified;
- the bonus pool is risk adjusted in order to guarantee sustainability with respect to Fineco Risk Appetite Framework.

The Entry Conditions are based on performance indicators in terms of capital, liquidity and profitability. The entry conditions[54] defined for 2024 – working also as malus conditions for the deferrals of previous years' incentive systems – are reported in the following table.

ENTRY CONDITIONS
Net Operating Profit adjusted >0
Net Profit >0
CET1 Ratio >10.7%*
Liquidity Coverage Ratio >150%*
Net Stable Funding Ratio >125%*

* Corresponding to an intermediate threshold between the Risk Tolerance and the Risk Capacity levels defined in the 2024 RAF

[54] For the indicators' definitions, see paragraph. 4.2

The on/off mechanism of the entry conditions and the related effects on the Bonus Pool work as shown below:

A OPEN 100%

- If all Entry Conditions are met **(option "A")**, the bonus pool can be confirmed or adjusted on the basis of the assessment of risk parameters, as described below.

B ZERO FACTOR

- If even one Entry Condition is not met **(option "B")**, the malus clauses are activated leading to the application of the Zero Factor for the Identified Staff. For the rest of the population a significant reduction will be applied. It is understood that the BoD can allocate part of the pool for retention purposes or to ensure the competitiveness on the market.

If all Entry Conditions are met, the "multiplier" deriving from the assessment of the risk factors included in the CRO Dashboard can be applied to the bonus pool, pursuant to the defined methodology.

The CRO dashboard (defined in coherence with Risk Appetite Framework) includes KPIs taken from the Risk Appetite Framework, measured with reference to the respective relevant thresholds (Risk Appetite, Risk Tolerance and Risk Capacity).

The "multiplier" effect deriving from the evaluation of overall CRO dashboard outcome made by the FinecoBank S.p.A. CRO is verified by the Remuneration Committee and the Board of Directors.

The dashboard evaluation is carried out pursuant to a methodology defined by the CRO, as for the Employees System.

The bonus pool adjustment ranges deriving from the CRO Dashboard assessment, in line with the 2023 Incentive System, are as follows:

––	–	=	+	++
50%	75%	100%	110%	125%

The bonus pool can be increased in application of the risk assessment (positive "+" or "++" rating) only in case of a positive EVA at the end of the financial year. As provided in the 2023 System, the Remuneration Committee and the Board of Directors may apply a further adjustment up to +20%, while no limit is set in case the bonus pool is lowered with respect to the theoretical value.

In any case, as requested by regulations as per Bank of Italy provisions, the evaluation of the sustainable performance parameters and the alignment between risk and remuneration will be assessed by Remuneration Committee and Risk and Related Party Committee and defined by the Board of Directors.

The Board of Directors does not take into account, when deciding bonus, balance sheet extraordinary items that do not affect operational performance, regulatory capital and liquidity (e.g. goodwill impairment, extraordinary contributions to deposit guarantee schemes, etc.).

Moreover, following potential changes in current regulations and/or in relation to potential extraordinary and/or unpredictable contingencies that can impact the Group (e.g. delisting, change of control), the Bank or the market in which they operate, the Board of Directors, having heard the opinion of the Remuneration Committee and upon competent functions proposition, maintains the right to amend the system and relevant rules.

Overall performance assessment

Taking into account the specificities of the PFA business, and in continuity with the previous years' Incentive Plans in terms of business objectives, for the purposes of the 2024 Incentive System for PFA[55] the performance assessment of Financial Advisors included in the Identified Staff will be based on the following indicators:

- total net sales goal and total net sales under management goal[56];
- development activities (for instance planned and structured meeting with customers)[57];
- percentage of total net sales goal achieved by the managed Financial Advisors and net sales under management as a percentage of the overall group goal[58];
- value generated by the requalification of assets in liquidity and asset under custody in Guided Products.

Bonus payment

For the Financial Advisors belonging to the Identified Staff, the payment mechanism provides for a 4-year deferral period. The payment of the potential bonus will therefore take place over a maximum period of 5 years. In particular:

- in 2025 the first portion of the overall incentive ("1st tranche") will be paid in cash and the first tranche in shares is recognized, after verifying the compliance and adherence at the individual level of compliance rules and principles of conduct and behavior[59];
- over the period 2026-2029 the remaining amount of the total incentive will be paid in several installments in cash and/or FinecoBank shares. Each individual tranche will be subject to the application of the Zero Factor relating to the year of competence and to the verification of compliance by each beneficiary with the compliance rules and the principles of conduct and behavior.
- in particular, the payment systems are differentiated on the basis of the total amount of variable remuneration[60] awarded for the performance year, according to the schemes described below:

For roles with a significant amount of total variable remuneration, a 4-year deferral scheme applies with an overall payout structure of 5 years, with 60% of bonus deferred.

		2025	2026	2027	2028	2029	Totale
ALLOCATION	Cash	20%	5%	5%	10%	10%	50%
	Shares	20%	15%	15%			50%
PAYOUT	Cash	20%	5%	5%	10%	10%	50%
	Shares		20%	15%	15%		50%

Upfront Deferred

55 Always taking into account the individual compliance condition, as described above

56 For PFAs and Group Managers individual net sales

57 For Group and Area Manager

58 For Group and Area Manager

59 Considering also the seriousness of possible internal/external inspections (i.e. Internal Audit, Bank of Italy, Consob and/or similar local authorities).

60 The definition of the overall variable remuneration threshold (>€ 435,000) follows the same logic described in the Incentive System for Employees Identified Staff.

For roles with no significant amount of total variable remuneration, a 4-year deferral scheme applies with an overall payout structure of 5 years, with 40% of bonus deferred.

		2025	2026	2027	2028	2029	Totale
ALLOCATION	Cash	30%			10%	10%	50%
	Shares	30%	10%	10%			50%
PAYOUT	Cash	30%			10%	10%	50%
	Shares		30%	10%	10%		50%

Upfront Deferred

- All instalments are subject to the application of claw-back clause, as legally enforceable;
- in compliance with the provisions of Circular no. 285[61], no deferral will be applied and the entire amount will be paid in cash when the annual variable remuneration is equal or less than the minimum threshold (50,000 €) and is equal or less than one third of the total annual remuneration;
- the number of shares to be allocated in the respective instalments shall be defined in 2025, on the basis of the arithmetic mean of the official closing market price of FinecoBank ordinary shares during the month after the Board resolution that verifies the 2024 performance achievements;
- free FinecoBank ordinary shares that will be allocated will be freely transferable;
- the 2024 Incentive System provides for an expected impact on FinecoBank share capital of approximately 0.04%, assuming that all free shares for Financial Advisors have been assigned. The current overall dilution for all other outstanding FinecoBank equity-based plans for both Employees and Financial Advisors equals 0.5% ca. However, the 2024 PFA Incentive System does not have a proper dilution impact as the FinecoBank shares awarded are purchased on the market and are not generated through a free capital increase.

The beneficiaries cannot activate programs or agreements that specifically protect the value of unavailable financial instruments assigned within the incentive plans. Any form of coverage will be considered a violation of compliance rules and imply the consequences set out in the regulations, rules and procedures.

[61] 37th update to the Circ. no. 285 of Bank of Italy.

5. 2024-2026 LTI PLAN

5.1 2024-2026 LONG TERM INCENTIVE PLAN FOR EMPLOYEES

With the aim of rewarding, retaining and motivating selected Group resources in the long term and in order to align the long-term interests of the Bank's Management with the long-term value creation for shareholders, in line with 2024-2026 Multi-Year Plan, a share-based long-term incentive plan has been established.

The beneficiaries of the Plan are selected Group Employees among key resources (120 resources estimated), including Executives with strategic responsibility[62].

The Heads of the Company Control Functions (CRO, Head of Compliance, Head of Internal Audit and Head of AML) are excluded from the Beneficiaries of the Plan.

The structure of the Plan, described below in detail, provides for:

- financial and sustainability performance goals each with an impact on the final bonus based on their specific weight.
- entry and malus conditions based on capital, liquidity and profitability;
- individual compliance conditions, a claw-back clause and a continuous employment clause[63];
- risk-adjusted measures, in order to ensure the long-term sustainability of the Company's financial position and to ensure compliance with the Authorities' indications;
- individual bonuses in FinecoBank shares, defined taking into account the roles of the beneficiaries;
- a three-year performance period (2024-2026) in line with the Multi-Year Plan and a payment structure over a multi-year period, defined according to the categories of beneficiaries and in line with applicable regulatory provisions.

Entry and malus conditions

In line with current regulations, Fineco defined:

- specific Entry Conditions (which work as ex ante risk adjustment) that are measured within the performance period of the Plan and may confirm, reduce or cancel the individual bonus as detailed below, and
- specific Malus Conditions (ex post adjustment mechanism) measured during the deferral period, which may confirm, reduce or cancel the deferred shares, as detailed below.

According to the results of the benchmarking analysis and in compliance with regulations and market practice, it is provided the application of the same parameters used for the short-term incentive system, assessing the Group's capital strength, liquidity and profitability[64].

The shares will be awarded only in case the minimum conditions of capital, liquidity and profitability (entry conditions) are met over the whole performance period. The mechanism works as follows:

- in order to award the maximum bonus, included deferrals, all conditions have to be met;
- a cumulative assessment of the profitability parameters is carried out over the performance period; if even one profitability condition is not met, the bonus is set to zero;
- capital and liquidity parameters are assessed annually; if even one of the capital or liquidity conditions is not met, the maximum bonus is prorated (equal to 1/3 per year).

[62] i.e. CEO and GM, Deputy General Managers and Chief Financial Officer.

[63] Shares will be awarded only if the beneficiaries will still be employed at each date of the assignment of the shares, to be understood as the final vesting of the right to the incentive, and not as the actual instalment of the shares at the end of the holding period.

[64] See paragraph 4.2 for the indicators' definitions.

Moreover, each single deferral will be subject to malus conditions concerning the reference year (2027-2031):

- all capital, liquidity and profitability parameters will be assessed annually during the deferral period[65];
- if even one of the capital or liquidity conditions is not met, the deferral will be prorated (1/3 per parameter) until its cancelation for the reference year;
- if even one profitability condition is not met, the deferral will be set to zero for the reference year.

Any right of the employee to the bonus (or its instalments) under the Plan depends on the existence of an employment relationship between him/her and any company of Fineco Group at each date of the assignment of the shares[66] provided by the Plan's Rule, as well as the absence of a notice period.

The bonus payout is subject to a claw-back clause.

Performance goals

In line with the principle of Pay for Performance and with the aim of aligning the Plan with the Group's long-term strategies, specific financial and sustainability performance targets have been set, taking into account the Group's 2024-2026 Multi-Year Plan and the 2024-2026 ESG MYP, consistently with the Risk Appetite Framework, market practices, input from the investors and proxy advisors and the market context.

In fact, in line with the Multi-Year Plan, the objectives focus on Fineco's core business, financial value creation and profitability, as fundamental drivers of sustainable and long-term growth, as well as on efficiency and risk management. The sustainability parameters reflect the commitments made in the ESG 2024-2026 MYP in the social, environmental and responsible finance areas, as illustrated in the specific focus (below).

For each objective, a specific weight in terms of impact on the final bonus and a specific assessment method has been defined, as shown below:

- for the financial KPIs, specific targets have been defined in line with the Group's 2024-2026 Multi-Year Plan and their assessment is based on progressive thresholds, corresponding to increasing bonus percentages from 0% to 100% in a linear progression[67].
- for sustainability KPIs, targets were defined in line with the 2024-2026 ESG MYP and their assessment operates according to an on/off mechanism.

[65] For profitability indicators, the annual verification considers a cumulative progressive assessment.

[66] To be understood as the final vesting of the right to the incentive and not the actual instalment of the shares at the end of the holding period.

[67] For example, with average ROAC equal to 64%, the corresponding bonus instalment amount would be equal to 50% of the value established for reaching the ROAC 74% threshold.

	WEIGHT	METRIC	THRESHOLD	PAYOUT
FINANCIAL KPIs				
ROAC	**35%**	Avg 2024-2026	≥ 74% 54%-74% ≤ 54%	100% 0%-100% 0%
Net sales AuM	**10%**	∑ 2024-2026	≥ 14bn 10bn-14bn ≤ 10bn	100% 0%-100% 0%
Total Net Sales	**10%**	∑ 2024-2026	≥ 34.7bn 25bn-34.7bn ≤ 25bn	100% 0%-100% 0%
Cost Income Ratio	**15%**	Avg 2024-2026	≤ 29.4% 35%-29.4% ≥ 35%	100% 0%-100% 0%
Operational Losses on Revenues	**15%**	Avg 2024-2026	≤ 0.9% 1.85%-0.9% ≥ 1.85%	100% 0%-100% 0%
SUSTAINABILITY KPIs				
Scope 1 and Scope 2 emission reduction (market-based)	**5%**	EOY 2026	≥ 55% < 55%	100% 0%
Achievement of Diversity, Equity & Inclusion goals	**5%**	EOY 2026	all sub-goals need to be achieved	
KPI 1	Definition of an awareness plan on D&I for external and internal stakeholders and initiatives to support parenting.		Implementation of at least 13 contents and a supplementary allowance for parental leave by 2026.	
KPI 2	Increase in the percentage of the least represented gender in managerial roles.		5% minimum increase over the three-year period.	
KPI 3	Gender Equity pay gap between the least and most represented gender.		The gender equity pay gap for all categories of employees with equal work is below 5%.	
Enlargement of the ESG product offer. % new funds ex artt. 8 and 9 SFDR:	**5%**	EOY 2026	≥ 50 < 50	100% 0%

FOCUS

Sustainability goals

Sustainability targets were defined in line with the KPIs and targets set out in the Group's ESG MYP for the three-year period 2024-2026, also taking into account the evidence from the benchmark analysis conducted with the support of the Remuneration Committee's independent External Advisor, the materiality analysis and the input from investors and proxy advisors.

