



Report on Remuneration
Policy and Remuneration
Paid 2024

2024

Letter from the Chairman to Shareholders



Dear Shareholders,

pursuant to Article 123-ter of Italian Legislative Decree No. 58 of 24 February 1998 (TUF [Italian Consolidated Finance Act], hereafter “**TUF**”), you are called to decide for or against Section I of this report.

With this report, Banca Ifis S.p.A.’s Board of Directors aims to comply with the requirements of Article 123-ter of TUF, banking industry regulations and the corporate governance rules contained in the Corporate Governance

Code, as specified below.

In particular, in light of the opportunity provided by Appendix 3A, Template No. 7-bis of the “Issuers’ Regulation”, to comply, in a single document, with the requirements of Article 123-ter of the TUF and with the Bank of Italy’s Supervisory Provisions on remuneration, this report includes additional information, in aggregate form, on so-called “Risk Takers” not included within the scope of the above article of the TUF.

Detailed information is also supplied regarding the contents of the “Information Document on Remuneration Plans based on Financial Instruments” (pursuant to Article 114-bis of the TUF and Article 84-bis of Consob’s [Italian Financial Market Regulatory Authority] Issuers’ Regulation). The Report on Remuneration Policy and Remuneration Paid and the Information Document on Remuneration Plans based on Financial Instruments are available at: <http://www.bancaifis.it/Corporate-Governance/Shareholders’ Meeting>.

Information on the requirements of reporting to the public pursuant to the Supervisory Provisions for banks – Bank of Italy Circular No. 285 of 17 December 2013 – on corporate Governance, can be found in the Report on corporate governance and shareholding structures which can be found at <http://www.bancaifis.it/Corporate-Governance/Corporate-Documents>

Ernesto Furstenberg Fassio

Chairman of Banca Ifis

CONTENTS

1. Background.....	7
1.1. Applicable provisions.....	7
1.2. Report structure	8
SECTION I - Remuneration and incentive policies	9
1.Principles and purposes of the remuneration and incentive policies and gender neutrality	9
2.Highlights of the 2024 Remuneration Policy	12
3.Bodies and subjects involved in the preparation, approval and possible revision of the remuneration policy and responsible for its correct implementation	13
3.1 The Shareholders' Meeting	14
3,2 The Board of Directors	14
3.3 The Remuneration Committee	16
3.4. The Sustainability Committee.....	18
3.5 The Chief Executive Officer	19
3.6. The General Management	20
3.7. Departments involved in the process of defining remuneration policies	20
4.Remuneration of the members of the Board of Directors and the Board of Statutory Auditors.....	21
4.1 Remuneration of the Directors and Auditors of the Parent Company	21
4.2 Remuneration of the Directors and Auditors of the Subsidiaries.....	22
5.Recipients of Remuneration and Incentive Policies and Policy governing the identification process of the identified staff	22
6.Remuneration structure	23
7.Ratio of variable remuneration to fixed remuneration.....	25
8.Variable remuneration: access gates	26
9.Variable remuneration: ex post correction mechanisms	27
9.1. malus clauses	27
9.2 Claw back clauses	29
9.3 Prohibition of hedging strategy.....	30
10. Methods of payment of variable remuneration.	30
11. INCENTIVE SYSTEM	31
11.1. Short-term incentive systems.....	31
11.2. In particular: ESG objectives.....	34
11.3. Medium- to long-term incentive schemes.....	36
12. Remuneration of the Parent Company's CEO.....	36
12.1 Short-term incentive scheme for the Parent Company's CEO	36

13.	Short-term variable remuneration of Co-General Managers	37
14.	Variable remuneration of Heads of Control functions	39
15.	Short-term variable remuneration of other staff, including the identified staff	40
16.	Short-term variable remuneration for sales staff	40
17.	Implementation methods for the Bank of Italy Provisions on transparency of the banking and financial transactions and services - the Group's sales network	41
18.	Remuneration of Financial Agents	42
19.	Remuneration of non-employee contract workers	43
20.	Treatment for termination of office or of employment	43
20.1	Treatment for termination of office or of employment for the identified staff.	43
20.2.	Treatment for termination of office or of employment for personnel that are not identified staff.	45
21.	Implementation of Policies in Subsidiaries	46
22.	Exemptions	46
SECTION II		47
Part One.....		47
1.	Implementation and Implementation of Section I of the Remuneration Policies 2023 during FY 2023... ..	47
2.	Remuneration of the members of the Board of Directors (also for participation in board Committees) and of the Statutory Auditors, as well as of the members of the Supervisory Body	49
3.	Remuneration of the CEO.....	50
4.	Remuneration of the Co-General Managers	54
	Co-General Manager - Chief Operating Officer	55
	The FY 2023 Short-Term Incentive Plan.....	56
6.	Opening access gates to variable remuneration for all staff and verification of malus/claw back conditions.....	59
7.	Allocation of indemnities and/or other benefits for termination of office or termination of employment during the financial year	59
8.	Comparison information between the annual change in the total remuneration of the members of the Board of Directors and Controllers, the company's results and the average gross annual remuneration of employees	60
Section II.....		62
Part two: fees paid in 2023		62
Table 1: remuneration paid to members of the administration and control bodies, general managers and other key managers (figures in thousand Euro)		62
Table 2: Stock options assigned to members of the administration bodies, general managers and other key managers.....		65
TABLE 3A: Incentive plans based on financial instruments, other than stock options, for members of the administration bodies, general managers and other key managers		66

TABLE 3B: monetary incentive plans for members of the management body, general managers and other key managers.....	67
Schedule of shareholdings of directors, auditors, the general manager and other key managers.....	68
Table 1: equity investments of the members of the administrative and control bodies and general managers	68
Table 2: holdings of other key managers	68
Policy relating to the identified staff identification process	82

Report on Remuneration Policy and Remuneration Paid 2024

1. Background

1.1. Applicable Provisions

The Remuneration Report (hereinafter the "**Report**") was prepared for the Banca Ifis Group (the "**Group**") in accordance with:

- article 123 ter of the TUF, rubric "Report on Remuneration Policy and Remuneration Paid";
- article 114-bis of the TUF, entitled "Disclosure of information to the market on awards of financial instruments to corporate officers, employees or contractors";
- Consob Regulation No. 11971/1999 as updated with the amendments made by resolution No. 21623 of 10 December 2020 (hereinafter also referred to as the **Issuers' Regulation**), with particular reference to articles 84-*quater*, entitled "Report on remuneration", and 84-bis, entitled "Information on the allocation of financial instruments to corporate officers, employees or collaborators", as well as Annex 3A, Schedule No. 7 bis "Report on Remuneration Policy and Remuneration Paid", of the Issuers' Regulation and Schedule No. 7 "Information document forming the subject of the illustrative report of the administrative body for the shareholders' meeting called to resolve on remuneration plans based on financial instruments";
- the Provisions on "Remuneration and incentive policies and practices" currently in force, issued by the Bank of Italy and contained in Circular No. 285 of 17 December 2013, as in force over time (hereinafter, the "**Supervisory Provisions**");
- the Bank of Italy - Correctness of relations between intermediaries and customers, published by the Bank of Italy with Provision of 19 March 2019 in implementation of the European Banking Authority's Guidelines on remuneration policies and practices for personnel responsible for offering banking products and third-party sales network personnel;
- the relevant European legislation and, in particular:
 - Delegated Regulation (EU) No. 923 of 25 March 2021, supplementing Directive 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards setting out the criteria to define managerial responsibility, control functions, material business units and a significant impact on a material business unit's risk profile (the "Identified Staff" or "Risk Takers");
 - Decision (EU) 2022/368 of the European Central Bank of 18 February 2022 on the procedure for excluding staff members from the presumption of having a material impact on the risk profile of a supervised credit institution;
 - the Guidelines on Remuneration Policies and Practices published by the EBA on 2 July 2021, pursuant to Directive 2013/36/EU.

The principles and recommendations contained in the "**Corporate Governance Code**" regarding remuneration were also taken into account (art. 5 of the Corporate Governance Code).

The provisions of the November 2020 ECB documents are also considered in the ESG ("Guidance on Climate and Environmental Risks. Supervisory Expectations for Risk Management and Disclosure")

and June 2021 EBA documents (“EBA Report on management and supervision of ESG risks for credit institutions and investment firms” on management and supervision of environmental, social and governance risks of credit institutions) were also taken into account, that require the inclusion of ESG parameters in staff remuneration and incentive mechanisms, as well as the Bank of Italy's “Supervisory Expectations on Climate and Environmental Risks” of April 2022 and the “ Action Plans on Integrating Climate and Environmental Risks into LSI Business Processes: Key Evidence and Best Practices” of December 2023.

1.2. Report structure

Based on the current provisions, as mentioned above, this Report is divided into the following sections:

- Section I: aimed at illustrating the Group’s remuneration policy for the General Management, general managers and executives with strategic responsibilities and, without prejudice to the provisions of Article 2402 of the Italian Civil Code for the members of the supervisory bodies, as well as for “Risk Takers” and other staff not falling within the scope of Article 123-ter of the TUF, and the procedures used to adopt and implement this policy; this section describes the policy envisaged for FY 2024;
- Section II: structured into two parts:
 - the first is aimed at showing each remuneration item with name for the members of the management and control bodies, the general management and, in aggregate form, for key managers, as well as for “Risk Takers” not included within the scope of Article 123-ter of the TUF (in addition to the illustration of how Banca Ifis took into account the vote expressed in 2023 on Section II of the Report on Remuneration Policy and Remuneration Paid in 2022);
 - in the second part there is an analytical report, in tabular form, as indicated in Annex 3, Template No. 7 bis of the Issuers' Regulation, of the compensation paid during FY 2023 or related to it, for any reason and in any form, by the company and by subsidiaries or associates; the additional information required pursuant to Article 450 of Regulation (EU) No. 575 of 26 June 2013, and in compliance with the models and instructions identified in the Implementing Regulation (EU) No. 637 of 15 March 2021, is also given in tabular form for Banca Ifis and for the other companies of the Group.

For incentive plans based on financial instruments, detailed information is contained in the Information Document on Remuneration Plans based on Financial Instruments.

SECTION I - Remuneration and incentive policies

1. Principles and purposes of the remuneration and incentive policies and gender neutrality

The Parent Company, in the exercise of its management and coordination powers, defines this Group remuneration and incentive policy in line with the characteristics of the Group and of each subsidiary and in compliance with the provisions in force.

The remuneration policy shall be in effect for one year.

This policy is defined by the Parent Company with the aim of aligning the conduct of management and staff with the interests of all stakeholders, directing their action towards the achievement of **sustainable medium-to-long term objectives** - including sustainable finance objectives that take into account, *inter alia*, environmental, social and governance (**ESG**) factors - within the framework of a **prudent assumption of current and prospective risks**, as well as helping to **attract, motivate and retain** people with the professional qualities required to profitably pursue in accordance with corporate values and according to a **policy of prudent risk management, including strategies for the monitoring and management of non-performing loans** (in line with the provisions of the prudential control process), the short and/or medium/long-term objectives correlated with the Group's strategic objectives, thereby contributing to the achievement of results aimed at strengthening the Company's operational, economic and financial solidity in the long term and safeguarding the sustainability of the Banca Ifis Group.

The remuneration and incentive policy was defined taking into account the remuneration and working conditions of its employees. And so, among other things and in particular:

- the Bank, in defining the remuneration of all employees, not only respects the remuneration parameters set out in the relevant National Collective Bargaining Agreement but also applies the improved conditions set out in the second-level collective bargaining agreement in force over time;
- the achievement of ESG objectives adopted by the Bank, and reflected in the annual incentive scheme (see below par. 11.2), include parameters concerning the improvement of the working conditions of the entire workforce (e.g. maintaining gender equality)

The policy is inspired, in particular, by the principles set out below:

- promote sound and effective risk management by not encouraging risk taking above the tolerated level of risk;
- promote the competitiveness and good governance of the Group;
- attract and retain in the company individuals with professionalism and skills suitable for the Group's needs, especially when they play important roles within the company organisation;
- encourage compliance with all legal and regulatory provisions, as well as transparency and correctness in relations with customers, discouraging any violation and/or unfair commercial practice;
- make corporate objectives consistent with the Group's sustainable growth objectives;

- seek the best alignment between the interests of different stakeholders;
- focus on risk containment policies;
- avoid altering or undermining the risk alignment effects inherent in remuneration arrangements;
- avoid creating situations of conflict of interest.

Focus: gender neutrality

The Bank, which has always been attentive to issues of diversity and inclusion, promotes networks and initiatives for training and empowerment of women and supports flexibility in order to combine the needs of work and family.

Banca Ifis's commitment to gender equality is expressed in an increasingly inclusive culture, which is reflected in work-life balance policies and welfare to support family needs, in particular to support maternity, parental leave and other situations of family difficulties, thanks to the activation of the increasing adoption of flexible working methods.

In this context, since December 2021, Banca Ifis has been the first Italian bank to be certified for gender equality by the Winning Women Institute, a company committed to spreading the principle of gender equality within the world of work. According to the Dynamic Model Gender Rating, which is based on the achievement of quantitative and qualitative KPIs, the levers subject to assessment are: opportunities for growth within the company, pay equity and HR processes, flexibility for maternity protection.

On 5 December 2023, all the companies of the Banca Ifis Group (with the exception of Revalea S.p.A., acquired by Ifis Npl Investing S.p.A. on 31 October 2023, and the foreign subsidiaries not falling within the regulatory scope of reference) achieved UNI/PdR 125:2022 certification, recognising that all the companies concerned have and implement a gender equality quality management system compliant with the standard. Remuneration policies are gender-neutral and contribute to the pursuit of complete equality in the economic and regulatory treatment of staff. They promote an equal level of remuneration for staff, including in terms of the conditions for its recognition and payment, for equal work.

The Bank has prepared a Policy to promote diversity and inclusiveness that aims to outline the method by which the Group guarantees that all employees (and collaborators) are treated with no direct or indirect distinction or preference, based on age, gender, sexual orientation, marital status, religion, language, ethnic or national origins, physical or mental disabilities, state of pregnancy, maternity or paternity, including through adoption, personal beliefs, political opinions, affiliation or trade union activities.

In accordance with the values and principles pursued by the Banca Ifis Group, the aforementioned Policy, complete with the Management System and Strategic Plan for Gender Equality, identifies the thematic areas of intervention, which make it possible to frame in the most complete way all the aspects linked to the theme of inclusiveness and embrace the complexity that characterises the Group's project on Gender Diversity and Inclusion: attraction and retention, reward and promotions, development, training, welfare policies, culture and change management.

Within the framework described, as part of the review of policies at least once a year, the Board of Directors analyses, with the support of the Remuneration Committee, the gender neutrality of remuneration policies and verifies any gender pay gap and its evolution over time.

In particular, the reasons for any gender pay gap are properly documented and corrective action taken, where necessary.

Focus: Sustainability

The Group's focus on sustainability is demonstrated by the inclusion of specific environmental commitments in the 2022-2024 D.O.E.S. business plan, presented in February 2022 and whose 'Sustainable' pillar refers to concrete actions to develop the core business from an ESG perspective and the establishment of a Social Impact Lab to promote high social impact projects for culture, health and the territory for the benefit of all the Bank's stakeholders.

In order to guide its commitment to corporate social responsibility, in November 2021 the Group set up the Sustainability Committee, with the aim of defining the Group's sustainability strategy and, therefore, monitoring its execution; in this sense, the remuneration policy is also geared towards creating sustainable value over time for all stakeholders and the ecosystem in which the Group operates. The Committee supports the important path taken by the Bank in integrating ESG criteria into its mission and business model, with a clear vision: sustainability, in all its forms, represents a lever for creating value and a fundamental driver of development, which pays attention to the impacts on people, the environment and the community.

The Bank and Group's sustainability plan, consistent with the 17 United Nations Sustainable Development Goals, is structured according to the ESG framework and is fully integrated into our D.O.E.S. (Digital, Open, Efficient, Sustainable) Business Plan.

For FY 2024, the Bank promotes through its incentive systems the extension of ESG KPIs to all levels of responsibility in the corporate organisation, considering all three main areas of intervention, Environmental, Social and Governance. With this in mind, the weight given to ESG KPIs is increased and ESG KPIs are introduced for all levels of responsibility. With specific reference to the Npl segment, specific Social Banking KPIs are identified that will complement the Group's KPIs.

The Group confirms its focus on people's needs with an ethical and sustainable recovery model for the Npl business, with a view to financial re-inclusion. The Group pursues its commitment, also through its network of agents in financial activities, with an approach to recovery focused on assisting the debtor. KPIs of the recovery procedures are submitted to the Sustainability Committee; regular analysis and verification of these sustainability KPIs is carried out.

The involvement of the Sustainability Committee in defining remuneration and incentive policies substantiates the Group's willingness to direct its strategic guidelines on sustainability risks, in accordance with current regulations. The Sustainability Committee is chaired by the Bank's Chairman, further confirming the commitment and attention the Group places on ESG topics; the Bank's Deputy Chairman is also involved.

In this context, in 2022 the Bank launched Kaleidos, the Social Impact Lab wanted by President Ernesto Fürstenberg Fassio to bring together all initiatives, present and future, that put people at the centre. Kaleidos aims to promote high social impact projects in three areas: inclusive communities,

culture and territory, and personal well-being, and to provide people working in the Bank with tools for building a more inclusive and sustainable future. Within Kaleidos, innovative tools have been developed to steer the Group's choices towards creating concrete impact, such as: i) Impact Watch studies, ii) Impact Assessment. Refer to the Group's Consolidated Non-Financial Statement for further details on Kaleidos' activities.

Aware of its social role, Banca Ifis has also declined its commitment to the territory through an increasingly distinctive positioning in the art world. The initiative that most testified to the Group's commitment in this area was the opening in 2023 of a new space designed for the enjoyment of contemporary art and sculpture: the 'Banca Ifis International Sculpture Park'.

People are considered a central element in the Bank's sustainability strategy: important initiatives have been launched in the field of talent development and enhancement, in welfare and well-being programmes, and in the dissemination of a culture that respects the principles of diversity, equity and inclusion, as further elaborated in the Group's Consolidated Non-Financial Statement.

As regards its environmental commitment, Banca Ifis was the first Italian challenger bank to join the Net-Zero Banking Alliance (NZBA) (in October 2021), the initiative promoted by the United Nations aiming to speed up the sustainable transition of the international banking segment. The Net-Zero Banking Alliance brings together institutes, which are committed to bringing their loans and investment portfolios into line with the achievement of the zero net emissions goal by 2050, as per the targets set by the Paris Climate Agreement. As part of this initiative, Banca Ifis has already defined and communicated its targets for the reduction of financed emissions by 2030 on its loan portfolio. This new commitment adds to the many initiatives already undertaken by Banca Ifis to support sustainable mobility and the environmental transition of SMEs. In particular, with the 'Ifis Green' programme, the Bank is committed to developing products and services that encourage sustainable practices, such as leasing electric vehicles, renting electric bicycles and leasing photovoltaic systems and charging stations. In addition, the Bank only uses energy from 100% renewable sources in all offices and branches in Italy. Finally, Banca Ifis published in 2023 the first voluntary report on the Group's commitment to combat climate change, aligned with the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures).

2. Highlights of the 2024 Remuneration Policy

The Shareholders' Meeting held in April 2023 voted overwhelmingly in favour of the remuneration policy for FY 2023, with 98,527% of the voting rights.

In light of the positive outcome of the shareholders' meeting vote, Banca Ifis decided to submit to the shareholders' meeting a remuneration policy for FY 2024 essentially in line with that of the previous year.

The main changes compared to the remuneration policy resolved by the Shareholders' Meeting on 20 April 2023 include, in particular:

- modification of the access gate for RORAC: the indicator is adjusted for comparison with the respective Tolerance threshold defined in the RAF, as per the other indicators, in order to use a consolidated threshold calculation and monitoring process for the RAF and to strengthen the threshold definition, monitoring, reporting and escalation process;
- the extension of ESG objectives to all roles of responsibility in the corporate organisation, considering all three areas, namely Environmental, Social and Governance, consistent with the 17 United Nations Sustainable Development Goals, confirming the Bank's commitment to the path towards sustainable development;
- increased percentage weighting of ESG targets for all identified staff;
- inclusion of Social Banking ESG KPIs for the Npl segment;
- involvement of the Sustainability Committee, to the extent of its competence with respect to ESG issues, in the preparation of the remuneration policy.

3. Bodies and subjects involved in the preparation, approval and possible revision of the remuneration policy and responsible for its correct implementation

The main Parent Company bodies and personnel involved in the preparation, approval and possible review of the remuneration and incentive policy are:

- the Shareholders' Meeting;
- the Board of Directors;
- the Remuneration Committee;
- the Sustainability Committee;
- the Chief Executive Officer;
- the General Management¹
- the Control Functions;
- the Human Resources Department; and
- Strategic Planning.

The role of these members of personnel is described in the Articles of Association and/or in the corporate regulations as specified below.

In the preparation of the remuneration policy, the Bank availed itself of the consultancy support of the company Mercer for the purpose of declaring the incentive systems and for the benchmarking analyses, as well as of the legal advisory firm Bonelli Errede in analysing technical-legal topics.

¹ See Article 18 of the Parent Company's Articles of Association: *"the General Management shall consist of, alternately, the General Manager and, if appointed, one or more Deputy General Managers, or one or more Co-General Managers"*.

3.1 The Shareholders' Meeting

The ordinary Shareholders' Meeting, in accordance with the provisions of Article 10 of the Articles of Association, in addition to establishing the remuneration due to the bodies appointed by the same, approves:

- the remuneration and incentive policies for corporate bodies and other staff;
- any remuneration plans based on financial instruments;
- the criteria for calculating the remuneration to be agreed in the event of early termination of the employment relationship or early termination of office, including the limits established for remuneration in terms of annual instalments of fixed remuneration and the maximum amount that may result from their application.

Pursuant to the same article, the Shareholders' Meeting may also:

- decide, when approving the remuneration policies, the ratio between the variable and the fixed component of individual remuneration of personnel that exceeds 100%, (1:1 ratio), but which, in any way, may not exceed the limit set forth by the applicable legal and regulatory provisions pro tempore (currently equal to 200%, a ratio of 2:1);
- establish, pursuant to Article 2389 of the Italian Civil Code, remuneration for members of the Board of Directors;
- determine a total amount of remuneration for all Directors, including those assigned specific tasks.

3.2 The Board of Directors

The Board of Directors, in accordance with the provisions of Article 14 of the Articles of Association, has exclusive competence in the resolutions concerning:

- appointing, dismissing and remunerating the General Manager;
- the remuneration and incentive policies to be submitted to the Shareholders' Meeting;
- reviewing these policies, at least annually, and being responsible for their correct implementation, with the task of ensuring that the remuneration policy is adequately documented and accessible within the corporate structure.

In particular, the reasons for any gender pay gap are properly documented and corrective action taken, where necessary;

According to the provisions of Article 14 of the Articles of Association, the Board is vested with all the powers of ordinary and extraordinary administration, excluding only those that the law strictly

reserves for the Shareholders' Meeting. Furthermore, the Board of Directors is solely responsible for the resolutions concerning, among other things:

- the business model, the strategic lines and operations, as well as business and financial plans;
- the internal control system guidelines, ensuring that the system is in line with established strategic and risk appetite measures as well as being able to stay up to date with the company's risks as they evolve and the interaction between them;
- the compliance of the Articles of Association with the provisions of the regulatory framework;
- the merger by incorporation of companies in the cases provided for by Articles 2505 and 2505 bis of the Italian Civil Code;
- an indication of which directors, in addition to those indicated in these Articles of Association, are the company's representatives;
- the formation of internal committees within the Board of Directors;
- the Risk Appetite Framework and the risk management policies as well as, after having heard the opinion of the Board of Statutory Auditors, assessing the completeness, suitability, functionality and reliability of the risk management and internal control system as well as the suitability of the organisational, administrative and accounting structure;
- determining the Bank's general organisational structure and the subsequent internal regulations;
- determining the criteria for carrying out the Bank of Italy's instructions;
- the formation of the company control bodies, their tasks and responsibilities, the methods of administration and collaboration, information flows between these departments and between them and management; the appointment of the heads of control departments, after having heard the opinion of the Board of Statutory Auditors;
- the risk management process and assessing its compatibility with the strategic guidelines and risk management policies;
- the policies and the processes for assessing company activities, and, particularly, financial instruments, ensuring that they are always suitable and also establishing the Bank's maximum exposure limits to financial instruments or products that are uncertain or difficult to value.

In addition, pursuant to Article 10 of the Articles of Association, the Board of Directors, with the favourable opinion of the Board of Statutory Auditors, may determine the remuneration of Directors assigned special tasks.

The Board of Directors is also involved in the personnel self-assessment process and in the possible procedure to exclude the identified staff, as specified in Annex 1 of this Report ("Policy governing the process of identifying the most relevant staff") and periodically reviews the relative criteria.

As part of the at least annual review of policies, the Board of Directors analyses, with the support of the Remuneration Committee, the gender neutrality of remuneration policies and reviews the gender pay gap and its evolution over time².

3.3 The Remuneration Committee

The Remuneration Committee is an internal committee within the Parent Company's Board of Directors and provides support to the Board of Directors in defining the Group's remuneration and incentive policies. Specifically, the Committee:

- advises and submits proposals to the Board of Directors of the Parent Company for the remuneration and incentives of corporate officers (including executive Directors and other Directors holding particular offices), of key managers and of the heads of internal control functions - also taking into account the remuneration practices common in the reference sectors and for companies of a similar size, also considering comparable foreign experiences and availing itself of an independent consultant if necessary - as well as on the setting of performance objectives correlated to the variable component of such remuneration; advising on the determination of criteria for the remuneration of the remaining identified staff identified within the Parent Company and the other Group companies in compliance with the applicable supervisory provisions;
- supports the strategic oversight body in the analysis of the gender neutrality of remuneration policies and in the verification of any gender pay gap and its evolution over time;
- gives its opinion, also using the information received from the competent corporate functions, on the results of the identification process of the most relevant personnel, including any exclusions, in compliance with supervisory provisions;
- periodically assesses the adequacy, overall consistency and concrete application of the Group's remuneration policies, using the information provided by the Chief Executive Officer, where appropriate, making proposals on the matter to the Board of Directors;
- directly oversees the correct application of the remuneration rules for managers of the Parent Company's internal control functions, in close collaboration with the Board of Statutory Auditors;
- prepares documentation to be submitted to the Parent Company's Board of Directors for its decisions;
- collaborates with the other committees within the Board of Directors, in particular with the Control and Risk Committee, when the two committees are not already made up of a large number of the same members guaranteeing *ipso facto* that collaboration;

² See Bank of Italy Circular, Part One - Title IV - Chapter 2 - Section I, Par. 5.1.

- ensures the involvement of the Internal Audit function, the Risk Management function and the Compliance function, the Human Resources department and the Strategic Planning department in the process of developing and monitoring the Group's remuneration policies and practices;
- monitors implementation of the decisions adopted by the Parent Company's Board of Directors and those of other Group companies regarding remuneration and, in particular, voicing opinion, using information received from corporate facilities, on reaching performance targets linked to incentive plans and on verifying the other remuneration payment conditions envisaged;
- formulates proposals to the Parent Company's Board of Directors regarding the criteria for allocating stock options or shares to Directors and Group employees;
- regarding the last point, if possible, provides interpretation on controversial cases and rectifies the allocation conditions of each tranche, as well as regulates the exercise of emerging rights for any transactions of an extraordinary nature on the Parent Company's capital (mergers, increases in capital for free or against payment, fractioning or grouping of shares, etc.);
- examines in advance the Annual Report on Remuneration Policy and Remuneration Paid, to be made available to the public in view of the shareholders' meeting called to approve the financial statements;
- provides appropriate feedback on the activities carried out to the corporate bodies, including the Shareholders' Meeting.

The Chairman of the Committee reports to the Board of Directors on the activities carried out, at the Board's next meeting. The Committee also assesses, at least annually, the adequacy, overall consistency and effective application of the Group's remuneration policies, and reports to the Parent Company's Shareholders' Meeting on the activities carried out.

The Remuneration Committee is made up of three members chosen from among the non-executive members of the Parent Company's Board of Directors, the majority of whom are independent.

As approved by the Board of Directors at its meeting of 19 October 2023, the members of the Committee - who remain in office until the approval of the financial statements at 31 December 2024 - are:

- Beatrice Colleoni (Non-executive and Independent Director)³;
- Giovanni Meruzzi (Non-executive and Independent Director);
- Luca Lo Giudice (Non-executive and Non-independent Director).

The Remuneration Committee is chaired by Beatrice Colleoni⁴.

³ Ms Colleoni took over from Prof. Meruzzi as Chairman of the Remuneration Committee with effect from 19 October 2023.

⁴ The Chairmanship of the Remuneration Committee lasts eighteen months from the date of appointment, unless the office of director or member of the Remuneration Committee is forfeited, revoked or the person resigns. When the presidency expires, the Board of Directors confers the office of Chairman to a different member of the Remuneration Committee holding the aforementioned requirements.

The term of office of the members of the Remuneration Committee is equivalent to that of the Board of Directors which appointed it, whose early termination, for any reason, determines the simultaneous termination of the Remuneration Committee. The Remuneration Committee meets periodically, including by video link/telephone, whenever the need arises in relation to the tasks assigned to it.

If one or more members of the Committee are no longer in office, the Board of Directors may appoint new ones and/or replace these members.

As established by current Regulations, the Chairman of the Parent Company's Board of Statutory Auditors, or another Standing Auditor delegated by them on a case by case basis, attends Committee meetings. Other members of the Board of Statutory Auditors may attend, as may, where issues affecting them are not on the agenda, the CEO.

As a way of avoiding and managing conflicts of interest, it is also established that no Director may attend meetings of the Committee in which proposals are formulated for submission to the Board of Directors regarding their own remuneration.

The Chairman of the Committee assesses, in relation to the matters to be discussed, the need to involve the Head of Risk Management to ensure that the incentive schemes are properly adjusted to take account of all the risks assumed by the Group, according to methods that are consistent with those adopted for risk management for regulatory and internal purposes.

The Committee may avail itself and/or request the presence of:

- external consultants who are experts in remuneration policies, who may also be chosen from among the members of the Board of Directors of the Parent Company, provided that such experts do not at the same time provide Human Resources, executive Directors or key managers of the Parent Company and/or other companies in the Group with services of such significance as to compromise the independence of judgement of the consultants;
- any corporate officer or employee of the Parent Company or any other company in the Group.

The Committee may access all company information deemed relevant for the performance of its tasks and may have autonomous use of a set of financial resources to the limit established by the Board and with the requirement of reporting on the use of funds, at least once a year, usually during the review of the Report on Corporate Governance and Shareholding Structures.

Summary minutes of Committee meetings are prepared, which are to be signed by the Committee Members.

3.4. The Sustainability Committee

The Sustainability Committee is a Steering Committee that is deliberative, consultative and propositional in nature and has the purpose of identifying initiatives and projects that deal with

environmental, social and governance (ESG) issues, the latter being understood as a system that allows the Bank to operate with integrity and in absolute compliance with the laws and regulations in force as well as in accordance with the principles set out, *inter alia*, in the Bank's Code of Ethics.

In particular, among others, the Committee:

- formulates to the Board of Directors, upon request or on its own initiative, circulars, opinions and recommendations concerning ESG issues, which the Board shall take into account, *inter alia*, in the following: (i) the implementation of the guidelines resolved upon in the exercise of the strategic supervision function; (ii) the approval of the organisational and corporate governance structure of the Bank and the Group; (iii) the development of the corporate mission, also with reference to all the Bank's and Group's stakeholders; and (iv) the supervision, in coordination with the competent internal functions, of the public information and communication process of the Bank and the Group;
- contributes, as defined over time, to the integration of ESG principles and objectives into the Bank's business plan and their implementation;
- supports the Board of Directors in the evaluation process of specific Diversity & Inclusion strategies, policies and initiatives;
- promotes initiatives to support environmental sustainability projects such as, for example, participation in the NetZero Banking Alliance (NZBA);
- defines the strategic plan to prevent the gender pay gap and reduce gender differences in the Group, identifying the main actions to achieve them;
- assesses the Group's remuneration and incentive policies as set out in the Report on Remuneration Policy and Remuneration Paid, with reference to issues related to ESG objectives.

The Npl Department coordinates with the Chief of Staff and Communications to submit to the Sustainability Committee:

- KPIs and qualitative objectives of ethical portfolio recovery procedures in line with, and in compliance with, the findings of periodic analysis and audits;
- initiatives to promote the financial re-inclusion of debtors to the banking and financial services market, in compliance with the overall financial targets assigned to each Npl portfolio.

3.5 The Chief Executive Officer

The CEO, as defined pursuant to Article 15 of the Articles of Association, is responsible for implementing strategic directions and business management, and makes use of General Management.

Regarding personnel management, the CEO is responsible for:

- defining and implementing the Group's employee management process;

- approving the employee budget, in line with the organisational structure approved by the Board of Directors; in this regard, the CEO ensures that current and future professional/profile needs are measured and are consistent with strategic choices.

3.6. The General Management

As from October 2021 (following the Shareholders' Meeting resolution passed on 28 July 2021), two Co-General Managers were appointed, who, pursuant to Art. 17 of the Articles of Association, shall implement the management directives of the CEO, assist him in the implementation of the strategic policies and corporate management and attend, upon invitation, the meetings of the Board of Directors, each with advisory functions according to their respective competences.