ENVIRONMENT

Scope 1 and Scope 2 emission reduction (market-based)

The goal consists of reducing Scope 1 and Scope 2 (market-based) emissions from operations by at least 55% by 2026 (compared to 2021)*. This indicator is part of the Net-Zero Emission commitment to 2050.
Specifically, this target was increased from a 35% reduction in Scope 1 and 2 (market-based) emissions in 2030, compared to the year 2021 (baseline), to a 55% reduction in these emissions in 2026, compared to the same baseline.

SOCIAL

Achievement of Diversity, Equity & Inclusion goals

The objective includes the achievement of selected KPIs in Diversity, Equity & Inclusion, which were approved by the Board of Directors as part of the Gender Equality Certification, achieved by Fineco in 2023 in accordance with the UNI:125/2022 Reference Practice.
In this context, with the aim of continuously improving the management of gender diversity, a multi-year objective plan was defined and integrated into the 2024-2026 ESG MYP as a further demonstration of the commitment and engagement on these topics within the organization.
More specifically, the LTI 2024-2026 Plan includes KPIs on Gender Balance and Gender Equity Pay Gap and a specific indicator aimed at the internal and external promotion of a diversity culture.
With reference to Gender Balance, an increase of at least 5% over the three-year period 2024-2026 of the least represented gender in positions of responsibility within the organization is considered**.
At the same time, it is verified that the Gender Equity pay gap for all comparable categories*** of employees is below 5% at the end of the three-year reference period, in line with recent regulatory evolutions on the subject (ref. EU Directive 2023/970 "Pay Transparency", which introduces measures to promote equal pay between the most and least represented gender for the same job or for a job of equal value).
Moreover, the objective includes the drafting of an awareness-raising plan for internal and external stakeholders, the implementation of communication and training contents on Diversity & Inclusion and the implementation of specific measures to support parenting and work-life balance (such as a supplementary allowance for parental leave).
In order to achieve the Diversity, Equity & Inclusion objective, set with a total weight of 5% on the final bonus, all sub-goals need to be achieved.
To ensure an objective assessment, the level of achievement of these goals is verified annually by the external certifying body, in addition to being monitored as part of the periodic conformity checks of the Gender Equality Management System.

RESPONSIBLE FINANCE

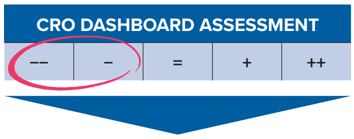
Enlargement of the ESG product offer: % new funds ex artt. 8 and 9 SFDR

The Goal envisages the enlargement of the ESG product offer by introducing at least 50% of new funds ex artt. 8 and 9 SFDR compared to total new funds (ISIN) entered in the platform in the period 2024-2026.
In particular, are considered:
- ex art. 8, funds that, in addition to other characteristics, promote environmental or social characteristics, or a combination of those characteristics, provided the firms invested in comply with good governance practice;
- ex art. 9, Funds that have sustainable investments as their objective.

* The year 2021 is the baseline against which targets are set in the Net-Zero Emission Commitment to 2050. In line with the GHG Protocol: i) Scope 1 (Direct emission of GHG) includes GHG emissions from sources held or controlled by Fineco (such as, gas for heating the Milan headquarters and Fineco Centres (FC) with utilities in the Bank's name and fuel for company cars for service and employee benefits). ii) Scope 2 (Indirect emission of GHG from energy consumption) includes GHG emissions resulting from the generation of electricity purchased or acquired, heating, cooling and steam consumed by Fineco (electricity for the Milan office and the FCs with a user registered in the Bank's name and district heating for the Fineco Centres with a user registered in the Bank's name).
** These roles have been predefined on the basis of the contractual employment category and the banding system in line with the Global Job Model. In this regard, please refer to the specific focus in paragraph 2.3.1. For data on the demographic composition of the corporate population, please refer to the Consolidated Non-Financial Statement.
*** See paragraph 2.3.1 "Focus Global Job Model and Gender Equity pay gap".

Risk adjustment

In line with other incentive systems, the Plan is subject to risk adjustment in alignment with the Risk Appetite Framework. In fact, the results of the annual CRO Dashboard assessments are taken into consideration for each year of the Plan's performance. The presence of any negative assessments will result in a proportional reduction of individual bonuses, as shown below:



CRO DB ASSESSMENT	0 negative assessments	1 negative assessment	2 negative assessments	3 negative assessments
% BONUS	100%	75%	50%	0%

Bonus payout

Maximum bonuses have been defined on the basis of the categories of beneficiaries of the Plan. The amounts were established in line with the applicable regulatory provisions and the FinecoBank Group Compensation Policy.

Individual bonuses - in particular - confirm compliance with the maximum limits for the variable remuneration envisaged for the Plan Beneficiaries, also taking into account the short-term variable remuneration attributable in each year of performance.

Within the aforementioned limits, it is planned, in detail:

- for the Chief Executive Officer and General Manager, a maximum percentage impact of the bonus relating to the Plan equal to 50% of the maximum variable remuneration attributable in each year of performance;
- for the other top Group Executives, a maximum percentage of the bonus of the Plan equal to 30% of the maximum variable remuneration attributable in each year of performance;
- for the other Beneficiaries bonus ranges are defined according to their banding, always in compliance with the maximum limits set by the regulations and FinecoBank Group Compensation Policy.

As mentioned, the bonuses are paid entirely in FinecoBank free ordinary shares[68], according to the payment schemes, defined in line with the regulations applicable to 'Significant Institutions', as shown below:

[68] The Bank reserves the right to assign different instruments from the FinecoBank ordinary shares, where requested by law.

CEO/GM & TOP GROUP EXECUTIVES

	Performance period	Upfront	Deferral					
	2024-2026	2027	2028	2029	2030	2031	2032	2033
Payout – Vested shares		40%	12%	12%	12%	12%	12%	
Payout – Shares released after holding period			40%	12%	12%	12%	12%	12%

Vested shares   Shares released after holding period

OTHER GROUP IDENTIFIED STAFF

	Performance period	Upfront	Deferral				
	2024-2026	2027	2028	2029	2030	2031	2032
Payout – Vested shares		40%	15%	15%	15%	15%	
Payout – Shares released after holding period			40%	15%	15%	15%	15%

Vested shares   Shares released after holding period

For the Beneficiaries of the Plan included within the Group Identified Staff a one-year holding period on the shares is required, both for the upfront shares, assigned at the end of the performance period, and the deferred shares.
For the other Beneficiaries the assignments of the shares and their availability coincide.
The evaluation of the results and the conditions for the individual assignment of the shares will be carried out by the Board of Directors, upon the proposal of the Remuneration Committee, according to the established governance.
It is provided the possibility for the Remuneration Committee and the Board of Directors to increase bonuses up to 20% (within the maximum bonuses provided by the Plan), as well as to reduce them without limits, considering indicators as the Total Shareholders Return (absolute and relative) or other indicators, such as market context and trends on remuneration, or events with reputational impacts. If the Entry Conditions are not met, the upside adjustment described in this paragraph will not apply.
When deciding the bonus, the Board of Directors does not take into account balance sheet extraordinary items, which do not affect operational performance, regulatory capital and liquidity (e.g. goodwill impairment, extraordinary contributions to deposit guarantee schemes, etc.).
The maximum number of shares to be allocated in the respective instalments – at the conditions stated above

– will be defined in 2024, based on the arithmetic mean of the official closing market price of FinecoBank ordinary shares during the month preceding the Board resolution that will execute the Shareholders Meeting resolution related to the Plan.

The Plan provides for an impact on FinecoBank S.p.A. share capital of approximately 0.33%, assuming that all free shares for employees will be distributed. The current overall dilution for all other outstanding equity-based plans for both Employees and Financial Advisors equals to 0.5% ca.

The beneficiaries cannot activate programs or agreements that specifically protect the value of unavailable financial instruments assigned within the incentive plans. Any form of coverage will be considered a violation of compliance rules and imply the consequences set out in the regulations, rules and procedures.

Excluding death and "good leaver" status, the employee participation to the Plan will automatically lapse (as well as any right depending on the Plan) upon any of these circumstances happening:

i. The employee communicates the termination or terminates his/her contract for any reasons; or

ii. The employee is informed of the termination of his/her contract.

It is understood that the beneficiary has the right to receive any deferral already awarded but subject to a holding period.

The "good leaver" status occurs when the employee terminates his/her contract (or his/her contract is terminated) with the Company or any other company of FinecoBank Group, because of any of the reasons mentioned in the Plan's Rule (e.g. physical constraints, retirement, sale of the business…).

In the event of termination of the employment contract during the performance period, in a "good leaver" status, the Employee may maintain the right to participate in the Plan on a pro rata temporis basis in relation to the period actually worked, subject to achievement of the conditions set out in the Plan.

Moreover, following potential changes in current regulations and/or in relation to potential extraordinary and/or unpredictable contingencies that can affect FinecoBank Group, the Bank or the market in which it operates, the Board of Directors, having heard the opinion of the Remuneration Committee and upon competent Company Functions' proposal, maintains the right to amend the Plan and relevant rules.

Section II

2023
Remuneration Report

1. INTRODUCTION

The 2023 Remuneration report discloses all relevant FinecoBank compensation-related information with the aim to increase Stakeholders' awareness of compensation practices, demonstrating their coherence with business strategy and performance and sound risk management.

The report provides an ex-post disclosure of 2023 results and includes details referring to the Members of Administrative and Auditing bodies, General Manager and Executives with strategic responsibility[69].

Remuneration solutions implemented in 2023 provided for:

- compliance of incentive strategies with all relevant regulations, including deferred pay-outs and incentives based on financial instruments;
- overall performance assessment to foster sound behaviors aligned with different types of risk.

The information are provided pursuant to art. 123-bis of TUF, as modified by Legislative Decree no. 49/2019 and pursuant to Consob Regulation no. 11971/1999.

Specifically, the data in compliance with art. 114-bis TUF and with the Regulation no. 11971/1999, with regard to information that have to be disclosed to the market concerning the award of incentive plans based on financial instruments, are included in this document and in the Annex II.

According to the mentioned regulations and in line with the previous year, Section II will receive an advisory and non-binding vote by the Shareholders' General Meeting 2024 on a specific resolution, distinct and separate from the one approving Section I.

As required by the Issuers' Regulation in Annex 3A Scheme no. 7-bis "Report on the remuneration policy and remuneration paid", it should be noted the absence of any derogation to the 2023 Remuneration Policy.

1.1 2023 FINANCIAL YEAR MAIN RESULTS

The results achieved by FinecoBank Group as of December 31, 2023 (2023 financial year) confirm the approach driven by transparency and great respect of the customer.

In particular:

- Net Profit[70]: € 609.1 millions (+ 42.0% a/a)
- Total revenues[71]: € 1,237.6 millions (+30.5% a/a)
- Cost/income ratio: 24.1%
- CET1: 24.3%

---

[69] In this regard, it should be noted that the aforementioned information is also provided for the purposes of the report on corporate governance and ownership structures drawn up pursuant to art. 123-bis of the TUF.

[70] Adjusted data. €-0.5mln gross (€-0.3mln net) related to the cancellation of Voluntary Scheme, of which €-0.2 million gross (€-0.1 million net) in 3Q22 and €-0.3mln gross (€-0.2mln net) in 1Q22.

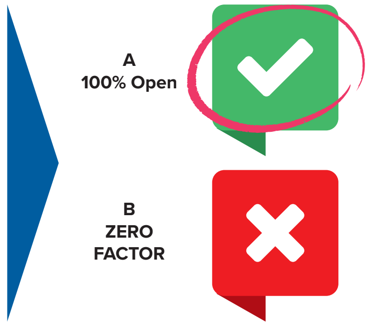
[71] Cf. previous note.

2023 Entry conditions

In line with regulatory requirements, specific indicators are set to measure profitability, financial solidity and liquidity on an annual basis, which act as access/entry conditions.

According to the actual results, verified and approved by the Board of Directors of FinecoBank S.p.A. on February 6, 2024, the relevant entry conditions have been achieved, confirming the bonus pool[72] for Employees and Personal Financial Advisors.

ENTRY CONDITIONS	RESULTS
Net Operating Profit adjusted ≥ 0	**935,714 k€**
Net Profit ≥ 0	**609,101 k€**
CET 1 ratio > 9% (2023 RAF Capacity)	**24.34%**
Liquidity Coverage Ratio > 101% (2023 RAF Capacity)	**903.17%***
Net Stable Funding Ratio > 101% (2023 RAF Capacity)	**377.54%***



* Actual data

Bonus Pool sizing

The size of bonus pool is tied to the actual profitability measure multiplied for the percentage of the bonus pool funding rate defined in the budgeting phase.

This calculation determines the so called “theoretical bonus pool” that, during the performance year, has been adjusted based on the effective performance trend.

Bonus Pool Risk Adjustment

Once the entry conditions have been verified, the effective bonus pool for FinecoBank’s employees and personal financial advisors was approved by the Board of Directors, also in light of the overall positive (“++”) assessment of the so-called “CRO dashboard”[73], carried out by FinecoBank CRO. This method provides a quarterly monitoring of the progress of the indicators included in the Dashboard and an annual assessment.

[72] Calculated applying the funding rate percentage to the profitability results.

[73] The 2023 CRO Dashboard is a set of indicators selected among the Risk Appetite Framework KPIs; the threshold values have been approved by the Board of Directors at the beginning of the year (January 2023).