3.7. Departments involved in the process of defining remuneration policies

Annually, the Report on the Group's Remuneration Policy, on the proposal of the Remuneration Committee, is defined by the Board of Directors, and subsequently submitted to the Shareholders' Meeting for approval, in line with regulatory requirements.

In particular, the Report on the Group's Remuneration Policy is formulated by the **Human Resources** function, consistently with the need to attract and retain the professional skills needed to achieve long-term objectives and, at the same time, ensure sound and prudent risk management.

With the involvement of Risk Management and Strategic Planning, the Human Resources Department identifies the economic and financial objectives underlying the incentive systems.

The control functions work together, each within their scope of responsibility, to ensure the remuneration and incentive policies are adequate and comply with current legislation and that they operate correctly.

For that purpose, the Parent Company's control functions and those of subsidiaries work together and exchange important information. In particular:

- **Compliance** verifies, among other aspects, that the company bonus system meets the objectives of complying with regulations, the Articles of Association, as well as any codes of ethics and/or other standards of conduct applicable to the Group, so that the related legal and reputational risks are properly contained especially in relationships with customers;
- **Internal Audit** checks, at least annually, that remuneration practices comply with the approved policies and with legislation and regulatory context; the results and any abnormalities identified are brought to the attention of the bodies and functions responsible for possible corrective measures and assessment of significance with a view to prompt

disclosure to the Bank of Italy; every year, the results of the checks carried out are brought before the Shareholders' Meeting;

- **Risk Management** works with the Remuneration Committee to ensure that the forms of incentive remuneration are consistent with the risk appetite (for example with the Risk Appetite Framework - RAF) and with governance and risk management policies, and that they take into account the level of capital and liquidity necessary to carry out activities under way, even through the definition of risk indicators to use for corrective mechanisms (*ex ante* and *ex post*), and gives its opinion on their proper activation.

4. Remuneration of the members of the Board of Directors and the Board of Statutory Auditors

4.1 Remuneration of the Directors and Auditors of the Parent Company

Directors are entitled (in addition to the reimbursement of expenses incurred due to their office) a remuneration determined by the Shareholders' Meeting at the time of appointment, in light of the required commitment, the relevant responsibilities and practices in force for the members of the boards of directors of comparable companies. Directors are also beneficiaries of D&O insurance coverage.

The directors who participate in the internal committees of the Board of Directors are granted a further and additional fixed remuneration on the basis of this participation, taking into account the greater commitment required of them and the role (of Chairman or member of the Committee) held by them.

The Board of Directors, on the proposal of the Remuneration Committee and having heard the opinion of the Board of Statutory Auditors, is responsible for determining further remuneration for directors vested with particular offices (or special duties) pursuant to Article 2389, paragraph 3 of the Italian Civil Code. The Shareholders' Meeting may also delegate the Board of Directors to determine the Honorary Chairman's compensation.

There are no incentive mechanisms for Non-Executive Directors, including the President. In fact, Bank of Italy Circular 285/2013 envisages that, for non-executive directors, "as a rule, incentive mechanisms should be avoided" and, "where present", that they should represent "in any case an insignificant part of remuneration", should be "consistent with the tasks performed and" should be "defined in strict compliance with the criteria set out in paragraph 2.1" of such Bank of Italy Circular 285/2013.

The members of the Board of Statutory Auditors are entitled (in addition to the reimbursement of expenses incurred due to their office) a fixed annual remuneration determined by the Shareholders' Meeting at the time of appointment in the light of the expertise, professional requirements and commitment required for the significance of the role held (of chairman or member of the Board) and

the Company's size and structure and its situation. Auditors are also beneficiaries of D&O insurance coverage.

Any form of variable remuneration is precluded for the members of the Board of Statutory Auditors.

4.2 Remuneration of the Directors and Auditors of the Subsidiaries

As a general rule (and therefore unless otherwise determined by the Board of Directors of the Parent Company), Group employees do not receive any remuneration (and, if received, remit it) for serving as members of boards of directors at other Group subsidiaries. The Shareholders' Meeting of each Subsidiary determines the compensation of its directors in respect of an overall maximum limit not greater than 50% of the total amount of compensation that can be assigned to the Parent Company's Board of Directors. For the non-executive members of the Board of Directors of the subsidiaries, there are generally no incentive mechanisms, disbursed under the scope of such appointment.

The Shareholders' Meeting of each Subsidiary determines the remuneration of its Board of Statutory Auditors, where present, in respect of an overall maximum limit not greater than 50% of the total amount of remuneration assigned to the Board of Statutory Auditors of the Parent Company. No incentive mechanisms are available for members of the Board of Statutory Auditors and there is no form of variable remuneration.

5. Recipients of Remuneration and Incentive Policies and Policy governing the identification process of the identified staff

Remuneration and incentive policies are defined for all Group personnel⁵, without prejudice to more detailed requirements for members of staff that have a material impact on the Group's risk profile (referred to as "Identified Staff" or "IS"). These individuals are periodically identified by the Parent Company for all companies in the Group, whether or not they are subject to the policy on an individual basis, based on the criteria established in the "Policy governing the identification process of the most relevant staff", which forms an integral part of the remuneration and incentive policy; further information is given in Annex 1 of this Report.

The Policy governing the identification process of the most relevant staff defines the criteria and procedures used to identify the members of the most relevant staff, including those for determining

⁵ This means members of strategic supervision, management and control bodies, the Parent company's employees and contract workers and those of its Subsidiaries.

the financial year of reference for the calculation of variable remuneration and those for any exclusion, the procedures for assessing personnel; the role played by the corporate bodies and the competent corporate functions in developing, monitoring and reviewing the identification process.

The process of self-assessment of the Group's identified staff, conducted by Human Resources with the support of Compliance and approved - on the favourable opinion of the Remuneration Committee - by the Parent Company's Board of Directors, led to the identification, for 2024, of 68 individuals (compared to 63 individuals identified for 2023, later updated to 64) who have a substantial impact on the Group's risk profile. It should be noted that no proceedings have been initiated to notify the competent authority of the exclusion of the identified staff.

The Group's identified staff accounts for 3,13% of the total workforce.

6. Remuneration structure

Pursuant to the Supervisory Provisions, remuneration is any form of payment or benefit, including any ancillary components (so-called allowances) paid, directly or indirectly, in cash, financial instruments or services or goods in kind (fringe benefits), in exchange for the performance of work or professional services rendered by personnel to the bank or other companies of the banking group. Payments or marginal benefits, granted to staff on a non-discretionary basis, which are part of a general Bank policy and which do not produce any effect on the incentive plan for taking on or controlling risks, may not apply.

Fixed remuneration is intended as stable remuneration, calculated and paid based on pre-set, non-discretionary criteria - such as levels of professional experience and responsibility - that do not create incentives to take on risks and do not depend on the Bank's performance.

On this point, please note that:

- a base fixed remuneration is set out for all employees that reflects their professional experience and their role, in line with the provisions of collective bargaining applicable over time and, with respect to managerial positions, also with market benchmarks;
- for employees falling into the category of "identified staff", it is also provided that any interventions on the fixed remuneration (for the same role) exceeding 20% compared to the gross annual remuneration of the previous year may only be carried out upon decision of the Board of Directors after consulting the Remuneration Committee (also on the basis of appropriate evidence in terms of market benchmarking);
- the Board of Directors, subject to the favourable opinion of the Remuneration Committee, has the possibility of recognising indemnities for the role (so-called "role based allowances") determined as a predefined sum, of a stable nature, not linked to performance, which does not create incentives for assumption of risks and which is functionally linked to the role held.

The remuneration offer is completed by various types of benefits (which are also permanent and do not depend on performance), having different gradation in relation to the corporate role and/or to the service reasons. The allocation can be summarised, by way of example, as follows: health insurance policy, professional and extra-professional accident policy, life insurance policy, permanent disability policy, meal vouchers, company contribution to supplementary pension

schemes (recognised to all employees with an open-ended employment relationship). In addition to the above, some individuals are assigned a company car, based on internal policies in force over time. Furthermore, within the Group there is the possibility of assigning short-stay accommodation for service reasons.

All employees can have access to the aforementioned benefits on the basis of internal reference practices and regulations and therefore are not considered as benefits of a discretionary nature.

The Bank envisages the possibility of activating Welfare initiatives for all personnel or for homogeneous categories thereof, including the identified staff, consistent with the legal provisions in force over time.

Variable remuneration is intended as:

- remuneration where recognition and payment can be modified related to performance however measured, excluding severance indemnity and indemnity replacing notice, when the amount is calculated as established by law and within its limits;
- any other form of remuneration that cannot be unambiguously classified as fixed remuneration.

Variable remuneration includes:

- short-term (annual) incentive systems;
- medium- to long-term incentive systems, as decided by the relevant bodies over time;
- the **“company productivity bonus”** or **“variable result bonus”** (“PVR”), as defined by the national collective bargaining agreement, the conditions and criteria for the payment of which are established annually as part of the second-level negotiation;
- **“one-off”** awards (in any case not exceeding three months' pay for each person), at the time of the annual assessment, in order to reward excellent performance and/or particularly outstanding quality work by staff not belonging to the category of “identified staff”⁶;
- **other “one-off” acknowledgements and/or contexts** linked to extraordinary circumstances and/or specific planning initiatives, for personnel not belonging to the “identified staff” category and for limited amounts (however, no higher than one monthly salary for each subject); based on **predefined criteria, determined in a regulation** also containing controls and exclusion clauses with inadequate individual conduct^{7,8}.

Moreover, if there are motivated and documented reasons, remuneration may be linked to key resources staying in the company, and, as such, not linked to performance objectives. Any such

⁶ These awards are in any case paid out when the conditions for access to the variable component (gate) are met, it being understood that, for these awards, a prior resolution of the Board of Directors is required, subject to the favourable opinion of the Remuneration Committee in the event of a total amount exceeding the budget allocations.

⁷ These acknowledgements are not subject to the conditions set out in paragraph 8 “Variable remuneration system: “access conditions” it being understood that the above “one-off” acknowledgements foresee a Board of Directors’ resolution, after favourable opinion by the Remuneration Committee, and will only be allocated if that is compatible with capital levels and with sufficient liquidity to cover Bank activities.

⁸ Such contests can also be implemented in the category of financial agents with a low materiality threshold.

sums paid by way of a **stability pact** or **retention bonus** shall comply with the provisions set out in the Supervisory Provisions, shall be recognised no earlier than the end of the period or the occurrence of the event, shall constitute forms of variable remuneration and as such shall be subject to all the rules applicable thereto. The same staff member shall not be awarded multiple retention bonuses, except in exceptional and appropriately justified cases (i.e., payment of retention bonuses occurs at different times and there are specific reasons for awarding them).

Again under the scope of variable remuneration, in exceptional situations the Bank may allocate instruments as an **entry bonus**, only assigned for the first year of employment and only when prudential requirements have been complied with, when the individual is hired and for attraction purposes, not subjected to the variable remuneration rules and not included in the variable/fixed ratio limit of first year remuneration only when paid in a single solution when the person is hired, pursuant to paragraph 2.1 of Section III of the Supervisory Provisions.

There is also provision within the Group for **non-compete agreements** and **notice extension agreements**, which, pursuant to the Supervisory Provisions, constitute forms of variable remuneration and as such, subject to the exceptions provided for in the Supervisory Provisions⁹, are subject to all the rules applicable thereto. Those agreements are limited in time¹⁰ and, as regards the non-compete agreement, also in space and foresee compensation commensurate to the commitment assigned.

7. Ratio of variable remuneration to fixed remuneration

In line with the Supervisory Provisions, the ratio between the fixed and variable components is appropriately balanced in order to:

- allow flexible management of payroll costs, as the variable portion may be significantly reduced to zero depending on the level of results actually achieved during the year in question or when the Group is unable to maintain or restore a solid capital base;
- discourage behaviour focused on achieving short-term results, especially if resulting from taking high risks.

In order to achieve the above aims, the Group sets *ex ante* maximum and balanced limits to variable remuneration. This cap on variable remuneration was set at a maximum of 100% of fixed remuneration, with the exception of Heads of Corporate Control Functions for whom variable remuneration may not exceed 33% of fixed remuneration.

With regard to the Chief Executive Officer of the Parent Company, on 21 December 2021, the Shareholders' Meeting approved the definition, starting from FY 2022 and for the following financial years (on the assumption that the rationale and assumptions of such increase and the related impact on the Group's capital remain unchanged with respect to the previous shareholders'

⁹ In particular, pursuant to paragraph 6, the consideration for the non-compete agreement is not subject to Section III para. 2 of the Supervisory Provisions, for the portion not exceeding the last annual fixed remuneration.

¹⁰ The duration of the non-compete clause may not exceed 5 years in the case of Managers and 3 years in other cases

resolution) of a ratio between the variable component and the fixed component of remuneration up to a maximum of 150% in accordance with the provisions of Title IV, Chapter 2, Section III of the Supervisory Provisions.

Therefore, also for 2024, since the assumptions and motivations with respect to the resolution of 21 December 2021 remained unchanged (also in terms of the absence of impact of this measure with respect to the Bank's ability to continue to comply with all prudential rules), the following maximum ratios between variable and fixed staff remuneration continue to apply:

	Maximum ratio of variable to fixed remuneration
CEO of Parent Company	150%
Heads of Control functions	33%
Other staff (including co-general managers and identified staff) (*)	100%

(*) With regard to the Manager Charged with preparing the company's financial reports and the Head of the Human Resources Department, the variable remuneration is contained in line with the 1:1 ratio between fixed and variable remuneration components.

8. Variable remuneration: access gates

Access to the variable portion for all personnel is subject to compliance with the conditions for access (so-called "gate") provided for by the following indicators measured at year-end:

- on the basis of a measure of risk-adjusted profitability, such as **RORAC** (Return On Risk-Adjusted Capital) defined as the ratio between Net Profit and Capital absorbed by first-pillar risks (i.e. 8% Pillar 1 Risk Weighted Assets (RWAs) of the Banca Ifis Group. The RORAC indicator must be above the tolerance threshold, defined annually in the Banca Ifis Group's Risk Appetite Framework (RAF) at the consolidated level;
- related to the tolerance level, greater than the regulatory minimum equal to 100%, of the **Group's** short term liquidity indicator - **Liquidity Coverage Ratio (LCR)**, recorded quarterly in the year of reference. The tolerance level is established every year in the Banca Ifis Group's Risk Appetite Framework (RAF) at consolidated level, in accordance with prudential supervisory regulations in force.
- compliance with the tolerance threshold, above the regulatory minimum of 100%, for the Group's medium/long-term liquidity indicator, the **Net Stable Funding Ratio (NSFR)**. The tolerance level is established every year in the Banca Ifis Group's Risk Appetite Framework (RAF) at consolidated level, in accordance with prudential supervisory regulations in force;
- the **consolidated Total Own Funds Ratio** greater than the tolerance level set annually at a consolidated level in the Banca Ifis Group's Risk Appetite Framework (RAF) in force and, therefore, for construction, above the capital requirements communicated by the

Supervisory Body as part of the “Decisions on capital” at the conclusion of the supervisory review process (SREP).

Failure to meet one of these conditions will result in variable pay not being awarded.

Without prejudice to the opening of the access gates, in the presence of adverse scenarios, exceptional and unforeseeable situations, as well as in the event of a 20% lower-than-expected Gross Profit figure for the Consolidated Financial Statements, **the Board of Directors may assess - on the proposal of the Remuneration Committee, subject to the opinion of the Control and Risks Committee - a redefinition of the amounts of variable remuneration for the various categories of staff**, with a consequent pro-rata reduction.

The variable component is also recognised **as long as the beneficiary is still in office/employed** by the Group and not in his/her notice period for voluntary resignation or dismissal, at the time of payment¹¹, except for retirements and the natural expiration of the chief executive officer mandate and/or any other agreements as may have been reached between the personnel and the Bank¹². Payment of a variable component will also be suspended in case of ongoing disciplinary proceedings for fraud or gross negligence against the Bank. No variable remuneration will be paid in the event of a performance evaluation with a negative summary judgement.

It should also be noted that in the event of a change of role during the financial year, the variable remuneration shall be determined with reference to the entire financial year on the basis of the objectives connected to the previous role provided that the beneficiary has held the same role for a period of at least, as a rule, 9 months, unless the Bank decides otherwise, giving its reasons. In addition, it is provided that in order to accrue the variable component of remuneration, beneficiaries must have been employed by the company for at least 3 months during the reference financial year. For intermediate periods, payment will be made on a *pro rata temporis*¹³ basis.

9. Variable remuneration: ex post correction mechanisms

9.1. malus clauses

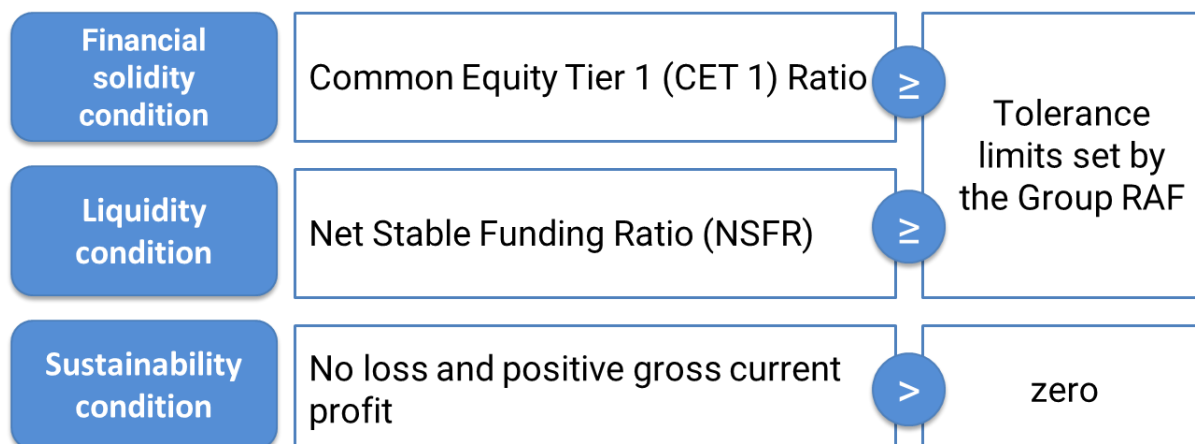
The deferred variable component is subject to *malus* conditions, which, when verified, result in the amount previously determined being reduced to zero.

In the Banca Ifis Group, these conditions are as follows:

¹¹ Except, of course, for the case of any severance payments, which, by definition, are paid following termination of the relationship.

¹² In the event of a notice of resignation, unless otherwise decided by the Board of Directors, the beneficiary will lose the right to receive the deferred tranches not yet disbursed at that date, while he will retain the right to receive the tranches of financial instruments already accrued but not yet effectively assigned as they are subject to the retention period.

¹³ In the event of exclusion from the category of identified staff during the year, the variable remuneration will in any case be paid in accordance with the rules laid down for the identified staff, taking into account the position held.



Failure to meet one of these conditions will result in deferred variable pay not being awarded.

It should be noted that for those Legal Entities that calculate their own capital soundness and liquidity limits, failure to comply with these limits, in terms of the tolerance envisaged by the RAF scheme, constitutes a condition for non-disbursement of the deferred variable component, even when those of the Banca Ifis Group should be verified positively.

Equally, notwithstanding what is set out in the reference national collective bargaining agreement regarding the rights and obligations of employees and in the Disciplinary Code and Code of Ethics in force, the deferred variable component is cancelled or reduced if the individual has caused or is involved in causing:

- violations of the obligations imposed under article 26, or when the subject is an affected party, of article 53, paragraphs 4 et seq., of the Italian Consolidated Law on Banking ("TUB") or of the obligations regarding remuneration and incentive schemes;
- conduct that does not comply with legal, regulatory, or statutory provisions or any Codes of Ethics or Conduct applicable to the Bank resulting in a significant loss to the Group¹⁴ or customers¹⁵;
- further conduct that does not comply with the provisions of the law, regulations or the Articles of Association, or with any Codes of Ethics or Codes of Conduct applicable to the Bank in the cases envisaged by the latter;

¹⁴ Loss equal to or greater than 5% of net assets.

¹⁵ The Parent Company identifies as a "significant loss" to customers, any loss resulting from conduct that deviates from or otherwise fails to comply with legal, regulatory, statutory or ethical standards applicable to the Group. In particular, reference is made to cases of internal fraud, complaints upheld for improper conduct, and intentional non-compliance with the delegation system, where such cases have an effect on clients. It is understood that if these events are found to have occurred, all the investigations required by the disciplinary procedures provided for by law and by the relevant National Collective Bargaining Agreement applicable to these cases will be carried out and, if the conditions are met, the most appropriate disciplinary measures will be applied depending on the seriousness found and the extent of the loss suffered.

- fraudulent behaviour or serious negligence causing damage to the Group;

or also if,

- the Shareholders' Meeting has resolved to revoke the appointment for just cause, or the Board of Directors has resolved to terminate the employment contract for just cause.

Ex-post correction mechanisms may not lead to an increase in the variable remuneration initially awarded nor in the variable remuneration previously reset or reduced as a result of the application of *malus*.

The above criteria are verified in each of the years in which the deferred variable component is deferred closed following the determination of the variable component (accrual period) and applied when the above conditions are met. And so the *malus* condition as to the variable *bonus* will be verified prior to each deferred payment.

9.2 Claw back clauses

Without prejudice to the provisions of the relevant CCNL on the rights and duties of employees and the Disciplinary Code and the Code of Ethics in force over time, the Group reserves the right to promote the appropriate actions for the complete or partial restitution (so-called **clawback mechanism**) of the variable component recognised and/or paid to the staff if the subject has determined or contributed to determine:

- violations of the obligations imposed pursuant to article 26 of the TUB or, when the person is an interested party, of article 53, paragraphs 4 and following, of the Consolidated Law on Banking or of the obligations relating to remuneration and incentives;
- conduct that does not comply with legal, regulatory, or statutory provisions or any Codes of Ethics or Conduct applicable to the Bank resulting in a significant loss to the Group¹⁶ or customers¹⁷;
- further conduct that does not comply with the provisions of the law, regulations or the Articles of Association, or with any Codes of Ethics or Codes of Conduct applicable to the Bank in the cases envisaged by the latter;
- fraudulent behaviour or serious negligence causing damage to the Group.

¹⁶ Loss equal to or greater than 5% of Shareholders' Equity, to be calculated net of elements deriving from extraordinary operations such as: capital increases, company mergers, spin-offs, acquisitions or any other non-recurring operation that the Board of Directors may decide upon and which may modify the value of the indicator.

¹⁷ The Parent company identifies as a "significant loss" to customers, any loss resulting from conduct that deviates from or otherwise fails to comply with legal, regulatory, statutory or ethical standards applicable to the Group. In particular, reference is made to cases of internal fraud, complaints upheld for improper conduct, and intentional non-compliance with the delegation system, where such cases have an effect on customers. It is understood that if these events are found to have occurred, all the investigations required by the disciplinary procedures provided for by law and by the relevant National Collective Labour Agreement applicable to these cases will be carried out and, if the conditions are met, the most appropriate disciplinary measures will be applied depending on the seriousness found and the extent of the loss suffered.

Ex-post correction mechanisms may not lead to an increase in the variable remuneration initially awarded nor in the variable remuneration previously reduced or reset as a result of the application of claw back. The criteria envisaged are also checked in each of the three financial years closed following calculation of the variable component (accrual period) and applied when the above-mentioned conditions occur. For the identified staff, this verification must be carried out in each of the next five financial years. This period begins with the payment of the individual instalment (up-front or deferred) of variable remuneration.

9.3 Prohibition of hedging strategy

Individual employees are strictly forbidden to carry out hedging or insurance strategies on remuneration ("**hedging strategy**") or on other aspects that may alter or influence the effects of business risk alignment inherent in the remuneration mechanisms applied.

In particular, the Parent Company, in order to ensure that its identified staff are not remunerated or receive payments or other benefits in any way that circumvents the supervisory provisions, prepares specific individual agreements through which the recipients undertake to:

- not to use personal hedging strategies and/or take out insurance on remuneration or undertake any other initiative that may alter and/or affect and/or influence the effects of business risk alignment inherent in the remuneration mechanisms;
- communicate the existence or opening of custody and administration accounts with other intermediaries the information relating to the transactions carried out from time to time.

The types of transactions and financial investments made by identified staff that could affect the risk alignment mechanisms and, more generally, the pursuit of the aims of the regulations on remuneration and incentive policies and practices are transactions and investments in financial instruments issued by the Parent Company, including derivatives that have such instruments as their underlying.

10. Methods of payment of variable remuneration.

The methods of payment of variable remuneration are governed by precise indications in the Supervisory Provisions on the **variable remuneration of the identified staff**, with particular reference to **deferment obligations, the type of payment instruments and the retention period envisaged for any portion paid in financial instruments**.

In line with the Supervisory Provisions, **the Banca Ifis Group cannot be classified as a "bank of smaller size or operational complexity"** and is therefore required to apply the entire discipline "proportionally", i.e. taking into account the characteristics and size as well as the riskiness and complexity of the activity carried out.

However, the Group is not required to apply the above more detailed rules of Section III of the Supervisory Provisions to identified staff whose annual variable remuneration meets the following two conditions (the “**materiality threshold**”):

- does not exceed 50.000 Euro; and
- it does not represent more than one third of the total annual remuneration.

In accordance with the Supervisory Provisions, the Group defines a '**particularly high**' variable remuneration amount as the lower of:

- 25% of the average total remuneration of Italian high earners, as shown in the most recent report published by the EBA; and
- 10 times the average total remuneration of Ifis Group employees.

With reference to the Group, this amount was identified as € 424.260, equal to 25% of the average total remuneration of Italian high earners¹⁸.

Structure of the variable component deferral period and deferred portions

In line with the Supervisory Provisions:

1. the variable component where **above the materiality threshold** (and not a particularly high amount) is paid as follows:
 - up-front share (60% of total variable remuneration): 50% in financial instruments and 50% in cash;
 - deferred portion (40% of total variable remuneration): 50% in financial instruments and 50% in cash. The deferral period in this case is 4 years;
2. the variable component of a **particularly high amount** is paid as follows:
 - up-front share (i.e. 40% of total variable remuneration): 50% in financial instruments and 50% in cash;
 - deferred portion (i.e. 60% of total variable remuneration): 55% in financial instruments and 45% in cash. The deferral period in this case is 5 years.

11. INCENTIVE SYSTEM

11.1. Short-term incentive systems

The Bank annually defines a short-term incentive plan (the “**Short-Term Incentive Plan**” or “**STI**”), the payment of which - subject to the opening of the access gates - is linked to the achievement of specific **qualitative and quantitative performance objectives, assigned to the recipients of the plan**.

In relation to the “identified staff” in case the materiality threshold (as defined above) is exceeded, the Supervisory Provisions provide that variable remuneration, both up front and deferred, must be

¹⁸ EBA Report on High Earners (EBA/REP/2023/05).

balanced for a **quota of at least 50% with financial instruments**, by which is meant, in the Banca Ifis Group, the shares of the Parent Company.

Again in accordance with the Supervisory Provisions, in the event of a particularly high amount of variable remuneration (as defined above), more than 50% of the deferred portion must be paid in **financial instruments**, which in the Banca Ifis Group means the shares of the Parent Company.

The period during which there is a retention period, set at 1 year.

In the light of the above, **the methods of payment of variable remuneration for identified staff adopted by the Banca Ifis Group** are summarised below:

	Upfront	Deferment
equal to or less than the materiality threshold	100% cash	
higher than the materiality threshold and not of particularly high amount	60% upfront , of which: <ul style="list-style-type: none"> - 50% (i.e. 30% of the total variable remuneration) in Banca Ifis shares, which may be exercised at the end of the retention period of 1 year - 50% (i.e. 30% of the total variable remuneration) paid in cash 	40% deferred over 4 years starting in the year following the year in which the up-front portion accrues , of which: <ul style="list-style-type: none"> - 50% (i.e. 20% of the total variable remuneration) in Banca Ifis shares, which may be exercised at the end of the further retention period of 1 year - 50% (i.e. 20% of the total variable remuneration) in cash, subject to annual revaluation at the legal rate in force over time.
of particularly high amount	40% upfront , of which: <ul style="list-style-type: none"> - 50% (i.e. 20% of the total variable remuneration) in Banca Ifis shares, which may be exercised at the end of the retention period of 1 year - 50% (i.e. 20% of the total variable remuneration) paid in cash 	60% deferred over 5 years starting in the year following the year in which the up-front portion accrues , of which: <ul style="list-style-type: none"> - 55% (i.e. 33% of the total variable remuneration) in Banca Ifis shares, which may be exercised at the end of the further retention period of 1 year - 45% (i.e. 27% of the total variable remuneration) in cash, subject to annual revaluation at the legal rate in force over time.

For the purpose of assigning variable remuneration in financial instruments, or in Banca Ifis shares, the Bank calculates the **fair value** of the share - at the time of the assignment - **based on the average stock market price** with reference to the month prior to the date of approval of the financial statements by the Shareholders' Meeting (or, in the case of assignment of variable remuneration for any reason subsequent to the Shareholders' Meeting, from the date of the event, this being understood to mean any dates of signing of agreements or in the absence thereof, the dates of approval by the competent bodies of the related awards). The number of shares is determined by rounding to the nearest integer.

The transfer of the ownership of the shares, both for the upfront and the deferred portion, and the full availability of the same takes place at the end of the retention period (net of taxes and withholding taxes), without prejudice to the applicability of the *malus* and claw back mechanisms. Dividends and interest accruing during the deferral period on Banca Ifis shares may not be paid either during or after the deferral period nor indeed until the end of the retention period.

Variable cash remuneration subject to time deferral (vesting period) is revalued annually at the legal rate in force at the time.

The following is the deferral schedule in light of the above:

	2024	2025	2026	2027	2028	2029	2030
Variable above materiality threshold		30% upfront monetary		10% deferred monetary		10% deferred monetary	
		30% upfront shares	Retention 1 year				
	Year of performance			10% deferred shares	Retention 1 year		
					10% deferred shares	Retention 1 year	
	DISBURSEMEN	60%	10%	10%	10%	10%	
Variable above particularly high amounts		20% upfront monetary		6% deferred monetary		9% deferred monetary	12% deferred monetary
		20% upfront shares	Retention 1 year				
	Year of performance			11% deferred shares	Retention 1 year		
					11% deferred shares	Retention 1 year	
						11% deferred shares	Retention 1 year
	DISBURSEMEN	40%	11%	6%	11%	20%	12%

Short-term (annual) incentive schemes are linked to the achievement of specific qualitative and quantitative performance targets, assigned to the recipients of the plan.

The aforementioned objectives, on whose level of achievement the award depends, are set out in a **performance scorecard**.

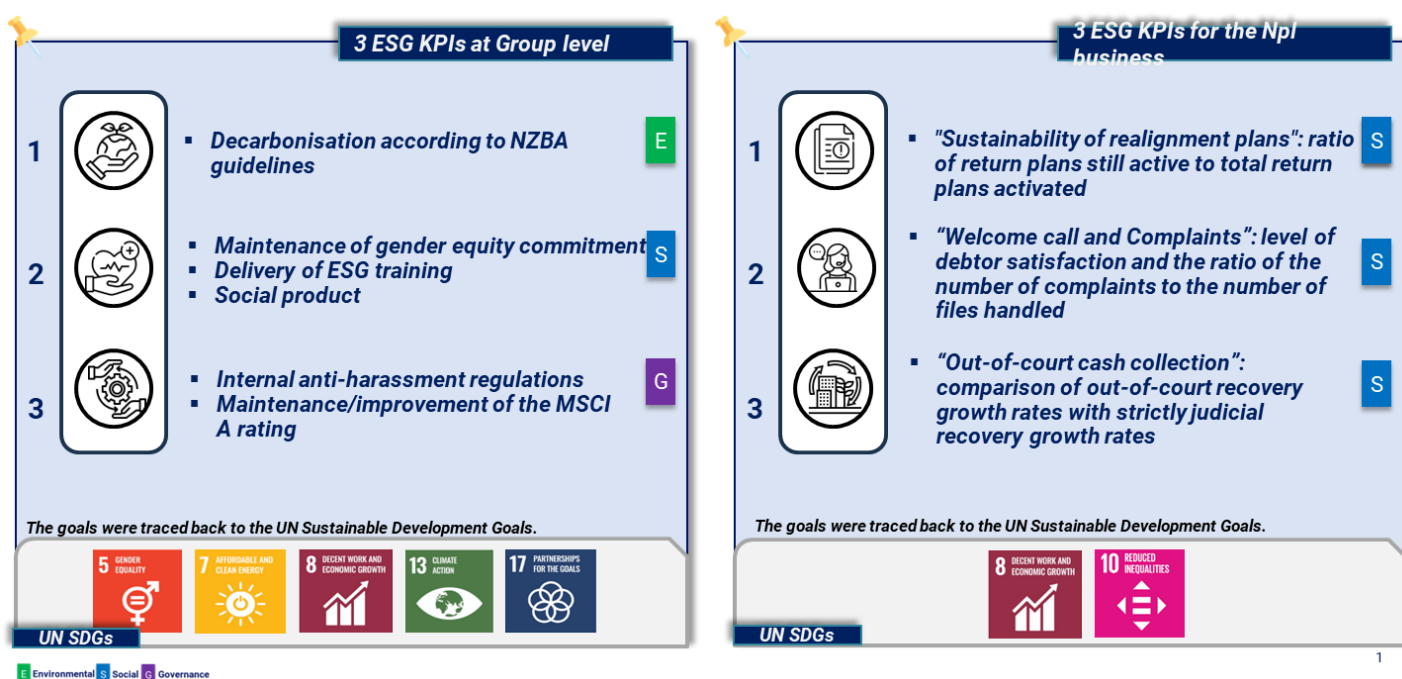
The performance scorecard includes a predefined number of indicators; each indicator is given a weight in percentage terms on the total of at least 10% to ensure the significance of the objective and no more than 30% to ensure an adequate weighting of the multiple objectives.