2. GOVERNANCE & COMPLIANCE

2.1. REMUNERATION COMMITTEE

The Remuneration Committee holds a strategic role in supporting the Board of Directors' oversight of FinecoBank Group Remuneration policy and plans design.

According to the internal provisions approved by the Board of Directors, ruling the functioning and competencies of corporate bodies and related information flows (hereinafter the "Corporate Governance Rules"), this Committee is composed by 3 non-executive members. In compliance with regulatory provisions, at least one member of the Committee has adequate knowledge and experience in accounting and finance topics, as well as in remuneration policies.

Mr. Gianmarco Montanari, Ms. Giancarla Branda and Ms. Paola Giannotti De Ponti were the members of FinecoBank Remuneration Committee until the renewal of the corporate bodies occurred with the Shareholders' Meeting of 27 April 2023.

With reference to the Committee composition preceding the aforesaid renewal, the Board of Directors has verified the Administrators' independence requirements pursuant to art. 148 TUF and art. 2 of the Corporate Governance Code of Borsa Italiana. In this regard, all members of the Remuneration Committee resulted Independent Directors.

Following the renewal of the corporate bodies, Mr. Gianmarco Montanari, Ms. Giancarla Branda, Mr. Marin Gueorguiev are the members of FinecoBank Remuneration Committee. The Board of Directors has verified the Administrators' independence requirements pursuant to art. 148 TUF and art. 2 of the Corporate Governance Code of Borsa Italiana. In this regard, all members of the Remuneration Committee resulted Independent Directors.

Mr. Gianmarco Montanari, in his capacity as Chairman, coordinated the Committee meetings held in 2023.

In performing its duties and if important and suitable, the Remuneration Committee, also with the support of an external consultant:

i. presents proposals or issues opinion to the Board for the definition of a general remuneration policy for the CEO, the General Manager, and other Executives with Strategic Responsibilities and the Identified Staff, also with reference to the identification process, so that the Board is also able to prepare the Remuneration report to be presented to the Shareholders' Meeting on an annual basis and to periodically assess the suitability, overall consistency and effective application of the general remuneration policy approved by the Board;
ii. presents proposals or issues opinion to the Board relating to the overall remuneration and to the setting/appraisal of performance objectives for the CEO, the General Manager, the other Executives with Strategic Responsibilities and the other identified staff and for determining criteria for the remuneration of Identified Staff including the relevant performance targets related to variable remuneration;
iii. presents proposals or issues opinion to the Board relating to the overall remuneration and to the setting/appraisal of performance objectives of the Head of Compliance, Risk Management, Internal Audit and Anti-Money Laundering Function; with regard to the Head of Compliance, Risk Management, and Anti-Money Laundering Function, the Remuneration Committee involves the Risk and Related Parties Committee. In addition, the Remuneration Committee issues an opinion regarding to the Head of Internal Audit, upon the favorable opinion of the Risk and Related Parties Committee;
iv. examines any share-based or cash incentive plans for employees and financial advisors, and the strategic staff development policies;
v. directly supervises the correct application of the remuneration rules related to the persons in charge of the Company's control functions, in close liaison with the Board of Statutory Auditors;

vi. cooperates with the other Committees, in particular with the Risk and Related Parties Committee, which, with reference to the remuneration and incentive policies, examines whether the incentives provided by the remuneration system take into account the risks, share capital and liquidity, provided that this does not affect the tasks assigned to the Remuneration Committee, with which adequate coordination must be ensured;
vii. ensures the involvement of the relevant business functions in the process of drawing up and monitoring remuneration and incentive policies and practices;
viii. with the support of the information collected from the competent company functions, it gives an opinion on the identification process for the Group Risk Takers, including any exclusions;
ix. provides an adequate reporting on the activities carried out by the Corporate Bodies, including the Shareholders' Meeting.

In 2023 the Remuneration Committee met 13 times. The meetings had an average duration of one hour. From the beginning of 2024 and until the approval of the present Report, 3 meetings of the Committee have been held. The Secretary designated by the Committee takes minutes of each meeting and places them on record. The Chairman of the Committee provided time by time the information on the Committee meetings to the subsequent Board meeting.

The Committee, leveraging on the allocated budget, engaged the services of an external consultant whose independence was previously verified and whose services were useful for the Committee's decision-making process. The external advisor attends the meetings of the Committee when required.

The Committee may, when it deems appropriate, invite other individuals from the Company to attend the meetings, in relation to the corporate functions and organizations concerned by the issues at hand, including members of other committees within the Board of Directors. The Committee shall meet when convened by its Chairman, whenever he/she deems necessary, or upon the request of one of its members. In any case, the Committee has always been able to access the information and the Company Functions necessary to perform its activities.

In 2023, the Head of Human Resources has been always invited to Committee's meetings. The Chairman has also invited the Head of Legal & Corporate Affairs for the matters within the competence, and the Head of Network Controls, Monitoring and Service Department for topics related to PFA network (see for instance the Incentive Systems and related rules for the PFA population). In addition to the aforementioned Functions, the Chairman invited among others - to specific Committee's meetings and for topics in the competence perimeters – the Chief Risk Officer and the Chief Financial Officer.

In addition, the Human Resources Manager of Fineco Asset Management DAC also took part in the meetings of the Committee related to the remuneration systems of the legal entity.

The Chairman has also invited the Internal Audit function to the meeting related to the annual audit performed on FinecoBank remuneration policies and practices.

During 2023, the key activities of the Remuneration Committee included:

MAIN COMMITTEE'S ACTIVITIES IN 2023	
JANUARY	■ 2023 Employees Identified Staff definition and related 2023 Incentive System ■ 2023 Incentive System for PFA Identified Staff ■ 2023 Quality Contest I° edition ■ Corporate Bodies Regulations update
FEBRUARY	■ Bonus Pool 2022 and 2022 and previous years' Incentive Systems execution ■ Long term incentive system 2018-2020 execution for employees and PFA ■ 2023 Performance goals of Employees Identified Staff ■ 2023 PFAs Identified Staff definition ■ 2022 and previous years' Incentive Systems execution for PFAs Identified Staff ■ 2022 incentive System implementation for PFAs and PFAs Managers ■ Proposal on the remuneration for the members of the Board of Directors and recommendation on the remuneration for the Board of Statutory Auditors
MARCH*	■ 2023 Remuneration policy and remuneration report ■ Report on Corporate Governance and Ownership Structures - for the section related to the Remuneration Committee and Letter from the Chair of the Corporate Governance Committee dated 25 January 2023 ■ 2023 Incentive Systems Plan Rules for Employees Identified Staff and 2021-2023 and 2018-2020 Long term Incentive System Plan Rules ■ 2023 Incentive System Plan Rules and 2018-2020 Long term Incentive System Plan Rules update for PFAs Identified Staff ■ 2023 FAM Remuneration Framework
MAY	■ 2023 Shareholders' General Meeting: overview analysis ■ Global Policy Global Mobility ■ 2023 Quality Contest II° edition
JUNE	■ 2023 Shareholders' General Meeting: outcome analysis ■ Analysis of FinecoBank peers' remuneration policies ■ European Pay Transparency Directive analysis ■ Incentive Systems 2nd semester 2023 for Financial Advisors and Network Managers and Plan Rules
JULY*	■ Gender neutrality of the Remuneration Policies ■ 2024-2026 LTI Plan project timeline ■ Verification of the Share Ownership requirements ■ Fineco Asset Management DAC 2023 Remuneration Policy
SEPTEMBER	■ Benchmarking analysis on long-term incentive systems
OCTOBER	■ 2024-2026 Gender Equality Certification Plan ■ 2023 Quality Contest III° edition
NOVEMBER	■ Peer Group and Benchmarking Analysis for Identified Staff ■ Pay for Performance Analysis ■ 2024-2026 LTI Plan – ESG KPIs first proposal
DECEMBER*	■ 2024 Guidelines for PFAs and PFAs Managers Incentive System ■ 2024-2026 LTI Plan

* Two meetings of the Remuneration Committee were held in March, July and December.

The main topics discussed by the Committee are also submitted to the attention of the Board of Statutory Auditors, in advance over their submission to the Board of Directors. In fact, at least one member of the Board of Statutory Auditors attended the meetings of the Committee in 2023.

.

2.2. THE ROLE OF THE COMPANY CONTROL FUNCTIONS: COMPLIANCE, CRO AND INTERNAL AUDIT

Compliance

Key contributions in 2023 of FinecoBank S.p.A. Compliance function, for all aspects that fall within its perimeter, included:

- validation of FinecoBank 2023 Remuneration policy and remuneration report submitted to the Board of Directors for subsequent approval of the Shareholders' Meeting on April 27, 2023;
- validation of the 2023 Incentive System for employees of FinecoBank Group belonging to Identified Staff;
- validation of the 2023 Incentive System for Financial Advisors of FinecoBank belonging to Identified Staff;
- preparation – in collaboration with the Human Resources function – and distribution of FinecoBank guidelines for the development and management of incentive systems for the population not belonging to Identified Staff;
- participation in other activities (e.g.: definition of Identified Staff).

In 2024, the Compliance function will continue to operate in close coordination with the Human Resources function to support not only the validation but also the design and definition of compensation policy and processes.

Risk Management

The link between compensation and risk has been maintained in 2023 with the involvement of the CRO function in compensation design and in the definition of risk adjustment mechanisms in line with Risk Appetite Framework. In particular, the Board of Directors and the Remuneration Committee leveraged on the input of all involved functions to define the link between profitability, risk and reward within incentive systems.

Internal Audit Report on the 2023 Fineco remuneration policies and practices

The Internal Audit Function has audited the remuneration and incentive system adopted by FinecoBank (the "Bank") and by the Group for the determination and payment of the remuneration of the members of the corporate bodies and the variable remuneration of the employees and the Personal Financial Advisors ("PFA"), in order to verify the compliance with the regulatory provisions issued by the Bank of Italy and with the Remuneration Policy defined for 2023 and approved by the Shareholders' Meeting.

The evaluation is "mostly satisfactory" considering the overall correct application of the remuneration and incentive system in 2023 and the compliance of the 2024 Remuneration Policy with relevant external regulations.

In the area of governance, the audits carried out confirmed the correct fulfillment of the obligations foreseen by the regulations, the general compliance of the remuneration policies with the applicable regulation and its sustainability with regard to the Bank's capital and income conditions, the dissemination of the Group Policies to the subsidiary Fineco Asset Management DAC and the correct functioning of the relevant bodies, including the Remuneration Committee and the Board of Directors; the internal regulatory framework was also found to be generally adequate. It was recommended to strengthen the alignment of FAM's remuneration policy with that of the parent company, in line with the provisions of Bank of Italy Circular 285/2013, with particular reference to a gender-neutral policy.

In addition, the overall compliance with external regulations has been verified in the identification process of the staff belonging to the category of the most relevant personnel (Identified Staff), both for the employees and for the Personal Financial Advisors. Compliance with the criterion referred to in art. 6, par. 1, letter b) of the Delegated Regulation 923/2021 was recommended for the Personal Financial Advisors, considering only those selected on the basis of the total value of the remuneration.

Incentives granted to employees and Personal Financial Advisors (PFA) were determined in accordance with the established policies, ensuring the right balance between fixed and variable components, overall consistency with the qualitative / quantitative assessment of the performance targets, and adequate information to the Remuneration Committee and the Control Bodies.

The remuneration of the company's representatives, the payment and deferral of the previous year's incentive system and the application of the severance policy were also correctly determined.

The Company's control functions, in particular Compliance and the CRO, were correctly involved, in accordance with their respective responsibilities, in the definition of the remuneration policy as well as in the annual performance appraisal process. Compliance has also carried out the controls foreseen by Bank of Italy Circular 285/2013 aimed at verifying the prohibition on activating programs or agreements that specifically protect the value of unavailable financial instruments allocated within the incentive plans (so-called personal hedging).

The Bank has duly published the 2023 Remuneration Policy and the Termination Policy on its website, in compliance with the relevant regulations, and has submitted to the Bank of Italy the required reports on remuneration.

The key findings of the audit were presented to the Remuneration Committee on March 08th, 2024.

3. IMPLEMENTATION OF 2023 INCENTIVE SYSTEM AND PREVIOUS YEARS' PAYMENTS

3.1. 2023 INCENTIVE SYSTEM FOR EMPLOYEES BELONGING TO IDENTIFIED STAFF

The 2023 Incentive System, approved by FinecoBank Board of Directors on January 23, 2023, provides for the allocation of a performance related bonus in cash and/or free ordinary shares over a maximum period of 6 years.

- For the CEO and GM and other roles provided by law with a "significant amount" of total variable remuneration in the performance year (> 435,000 €) the follow payout scheme applies:

		2024	2025	2026	2027	2028	2029	Totale
PAYOUT	Cash	20% Upfront		12% deferred			12% deferred	44%
	Shares		20% Upfront		12% deferred	12% deferred	12% deferred	56%

- For the roles provided by law with no significant amount of total variable remuneration (≤ 435,000 €) the follow payout scheme applies.

		2024	2025	2026	2027	2028	2029	Totale
PAYOUT	Cash	25% Upfront		10% deferred			10% deferred	45%
	Shares		25% Upfront		10% deferred	10% deferred	10% deferred	55%

- For other identified staff with no significant amount of total variable remuneration the follow payout scheme applies.

		2024	2025	2026	2027	2028	Totale
PAYOUT	Cash	30% Upfront			10% deferred	10% deferred	50%
	Shares		30% Upfront	10% deferred	10% deferred		50%

In accordance with the governance of FinecoBank, the Board of Directors, based on the positive opinion of the Remuneration Committee, approved the evaluations and pay-out for 2023 for the Chief Executive Officer and General Manager, the Deputy General Managers, the other Executives with strategic responsibilities and other Identified Staff. With reference to the Heads of the company control functions, the Risk and Related Parties Committee was involved and issued a formal opinion on the performance appraisal and the bonus to be granted to the Head of Internal Audit.