The variable remuneration accrues according to a result curve based on the levels of achievement of the objectives; the result obtained by each KPI determines a weighted score, on a recognition

curve varying between a minimum and a maximum achievable; the sum of the weighted scores obtained corresponds to the performance achieved, in proportion to which, only if at least equal to a prefixed minimum score, the amount of the incentive is quantified; the latter cannot, in any case, exceed a prefixed maximum level.

11.2. In particular: ESG objectives

Group ESG KPIs were identified and specific ESG KPIs were introduced for the Npl business, summary tables of which are provided.



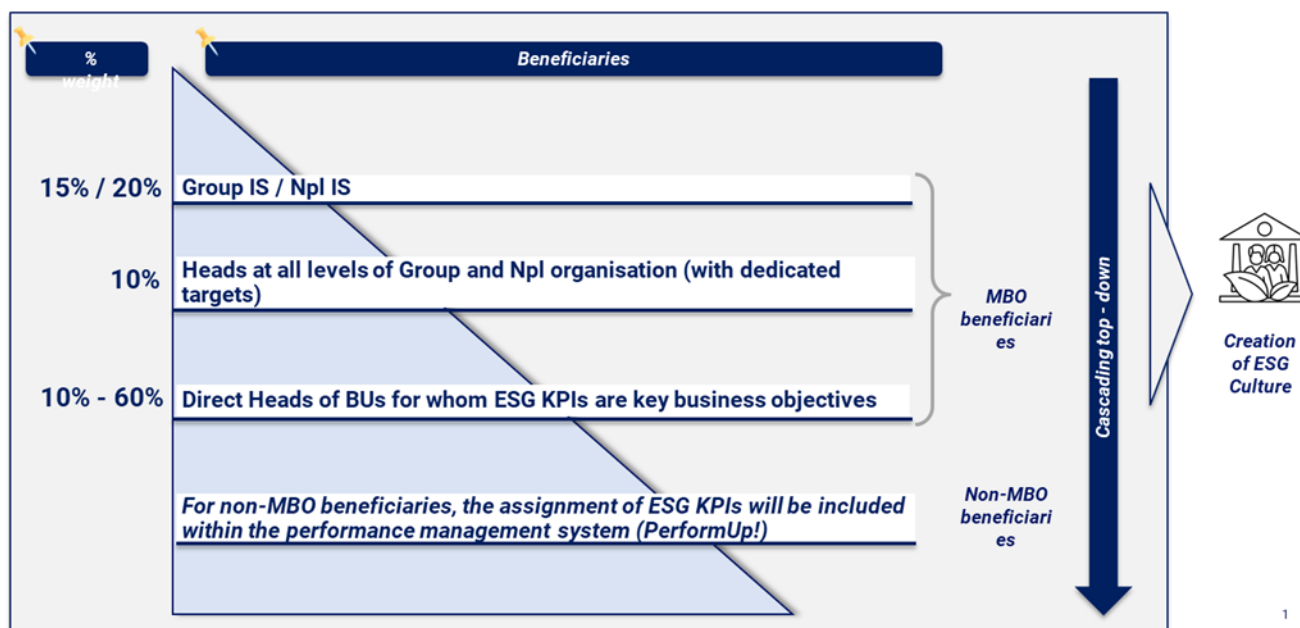
In particular:

- As for the Group ESG KPIs:
 - a KPI related to the decarbonisation targets of the Group's financing portfolio is included, considering the Group's commitment to the Net Zero Banking Alliance (NZBA) initiative;
 - commitments on gender equity are maintained and Banca Ifis's commitment to gender equality is confirmed, which finds expression in an increasingly inclusive culture that is expressed in its work-life balance policies and in the welfare supporting family needs;
 - training is carried out to disseminate and maintain an inclusive corporate culture that values all diversities; the Bank, which has always been attentive to diversity and inclusion issues, promotes networks and training and empowerment initiatives;
 - an objective is defined to integrate the Group's product offering with reference to the social sphere;

- the Bank promotes a fair and inclusive working environment, free from all forms of harassment, sexually inappropriate behaviour and bullying. The related KPI is the drafting of an anti-harassment policy to protect personal dignity and the corporate climate, and the implementation of the related external reporting system;
 - in the area of governance, in order to measure the Group's overall sustainability performance, it is proposed to confirm or improve the KPI concerning the ESG ratings assigned to Banca Ifis.
- As for ESG KPIs related to the Npl business, it was considered that:
 - a sustainable approach passes through repayment plans that are carried out by the debtor, and which are therefore activated in relation to the debtor's availability;
 - constant and independent monitoring of the quality of the activities carried out by our Collection Networks ensures the measurement of our sustainable approach and the avoidance of improper behaviour;
 - the out-of-court approach is the recovery modality considered the most socially sustainable for the debtor client because it allows him to approach repayment according to his means, without any kind of coercion;

It is also planned to increase the percentage weight of ESG objectives, identified in line with the 17 United Nations Sustainable Development Goals, and to extend them to all roles of responsibility in the corporate organisation, confirming the Bank's commitment to the path towards sustainable development.

This extension can lead to further cascading as shown below:



1

11.3. Medium- to long-term incentive schemes

As noted above, the Group's incentive system may also include medium-long term incentive systems, functional to aligning management towards the achievement of the medium-long term business and strategic plans adopted over time by the competent bodies.

Since the vesting period of the 2021-2023 LTI plan expired on 31 December 2023 (see Section II Part I paras. 3 and 4 of this Report), the Bank will assess during this financial year the possible terms of a new medium-long term plan, to be structured in strict compliance with regulatory requirements - including in terms of the ratio between fixed and variable remuneration, identification of KPIs, disbursement methods, etc. - then to be submitted for approval to the Shareholders' Meeting (also pursuant to Article 114-bis of the TUF), after having been informed in accordance with the law.

12. Remuneration of the Parent Company's CEO

The Chief Executive Officer's remuneration currently consists of the following elements:

- **a fixed remuneration with a stable and irrevocable nature**, which does not create incentives for risk-taking and does not depend on the Bank's performance, determined on the basis of the responsibilities connected with the position and the commitment required for its fulfilment and verified over time and, if necessary, updated on the basis of benchmark analyses carried out with the assistance of external consultants who are experts in executive compensation;
- **benefits**;
- **a short-term variable remuneration**, linked to achieving specific quantitative performance targets.

There is also "severance" and a non-compete agreement defined in accordance with the principles set out in this Remuneration Policy.

12.1 Short-term incentive scheme for the Parent Company's CEO

The objectives assigned to the Chief Executive Officer for 2024 represent a combination of **quantitative and qualitative criteria**, referring to the Group's results, as well as qualitative aspects relating to strategic action.

The performance scorecard includes the declination of the following KPIs:

- **Economic-financial KPIs with a weight of 65%**, structured over three specific drivers (profitability, credit cost and efficiency), consistent with the Group's 2024 objectives;
- **KPI of strategy and sustainability with a weight of 35%**, which aim to assess the achievement of strategic directives, as well as the achievement of corporate objectives in the ESG area.

The short-term variable remuneration cap payable to the CEO is set at 60% of fixed remuneration; variable remuneration will accrue on the basis of the degree of achievement of objectives, with variable remuneration being paid on a linear progression between 60% and 100%.

The performance scorecard assigned to the **Chief Executive Officer** for 2024 is shown below:

2024 STI performance scorecard of the Chief Executive Officer

Type of KPI	KPIs		Weight	KPI levels		
				Min.***	Medium	Max.
KPIs Economic - Financial	Profitability	ROE: Profit attributable to the Parent Company divided by the average of shareholders' equity attributable to the Parent Company for the quarters 4Q23 to 4Q24	25%	-5,5%	Linear progression	Level Target**
	Cost of credit	Credit risk losses/reversals (credit excluding those of the Npl area) divided by the average balance of Group loans (excluding those of the Npl area)	20%	+11%		
	Efficiency	Group Cost/Income calculated as Net banking income over Operating Costs	20%	+3,5%		
KPIs of Strategy and Sustainability	ESG	<ol style="list-style-type: none"> 1 Decarbonisation: ensuring that 75%¹ or more of the financed emissions in the lending portfolio² are covered by decarbonisation targets defined according to NZBA guidelines* 2 Gender equality: maintenance of gender equality certification UNI PdR 125:2022* 3 Training: completion of training objectives related to <i>unconscious bias</i>, <i>ESG credit framework</i>, <i>Sensitive Sectors Policy</i>* 4 Social product: enrich the bank's offering with new products and services in the ESG area, with a particular focus on social and Green* areas 5 Internal regulations: drafting of an anti-harassment policy * 6 ESG rating: maintenance/improvement of A MSCI* rating <p>Sustainability of realignment plans: ratio of return plans still active after 9 months from the date of first activation to total return plans activated in the period</p> <p>Welcome Call and Complaints: level of debtor satisfaction and the ratio of the number of complaints to the number of files handled</p> <p>Out-of-court cash collection: comparison of out-of-court recovery growth rates with strictly judicial recovery growth rates</p>	15%	3 targets out of 6	Linear progression	6 targets out of 6
	Strategic action	Qualitative assessment of the Chief Executive Officer's achievement of strategic directives by the BoD	20%	In line with expectations	Above expectations	Excellent

¹Average figure considering the last two available surveys carried out by the Risk Management structure

 Environmental  Social  Governance

(*) Company-wide target for all identified staff

(**) Target level is the 2024 budget

(***) The minimum level represents, depending on the type of indicator, the floor or cap in relation to the target level

13. Short-term variable remuneration of Co-General Managers

The objectives assigned to the Co-General Managers for 2024 represent a combination of **quantitative and qualitative criteria**, referring to the Group's results, as well as qualitative aspects relating to the achievement of strategic directives.

The performance scorecard includes the declination of the following KPIs:

- **Economic-financial KPIs with a weight of 65%**, structured over three specific drivers (profitability, credit cost and efficiency), consistent with the Group's 2024 objectives;
- **KPI of strategy and sustainability with a weight of 35%**, which aim to assess the achievement of strategic directives, as well as corporate objectives in the ESG area.

Variable remuneration will accrue on the basis of the degree of achievement of objectives with variable remuneration being paid on a linear progression between 60% and 100%.

The following are the performance scorecards assigned for 2024 to the Co-General Manager - Chief Commercial Officer and the Co-General Manager - Chief Operating Officer, respectively:

2024 STI Performance Scorecard of the Chief Commercial Officer

Type of KPI	KPIs		Weight	KPI levels		
				Min.***	Medium	Max.
KPIs Economic - Financial	Profitability	ROE: Profit attributable to the Parent Company divided by the average of shareholders' equity attributable to the Parent Company for the quarters 4Q23 to 4Q24	25%	-5,5%	Linear progression	Level Target**
	Cost of credit	Credit risk losses/reversals (credit excluding those of the Npl area) divided by the average balance of Group loans (excluding those of the Npl area)	20%	+11%		
	Efficiency	Group Cost/Income calculated as Net banking income over Operating Costs	20%	+3,5%		
KPIs of Strategy and Sustainability	ESG	<ol style="list-style-type: none"> 1 Decarbonisation: ensuring that 75%¹ or more of the financed emissions in the lending portfolio² are covered by decarbonisation targets defined according to NZBA guidelines* 2 Gender equality: maintenance of gender equality certification UNI Pdr 125:2022* 3 Training: completion of training objectives related to <i>unconscious bias</i>, <i>ESG credit framework</i>, <i>Sensitive Sectors Policy</i>* <ul style="list-style-type: none"> ▪ Social product: enrich the bank's offering with new products and services in the ESG area, with a particular focus on social and Green* areas ▪ Internal regulations: drafting of an anti-harassment policy* ▪ ESG rating: maintenance/improvement of A MSCI* rating 	15%	1 target out of 3	2 targets out of 3	3 targets out of 3
	Strategic action	Qualitative assessment of the achievement of strategic directives, formulated by the CEO	20%	In line with expectations	Above expectations	Excellent

 Environmental  Social  Governance

(*) Company-wide target for all identified staff

(**) Target level is the 2024 budget

(***) The minimum level represents, depending on the type of indicator, the floor or cap in relation to the target level

2024 STI Performance Scorecard of the Chief Operating Officer

Type of KPI	KPIs	Weight	KPI levels			
			Min.**	Medium	Max.	
KPIs Economic - Financial	Profitability	ROE: Profit attributable to the Parent Company divided by the average of shareholders' equity attributable to the Parent Company for the quarters 4Q23 to 4Q24	20%	-5,5%	Linear progression	Level Target**
	Cost of credit	Credit risk losses/reversals (credit excluding those of the Npl area) divided by the average balance of Group loans (excluding those of the Npl area)	20%	+11%		
	Efficiency	Group Cost/Income calculated as Net banking income over Operating Costs	15%	+3,5%		
		Cost/Income Npl Business	10%	+3,5%		
KPIs of Strategy and Sustainability	ESG	<ol style="list-style-type: none"> 1 Decarbonisation: ensuring that 75%¹ or more of the financed emissions in the lending portfolio² are covered by decarbonisation targets defined according to NZBA guidelines* 2 Gender equality: maintenance of gender equality certification UNI PdR 125:2022* 3 Training: completion of training objectives related to unconscious bias, ESG credit framework, Sensitive Sectors Policy* 4 Social product: enrich the bank's offering with new products and services in the ESG area, with a particular focus on social and Green* areas 5 Internal regulations: drafting of an anti-harassment policy * 6 ESG rating: maintenance/improvement of A MSCI* rating <p>Sustainability of realignment plans: ratio of return plans still active after 9 months from the date of first activation to total return plans activated in the period</p> <p>Welcome Call and Complaints: level of debtor satisfaction and the ratio of the number of complaints to the number of files handled</p> <p>Out-of-court cash collection: comparison of out-of-court recovery growth rates with strictly judicial recovery growth rates</p>	20%	3 targets out of 6	Linear progression	6 targets out of 6
	Strategic action	Qualitative assessment of the achievement of strategic directives, formulated by the CEO	15%	In line with expectations	Above expectations	Excellent

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(*) Company-wide target for all identified staff

(**) Target level is the 2024 budget

(***) The minimum level represents, depending on the type of indicator, the floor or cap in relation to the target level

14. Variable remuneration of Heads of Control functions

The remuneration package for identified staff belonging to the control functions (Risk Management, Compliance, Internal Audit, Anti-Money Laundering) is structured with a prevalent fixed component and a contained variable part allocated annually on the basis of **qualitative** and **efficiency criteria**. In accordance with the Supervisory Provisions, the variable remuneration of the heads of control functions may not exceed 33% of the fixed remuneration.

When determining the remuneration of the most important personnel belonging to the control functions, **incentive mechanisms linked to economic results** are in any case **excluded**.

For the year 2024, the most important personnel belonging to the control departments are the recipients of an incentive system based on a performance scorecard containing **structure KPIs**,

solidarity KPIs that also seek to value the achievement of strategic directive as well as corporate ESG objectives and **qualitative KPIs**.

The KPIs and their relative weights are defined in a specific company document.

Variable remuneration will accrue on the basis of the degree of achievement of objectives with variable remuneration being paid on a linear progression between 60% and 100%.

15. Short-term variable remuneration of other staff, including the identified staff

For the year 2024, even the identified staff as identified pursuant to paragraph 5 and not belonging to the above categories, shall be the recipients of an incentive system based on a performance scorecard containing, as a rule, **economic-financial KPIs/structure KPIs, solidarity KPIs and qualitative KPIs**¹⁹.

The KPIs and their relative weights are defined in a specific company document.

In particular, KPIs are also envisaged for Key Managers and the heads of relevant business/operational units, which aim to assess the achievement of strategic directives, as well as corporate objectives in the ESG sphere.

Variable remuneration will accrue on the basis of the degree of achievement of objectives with variable remuneration as a rule being paid on a linear progression between 60% and 100%.

16. Short-term variable remuneration for sales staff

The commercial resources not belonging to the identified staff (referred to in the preceding paragraphs) are the recipients, for 2024, of an incentive system based on a performance scorecard containing, in general, **economic-financial KPIs** based on the specific businesses, **solidarity KPIs and qualitative KPIs**, i.e. the qualitative assessment and verification of complaints received from customers²⁰.

The declination of the KPIs and their relative weights is defined in a specific company document, as is the **bonus accrual configuration**, with the possibility of recognising performance above the budget within a defined maximum bonus value.

The performance scorecard for sales resources can be individual or team-based.

¹⁹ In any case, the remuneration of the Manager Charged with preparing the company's financial reports and the Head of the Human Resources Department does not include incentive mechanisms linked to economic results.

²⁰ The incentive systems of the commercial network are subject to correction mechanisms (*malus/claw back clauses*) such as to allow their cancellation. For example, with behaviour that has caused or helped cause significant damage for customers, or a significant breach of codes of ethics or conduct protecting customers applicable to the broker (measurable through any complaints received).

Finally, it should be noted that the variable remuneration for personnel not belonging to the “identified staff” may be subject to **deferral mechanisms, also for retention purposes**. This instrument, dedicated to sales staff, provides for the payment of a portion of variable remuneration in the year following the year of performance, and the remaining portion in subsequent years. This deferred component is not paid on termination of employment (i.e. during the notice period) and is subject to *malus*/claw back provisions.

17. Implementation methods for the Bank of Italy Provisions on transparency of the banking and financial transactions and services - the Group’s sales network

This paragraph would like to give specific evidence of implementation of the Bank of Italy Provisions on transparency in transactions and bank and financial services - Correctness of relations between intermediaries and customers (hereinafter “Transparency Provisions”), published by the Bank of Italy through its Provisions of 19 March 2019 which adopted the Guidelines of the European Banking Authority concerning remuneration policies and practices related to the sale and supply of retail banking services. For that purpose, a new notion has been introduced, that of “relevant personnel”, including personnel offering products to customers, interacting with them, as well as those the personnel report to hierarchically.

On this assumption, as required by the regulation, here below please find indication of the number of identified staff and credit²¹ brokers forming the Group’s sales network to which the remuneration policies described in this Report shall apply.

Personnel belonging to this key personnel category total 186, of which 156 are those offering products to customers and 39²² are those to whom the former report hierarchically. The internal sales network includes the following products /Business areas:

- Factoring product;
- Filo Diretto phone selling;
- Leasing product;
- Pharmacies;
- Tax Receivables;
- CQS.

For what concerns credit brokers, the agent network counts a total of about 137²³ agents supporting the Lease and CQS products.

²¹ “Financial Agents, credit brokers as well those other than the lender who, when exercising their commercial or professional activities, finalise the lender’s loan contracts or present or propose loan contracts or other preparatory activities in view of those contracts being finalised.”

²² Of which 3 belonging to the identified staff category.

²³ It should be noted that 99 of the 137 agents indicated have dual mandates performing activities for both Ifis Npl Servicing S.p.A. and Cap.Ital.Fin S.p.A.

The Bank has 61 agreements with credit brokers for the factoring product, plus 7 agreements for the leasing product and another 6 for the CQS product.

Having said that, for what concerns the remuneration policies and practices for relevant personnel and credit brokers, they do not cause incentives that can induce the sales network to pursue its own interests or those of the Bank or to cause prejudice for customers in product offer terms. Above all, that is ensured by how the Bank's commercial units are structured. They, in turn, mirror an organisation establishing segregation and separation of the single Bank businesses. For that purpose, it also foresees structures designed and dedicated to assessing transactions, that guarantee downstream control of the sales process for what concerns the evaluation of creditworthiness and the approval of transactions, consistent with the delegation system for taking on the credit risk.

The variable remuneration system for the sales network is defined, as indicated in the preceding paragraph, by identifying Key Performance Indicators of a quantitative nature (such as, by way of example, among others: net banking income, number of clients started up, volumes of new business, relationships reported and started up referring to different Business Units) and of a qualitative nature, and is subject to mechanisms for ex post correction of the variable (*malus*/claw back clauses). Among the qualitative KPIs, there is a specific target, according to whether or not complaints have been received. However, there are no bonus plans foreseen for credit brokers with whom the Bank stipulates agreements, with the exception of credit mediators for the CQS²⁴ product. Please refer to the following paragraph for remuneration policies intended for financial agents.

18. Remuneration of Financial Agents

Within the category of contract workers not subject to employment contracts, particular importance is attached to financial Agents. The Group avails itself or an external distribution network for the out-of-court collection of distressed credits, an agent network to promote leases and an agent network to promote and place contracts granting loans against delegation of payment and against salary or pension-backed loans.

It has been defined that the remuneration of these persons consists of a recurring component and, where applicable, a component that is not determined *ex ante*, with an incentive value.

The variable component of remuneration is suitably balanced compared to its fixed component.

Furthermore, in accordance with the Bank of Italy's Supervisory Provisions:

- the total amount of the "non-recurring" component paid to the Agents is also subordinate to checking the Group's liquidity and financial circumstances identified annually in the Remuneration report (see gate);
- criteria for the ex post correction of the "non-recurring" remuneration of each individual have been identified; they are based on indicators that reflect compliance for activities assigned

²⁴ In this respect, the incentive systems provided for this category are anchored to both quantitative and qualitative criteria, are adequately balanced with respect to the fixed component of remuneration and are subject to *ex post* correction mechanisms.

contractually, correct behaviour, especially in relations with customers, contain legal and reputation risks that can affect the Group or Group companies and favour compliance with regulations and protect customers keeping them loyal.

The variable remuneration system for the agent network is explained to the Remuneration Committee and approved by the Board of Directors of the Parent Company and of the Subsidiary where present.

19. Remuneration of non-employee contract workers

The Group may also use non-employee contract workers whose relationships can essentially be grouped into two contractual forms:

- consultancy contracts;
- continuous and coordinated collaboration contracts.

For consultancy/collaboration contracts, appointments can be awarded individually outlining the type of consultancy activity, the fixed and variable fee (or the criteria for determining it), and its method of payment.

The (fixed and potentially variable) remuneration for these types of contract is determined in close connection with the profit derived from the work done by the contract workers, considering their professionalism, the complexity of the service provided and any target market rates.

20. Treatment for termination of office or of employment

20.1 Treatment for termination of office or of employment for the identified staff.

Amounts paid when the work relationship for identified staff is terminated, additional to severance pay established by general employment and notice regulations (by law and collective contracts) and not determined by a third party competent to do so, such as a legal and/or arbitration authority (the "Golden Parachutes"), are quantified and paid by the Bank in line with the regulatory framework in force at the time, applying the following criteria, and always in accordance with and pursuing the best company interests. In line with applicable Supervisory Provisions, when recognising those payments, due consideration will be given to: the employee's performance and conduct in previous years, the reasons that lead to the termination of the employment relationship, length of service, age, the financial impact that this remuneration may have on the Banking Group's asset situation and liquidity.

In no case may the gross total amount to be paid exceed 24 months of *de facto* gross²⁵ total salary (including fixed remuneration and the average variable remuneration of the last three years - which

²⁵ In order to satisfy the regulatory provision that requires the indication of a maximum limit to severance also in terms of the number of annuities of fixed remuneration and in absolute value, it should be noted that in the case of the Chief Executive Officer, 24 months of recurring remuneration could correspond to a maximum, of a fully theoretical nature (in the case of always achieving, in the three years prior to termination, a bonus equal to the maximum amount), of 5 years of fixed remuneration. The value of the severance thus determined

as such in fact also incorporates the individual's performance, even involving a significant reduction in treatment if the performance is negative), including notice period (if applicable)²⁶.

In compliance with the Supervisory Provisions, Golden Parachutes, when decided based on preset formulas, as part of an agreement to settle an ongoing or potential dispute, are not included in the calculation of the maximum ratio between variable and fixed remuneration established for the identified staff. On this point, in line with reference regulations in force at the time and within the aforementioned criteria and limits, the Bank has drafted the following pre-defined formula referred to the identified staff (without prejudice to the specifications below):

BASIC AMOUNT +/- CORRECTIVE FACTORS

The basic amount²⁷ calculation is based on company seniority, as follows:

- Up to 2 years: 7 months of recurrent salary;
- Over 2 and up to 6 years: 11 months of recurrent salary;
- Over 6 and up to 10 years: 15 months of recurrent salary;
- Over 10 and up to 15 years: 19 months of recurrent salary;
- Over 15 years: 22 months of recurrent salary.

The basic amount, if the employee is of pensionable age, cannot exceed six months of current salary.

Solely for the position of Chief Executive Officer, the basic amount is calculated applying the following formula: $24 * (\text{recurrent salary}/12)$ in 'good leaver' cases and $12 * (\text{recurrent salary}/12)$ in 'neutral leaver' cases²⁸.

In the case of fixed-term relationships (employment or administration, which are not at the same time employees), the basic amount is calculated in relation to the number of months between the date of the early termination of the relationship and the date of its natural expiry.

As far as financial advisors are concerned, the base amount is calculated by reference to the parameters of Article 1751 of the Civil Code and of any Collective Bargaining Agreements applied.

The basic amount can be decreased (up to a maximum of -100%) or increased (up to a maximum of +50% and without prejudice to the maximum limit indicated above) by a certain percentage resulting from application of specific "corrective" factors to each individually acknowledged Golden Parachute.

may not, in any event, exceed € 5.500.000 million in total to which is added, again in the case of the Chief Executive Officer, the non-compete agreement of 12 months from the date of termination and provides for an annual fee of the fixed element of € 1.100.000

²⁶ And without prejudice to the possibility of concluding non-compete agreements as per paragraph 6.

²⁷ In any case, without prejudice to the maximum limit of 24 months total de facto gross salary, including prior notice (if applicable).

²⁸ As noted in paragraph 12 of this Section I and in Part I of Section II, the management agreement currently in place with the Chief Executive Officer contains, in accordance with the principles set forth in this remuneration policy:

- (i) what is termed 'severance', to be recognised upon signature of a settlement agreement and without prejudice to the application of corrective and equal factors:
 - a. in cases of "good leavers" (i.e. revocation without cause; resignation for good cause; resignation due to a material and unsupported change in the position, unless due to circumstances attributable to the manager or measure/indication of the competent authorities) to 24 months of recurring short-term remuneration; and
 - b. in cases of "neutral leavers" (i.e. death, permanent disability that does not allow continuation of the relationship, illness for a continuous period of 6 calendar months) to 12 months of recurrent short-term pay; and
- (ii) a 12-month non-compete, non-solicitation and non-return agreement in return for the payment of an amount equal to 12 months of fixed remuneration.

The Bank regulates in an analytical manner, by means of a specific internal document, the criteria for the application of the aforementioned corrective factors (which take into account, among others, performance, personal and social conditions, age, litigation risks), attributing to each a percentage weighting, either decreasing or increasing the basic amount.

The aforementioned payments, without prejudice to the opening of access gates to variable remuneration, are made under this right and therefore in compliance with Bank of Italy Provisions in force at the time and are also subject to the malus and claw back conditions mentioned above.

With reference to the Managers who are part of the identified staff and the remaining other identified staff, the amounts to be paid are defined based on the prior favourable opinion of the Remuneration Committee and subsequent Board of Directors approval.

There are no discretionary pension benefits.

As a rule, consultancy contracts are not stipulated for a period following the termination of the relationship. However, this possibility is without prejudice, where this meets proven needs to continue to make use, in the interest of the company, for a limited period of time after the termination of the relationship, of the skills and contribution of the director and/or the Key Manager and for the performance of specific and predetermined activities (against a remuneration appropriately parametrised to the object and scope of the requested activity).

Furthermore, no agreements are currently in place - and normally are not stipulated - providing for the assignment or maintenance of monetary benefits for the period following the termination of the relationship (except for the possibility of granting the maintenance of assets such as cars or accommodation for limited periods of time subsequent to termination, and without prejudice to the overall maximum limit indicated above, compliance with which is verified by also calculating the value of any maintenance of these benefits).

20.2. Treatment for termination of office or of employment for personnel that are not identified staff.

The provisions for the identified staff, referred to in the previous paragraph, do not apply to redundancy incentives, also connected with extraordinary operations (e.g. mergers) or corporate restructuring processes, and recognised to non-relevant personnel, provided that they jointly comply with the following conditions:

- they respond exclusively to the logic of containment of company costs and rationalisation of the personnel structure;
- they promote adherence to support measures provided for by law or collective bargaining for all employees;
- they do not produce ex ante distorting effects on the behaviour of personnel;

- they provide for claw back mechanisms, which at least cover cases of fraudulent behaviour or gross negligence to the detriment of the bank.

Incentives to leave will therefore be established pursuant to laws in force and collective negotiations applicable.

21. Implementation of Policies in Subsidiaries

This document on the remuneration and incentive policies drawn up by the Parent Company is valid for all subsidiaries, which, with the exception of Banca Credifarma S.p.A., are not required to draw up their own document in this regard. Having said this, it is expected that Banca Credifarma S.p.A. will implement this policy by means of its own shareholders' resolution.

Each subsidiary, in line with guidelines supplied periodically by the Parent Company, submits this document or an extract from it to its own strategic supervisory body. That body is responsible for its implementation in the subsidiary and will ensure that the remuneration and incentive policy is adequately documented and accessible within the corporate structure.

22. Exemptions

When exceptional circumstances occur - by that meaning specific situations where derogation to the remuneration policy is needed to pursue the long-term and sustainability interests of the company as a whole or to ensure its ability to remain on the market -, the Bank, with, in any case, no prejudice to Supervisory Provision limits, **may derogate to the following elements of the Remuneration Policy approved by the shareholders to pursue the long-term and sustainability interests of the company as a whole, or to guarantee its capacity to stay on the market:**

- the annual incentive system (Goals, Weights and/or Conditions of Access);
- the long-term incentive plan (Goals, Weights and/or Conditions of Access);
- payments in the event of resignation from office or termination of employment

Any temporary exceptions will be resolved on by the Company's Board of Directors with the favourable opinion of the Remuneration Committee, in compliance with the procedure for transactions with related parties and connected subjects.

SECTION II

Section II of the Report is aimed at representing the application of the 2023 remuneration and incentive Policies (approved by the Shareholders' Meeting on 20 April 2023), in FY 2023, as required by the reference regulatory framework, in particular:

- Article 450 of Regulation (EU) 575/2013 of 26 June 2013 (Capital Requirements Regulation);
- Implementing Regulation No. 637 of 15 March 2021, referred to in section vi, par. 1 - public disclosure requirements of Bank of Italy Circular No. 285 of 17 December 2013
- Bank of Italy Circular No. 285 of 17 December 2013 - Part One, Title IV, Chapter 2, Remuneration and incentive policies and practices;
- Article 123-ter of Italian Legislative Decree No. 58 of 24 February 1998 (Consolidated Law on Finance);
- Article 84-*quater* of the Issuers' Regulation approved with resolution No. 11971 of 14 May 1999 as subsequently amended and supplemented;
- the Corporate Governance Code for Listed Companies, updated January 2020.

The Second Section of the Remuneration Policy consists of two parts:

Part I	Descriptive in nature, it describes and represents the items that make up the remuneration of the members of the Board of Directors and control bodies, the General Management and the Key Managers, and the procedures used for the adoption and implementation of this policy.
Part II	Tabular in nature, concerning (i) the data referring to the year 2023, represented in accordance with the requirements of the Bank of Italy Circular 285/2013 relating to the fixed cost and variable component of the Group's personnel broken down by business remuneration of those who fall within the category of "identified staff" of the Group as at 31 December 2023 and (ii) the data on remuneration referring to the year 2023, represented according to Scheme 7-BIS of Annex 3A to the Issuers' Regulation, relating to Directors, Auditors and other Key Managers of the Group.

Part One

1. Implementation and Implementation of Section I of the Remuneration Policies 2023 during FY 2023

The reporting of the 2023 remuneration policies during FY 2023 takes into account, in particular, the fact that the Shareholders' Meeting voted 78,041% in favour of the second section of the Report on 20 April 2023 and the indications received in this regard from the Proxy Advisors.

This section provides - in addition to what has already been reported elsewhere in this Report - information on the implementation, during 2023, of the remuneration policies (Section I) approved

by the Shareholders' Meeting on 20 April 2023 with a 98,527% vote in favour, highlighting the ways in which the various components of remuneration have contributed to the Bank's long-term results, since no waiver of this policy was implemented.

The reporting takes into account, in particular, the fact that the Shareholders' Meeting voted 78,041% in favour of the second section of the Report on 20 April 2023 and the indications received in this regard from the Proxy Advisors.

In particular, in the course of 2023, the Group, relying solely on the strategies implemented with the remuneration and incentive policies approved by the Shareholders' Meeting and the Board of Directors with the favourable opinion of the Remuneration Committee, achieved important objectives such as, among others, the achievement (on 5 December 2023) for all companies of the Banca Ifis Group²⁹ of the UNI/PdR 125:2022 gender equality certification, which recognised that all companies concerned have and implement a gender equality quality management system compliant with the standard. This is in addition to the certification already achieved in October 2021 by the Winning Women Institute.