The Board of Directors of FinecoBank on February 6, 2024, approved the allocation of a total number of shares equal to 183,332 to be allocated in 2025, 2026, 2027, 2028 and 2029.

On the same day, the Board of Directors also approved the implementation - in 2024 - of the 2018, 2019, 2020, 2021, 2022 Incentive Systems and the 2018-2020 Long-Term Incentive Plan for employees[74].

[74] The data relating to the allocations are included in the information reported in Section II, paragraphs 3.1.2 and 6 and in Annex II.

Focus on CEO and General Manager performance evaluation

The Board of Directors, upon the positive opinion of the Remuneration Committee, assessed the 2023 performance of the CEO and General Manager of FinecoBank as Exceeds Expectations. Below are the details of the individual scorecard evaluation. Specifically, great results were achieved with respect to the quantitative KPIs of ROAC, EL Stock and Opex. AUM net sales results, though below budget, confirmed good positioning in light of the market context.

Regarding qualitative/sustainable objectives, the results of the activities implemented with reference to both the Stakeholder value and the Tone from the top were rated positively.

ASSESSMENT

#	WIEGHT		GOAL NAME	RESULTS	Below	Almost	Meets	Exceeds	Greatly Exceeds
1	70% Equally weighted	14%	**ROAC** vs. budget	Budget: 88% Results: 95.9%				●	
2		14%	**AUM net sales** vs. budget	Budget: 5,000 k€ Result: 2,662 k€	●				
3		14%	**Cost Income** vs. budget	Budget: 24.3% Results: 24.1%			●		
4		14%	**EL stock (%)** vs. target	Target: 0.19% Results: 0.12%					●
5		14%	**OPEX** vs. budget Operating costs as reported in reclassified P&L, i.e.: Staff expenses + Other Administrative Expenses (direct + indirect) - Expenses Recovery + Depreciations	Budget: 304,731 k€ Result: 298,320 k€				●	
6	30% Equally weighted	15%	**Stakeholder Value vs qualitative assessment based on** • Improve/maintain the scores of the main ESG ratings: S&P CSA, CDP climate change, Sustainalytics, MSCI, Moody's ESG Solutions, Standard Ethics; • Responsible finance: y/y % of new ISIN funds with ESG rating*; • Delta on Gender Pay Gap and Gender Balance (Y/Y); • Improve Fineco's environmental performance with particular reference to the development of a new green lending product.	• In 2023 Fineco maintained the scores assigned by the main ESG rating agencies, such as S&P Global ESG Score, which is the result of combining the CSA Score assessment used to date with an additional assessment based on public disclosure of information; CDP Climate Change which assigned a rating equal to "B" indicating a good environmental management; Sustainalytics for which Fineco is classified as "Low ESG Risk" company; MSCI assigning an "AA" (leader) ESG rating in the "diversified financials" sector; Moody's ESG Solutions which allowed Fineco to maintain its inclusion in Euronext's MIB ESG Index; Standard Ethics which confirmed "EE+" ESG rating with an improved Outlook to "Positive". • In 2023, 100% of the funds launched on the FinecoBank platform have an ESG rating. • The gender analysis shows a positive Y/Y trend, without significant gaps. • In 2023, the Environmental Management System was audited by an independent Environmental Auditor to confirm its compliance with the EMAS Regulation, which resulted in a successful outcome with no non-conformities. The targets set within the 2021-2024 Environmental Program are on track, with (i) the increase of the coverage of funds with an ESG rating, (ii) the increase of the exposure to ESG bonds as a % of FinecoBank's total portfolio, (iii) the development and launch of the "Prestito Green" (Green Loan).				●	
7		15%	**Tone from the top on conduct and compliance culture** vs. qualitative assessment based on: • Promotion of initiatives aimed at fostering staff integrity, customer protection, trustworthiness by enhancing risk & control culture. • The overall status of audit, compliance and External Authorities' findings considering the type, severity and the timely completion of the related remedial actions.	• Tone from the top activities were carried out by promoting the compliance and risk culture through specific policies, communications and training sessions. • Overall, internal compliance and audit findings as of the end of 2023 do not show any critical or major open findings that have not been addressed in a timely manner. • All requests/evidence from external authorities have been promptly and successfully managed by involving the relevant functions of the Bank.			●		

** Excluding UK representing for Fineco a new opening market*

Chief Executive Officer and General Manager variable and fixed compensation data

Considering the overall business results achieved by the Company and based on the elements reported in the preceding paragraph, the Chief Executive Officer and General Manager's performance in 2023 was rated as "Exceeds Expectations".

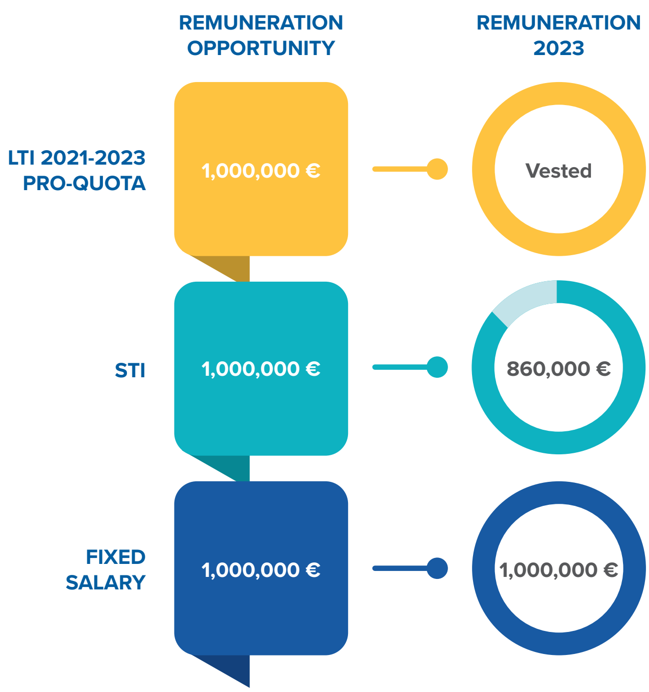
Notwithstanding the market context that influenced the achievement of the AUM Net Sales KPI, the Board of Directors, upon the favorable opinion of the Remuneration Committee, decided to award a short-term variable bonus of € 860,000, which is approximately 14% less than the maximum amount he could receive considering the 2:1 variable to fixed remuneration ratio.

The short-term variable remuneration thus determined allows to maintain a competitive compensation, considering the Company's results and confirming the respect of the pay for performance principle.

For the purpose of applying the ratio of variable to fixed remuneration, it should be noted that the Chief Executive Officer received a fixed remuneration of € 1,000,000 and that an annual pro rata amount of € 1,000,000 related to the long-term variable remuneration (LTI 2021-2023)[75] is also included as variable remuneration, in line with the applicable law.

It should be noted that after the end of the 2021-2023 LTI Plan performance period, the achievement of all conditions was positively verified, as further described in paragraph 3.1.3.

The € 860,000 bonus related to the short-term incentive system granted for the 2023 performance will be paid in cash and in shares, with an upfront portion of 40% and a deferred portion of 60%, according to the deferral scheme described on paragraph 3.1, which takes into account the period of unavailability of the shares, both upfront and deferred, as required by law.



[75] See the representation of the CEO/GM's remuneration. It should be noted that the term vesting refers to the performance period of the 2021-2023 LTI Plan.

FOCUS

Focus on gender neutrality

The subject of "gender neutrality" is regulated by the Bank of Italy Circular no. 285 of 2013 on remuneration policies, which defines the Gender Pay Gap as the ratio between the average remuneration of the most represented gender and the average remuneration of the least represented gender, analyzing separately the members of the Board of Directors, Identified Staff and Non-Identified Staff.

In addition, the guidelines of the European Banking Authority on sound remuneration policies require that pay gaps also be defined at the "position/role" level in order to carry out an assessment according to the concept of Gender Equity Pay Gap i.e. "equal pay for equal work".

In application of the aforementioned regulatory provisions, an analysis of both the "Gender Pay Gap" and the "Gender Equity Pay Gap" was carried and the results were presented to the Remuneration Committee and to the Board of Directors, which is responsible for overseeing the gender neutrality of the policies and for monitoring any gender pay gap. The following is the outcome of the analysis:

- the Gender Pay Gap, which is calculated as the ratio between the average and median remuneration of men and women and identifies potential pay differences without distinguishing between jobs/positions, is not very representative of the actual gender pay gap, as it is impacted by the demographic composition of the employee population (gender balance).
- with reference to the Gender Equity Pay Gap, no significant gender-related gaps were found for the same role and/or duties, considering both fixed and total compensation. In fact, as of December 31, 2023, a gap of less than 3% was registered for all comparable categories* of employees within the organization in terms of total remuneration.

In 2023, the monitoring of the gender neutrality of the remuneration policies continued through the specific control aimed at monitoring and intervening on any gender pay gaps as part of the annual salary review process and the periodic update of the gender neutrality analysis. In addition, the analysis of gender pay gaps at the level of each comparable category of employees continues in order to achieve effective and continuous improvements in this area.

In addition, with regard to gender balance, the necessary analysis and governance steps were taken in 2023 to include a specific objective in the 2024-2026 ESG MYP to improve gender representation at the highest levels of responsibility.

Further details on the Group's demographic composition and initiatives to promote gender balance can be found in the 2023 Non-Financial Statement.

* The comparable categories of workers are identified considering Job Banding and Job Families as defined by the Global Job Model. On this subject, cf. section 2.3.1 "Focus Global Job Model and Gender Equity pay gap".

3.1.1 Further details on the compensation of Executives with strategic responsibilities

For 2023, according to our Compensation Policy and in compliance with regulatory provisions, the maximum ratio between the variable and fixed components of the compensation of the Chief Executive Officer and General Manager (the only executive officer who sits on the Board of Directors and is an employee of the Company) and of the other Executives with strategic responsibilities has been defined ex-ante.

Tables 1, 3A and 3B of Annex 3A n. 7-BIS (Consob Regulation n. 11971 of 14 May 1999), reported in paragraph 6.2, contain information regarding Executives with strategic responsibilities. It is also specified that:

- the fixed component is defined with regard to market information and at a level that is sufficient to reward the work performed even if the variable part of the compensation package would not be paid out due to non-achievement of performance goals;
- in line with the latest regulatory requirements, the Chief Executive Officer and General Manager – as well as the Executives with strategic responsibilities – have a balanced portion of their remuneration linked to the overall profitability of Fineco, weighted by risk and cost of capital, as well as sustainability goals;
- variable compensation considers the achievement of specific goals, which are approved in advance by the Board of Directors upon proposal of the Remuneration Committee and having informed the Board of the Statutory Auditors.

In particular, specific metrics defined ex-ante, reflecting the categories of our Fineco Risk Appetite Framework, align the remuneration of the Chief Executive Officer and General Manager and of the other Executives with strategic responsibility with sustainable performance and value creation for the shareholders over the medium to long term. Specific individual goals are set taking into account market practices and the role assigned within the Group, through the systematic use of specific indicators aimed at strengthening the sustainability of the business, such as risk and financial sustainability indicators and profitability measures[76].

It is also foreseen the deferral of at least 50% of the incentive in cash and shares. All instalments are subject to the application of malus and/or claw-back conditions, as legally enforceable. The 2023 Incentive System provides for 50% of the annual incentive to be deferred and paid out in FinecoBank shares over the following five years. The number of such shares is determined at the beginning of the deferral period, thus creating a link between the performance of the share price and the actual value of the incentive.

The Chief Executive Officer and General Manager, in addition to the 2023 Incentive System, also benefits from the:

"2018 Incentive System"

"2019 Incentive System"

"2020 Incentive System"

"2021 Incentive System"

"2018-2020 Long-Term Incentive Plan"

"2021-2023 Long-Term Incentive Plan"

The entity and duration of the deferrals are in line with regulatory requirements and are consistent with the Bank's business characteristics and risk profiles.

3.1.2 Previous years' Incentive Systems payout for Identified Staff employees

The achievement of all entry conditions[77] allows the execution of the annual Incentive Systems for Identified Staff Employees, which were approved in previous years and provide for a cash and/or shares instalment

[76] As the CFO - included in the Executives with Strategic Responsibilities – also covers the activities related to the Financial Statements, the individual goals are defined in accordance with the assigned tasks.

[77] For the tranches in cash, reference is made to the 2023 entry conditions, for the tranches in shares, reference is made to the 2022 entry conditions, in consideration of the unavailability period.

in 2024. In particular, these are the 2018, 2019, 2020, 2021, 2022 Incentive Systems, for which the Board of Directors approved on February 6, 2024:

- the payment of the fourth instalment in shares and cash to the beneficiaries of the 2018 Incentive System, according to the maximum amount approved by the Board of Directors with the resolution of January 10, 2018.
- the payment of the fourth instalment in shares to the beneficiaries of the 2019 Incentive System, according to the maximum amount approved by the Board of Directors with the resolution of January 10, 2019.
- the payment of the third instalment in shares and cash to the beneficiaries of the 2020 Incentive System, according to the maximum amount approved by the Board of Directors with the resolution of January 15, 2020.
- the payment of the second instalment in shares and cash to the beneficiaries of the 2021 Incentive System, according to the maximum amount approved by the Board of Directors with the resolution of January 19, 2021.
- the payment of the first instalment in shares to the beneficiaries of the 2022 Incentive System, according to the maximum amount approved by the Board of Directors with the resolution of January 18, 2022.

Below is the implementation dashboard for the above-mentioned plans:

	EXECUTED					PAYMENT	OUTSTANDING			
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
2018 Incentive System	CASH	CASH	SHARES	CASH SHARES	SHARES	CASH SHARES				
2019 Incentive System		CASH	SHARES	CASH AZIONI	CASH SHARES	SHARES	CASH SHARES			
2020 Incentive System			CASH	SHARES	CASH SHARES	CASH SHARES	CASH SHARES	CASH SHARES		
2021 Incentive System				CASH	SHARES	CASH SHARES	CASH SHARES	CASH SHARES	CASH SHARES	
2022 Incentive System					CASH	SHARES	CASH SHARES	CASH SHARES	CASH SHARES	CASH SHARES

Moreover, the achievement of all the entry conditions allowed the execution of the 2018-2020 Long-Term Incentive Plan for employees, as approved by the Board of Directors of May 8, 2018. In particular, on February 6, 2024 the Board of Directors approved the payment of the third instalment to the Identified Staff beneficiaries of the Plan[78].

3.1.3 2021-2023 Long-Term Incentive Plan for Employees

With the aim of rewarding, retaining and motivating selected Employees of the Group in the long term, in line with the FinecoBank Group 2020-2023 Strategic Plan, a share-based long-term incentive plan was approved by the Board of Directors and the Shareholders' Meeting. The Plan set performance targets for the period 2021-2023 in terms of value creation, industrial sustainability, risk and stakeholder value, in order to align the long-term interests of the Bank's Management with the long-term value creation for shareholders.
The structure of the Plan provides for:

- performance goals such as ROAC, Net Sales of AUM, Cost Income Ratio, Cost of Risk on commercial loans and ESG parameters, within the stakeholder value objective, namely customer satisfaction, employee engagement and extension of ESG rating to all new funds; each with a specific weight in terms of impact on the final bonus;

[78] With the exception of the CEO and GM who is subject to a different deferral scheme.

- entry and malus conditions based on capital, liquidity and profitability;
- specific individual compliance conditions, a specific claw-back provision and a continuous employment clause;
- risk measures linked to the annual assessment of the CRO Dashboard;
- individual bonuses defined by taking into account the role of the beneficiaries;
- a payment structure over a multi-year period defined by categories of beneficiaries, in accordance with regulatory requirements.

The three-year performance period of the Plan ended on 31 December 2023; therefore, the outcomes of the assessment of the entry conditions, the achievement of the performance targets, the risk adjustment and the compliance to individual conditions are reported below.

Entry and malus Conditions

In accordance with applicable regulations, the Plan established as Entry Conditions, specific KPIs designed to measure profitability, capital strength and liquidity over the performance period of the Plan.

The capital (Common Equity Tier 1 Ratio) and liquidity (Liquidity Coverage Ratio and Net Stable Funding Ratio) parameters were assessed annually, while the profitability parameters (Net Operating Profit Adjusted and Net Profit) were evaluated cumulatively over the performance years.

The assessment results show that all Entry Conditions have been fully met:

KPI	TARGET	THRESHOLD	RESULTS 2021-2023	
Net Operating Profit adjusted	Sum 2021-2023	≥ 0	**2,142,652**	✓
Net Profit	Sum 2021-2023	≥ 0	**1,418,318**	✓
CET 1 ratio	Each year	> RAF Capacity		
Liquidity Coverage Ratio	Each year	> RAF Capacity	**100%**	✓
Net Stable Funding Ratio	Each year	> RAF Capacity		

In addition, the Plan requires that each individual deferral will be subject to malus conditions for the reference year (2024-2027):

- all capital, liquidity and profitability parameters will be assessed annually[79];
- if even one of the capital or liquidity conditions is not met, the deferral will be reduced pro rata (1/3 per parameter) until its cancelation for the year in question;
- if even one profitability condition is not met, the deferral will be set to zero for the year in question.

[79] For the profitability indicators, the annual verification is carried out by means of a progressive cumulative measurement.

Performance goals

The performance targets have a specific weighting in terms of their impact on the final bonus and their assessment is based on progressive thresholds corresponding to increasing bonus percentages from 0% to 100% in a linear progression.

The performance results show that all the goals have been fully achieved:

GOAL	KPI	WEIGHT	TARGET			RESULTS	PAYOUT
VALUE CREATION	ROAC	35%	Avg 2021-2023	≥	**38%**	**77%**	**100%**
	Net Sales AUM	15%	Sum 2021-2023	≥	**13**	**13.5**	**100%**
INDUSTRIAL SUSTAINABILITY	Cost income	20%	Avg 2021-2023	≤	**37.5%**	**29%**	**100%**
RISK	Cost of risk	15%	Avg 2021-2023	≤	**18**	**4,6**	**100%**
STAKEHOLDER VALUE	Customer satisfaction	5%	Avg 2021-2023	≥	**90**	**97**	**100%**
	People Engagement*	5%	Avg 2021-2023	≥	**76%**	**80%**	**100%**
	ESG rating for all new funds**	5%	EOY 2023	=	**100%**	**100%**	**100%**

* In order to measure this performance indicator, the Plan provided for the survey to be conducted twice during the performance years (2021-2023) with the purpose to elaborate a data average that reflects the employee experience over time.
** Excluding UK representing for Fineco a new opening market.

Risk Adjustment

For the purpose of the appropriate risk adjustment consistent with the Fineco Group RAF, the results of the CRO Dashboard[80] annual assessment throughout the Plan's performance years are taken into account. The presence of negative annual assessment results in a proportional reduction of individual bonuses, as shown below:

CRO DASHBOARD ASSESSMENT				
--	-	=	+	++

CRO DB ASSESSMENT	0 negative assessment	1 negative assessment	2 negative assessments	3 negative assessments
% BONUS	100%	75%	50%	0%

The results show a positive assessment in each performance year:

PERFORMANCE YEAR	ASSESSMENT		% BONUS
2021	++	3 POSITIVE	100%
2022	++		
2023	++		

[80] Excerpt from FinecoBank's Risk Appetite Framework which covers all risks, including those related to capital and liquidity adequacy, credit risk, market risk, and operational risk

Compliance Assessment

Each payment is subject to an individual behavioral Compliance Assessment, which will confirm, reduce or zero the bonus instalment in the right of the beneficiary with reference to each year's assessment.

At the end of the performance period, compliance with legal and/or regulatory provisions, the Company's compliance policies and procedures and integrity values has been verified. The absence of ongoing, initiated or to be initiated official disciplinary proceedings and/or disciplinary sanctions actually applied has been verified, as well as the absence of significant operational losses caused by individual employees or conduct that negatively impacts the risk profile or other regulatory requirements at the Bank or Group level.

In addition, the Human Resources Function has verified the conditions of continuous employment.

Beneficiaries and number of shares

Individual maximum bonus levels have been established based on the category of beneficiary, in line with the limits set by the applicable regulatory requirements and the Remuneration policy.

On May 5, 2021 the Board of Directors approved the commitment to allocate a maximum number of shares equal to 741,129 FinecoBank ordinary shares that may be granted to the beneficiaries of the Plan in 2024, after having verified the entry conditions, performance conditions and the other conditions foreseen by the Plan.

The beneficiaries of the Plan are selected Employees with "key roles" within the organization: 96 resources, of which 19 are Group Identified Staff employees.

The Heads of the Company Control Functions (CRO, Head of Compliance) and the Head of Human Resources are excluded from the Beneficiaries of the Plan.

The number of shares was determined based on the arithmetic average of the official closing price of FinecoBank shares recorded in the month preceding the resolution of the Board of Directors of FinecoBank S.p.A. implementing the shareholders' resolution relating to the Plan, equal to € 14.178.

The number of shares that may be granted under the Plan[81], based on achievement of the performance results, Entry Conditions and risk adjustment is 733,728.

Beneficiaries may not activate programs or agreements that specifically protect the value of unavailable financial instruments granted under incentive plans. Any form of hedging will be considered a violation of compliance rules will be subject to consequences set forth in the regulations, rules and procedures.

The individual bonuses confirm compliance with the maximum limits set for the variable remuneration of the beneficiaries, also taking into account the short-term variable compensation that is granted in each performance year.

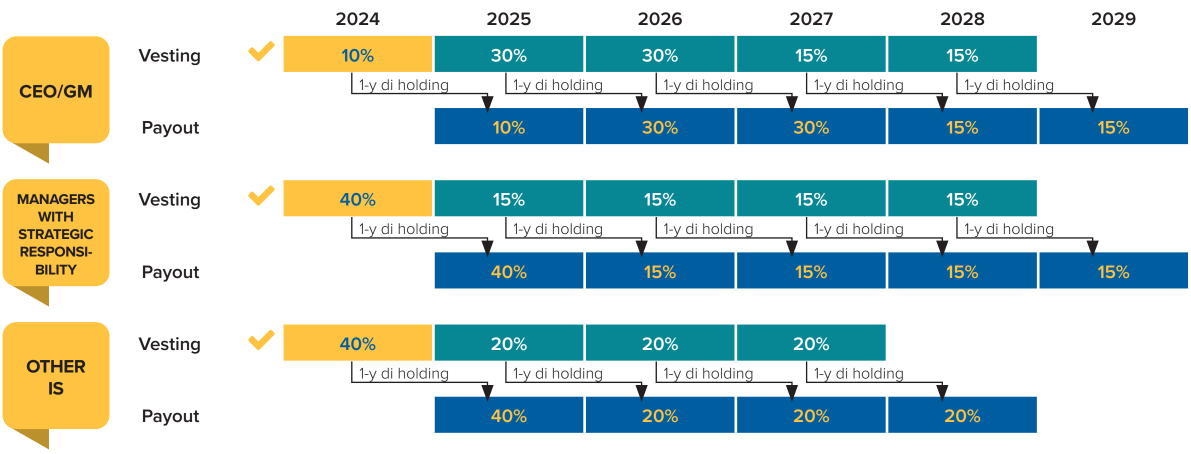
Within the aforementioned limits, it is foreseen:

- for the Chief Executive Officer and General Manager, a maximum percentage impact of the bonus related to the Plan equal to 50% of the maximum variable remuneration attributable in each performance year;
- for the other Executives with strategic responsibilities, a maximum percentage of the bonus related to the Plan equal to 30% of the maximum variable remuneration attributable in each performance year;
- for the other beneficiaries bonus ranges were defined according to their banding, always in compliance with the maximum limits established by the regulations and the FinecoBank Group Compensation Policy.

[81] 4 terminations have occurred since May 2021, resulting in forfeited rights under the Plan.

Payment structure

The bonuses will be paid in full in the form of free FinecoBank ordinary shares starting in 2024, according to the payment schemes shown below:



For the Beneficiaries of the Plan included among Identified Staff employees, a one-year holding period applies to the shares, both the upfront shares, vested at the end of the performance period, and the deferred shares. For the other Beneficiaries vesting and availability of the shares coincide.

In addition, the Board of Directors, having heard the opinion of the Remuneration Committee and upon the proposal of the competent Company Functions, reserves the right to amend the Plan and its relevant rules, due to possible changes in current regulations and/or due to potential extraordinary and/or unforeseeable events that may affect the FinecoBank Group, the Bank or the market in which they operates.

3.2 2023 INCENTIVE SYSTEM FOR FINANCIAL ADVISORS BELONGING TO IDENTIFIED STAFF

The 2023 Incentive System PFA, approved by the Board of Directors on January 23, 2023, takes into consideration all the national and international regulatory requirements for the sales networks incentives and directly links bonuses with the objectives of growth in the medium and long term, in a general framework of overall sustainability.

The System, implemented within the framework of our policy and governance, provides for the allocation of a performance related bonus in cash and/or shares over 4 years.

In line with the FinecoBank governance, the 2023 performance evaluations and payouts for PFA Identified Staff have been approved by the Board of Directors, based on the favorable opinion of Remuneration Committee.

Based on the resolutions of the Board of Directors of February 6, 2024, the total number of shares serving the 2023 Incentive System for Financial Advisors is 43,673 to be assigned in 2025, 2026 and 2027.

On the same day, the Board of Directors approved the execution - in 2024 - of the 2020, 2021, 2022 annual Incentive Systems and of the 2018-2020 Long-Term Incentive Plan for PFA Identified Staff[82].

[82] The data relating to the assignments are included in the information reported in paragraphs 3.2.1 and 6 of the Remuneration Report and in the Annex II.

3.2.1 Previous years' Incentive Systems payout for Financial Advisors belonging to Identified Staff

The achievement of all entry conditions[83] allows the execution of the Incentive Systems for the Personal Financial Advisors Identified Staff, which have been approved in previous years and provide for a cash and/or share instalment in 2024. In particular, these are 2020, 2021 and 2022 PFA Incentive Systems, for which the Board of Directors approved on February 6, 2024:

- the payment of the third instalment in shares and the fourth instalment in cash to the beneficiaries of 2020 PFA Incentive System, in coherence with the amount approved by the Board of Directors with the resolution of January 15, 2020.
- the payment of the second instalment in shares and the third instalment in cash to the beneficiaries of 2021 PFA Incentive System, in coherence with the equivalent cash amount approved by the Board of Directors with the resolution of January 19, 2021.
- the payment of the first shares instalment to the beneficiaries of 2022 PFA Incentive System, in coherence with the equivalent cash amount approved by the Board of Directors with the resolution of January 18, 2022.

The dashboard below shows the implementation schedule of the aforementioned plans:

	EXECUTED				PAYMENT	OUTSTANDING		
	2020	2021	2022	2023	2024	2025	2026	2027
2020 PFA Incentive System		CASH	CASH SHARES	CASH SHARES	CASH SHARES			
2021 PFA Incentive System			CASH	CASH SHARES	CASH SHARES	CASH SHARES	CASH	
2022 PFA Incentive System				CASH	SHARES	SHARES	CASH SHARES	CASH

Moreover, the achievement of all the entry conditions allows the execution of the 2018-2020 Long-Term Incentive Plan for PFA Identified Staff, as approved by the Board of Directors on May 8, 2018. In particular, on February 6, 2024, the Board of Directors approved the payment of the second share instalment to the beneficiaries of the Plan.