In this context, the Bank monitored a number of indicators related to the gender gap for both the Parent Company and the Subsidiaries, including:

- presence of members of the under-represented sex in the organisation's administrative and supervisory body;
- percentage of women in the organisation compared to the total workforce;
- percentage of women in the organisation in management positions;
- percentage of women in the organisation responsible for one or more organisational units compared to the total target population;
- percentage of women in the front line reporting to the top.

The measurement of the aforementioned indicators revealed a good positioning of the Group with respect to the market benchmark and determined, together with the qualitative indicators, the achievement of the requirements for obtaining certification.

With reference to the **activities carried out by the corporate bodies**, the following should be noted.

During FY 2023, the **Shareholders' Meeting** met once on 20 April 2023 to approve the Group's remuneration and incentive policies for FY 2023.

During 2023, the **Remuneration Committee** met a total of 9 times (including one joint meeting with the CRC and AC). The meetings were preceded by discussion among the members and/or by prior individual examination of documentation.

The average duration of the meetings was around 52 minutes.

Committee members attended all the meetings held with the exception of one member who attended 8 out of 9 meetings.

²⁹ With the exception of Revalea S.p.A., which was acquired by Ifis Npl Investing S.p.A. on 31 October 2023, and the foreign subsidiaries not included in the regulatory scope.

The CEO never attended these meetings. The Committee meetings were always attended by at least one member of the Board of Statutory Auditors, with the exception of the Committee's inaugural meeting.

During these meetings, the Committee gave its opinion in relation to the following topics:

- the identified staff self-assessment process;
- incentive schemes applied to various business units of the Bank and the Group;
- remuneration and incentive policies of the Group: Report on Remuneration Policy and Remuneration Paid;
- Information document pursuant to Articles 114 bis of the TUF and 84 bis of the Issuers' Regulation;
- incentive systems to be used in 2023;
- determination of the variable remuneration deriving from the results of the 2022 financial year for the Chief Executive Officer, the Co-General Manager, the key managers, the heads of internal control functions and the remaining identified staff.
- verification of the absence of conditions for the application of ex-post correction mechanisms (malus and claw back);
- report on the application of the 2022 remuneration policies to personnel not included in the category of identified staff;
- Policy to promote diversity and inclusiveness, Gender Equality Management System and Strategic Plan for Gender Equality.

2. Remuneration of the members of the Board of Directors (also for participation in board Committees) and of the Statutory Auditors, as well as of the members of the Supervisory Body

The following tables summarise the remuneration attributed, during FY 2023, in line with the remuneration policy approved by the Shareholders' Meeting, to the members of the Board of Directors (also for participation in the board Committees), the Statutory Auditors and the members of the Supervisory Body³⁰.

Name and surname	Office at 31/12/2023	Fixed emoluments	Variable emoluments	Office indemnity	Brand Ambassador	Board of Statutory Auditors	Control and Risks Committee	Appointments Committee	Remuneration Committee	Supervisory Body
Furstenberg Fassio Ernesto	Chairman	650.000,00	-	50.000,00	270.000,00	-	-	-	-	-
Geertman Frederik Herman	Chief Executive Officer	993.333,36	1.139.587	-	-	-	-	-	-	-
Furstenberg Sebastien Egon	Honorary Chairman	650.000,00	-	50.000,00	-	-	-	-	-	-
Arduini Simona	Deputy Chairman	40.361,11	-	50.000,00	-	-	69.083,33	-	-	-
Malinconico Antonella	Director	-	-	50.000,00	-	-	51.048,39	11.596,77	-	-
Billio Monica	Director	-	-	50.000,00	-	-	45.000,00	-	-	-
Lo Giudice Luca	Director	-	-	50.000,00	-	-	-	-	10.000,00	-

³⁰ The above table excludes attendance fees

Colleoni Beatrice	Director	-	-	50.000,00	-	-	-	-	10.394,44	-
Diacetti Roberto	Director	-	-	50.000,00	-	-	45.000,00	10.000,00	-	-
Regazzi Monica	Director	-	-	50.000,00	-	-	-	7.983,87	-	10.000,00
Paoloni Paola	Director	-	-	50.000,00	-	-	45.000,00	-	-	-
Meruzzi Giovanni	Director	-	-	50.000,00	-	-	-	-	11.605,56	10.000,00
Gobbi Roberta	Director	-	-	50.000,00	-	-	-	2.419,35	-	-
Balelli Andrea	Chairman of the BoA	-	-	-	-	105.000,00	-	-	-	-
Olivetti Franco	Standing Auditor	-	-	-	-	70.000,00	-	-	-	-
Melaccio Annunziata	Standing Auditor	-	-	-	-	70.000,00	-	-	-	10.000,00
Ferracchiati Angelo	Member of the SB	-	-	-	-	-	-	-	-	-
Peluso Francesco	Member of the SB	-	-	-	-	-	-	-	-	-

Please refer to Table 1 for further details of the quantitative data on remuneration.

3. Remuneration of the CEO

The remuneration of the CEO is made up of the following elements: (i) a fixed remuneration of a stable and irrevocable nature, which does not create incentives to take risks and does not depend on the Bank's performance, determined on the basis of the responsibilities connected with the position and the commitment required to carry it out (ii) a variable remuneration linked to the achievement of specific qualitative and quantitative performance objectives.

In this last regard, the Chief Executive Officer is the recipient of a Short-Term Incentive System ("STI"), referred to the year 2023 while the 2021-2023 Long Term Incentive Plan (the "LTI Plan") matured on 31 December 2023

Below is an Executive Summary as a tabular representation of the Chief Executive Officer's total remuneration in FY 2023 and the related pay-mix.

Remuneration fixed (€) as at 31/12/2023 (€)	Short-term variable remuneration (€)	Long-term variable remuneration ³¹ (Options) 2021/2023 LTI Plan	Total remuneration (€) (2023)	Variable/fixed ratio compared to the theoretical 1,5:1
1.100.000	660.000	€ 479,587.5	2.239.587	1,03 : 1

³¹ The final equivalent value is related to 236.250 option rights with reference to FY 2023. In this regard, it should be noted that for the three-year period 2021-2023, the option rights granted to the Chief Executive Officer were 696.000, and that a total of 609.000 option rights will be granted (equal to 87,5% out of 100% of the assigned targets).

Up front (40%) - of which 50% in shares	264.000	Up front	40%
Deferred (60%) - of which 55% in shares (5-year deferral period)	396.000	Deferred (5-year deferral period)	60%
		Vesting	3 years

The CEO's remuneration package was completed by fringe benefits in the amount of 131.465,36 Euro in FY 2023.

The ratio of fixed remuneration to total variable remuneration (Short Term Incentive + Long Term Incentive, accrual year 2023) of the Chief Executive Officer respects the ratio of 1:1,5.

The management agreement in place with the CEO then contains the principles set out in this remuneration policy: (i) what is termed 'severance', to be recognised upon signature of a settlement agreement and without prejudice to the application of corrective and equal factors: (a) in cases of "good leavers" (i.e. revocation without cause; resignation for good cause; resignation due to a material and unsupported change in the position, unless due to circumstances attributable to the manager or measure/indication of the competent authorities) to 24 months of recurring short-term remuneration; and (b) in cases of "neutral leavers" (i.e. death, permanent disability that does not permit continuation of the relationship, illness for a continuous period of 6 calendar months) to 12 months of the recurring remuneration; and (ii) a non-compete, non-solicitation and non-withdrawal covenant of 12 months' duration, in return for the recognition of an amount equal to 12 months of the fixed remuneration.

The FY 2023 Short-Term Incentive Plan. With reference to the short-term variable remuneration of the CEO, the objectives assigned to the CEO for 2023 represent a combination of **quantitative and qualitative criteria**, referring to the Group's results, as well as qualitative aspects relating to strategic action.

The performance scorecard includes the declination of the following KPIs:






- **Economic-financial KPIs with a weight of 65%**, structured over three specific drivers (profitability, credit cost and efficiency), consistent with the Group's 2023 objectives;

- **KPI of strategy and sustainability with a weight of 35%**, which aimed to assess the achievement of strategic directives, as well as the achievement of corporate objectives in the ESG area.

The short-term variable remuneration cap payable to the CEO is set at 60% of fixed remuneration, with accrual of the variable remuneration on the basis of the degree of achievement of objectives, based on a linear progression between 60% and 100%.

Below is the performance scorecard assigned to the **CEO** for 2023 with an indication for each objective of the level of achievement between the minimum, medium and maximum level:

2023 STI performance scorecard of the Chief Executive Officer

Type of KPI	KPIs		Weight	Target	Result	Level of achievement		
						Min.	Medium	Target
KPIs Economic - Financial	Profitability	ROE	25%	9,2%	9,7%			
	Cost of credit	Adjustments/Write-backs for credit risk/Average balance of Group loans	20%	72,89	51,86			
	Efficiency	Group cost/income	20%	58,9%	58,0%			
KPIs of Strategy and Sustainability	ESG	1. Maintenance of the A rating issued by MSCI 2. Maintenance of gender equity commitments 3. Implementation of the first step of the conversion of the company fleet into a hybrid one	10%	3 out of 3 targets	3 out of 3 targets			
	Strategic action	Qualitative assessment of the Chief Executive Officer's achievement of strategic directives by the BoD	25%	Excellent	Excellent			

The aforementioned targets were achieved at the maximum level so that the CEO accrued the short-term variable remuneration at 100%.

The relevant amount, being a particularly high amount of variable remuneration (as defined pursuant to the Supervisory Provisions - Bank of Italy Circular 285/2013, Part One, Title IV, Chapter 2, Section III, Par. 2.1, point 4), will be disbursed as up-front for 40% (of which 50% in shares of the Parent Company) and as deferred for 60% of its amount (of which 55% in financial instruments for which, in the Banca Ifis Group, shares of the Parent Company are meant).

The deferral period will be 5 years.

The period during which there is a retention period, set at 1 year.

The 2021 – 2023 LTI Plan. The Chief Executive Officer of Banca Ifis is also the recipient of a Long Term Incentive (LTI) Plan 2021-2023, approved by the Board of Directors on 24 June 2021 and by the Shareholders' Meeting of the Parent Company on 28 July 2021. The Plan provided for the assignment to the CEO, free of charge, of a certain number of options that will give the right to purchase, at a unit exercise price (the "strike price") equal to 12,92 Euro, a corresponding number of Banca Ifis shares.






The Plan vested on 31 December 2023 at the end of the three-year vesting period (2021-2023), and the options will become exercisable after an additional year of retention, subject to the circumstance that the relationship between the Bank and the CEO is still in place, and that pre-determined quantitative and qualitative, financial and non-financial targets, linked to the Bank's long-term strategies, have been achieved.

The Plan grants the CEO of the Parent Company the right to receive up to a maximum of 696.000 options at the end of the vesting period and on achievement of the objectives of the Plan.

The aforementioned Options were counted for the purposes of calculating the ratio between fixed and variable remuneration as follows: (i) 156.000 Options for FY 2021; (ii) 270.000 Options for FY 2022; and (iii) 270.000 Options for FY 2023.

The objectives (KPIs) were identified (and parametrised in their relative weights) in light of the Bank's situation and the dynamics and practices recorded on the reference market, as represented, in extreme synthesis, in the CEO's Balance-Score Card shown below, which also highlights for each KPI the level of the objective achieved between the minimum, target and maximum:

2021 - 2023 LTI performance scorecard of the Chief Executive Officer

Type of KPI	KPIs	Weight	Max.	Result	Level of achievement		
					Min.	Target	Max.
KPIs market	Relative TSR vs Peer Group ¹	25%	213,78%	137,54%			
KPIs Economic - Financial	Pre-tax profit	25%	€ 484.025	€ 599.227			
	Cost/Income ratio	20%	58,93%	58,00%			
	Gross NPE Ratio	15%	6,56%	5,48%			
ESG	1. NZBA 2. Gender equality certification 3. Multiculturalism 4. ESG rating	15%	4 out of 4 targets	4 out of 4 targets			

¹The measurement was made in relation to the 2021-2023 vesting period.

The final results confirmed the attainment of the minimum level with reference to the TSR objectives and the maximum level with reference to the economic-financial and ESG indicators as depicted above.

As a result, 609.000 option rights are granted to the CEO, which will be exercisable after a one-year retention period in accordance with the regulatory time-line.

Also for the 2021 – 2023 LTI Plan, options are granted 40% as up front and 60% as deferred over 5 years.

The table below represents the ratio between fixed and variable remuneration (theoretical and actual) of the CEO.

Role	Number of resources as at 31/12/2023	Achievement of 2023 goals	Variable remuneration theoretically accrued (STI+LTI)*	2023 variable remuneration actually accrued (STI+LTI)*	Fixed remuneration percentage in 2023	Percentage of variable remuneration in 2023
CEO	1	93,75%	1.208.100	1.139.588	49%	51%

*The 2023 balance includes the equivalent value of the vested options for FY 2023

4. Remuneration of the Co-General Managers

The remuneration of the Co-General Managers is made up of the following elements: (i) a fixed remuneration of a stable and irrevocable nature, which does not create incentives to take risks and does not depend on the Bank's performance, determined on the basis of the responsibilities connected with the position and the commitment required to carry it out (ii) a variable remuneration linked to the achievement of specific qualitative and quantitative performance objectives.

In this last regard, the Co-General Managers are the recipients of a Short-Term Incentive System ("STI"), referred to the year 2023 while the 2021-2023 Long Term Incentive Plan (the "LTI Plan") matured on 31 December 2023.

Below are the Executive Summaries as a tabular representation of the total remuneration of the two Co-General Managers in FY 2023 and the related pay-mix.

Co-General Manager Chief Commercial Officer

Remuneration fixed at 31/12/2023 (€)	Short-term variable remuneration (€)	Long-term variable remuneration ³² (Options) 2021/2023 LTI Plan	Total remuneration (€) (2023)	Variable/fixed ratio compared to the theoretical 1:1
300.000	150.000	€ 54,359	504.359	0,7 : 1

³² The final equivalent value is related to 12.525 option rights with reference to FY 2023. In this regard, it should be noted that for the two-year period 2022-2023, the option rights granted to the Co-General Manager - Chief Commercial Officer were 33.400, and that a total of 25.050 option rights will be granted (equal to 75% out of 100% of the assigned targets).

Up front (60%) - of which 50% in shares	90.000	Up front	60%
Deferred (40%) - of which 50% in shares (4-year deferral period)	60.000	Deferred (5-year deferral period)	40%
		Vesting	3 years

The Co-General Manager - Chief Commercial Officer`s remuneration package was completed by fringe benefits in the amount of € 30.033,13 in FY 2023.

Co-General Manager - Chief Operating Officer

Remuneration fixed at 31/12/2023 (€)	Short-term variable remuneration (€)	Long-term variable remuneration ³³ (Options) 2021/2023 LTI Plan	Total remuneration (€) (2023)	Variable/fixed ratio compared to the theoretical 1:1
300.000	150.000	€ 54,359	504.359	0,7 : 1

Up front (60%) - of which 50% in shares	90.000	Up front	60%
Deferred (40%) - of which 50% in shares	60.000	Deferred	40%

³³ The final equivalent value is related to 12.525 option rights with reference to FY 2023. In this regard, it should be noted that for the two-year period 2022-2023, the option rights granted to the Co-General Manager - Chief Operating Officer were 33.400, and that a total of 25.050 option rights will be granted (equal to 75% out of 100% of the assigned targets).

(4-year deferral period)		(5-year deferral period)	
		Vesting	3 years

The Co-General Manager - Chief Operating Officer's remuneration package was completed by fringe benefits in the amount of € 47.533,17 in FY 2023.

The ratio of fixed remuneration to total variable remuneration (Short Term Incentive+Long Term Incentive, accrual year 2023) of the Co-General Managers respects the ratio of 1:1.

The FY 2023 Short-Term Incentive Plan.

The objectives assigned to the Co-General Managers for 2023 represent a combination of **quantitative and qualitative criteria**, referring to the Group's results, as well as qualitative aspects relating to the achievement of strategic directives.






The performance scorecard includes the declination of the following KPIs:

- **Economic-financial KPIs with a weight of 65%**, structured over three specific drivers (profitability, credit cost and efficiency), consistent with the Group's 2023 objectives;
- **KPI of strategy and sustainability with a weight of 35%**, which aimed to assess the achievement of strategic directives, as well as corporate objectives in the ESG area.

Variable remuneration accrues on the basis of the degree of achievement of objectives with variable remuneration being paid on a linear progression between 60% and 100%.