[83] For the tranches in cash, reference is made to the 2023 entry conditions, for the tranches in shares, reference is made to the 2022 entry conditions, in consideration of the unavailability period.

4. COMPENSATION OF THE MEMBERS OF THE GOVERNING AND AUDITING BODIES

The remuneration of the members of the governing and auditing Bodies of FinecoBank S.p.A. consists only of a fixed component, determined based on the importance of the role and the level of commitment required to carry out the assigned duties.

This approach applies to non-Executive Directors and to the members of Supervisory Body that are not employees of FinecoBank or other Legal Entities of the Group, as well as to Statutory Auditors.

The compensation paid to non-Executive Directors, to the Supervisory Body members and to the Statutory Auditors is not linked to the economic results achieved by FinecoBank and none of them benefits from incentive plans based on stock options or, generally, based on financial instruments.

The amount of the remuneration of the Chairman of the Board of Directors does not exceed the fixed remuneration received by the CEO.

In line with FinecoBank's Articles of Association, the Shareholders' Meeting of April 27, 2023, appointed the Board of Directors for the financial years 2023-2025 and determined also the remuneration of the Directors for their activities within the scope of the Board of Directors and Board Committees.

The following elements, inter alia, were taken into consideration:

1. the gradual increase in the Bank's organizational, operational and business complexities as well the classification of FinecoBank S.p.A. as a Significant Institution pursuant to Article 6 paragraph 4 of Regulation (EU) No. 1024/2013 as of 1 January 2022 and the consequent direct supervision under the European Central Bank.
2. the definition of a competitive remuneration package in order to attract the best profiles from the point of view of skills and professional experience for the position of Director of FinecoBank, in line with the recommendation of the Corporate Governance Code of Borsa Italiana; the above proposal also takes into consideration the supervening legislation on fit & proper including MD No. 169/2020, the European Central Bank's Guide on the Verification of Eligibility Requirements and the relevant EBA-ESMA Guidelines.
3. the benchmark data on the remuneration of the members of the Board of Directors provided by the independent External Advisor to the Remuneration Committee, related to a sample of the major banks listed on the FTSE MIB index, that shows a positioning below the market median.

With regard to the appointment of the Board of Statutory Auditors, the Ordinary Shareholders' Meeting also approved the annual remuneration due to the members of the Board of Statutory Auditors for the entire period of its mandate.

BENEFICIAIRES*	REMUNERATION COMPONENT	APPROVED BY	AMOUNT (€)	NOTES
Non-Executive Directors	Fixed only	Board of Directors of February 7, 2023 and Shareholders' Meeting of April 27, 2023	Yearly amount: € 650,000 for the Board of Directors** € 160,000 for participating in the Risk and Related Parties Committee € 70,000 for participating in other BoD's Committees € 35,000 e € 25,000 respectively for the Chair and the Members of the Supervisory Body*** € 600 attendance fee for****: - BoD - BoD's Committees	Compensation is determined based on the relevance of the role and the effort required to carry out the assigned activities.
		Board of Directors of February 7, 2023, according to art. 2389 par. 3 of Civil Code and heard the favourable opinion of the Statutory Auditors	€ 285,000 yearly, divided between: - BoD Chairman - BoD Deputy Chairman	
Statutory Auditors	Fixed only	Shareholders' Meeting on April 27, 2023	Yearly*****: € 80,000 for the Chair of Statutory Auditors € 65,000 for each effective member € 600 as attendance fee for BoD and Statutory Audit meetings******	

* Mr. Alessandro Foti, as a FinecoBank employee, renounces to the remuneration approved for the office of Chief Executive Officer.
** The overall amount for the Board of Directors (including the Executive Director) approved by the Assembly is € 715,000.
*** With the BoD decision of June 9, 2020, the new Members of the Supervisory Body have been nominated.
**** In case of multiple meetings on the same day, the fee can be cumulated.
***** Alternate Statutory Auditors don't receive any compensation, except if they permanently replace one of the Auditors.
****** The Chair of the Board of Statutory Auditors receives an attendance fee for all mandatory attendances, including those of the Risk and Related Parties Committee.

5. INDEMNITIES TO DIRECTORS IN THE EVENT OF RESIGNATIONS, DISMISSAL OR TERMINATION OF EMPLOYMENT FOLLOWING A PUBLIC PURCHASE OFFER (AS PER SECTION 123/BIS, PARAGRAPH 1, LETTER I), OF TUF)

None of the Directors have contracts containing clauses envisaging the payment of indemnities, or the right to keep post-retirement benefits, in the event of resignations or dismissal/revocation without just cause or if the employment relationship is terminated following a public purchase offer. In case of early termination of the mandate, the ordinary law provisions would therefore apply.

The individual employment contract of the Chief Executive Officer and General Manager, Mr. Alessandro Foti, is governed - also concerning the event of resignations, dismissal or termination - by the ordinary provisions of the law and National Labor Agreement for Banking Industry Executives. In such context, the annual remuneration used to define the possible indemnity due in the above mentioned instances would include the fixed remuneration, any other continuative compensation and the average of the variable pay (inclusive of the components paid in equity - such as for example free shares, restricted shares, performance shares - with the only exclusion of the valorisation of the stock options potentially assigned within long-term incentive plans) received in the last three years prior to the termination. The actual amount of such indemnity – in terms of months of compensation considered – is then bound to vary depending on the events which led to the termination and on the relationship's duration and is anyway subjected to provisions of the "Severance Policy" of FinecoBank

approved by the Shareholders' Meeting on April 10, 2019 and in line with paragraph 3.2 of Section I.
Non-executive Directors do not receive, within incentive plans, stock options or other equities. For the Chief Executive Officer and General Manager no specific provisions are provided with reference to the right to keep, in case of termination, the options received and the plans' provisions apply.
For none of the Directors currently in office, provisions exist regarding the establishment of advisory contracts for a term following the termination of the directorship, nor the right to keep post retirement perks. No agreements exist either providing compensation for non-competition undertakings.

6. COMPENSATION DATA

Compensation was awarded in compliance with the remuneration policy approved by the Shareholders' Meeting on April 27, 2023, keeping into account the broad consensus achieved[84]:

	VOTING RESULTS
Section I – 2023 Remuneration policy (Shareholders' Meeting's approval is required)	94.6% of favorable votes
Section II – 2022 Remuneration report (a non-binding advisory vote is required)	98.3% of favorable votes

In order to maintain a proactive dialogue with investors and proxy advisors, for the revision of Section I of this Remuneration Policy, the voting rationale expressed by Shareholders at the Annual General Meeting and the insights gained during the engagement campaign in December 2023 were taken into account.
For example, in the new Long-Term Incentive Plan for the three-year period 2024-2026, the weight of the performance goals in terms of their impact on the final bonus was determined also based on the input received from investors, recommending to maintain an adequate balance between economic and non-economic parameters.
Moreover, with reference to the Chief Executive Officer and General Manager's scorecard connected to the 2024 Short-Term Incentive System, measurable targets for the sustainability parameters were disclosed ex-ante.

6.1 VARIATION OF COMPANY RESULTS, INDIVIDUAL COMPENSATION AND EMPLOYEES' AVERAGE REMUNERATION

In line with the regulatory provisions, as outlined in the Consob Regulation n. 11971/1999 updated on December 11, 2020, outlined below is comparison information on the annual variation for the last three years of the following:

- company results;
- total compensation for each individual whose information is namely disclosed in this Section;
- average annual gross remuneration of full-time equivalent employees, excluding the individuals whose information is namely disclosed in this Section.

COMPANY PERFORMANCE VARIATION					
Euro/ 000	FY 2023	FY 2023 vs FY 2022	FY 2022 vs FY 2021	FY 2021 vs FY 2020	FY 2020 vs FY 2019
Company results*					
Revenues	1,237,631	42.0%	17.8%	7.4%	17.9%
Net Profit	609,101	30.5%	22.8%	7.6%	19.2%

*Data adjusted

[84] Cf. art. 123-ter paragraph 4 lett. b) bis TUF.

INDIVIDUAL COMPENSATION VARIATION					
Euro/ 000	FY 2023	FY 2023 vs FY 2022	FY 2022 vs FY 2021	FY 2021 vs FY 2020	FY 2020 vs FY 2019
Management Body members' remuneration*					
Alessandro Foti (CEO/GM)	2,911	-2.9%	-1.8%	7.6%	7.8%
Non-Executive Directors remuneration**					
Marco Mangiagalli (Chairman)	285	10.9%	0.0%	47.8%	-
Francesco Saita (Deputy Chairman) - In office until April, 26th 2023	66	-64.7%	0.6%	9.4%	24.2%
Gianmarco Montanari (Deputy Chairman)	190	57.8%	0.9%	9.2%	17.2%
Patrizia Albano	136	22.3%	0.5%	15.6%	56.0%
Elena Biffi	157	27.3%	-2.4%	16.9%	25.4%
Giancarla Branda	101	16.5%	3.0%	45.3%	-
Paola Giannotti De Ponti - In office until April, 26th 2023	41	-65.5%	1.5%	56.8%	-
Marin Gueorguiev	137	50.2%	-0.7%	57.9%	-
Maria Alessandra Zunino De Pignier	151	22.3%	1.0%	51.4%	-
Alessandra Pasini - In office until April, 26th 2023	20	-64.9%	28.1%		
Arturo Patarnello - In office since April, 27th 2023	102	-	-	-	-
Maria Lucia Candida - In offi-ce since April, 27th 2023	83	-			
Paola Generali - In office since April, 27th 2023	52	-			
Statutory Auditors remuneration***					
Luisa Marina Pasotti (Chair) - Role taken over during 2020	112	19.2%	2.7%	267.2%	-
Massimo Gatto - In office since April 28th 2020	101	25.1%	3.6%	43.9%	-
Giacomo Ramenghi - Role taken over during 2020	100	24.8%	4.8%	300.7%	-

* Equal to the total remuneration (column 6 Table 1) inclusive of the instalments of the short-term incentive systems vested during the year (column 11 Table 3A) and, conventionally, of the pro rata of the maximum amount of the 2021-2023 LTI plan as represented in Section II, paragraph 3.1. For the years 2020 and 2019, for the 2018-2020 LTI plan, the annual pro rata is considered with respect to the amount actually awarded.
** It includes the fees as members of the Board of Directors, the fees for any position within the internal Board Committees, the attendance fees for participation in the respective meetings and any expense reimbursement.
*** These include the fees as members of the Board of Statutory Auditors, attendance fees for participation in the meetings of the Board of Directors and the Board of Statutory Auditors and any expense reimbursement.

EMPLOYEES' AVERAGE REMUNERATION VARIATION					
Euro/ 000	FY 2023	FY 2023 vs FY 2022	FY 2022 vs FY 2021	FY 2021 vs FY 2020	FY 2020 vs FY 2019
Employees' average remuneration*					
Average fixed and variable annual remuneration	64	10.3%	1.8%	3.6%	6.7%

* To be understood as the average total remuneration paid in the referred year (excluding social security contributions), therefore: average fixed remu-neration and average variable remuneration, which corresponds to all variable remuneration paid in the referred year (tshort and long-term incentive systems' instalments and deferrals awarded in previous years were therefore included).

6.2 INFORMATION TABLES PURSUANT TO ART. 84-QUATER OF THE REGULATION NO. 11971 ISSUED BY COMMISSIONE NAZIONALE PER LE SOCIETÀ E LA BORSA (CONSOB)

Consob Issuers' Regulation no. 11971, Article 84-quater - Annex 3A / Schedule 7-bis

Amounts in euro

TABLE 1: Compensation paid to members of the administrative and auditing bodies, to general managers and to other executives with strategic responsibility

(A)	(B)	(C)		(D)	(1)						(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and surname	Office	Period in which office was held		Office expiration date	Fixed Compensation						Compensation for committee membership	Variable non-equity compensation		Non-monetary benefits	Other remunaration	Total	Fair Value of equity compensation	Severance indemnity for end of office or termination of employment
					Emoluments resolved by the Shareholdes' Meeting	Attendance tokens	Lump sum expense reimbursements *	Compensation for specific offices ex article. 2389 Italian Civil Code	Fixed salary	Total		Bonuses and other incentives	Profit sharing					
Marco Mangiagalli	Chairman of the Board of Directors	01/01/2023	26/04/2023	31/12/2022 financial statements approval	15,890	3,600		63,562		83,052						83,052		
	Chairman of the Board of Directors	27/04/2023	31/12/2023	31/12/2025 financial statements approval	44,342	7,800		150,082		202,225						202,225		
	(I) Total compensation in the company preparing the financial statements				**60,233**	**11,400**	**-**	**213,644**	**-**	**285,277**	**-**	**-**	**-**	**-**	**-**	**285,277**		
	(II) Compensation from subsidiaries and associates									-						-		
	(III) Total				**60,233**	**11,400**	**-**	**213,644**	**-**	**285,277**	**-**	**-**	**-**	**-**	**-**	**285,277**		
Francesco Saita	Deputy Chairman of the Board of Directors	01/01/2023	26/04/2023	31/12/2022 financial statements	15,890	4,200		19,068		39,159						39,159		
	Chairman of Risk and Related Parties Committee	01/01/2023	26/04/2023	31/12/2022 financial statements		8.400				8.400	9.534					17.934		
	Member of the Corporate Governance and Environmental and Social Sustainability Committee	01/01/2023	26/04/2023	31/12/2022 financial statements		3,000				3,000	6,356					9,356		
	(I) Total compensation in the company preparing the financial statements				**15,890**	**15,600**	**-**	**19,068**	**-**	**50,559**	**15,890**	**-**	**-**	**-**	**-**	**66,449**		
	(II) Compensation from subsidiaries and associates									-						-		
	(III) Total				**15,890**	**15,600**	**-**	**19,068**	**-**	**50,559**	**15,890**	**-**	**-**	**-**	**-**	**66,449**		
Gianmarco Montanari	Member of the Board of Directors	01/01/2023	26/04/2023	31/12/2022 financial statements	15,890	3,600	1,643			21,133						21,133		
	Chairman of the Remuneration Committee	01/01/2023	26/04/2023	31/12/2022 financial statements		1,800				1,800	7,945					9,745		
	Member of the Appointments Committee	01/01/2023	26/04/2023	31/12/2022 financial statements		4,800				4,800	6,356					11,156		
	Deputy Chairman of the Board of Directors	27/04/2023	31/12/2023	31/12/2025 financial statements	44,342	7,800	6,100	44,342		102,585						102,585		
	Chairman of the Remuneration Committee	27/04/2023	31/12/2023	31/12/2025 financial statements		6,000				6,000	20,466					26,466		
	Member of the Corporate Governance and Environmental and Social Sustainability Committee	27/04/2023	31/12/2023	31/12/2025 financial statements		4,800				4,800	13,644					18,444		
	(I) Total compensation in the company preparing the financial statements				**60,233**	**28,800**	**7,743**	**44,342**	**-**	**141,119**	**48,411**	**-**	**-**	**-**	**-**	**189,529**		
	(II) Compensation from subsidiaries and associates									-						-		
	(III) Total				**60,233**	**28,800**	**7,743**	**44,342**	**-**	**141,119**	**48,411**	**-**	**-**	**-**	**-**	**189,529**		
Alessandro Foti	CEO/GM								1.000.000	1,000,000		378,400		6.849		1,385,249	1,185,353	
	(I) Total compensation in the company preparing the financial statements				**-**	**-**	**-**	**-**	**1,000,000**	**1,000,000**	**-**	**378,400**	**-**	**6,849**	**-**	**1,385,249**	**1,185,353**	
	(II) Compensation from subsidiaries and associates									-						-		
	(III) Total				**-**	**-**	**-**	**-**	**1,000,000**	**1,000,000**	**-**	**378,400**	**-**	**6,849**	**-**	**1,385,249**	**1,185,353**	
Patrizia Albano	Member of the Board of Directors	01/01/2023	26/04/2023	31/12/2022 financial statements	15,890	3,600				19,490						19,490		
	Member of the Corporate Governance and Environmental and Social Sustainability Committee	01/01/2023	26/04/2023	31/12/2022 financial statements		2,400				2,400	6,356					8,756		
	Member of the Appointments Committee	01/01/2023	26/04/2023	31/12/2022 financial statements		4,200				4,200	6,356					10,556		
	Member of the Board of Directors	27/04/2023	31/12/2023	31/12/2025 financial statements	44,342	7,800				52,142						52,142		
	Chairman of the Corporate Governance and Environmental and Social Sustainability Committee	27/04/2023	31/12/2023	31/12/2025 financial statements		4,800				4,800	20,466					25,266		
	Member of the Appointments Committee	27/04/2023	31/12/2023	31/12/2025 financial statements		6,600				6,600	13,644					20,244		
	(I) Total compensation in the company preparing the financial statements				**60,233**	**29,400**	**-**	**-**	**-**	**89,633**	**46,822**	**-**	**-**	**-**	**-**	**136,455**		
	(II) Compensation from subsidiaries and associates									-						-		
	(III) Total				**60,233**	**29,400**	**-**	**-**	**-**	**89,633**	**46,822**	**-**	**-**	**-**	**-**	**136,455**		
Elena Biffi	Member of the Board of Directors	01/01/2023	26/04/2023	31/12/2022 financial statements	15,890	3,600				19,490						19,490		
	Member of the Risk and Related Parties Committee	01/01/2023	26/04/2023	31/12/2022 financial statements		6,600				6,600	6,356					12,956		
	Chairman of the Appointmements Committee	01/01/2023	26/04/2023	31/12/2022 financial statements		4,200				4,200	7,945					12,145		
	Member of the Board of Directors	27/04/2023	31/12/2023	31/12/2025 financial statements	44,342	7,800				52,142						52,142		
	Member of the Risk and Related Parties Committee	27/04/2023	31/12/2023	31/12/2025 financial statements		12,600				12,600	20,466					33,066		
	Chairman of the Appointmements Committee	27/04/2023	31/12/2023	31/12/2025 financial statements		6,600				6,600	20,466					27,066		
	(I) Total compensation in the company preparing the financial statements				**60,233**	**41,400**	**-**	**-**	**-**	**101,633**	**55,233**	**-**	**-**	**-**	**-**	**156,866**		
	(II) Compensation from subsidiaries and associates									-						-		
	(III) Total				**60,233**	**41,400**	**-**	**-**	**-**	**101,633**	**55,233**	**-**	**-**	**-**	**-**	**156,866**		
Giancarla Branda	Member of the Board of Directors	01/01/2023	26/04/2023	31/12/2022 financial statements	15,890	2,400	566			18,856						18,856		
	Member of the Remuneration Committee	01/01/2023	26/04/2023	31/12/2022 financial statements		2,400				2,400	6,356					8,756		
	Member of the Board of Directors	27/04/2023	31/12/2023	31/12/2025 financial statements	44,342	7,800	2,321			54,464						54,464		
	Member of the Remuneration Committee	27/04/2023	31/12/2023	31/12/2025 financial statements		5,400				5,400	13,644					19,044		
	(I) Total compensation in the company preparing the financial statements				**60,233**	**18,000**	**2,887**	**-**	**-**	**81,120**	**20,000**	**-**	**-**	**-**	**-**	**101,120**		
	(II) Compensation from subsidiaries and associates									-						-		
	(III) Total				**60,233**	**18,000**	**2,887**	**-**	**-**	**81,120**	**20,000**	**-**	**-**	**-**	**-**	**101,120**		
Paola Giannotti De Ponti	Member of the Board of Directors	01/01/2023	26/04/2023	31/12/2022 financial statements	15,890	3,600				19,490						19,490		
	Member of the Risk and Related Parties Committee	01/01/2023	26/04/2023	31/12/2022 financial statements		6,600				6,600	6,356					12,956		
	Member of the Remuneration Committee	01/01/2023	26/04/2023	31/12/2022 financial statements		2,400				2,400	6,356					8,756		
	(I) Total compensation in the company preparing the financial statements				**15,890**	**12,600**	**-**	**-**	**-**	**28,490**	**12,712**	**-**	**-**	**-**	**-**	**41,203**		
	(II) Compensation from subsidiaries and associates									-						-		
	(III) Total				**15,890**	**12,600**	**-**	**-**	**-**	**28,490**	**12,712**	**-**	**-**	**-**	**-**	**41,203**		
Marin Gueorguiev	Member of the Board of Directors	01/01/2023	26/04/2023	31/12/2022 financial statements	15,890	3,600				19,490						19,490		
	Member of the Risk and Related Parties Committee	01/01/2023	26/04/2023	31/12/2022 financial statements		6,600				6,600	6,356					12,956		
	Member of the Board of Directors	27/04/2023	31/12/2023	31/12/2025 financial statements	44,342	7,800				52,142						52,142		
	Member of the Risk and Related Parties Committee	27/04/2023	31/12/2023	31/12/2025 financial statements		12,600				12,600	20,466					33,066		
	Member of the Remuneration Committee	27/04/2023	31/12/2023	31/12/2025 financial statements		5,400				5,400	13,644					19,044		
	(I) Total compensation in the company preparing the financial statements				**60,233**	**36,000**	**-**	**-**	**-**	**96,233**	**40,466**	**-**	**-**	**-**	**-**	**136,699**		
	(II) Compensation from subsidiaries and associates									-						-		
	(III) Total				**60,233**	**36,000**	**-**	**-**	**-**	**96,233**	**40,466**	**-**	**-**	**-**	**-**	**136,699**		
Alessandra Pasini	Member of the Board of Directors	01/01/2023	26/04/2023	31/12/2022 financial statements	15,890	4,200				20,090						20,090		
	(I) Total compensation in the company preparing the financial statements				**15,890**	**4,200**	**-**	**-**	**-**	**20,090**	**-**	**-**	**-**	**-**	**-**	**20,090**		
	(II) Compensation from subsidiaries and associates									-						-		
	(III) Total				**15,890**	**4,200**	**-**	**-**	**-**	**20,090**	**-**	**-**	**-**	**-**	**-**	**20,090**		
Maria Alessandra Zunino De Pignier	Member of the Board of Directors	01/01/2023	26/04/2023	31/12/2022 financial statements	15,890	2,400				18,290						18,290		
	Member of the Risk and Related Parties Committee	01/01/2023	26/04/2023	31/12/2022 financial statements		5,400				5,400	6,356					11,756		
	Chairman of the Corporate Governance and Environmental and Social Sustainability Committee	01/01/2023	26/04/2023	31/12/2022 financial statements		2,400				2,400	7,945					10,345		
	Member of the Board of Directors	27/04/2023	31/12/2023	31/12/2025 financial statements	44,342	7,800				52,142						52,142		
	Chairman of the Risk and Related Parties Committee	27/04/2023	31/12/2023	31/12/2025 financial statements		12,600				12,600	27,288					39,888		
	Member of the Corporate Governance and Environmental and Social Sustainability Committee	27/04/2023	31/12/2023	31/12/2025 financial statements		5,400				5,400	13,644					19,044		
	(I) Total compensation in the company preparing the financial statements				**60,233**	**36,000**	**-**	**-**	**-**	**96,233**	**55,233**	**-**	**-**	**-**	**-**	**151,466**		
	(II) Compensation from subsidiaries and associates									-						-		
	(III) Total				**60,233**	**36,000**	**-**	**-**	**-**	**96,233**	**55,233**	**-**	**-**	**-**	**-**	**151,466**		
Arturo Patarnello	Member of the Board of Directors	27/04/2023	31/12/2023	31/12/2025 financial statements	44,342	7,200				51,542						51,542		
	Member of the Risk and Related Parties Committee	27/04/2023	31/12/2023	31/12/2025 financial statements		10,800				10,800	20,466					31,266		
	Member of the Appointments Committee	27/04/2023	31/12/2023	31/12/2025 financial statements		6,000				6,000	13,644					19,644		
	(I) Total compensation in the company preparing the financial statements				**44,342**	**24,000**	**-**	**-**	**-**	**68,342**	**34,110**	**-**	**-**	**-**	**-**	**102,452**		
	(II) Compensation from subsidiaries and associates									-						-		
	(III) Total				**44,342**	**24,000**	**-**	**-**	**-**	**68,342**	**34,110**	**-**	**-**	**-**	**-**	**102,452**		
Maria Lucia Candida	Member of the Board of Directors	27/04/2023	31/12/2023	31/12/2025 financial statements	44,342	7,200	672			52,215						52,215		
	Member of the Risk and Related Parties Committee	27/04/2023	31/12/2023	31/12/2025 financial statements		10,200				10,200	20,466					30,666		
	(I) Total compensation in the company preparing the financial statements				**44,342**	**17,400**	**672**	**-**	**-**	**62,415**	**20,466**	**-**	**-**	**-**	**-**	**82,880**		
	(II) Compensation from subsidiaries and associates									-						-		
	(III) Total				**44,342**	**17,400**	**672**	**-**	**-**	**62,415**	**20,466**	**-**	**-**	**-**	**-**	**82,880**		
Paola Generali	Member of the Board of Directors	27/04/2023	31/12/2023	31/12/2025 financial statements	44,342	7,200				51,542						51,542		
	(I) Total compensation in the company preparing the financial statements				**44,342**	**7,200**	**-**	**-**	**-**	**51,542**	**-**	**-**	**-**	**-**	**-**	**51,542**		
	(II) Compensation from subsidiaries and associates									-						-		
	(III) Total				**44,342**	**7,200**	**-**	**-**	**-**	**51,542**	**-**	**-**	**-**	**-**	**-**	**51,542**		
TOTAL BOARD OF DIRECTORS	**(I) Total compensation in the company preparing the financial statements**				**602,329**	**282,000**	**11,303**	**277,055**	**1,000,000**	**2,172,686**	**349,342**	**378,400**	**-**	**6,849**	**-**	**2,907,277**	**1,185,353**	**-**
	(II) Compensation from subsidiaries and associates				**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	(III) Total				**602,329**	**282,000**	**11,303**	**277,055**	**1,000,000**	**2,172,686**	**349,342**	**378,400**	**-**	**6,849**	**-**	**2,907,277**	**1,185,353**	**-**
Luisa Marina Pasotti	Chairman of the Board of Statutory Auditors	01/01/2023	26/04/2023	31/12/2022 financial statements	20,658	13,200	755			34,612				-		34,612		
	Chairman of the Board of Statutory Auditors	27/04/2023	31/12/2023	31/12/2025 financial statements	54,575	21,000	2,206			77,781						77,781		
	(I) Total compensation in the company preparing the financial statements				**75,233**	**34,200**	**2,961**	**-**	**-**	**112,393**	**-**	**-**	**-**	**-**	**-**	**112,393**		
	(II) Compensation from subsidiaries and associates									-						-		
	(III) Total				**75,233**	**34,200**	**2,961**	**-**	**-**	**112,393**	**-**	**-**	**-**	**-**	**-**	**112,393**		
Massimo Gatto	Standing Auditor	01/01/2023	26/04/2023	31/12/2022 financial statements	15,890	13,800	1,212			30,903						30,903		
	Standing Auditor	27/04/2023	31/12/2023	31/12/2025 financial statements	44,342	21,000	4,491			69,833						69,833		
	(I) Total compensation in the company preparing the financial statements				**60,233**	**34,800**	**5,703**	**-**	**-**	**100,736**	**-**	**-**	**-**	**-**	**-**	**100,736**		
	(II) Compensation from subsidiaries and associates									-						-		
	(III) Total				**60,233**	**34,800**	**5,703**	**-**	**-**	**100,736**	**-**	**-**	**-**	**-**	**-**	**100,736**		
Giacomo Ramenghi	Standing Auditor	01/01/2023	26/04/2023	31/12/2022 financial statements	15,890	13,200	1,003			30,093						30,093		
	Standing Auditor	27/04/2023	31/12/2023	31/12/2025 financial statements	44,342	21,000	4,146			69,488						69,488		
	(I) Total compensation in the company preparing the financial statements				**60,233**	**34,200**	**5,148**	**-**	**-**	**99,581**	**-**	**-**	**-**	**-**	**-**	**99,581**		
	(II) Compensation from subsidiaries and associates									-						-		
	(III) Total				**60,233**	**34,200**	**5,148**	**-**	**-**	**99,581**	**-**	**-**	**-**	**-**	**-**	**99,581**		
Alessandro Gaetano	Alternate Auditor	01/01/2023	26/04/2023	31/12/2022 financial statements						-						-		
	(I) Total compensation in the company preparing the financial statements				-	-	-	-	-	-	-	-	-	-	-	-		
	(II) Compensation from subsidiaries and associates									-						-		
	(III) Total				-	-	-	-	-	-	-	-	-	-	-	-		
Lucia Montecamozzo	Alternate Auditor	01/01/2023	26/04/2023	31/12/2022 financial statements						-				-		-		
	Alternate Auditor	27/04/2023	31/12/2023	31/12/2025 financial statements														
	(I) Total compensation in the company preparing the financial statements				-	-	-	-	-	-	-	-	-	-	-	-		
	(II) Compensation from subsidiaries and associates									-						-		
	(III) Total				-	-	-	-	-	-	-	-	-	-	-	-		
Marco Salvatore	Alternate Auditor	27/04/2023	31/12/2023	31/12/2025 financial statements						-						-		
	(I) Total compensation in the company preparing the financial statements				-	-	-	-	-	-	-	-	-	-	-	-		
	(II) Compensation from subsidiaries and associates									-						-		
	(III) Total				-	-	-	-	-	-	-	-	-	-	-	-		
TOTAL BOARD OF STATUTORY AUDITORS	**(I) Total compensation in the company preparing the financial statements**				**195,699**	**103,200**	**13,812**	**-**	**-**	**312,711**	**-**	**-**	**-**	**-**	**-**	**312,711**		
	(II) Compensation from subsidiaries and associates				**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		
	(III) Total				**195,699**	**103,200**	**13,812**	**-**	**-**	**312,711**	**-**	**-**	**-**	**-**	**-**	**312,711**		

* For "out of pocket expenses" and mileage travelled

Other Executives with Strategic Responsibility (total no.4)**	**(I) Total compensation in the company preparing the financial statements**					**1,873,333**	**1,873,333**		**859,796**		**72,689**		2,805,818	**1,662,471**	
	(II) Compensation from subsidiaries and associates	-	-	-	-		-	-	-	-	-	-	**2,805,818**	-	
	(III) Total	-	-	-	-	**1,873,333**	**1,873,333**	-	**859,796**	-	**72,689**	-	**5,611,636**	**1,662,471**	

** The Total Remuneration of the Deputy General Managers is equal to respectively €1.292.336, €1.313.027 e €1.117.356.

Amounts in euro	TABLE 2: Stock Option assigned to the Members of the Administrative Body, to General Managers and other Executives with Strategic Responsability																	
			Opzions held at the beginning of the year			Opzions assigned during the year						Options exercised during the year						
(A)	(B)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Name and surname	Office	Plan	Number of Options	Exercise Price	Exercise Period (from .. to)	Number of Options	Exercise Price	Exercise Period (from .. to)	Fair Value at Assignment Date	Assignment Date	Market Price of Underlying Shares upon Assignment of Options	Number of Options	Exercise Price	Market Price of Underlying Shares on Exercise Date	Options Lapsed during the year (Number)	Options held at the end of the year (Number)	Options relevant to this year (Fair Value)
Alessandro Foti	Chief Executive Officer/ General Manager																
(I) Compensation in the Company preparing the Financial Statements																	
(II) Compensation from Subsidiaries and Associates		-															
(III) Total																	
Other Executives with Strategic Responsibility																	
(I) Compensation in the Company preparing the Financial Statements																	
(II) Compensation from Subsidiaries and Associates		-															
(III) Total																	

Amounts in euro	TABLE 3A: Incentive Plans based on financial instruments other than stock options for Members of the Administrative Body, General Managers and other Executives with Strategic Responsibility												
			Financial instruments assigned during previous years and not vested during the year		Financial instruments assigned during the year					Financial instruments vested during the year and not assigned	Financial instruments vested during the year and assignable		Financial instruments relevant to the year
(A)	(B)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Name and surname	Office	Plan	Number and type of financial instruments	Vesting period	Number and type of financial instruments	Fair Value on assignment date	Vesting period	Assignment date	Market price upon assignment	Number and type of financial instruments	Number and type of financial instruments	Value on maturity date	Fair Value
Alessandro Foti	**Chief Executive Officer/ General Manager**												
(I) Compensation in the Company preparing the Financial Statements		Fineco shares - 2019 Group Incentive System									9,199	125,566	17,129
		Fineco shares - 2020 Group Incentive System	8,811	31.12.2024							8,811	120,270	46,724
		Fineco shares - 2021 Group Incentive System	15,794	1/2 31.12.2024 1/2 31.12.2025							7,897	107,794	83,906
		Fineco shares - 2022 Group Incentive System	18,768	1/3 31.12.2024 1/3 31.12.2025 1/3 31.12.2026									5,503
		Fineco shares - 2023 Group Incentive System			35,280	481,600	37% 31.12.2023 21% 31.12.2025 21% 31.12.2026 21% 31.12.2027	06/02/2024	13.65		12,600	171,990	297,217
		Fineco shares - 2018-2020 LTI Plan									154,858	2,113,812	201,206
		Fineco shares - 2021-2023 LTI Plan*			211,593	3,000,000	10% 31.12.2023 30% 31.12.2024 30% 31.12.2025 15% 31.12.2026 15% 31.12.2027	05.05.2021	14.178		21,159	288,820	533,668
(II) Compensation from Subsidiaries and Associates													
(III) Total						**3,481,600**				**-**		**2,928,253**	**1,185,353**
Other Executives with Strategic Responsibility													
(I) Compensation in the Company preparing the Financial Statements	**no. 4 Executives**	Fineco shares - 2019 Group Incentive System									19,171	261,684	35,697
	no. 4 Executives	Fineco shares - 2020 Group Incentive System	17,497	31.12.2024							19,141	261,275	97,145
	no. 4 Executives	Fineco shares - 2021 Group Incentive System	34,786	1/2 31.12.2024 1/2 31.12.2025							17,393	237,414	184,802
	no. 4 Executives	Fineco shares - 2022 Group Incentive System	41,133	1/3 31.12.2024 1/3 31.12.2025 1/3 31.12.2026									12,060
	no. 4 Executives	Fineco shares - 2023 Group Incentive System			79,742	1,088,604	37% 31.12.2023 21% 31.12.2025 21% 31.12.2026 21% 31.12.2027	06/02/2024	13.65		29,462	402,156	671,789
	no. 4 Executives	Fineco shares - 2018-2020 LTI Plan									44,196	603,275	57,424
	no. 4 Executives	Fineco shares - 2021-2023 LTI Plan*			203,123	2,880,000	40% 31.12.2023 15% 31.12.2024 15% 31.12.2025 15% 31.12.2026 15% 31.12.2027	05.05.2021	14.178		81,251	1,109,076	603,556
(II) Compensation from Subsidiaries and Associates													
(III) Total						**3,968,604**				**-**		**2,874,881**	**1,662,471**

* The assignment date corresponds to the date on which the maximum number of shares to be granted in the plan was approved.

Amounts in euro		TABLE 3B: Cash-based Incentive Plans for Members of the Administrative Body, General Managers and other Executives with Strategic Responsability							
(A)	(B)	(1)	(2)			(3)			(4)
			Bonus for the year			Prior years' bonus			
			(A)	(B)	(C)	(A)	(B)	(C)	
Name and surname	Office	Plan	Payable / Paid	Deferred	Deferral period	No longer payable	Payable / Paid	Still deferred	Other Bonuses
Alessandro Foti	**Chief Executive Officer/ General Manager**								
(I) Compensation in the Company preparing the Financial Statements		2023 Incentive System	172,000	206,400	50% 31.12.2025 50% 31.12.2028				
		2022 Incentive System						206,400	
		2021 Incentive System					120,000	120,000	
		2020 Incentive System						120,000	
		2019 Group Incentive System						102,000	
		2018 Group Incentive System					170,000		
(II) Compensation from Subsidiaries and Associates									
(III) Total			**172,000**	**206,400**			**290,000**	**548,400**	
Other Executives with Strategic Responsibility									
(I) Compensation in the Company preparing the Financial Statements	no. 4 Executives	2023 Incentive System	402,180	457,616	50% 31.12.2025 50% 31.12.2028				
	no. 4 Executives	2022 Incentive System						452,416	
	no. 4 Executives	2021 Incentive System					264,320	264,320	
	no. 4 Executives	2020 Incentive System						260,711	
	no. 4 Executives	2019 Group Incentive System						212,580	
	no. 4 Executives	2018 Group Incentive System					362,632		
(II) Compensation from Subsidiaries and Associates									
(III) Total			**402,180**	**457,616**			**626,952**	**1,190,027**	

Consob Issuers' Regulation no. 11971 - Annex 3A / Schedule 7-ter

TABLE 1: Investments of the Members of the Administrative and Auditing Bodies and General Managers

Name and surname	Office	Investee Company	Type of shares	Number of shares			
				Held at the end of 2022	Acquired during the year*	Sold dutring the year	Held at the end of 2023
BOARD OF DIRECTORS							
Marco Mangiagalli	Chairman of the Board of Directors			-		-	-
Francesco Saita	Deputy Chairman of the Board of Directors			-		-	-
Gianmarco Montanari	Deputy Chairman of the Board of Directors			200		-	200
	indirect possession (spouse)	FinecoBank	Ord.	100		-	100
Alessandro Foti	Chief Executive Officer/ General Manager	FinecoBank	Ord.	507,448	143,251	67,842	582,857
Patrizia Albano	Member			-		-	-
Elena Biffi	Member			-		-	-
Giancarla Branda	Member			-		-	-
Paola Gianotti De Ponti	Member			-		-	-
Marin Gueorguiev	Member			-		-	-
Alessandra Pasini	Member			-		-	-
Maria Alessandra Zunino De Pignier	Member			-		-	-
Arturo Patarnello	Member			-		-	-
Maria Lucia Candida	Member			-		-	-
Paola Generali	Member			-		-	-
BOARD OF STATUTORY AUDITORS							
Luisa Marina Pasotti	Chairman of the Board of Statutory Auditors			-		-	-
Massimo Gatto	Standing Auditor			-		-	-
Giacomo Ramenghi	Standing Auditor			-		-	-
Alessandro Gaetano	Alternate Auditor			-		-	-
Lucia Montecamozzo	Alternate Auditor			-		-	-
Marco Salvatore	Alternate Auditor			-	700	-	700

*including shares linked to Incentive Plans

TABLE 2: Investments of the other Executives with Strategic Responsibility

Executives with Strategic Responsibility	Investee Company	Type of shares	Number of shares			
			Held at the end of 2022	Acquired during the year*	Sold dutring the year	Held at the end of 2023
4	FinecoBank	Ord.	661,408	213,438	130,981	743,865

*including shares linked to Incentive Plans

6.3 BENEFIT DATA

Our employees enjoy welfare, healthcare and life balance benefits that supplement social security plans and minimum contractual requirements. These benefits are intended to provide substantial guarantees for the well-being of staff and their family members during their active careers as well as in retirement.

With reference to the complementary pension plans, there are defined benefit plans and defined contribution plans. In the first ones the benefit's calculation is known in advance, while in defined contribution plans the benefit depends on allocated asset management results.

Complementary pension plans are offered by external pension funds, legally autonomous from the Group. In particular, the pension funds usually subscribed by employees are "closed" funds.

Subscribers can distribute contribution, depending on their own risk appetite, among investment lines characterized by different risk/yield ratios.

For employees who choose to join the reference Pension Fund for FinecoBank, with some exceptions, the Company recognizes a contribution calculated on the compensation useful for calculating the "Trattamento di Fine Rapporto", if the employee chooses to pay the contribution at his own expense.

As part of the supplementary health care, employees are offered a Health Plan, which also benefits their tax-dependent family members, dental coverage and additional dedicated policies (e.g. Life, Accident, Permanent Disability, Professional and extra-professional "Kasko" policies).

Finally, all employees can take advantage of a digital platform that allows them to easily manage their Welfare credit in a diversified basket of services (e.g. education, family assistance, leisure, etc.). In 2023 the employees received, in addition to a Productivity Award of about € 2,300[85], a one-time € 650 net welfare contribution for purchasing goods and services.

Finally, for employees with managerial qualifications and for those who, as part of their business, travel for work, a car is assigned for mixed use. The choice of available models is in line with the objectives set out in the Multi-Year Plan, providing only hybrid and / or electric cars, with the aim of reducing the impact on the environment caused by vehicle traffic.

---

85 This amount is granted in case of electing to credit the award to the welfare wallet.