Below is the performance scorecard assigned to the **Co-General Managers** for 2023 with an indication for each objective of the level of achievement between the minimum, medium and maximum level:

2023 STI Performance Scorecard of the Co-General Managers

Type of KPI	KPIs		COO		Target	Result	Level of achievement		
			Weight	Weight			Min.	Medium	Target
KPIs Economic - Financial	Profitability	ROE	20%	25%	9,2%	9,7%			
	Cost of credit	Adjustments/Write-backs for credit risk/Average balance of Group loans	20%	20%	72,89	51,86			
	Efficiency	Group cost/income	25%	20%	58,9%	58,0%			
KPIs of Strategy and Sustainability	ESG	1. Maintenance of the A rating issued by MSCI 2. Maintenance of gender equity commitments 3. Implementation of the first step of the conversion of the company fleet into a hybrid one	10%	10%	3 out of 3 targets	3 out of 3 targets			
	Strategic action	Qualitative assessment of the Chief Executive Officer's achievement of strategic directives by the CEO	25%	25%	Excellent	Excellent			

The ratio of fixed remuneration to total variable remuneration (Short Term Incentive+Long Term Incentive, accrual year 2023) of the Co-General Managers and the remaining Key Managers respects the ratio of 1:1.

Long Term Incentive (LTI) Plan 2021-2023 for the Co-General Managers and other Group beneficiaries

As envisaged in the Plan approved by the Shareholders' Meeting of 28 July 2021, and in execution of the mandate granted to the Board of Directors on that occasion, on 9 June 2022, the latter resolved to include 13 "additional beneficiaries" in the LTI Plan, assigning them the same objectives already envisaged for the Chief Executive Officer and illustrated in the 2022 Remuneration Policy. These additions to the Plan were then approved by the Shareholders' Meeting of Banca Ifis on 28 July 2022.

Also for these additional beneficiaries, represented by high-level managers of the Group (including 12 key managers and Co-General Managers), the Plan provided for the assignment of a certain number of options that will entitle them to purchase, free of charge and always at a strike price per share of 12,92 Euro, a corresponding number of Banca Ifis shares. The Plan vested on 31 December 2023 at the end of the vesting period, and the options will become exercisable after an additional year of retention, subject to the circumstance that the relationship between the Bank and the beneficiaries is still in place, and that pre-determined quantitative and qualitative, financial and non-financial targets, linked to the Bank's long-term strategies, have been achieved. The options will be exercisable upon attainment of the targets under the Plan and, initially, for a total number of up to a maximum of 320.000 options in total that can be allocated to the 13 additional beneficiaries.

It is also noted that during the first half of 2023, the resignation of an executive with strategic responsibility included in the Plan took place, with the consequent loss of his status as a beneficiary of the Plan.

As a result of the aforementioned changes in 2022 and the first half of 2023, the Plan's beneficiaries total 12, including 11 executives with strategic responsibilities, and the maximum amount of options assignable is 300.000.

The aforementioned Options are counted for each of the beneficiaries, for the purpose of calculating the ratio between fixed and variable remuneration, 50% for FY 2022 and the remaining 50% for FY 2023.

For the TSR and Gross Profit targets, the calculation was carried out for the two-year vesting period, while for the other targets the calculation was based on the results achieved as at 31 December 2023 (thus considering the entire duration of the 2021 - 2023 plan).

The outcome of the Plan's finalisation found that the TSR objectives were not achieved in view of the two-year vesting period instead of the three-year period; the other objectives were achieved at the maximum level. Consequently, a total of 225.000 option rights will be assigned to the remaining 12 beneficiaries, which will be exercisable at the end of the one-year retention period.

The targets (KPIs) were identified (and weighted in their relative weights) in light of the Bank's situation and the dynamics and practices recorded in the reference market.

Below is the Balance-Score Card valid for both **Co-General Managers**, which shows for each KPI the level of the target achieved between minimum, target and maximum:

2022 - 2023 LTI Performance Scorecard of the Co-General Managers



¹The measurement was made in relation to the 2022-2023 vesting period.

Also for the 2021 – 2023 LTI Plan, options are granted 60% as up front and 40% as deferred over 4 years.

Below is a tabular representation of the fixed and variable remuneration ratio of the Co-General Managers and other Key Managers.

Role	Number of resources as of 31/12/2023	Achievement of 2023 goals	Variable remuneration theoretically accrued (STI+LTI)*	Variable remuneration in 2023 actually accrued (STI+LTI)*	Fixed remuneration percentage in 2022	Percentage of variable remuneration in 2022
Co-General Manager - CCO	1	87,5%	222.478	204.359	59%	41%
Co-General Manager - COO	1	87,5%	222.478	204.359	59%	41%
Other KM recipients STI and/or LTI**	15	91,6%	1.954.305	1.834.369	67%	33%

*The 2023 LTI balance includes the equivalent value of the vested options for FY 2023

**The LTI Plan included 12 executives with strategic responsibilities and one member of the identified staff category who is not included in the table

5. Remuneration of employed staff

Total Group employee expenses amount to approximately € 154,9 million. As part of the periodic remuneration review process, in 2023 merit-based interventions were carried out, with the exclusion of the provisions of the contractual automatism in force, for approximately 37,29% (including one-offs) of the personnel, with an overall impact of approximately 2,24% (including one-offs) on the amount of the salaries.

In 2023, a **Variable Performance Bonus** was confirmed for non-managerial staff. The agreement signed confirms the approach of the previous year, also thanks to a more than positive return from employees as it encourages their greater involvement in achieving the company's objectives and thus increasing the Group's profitability, productivity, competitiveness and efficiency. In continuity with last year, therefore, again in 2023 the Agreement provides for an additional form of incentive of up to 20% on top of the actual basic bonus, with the aim of rewarding distinctive conduct in terms of fairness, transparency, ethics, collaboration among colleagues and quality of work. This initiative is intended to ensure a recognition more in line with the actual contribution made by each employee and a fairer and more consistent distribution of bonuses. In addition, for 2023, through the same agreement, the additional Welfare Credit was increased in the event of the conversion of 20% of the actual bonus entitlement into a Welfare Credit.

6. Opening access gates to variable remuneration for all staff and verification of malus/claw back conditions.

Without prejudice to the provisions of the paragraph below, on the basis of the available evidence, the conditions of access to variable remuneration for all staff (referred to as 'gates') have been verified by the Risk Management function and have been found to be in compliance with the relevant limits and tolerance thresholds set forth in the Risk Appetite Framework. Equally, following the outcome of the check carried out on the ex post correction mechanisms, no *malus*/claw back conditions were found to exist.

In relation to individual conducts envisaged as *malus* cases by the Remuneration Policies, in 2023 a *malus* mechanism was applied against Giovanni Bossi (CEO of the Bank until 2019) with reference to the deferred portion of the variable remuneration of the 2018 incentive plan for 6.784 shares.

7. Allocation of indemnities and/or other benefits for termination of office or termination of employment during the financial year

During FY 2023, no severance payments were granted to Directors and/or Key Managers.

8. Comparison information between the annual change in the total remuneration of the members of the Board of Directors and Controllers, the company's results and the average gross annual remuneration of employees

Finally, a comparative table of the changes that have occurred, for the FYs 2019, 2020, 2021, 2022 and 2023, of the following information is provided below:

- total remuneration of each of the members of the management body and the control body of the Parent Company.

Total remuneration of each of the members of the management body and the control body of the Bank												
	2019	2020	Var. %	2020	2021	Var. %	2021	2022	Var. %	2022	2023	Var. %
Furstenberg Fassio Ernesto	210,0	469,1	123,38%	469,1	435,0	-7,27%	435,0	632,5	45,40%	632,5	970,0	53,36%
Furstenberg Sebastien Egon	692,5	700,0	1,08%	700,0	700,0	-	700,0	700,0	-	700,0	700,0	-
Geertman Frederik Herman	-	-	-	-	1483,4	-	1483,4	1433,7	-3,35%	1433,7	1784,5 ³⁴	24,47%
Colombini Luciano	993,8	834,2	-16,06%	-	-	-	-	-	-	-	-	-
Arduini Simona	93,7	125,8	34,26%	125,8	126,8	0,79%	126,8	142,8	12,62%	142,8	178,3	24,86%
Gronchi Divo	68,4	81,6	19,30%	-	-	-	-	-	-	-	-	-
Malinconico Antonella	111,8	108,0	-3,40%	108,0	118,0	9,26%	118,0	124,0	5,08%	124,0	132,9	7,18%
Santosuosso Daniele	144,3	140,7	-2,49%	140,7	113,5	-19,33%	113,5	36,6	-67,75%	-	-	-
Billio Monica	83,3	105,8	27,01%	105,8	116,2	9,83%	116,2	112,6	-3,10%	112,6	112,0	-0,53%
Lo Giudice Luca	57,8	72,0	24,57%	72,0	70,3	-2,36%	70,3	71,8	2,13%	71,8	76,5	6,55%
Colleoni Beatrice	65,8	82,8	25,84%	82,8	93,7	13,16%	93,7	83,5	-10,89%	83,5	79,9	-4,31%
Csillaghy de Pacser Alessandro	210,8	220,8	4,74%	-	-	-	-	-	-	-	-	-
Diacetti Roberto	71,3	117,4	64,66%	117,4	118,5	0,94%	118,5	117,0	-1,27%	117,0	120,8	3,25%
Preve Riccardo	16,8	39,9	137,50%	39,9	60,8	52,38%	60,8	19,6	-67,76%	-	-	-
Regazzi Monica	-	-	-	-	42,4	-	42,4	74,6	75,94%	74,6	82,3	10,32%
Paoloni Paola	-	-	-	-	-	-	-	75,7	-	75,7	113,8	50,33%
Meruzzi Giovanni	-	-	-	-	-	-	-	61,0	-	61,0	91,1	49,34%
Gobbi Roberta	-	-	-	-	-	-	-	44,6	-	44,6	71,9	61,21%
Balelli Andrea	-	-	-	-	-	-	-	83,2	-	83,2	120,5	44,83%
Bugna Giacomo	125,0	118,0	-5,60%	118,0	122,3	3,64%	122,3	38,1	-68,85%	-	-	-
Olivetti Franco	64,0	82,0	28,13%	82,0	84,8	3,41%	84,8	84,0	-0,94%	84,0	85,5	1,79%
Melaccio Annunziata	-	-	-	-	-	-	-	65,6	-	65,6	93,0	41,77%

³⁴ The amount does not include the finalisation of the LTI Plan

Monterumisi Marinella	69,5	90,0	29,50%	90,0	90,3	0,33%	90,3	24,4	-72,98%	-	-	-
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(*) For the offices that took effect during the year, the remuneration is re-proportioned to the period

- of the Banca Ifis Group's results (in terms of net banking income, net result from financial activities and net profit attributable to the Group, expressed in thousands of Euro);

figures in thousands of Euro	Group results (reclassified data)		Variation %	Group results (reclassified data ^[1])		Variation %	Group results (reclassified data ^[1])		Variation %	Group results (reclassified data ^[1])		Variation %
	2019	2020		2020	2021		2021	2022		2022	2023	
Net banking income ^[1]	€ 558,333	€ 467,800	-16,21%	€ 467,800	€ 602,519	28,80%	€ 599,938	€ 680,547	13,44%	€ 680,547	€ 704,616	3,54%
Net profit (loss) from financial activities ^[1]	€ 471,150	€ 376,441	-20,10%	€ 376,441	€ 525,360	39,56%	€ 522,727	€ 603,032	15,36%	€ 603,032	€ 652,209	8,16%
Net profit attributable to the Parent Company	€ 123,097	€ 68,804	-44,11%	€ 68,804	€ 100,582	46,19%	€ 100,582	€ 141,086	40,27%	€ 141,086	€ 160,110	13,48%

[1] The reclassifications concern the following cases:

- net credit risk losses/reversals of the Npl Segment are reclassified to interest receivable and similar income (and therefore to "Net banking income") to the extent to which they represent the operations of this business and are an integral part of the return on the investment;
- net provisions for risks and charges are excluded from the calculation of "Operating costs";
- cost and revenue items deemed as "non-recurring" (e.g. because they are directly or indirectly related to business combination transactions, such as the "gain on a bargain purchase" in accordance with IFRS 3), are excluded from the calculation of "Operating costs", and are therefore reversed from the respective items as per Circular 262 (e.g. "Other administrative expenses", "Other operating income/costs") and included in a specific item "Non-recurring income and costs";
- the following come under the item "Net credit risk losses/reversals" (and therefore within the item "Net profit (loss) from financial activities"):
 - net credit risk losses/reversals relating to financial assets measured at amortised cost (with the exception of those relating to the Npl Segment mentioned above) and to financial assets measured at fair value through other comprehensive income;
 - net allocations to provisions for risks and charges for credit risk relating to commitments and guarantees granted;
 - profits (losses) from the sale/repurchase of loans at amortised cost other than those of the Npl Segment (which do not, therefore, contribute to the item "Net banking income").

- of the average annual gross remuneration, based on full-time employees.

Average annual gross remuneration based on full-time employees											
2019	2020	Variation	2020	2021	Variation	2021	2022	Variation	2022	2023	Variation
		%			%			%			%
€ 40,359	€ 44,332	9,84%	€ 44,332	€ 45,748	3,19%	€ 45,748	€ 46,981	2,70%	€ 46,981	€ 50,816	8,16%

Section II

Part two: fees paid in 2023

The data shown below refer to all the companies of the Banca Ifis Group as at 31/12/2023 which are the following: Ifis Npl Investing S.p.A., Ifis Npl Servicing S.p.A., Ifis Rental Services Srl, Banca Credifarma S.p.A., Cap.Ital.Fin. S.p.A., IFIS Finance Sp.zo.o, based in Poland, IFIS Finance IFN SA, based in Romania, Ifis NPL 2021-1 SPV, a securitisation vehicle that has no employees, Revalea S.p.A..

Table 1: remuneration paid to members of the administration and control bodies, general managers and other key managers (figures in thousand Euro)

Name and surname	Office	Period for which the office was held	End of term	Fixed remuneration				Remuneration of the Supervisory Body	Remuneration for participating in committees	Variable remuneration (non equity)		Non-monetary benefits	Other remuneration	Total	Fair Value of equity remuneration	Severance indemnity or termination of employment	
				Remuneration of office decided by the Shareholders' Meeting	Attendance fees	Remuneration for special offices pursuant to art. 2389 of the Italian Civil Code	Fixed remuneration as employee			Bonuses and other incentives	Profit sharing						
Ernesto Fürstenberg Fassio	Chairman of the Board of Directors	from 01/01/2023 to	Approval of the financial statements	50,0	-	650,0	-	-	-	-	-	-	270,0	970,0	-	-	
Remuneration in Banca Ifis S.p.A.				50,0	-	650,0	-	-	-	-	-	-	270,0	970,0	-	-	
Ernesto Fürstenberg Fassio	Director of Ifis Npl Investing S.p.A.	from 01/01/2023 to	Approval of the financial statements	20,0	-	-	-	-	-	-	-	-	-	20,0	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				20,0	-	-	-	-	-	-	-	-	-	20,0	-	-	
Total				70,0	-	650,0	-	-	-	-	-	-	270,0	990,0	-	-	
Sebastien Egon Fürstenberg	Honorary Chairman of the Board of Directors	from 01/01/2023 to	Approval of the financial statements	50,0	-	650,0	-	-	-	-	-	-	-	700,0	-	-	
Remuneration in Banca Ifis S.p.A.				50,0	-	650,0	-	-	-	-	-	-	-	700,0	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total				50,0	-	650,0	-	-	-	-	-	-	-	700,0	-	-	
Frederik Herman Geertman	Chief Executive Officer	from 01/01/2023 to	Approval of the financial statements	-	-	993,0	-	-	-	310,2	-	131,5	-	1.434,7	829,4	-	
Remuneration in Banca Ifis S.p.A.				-	-	993,0	-	-	-	310,2	-	131,5	-	1.434,7	829,4	-	
Frederik Herman Geertman	Director of Ifis Npl Investing S.p.A.	from 01/01/2023 to	Approval of the financial statements	-	-	-	-	-	-	-	-	-	-	-	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	-	-	-	-	-	-	-	-	
Total				-	-	993,0	-	-	-	310,2	-	131,5	-	1.434,7	829,4	-	
Simona Ardùini	Director	from 01/01/2023 to	End of office 13/07/2023	26,6	10,3	-	-	-	-	-	-	-	-	36,9	-	-	
	Deputy Chairman of the Board of Directors	from 13/07/2023 to	Approval of the financial statements	23,4	8,5	40,4	-	-	-	-	-	-	-	72,3	-	-	
	Chairman of the Control and Risk Committee	from 01/01/2023 to	End of office 19/10/2023	-	-	-	-	-	60,2	-	-	-	-	60,2	-	-	
	Member of the Control and Risk Committee	from 19/10/2023 to	Approval of the financial statements	-	-	-	-	-	8,9	-	-	-	-	8,9	-	-	
Remuneration in Banca Ifis S.p.A.				50,0	18,8	40,4	-	-	69,1	-	-	-	-	178,3	-	-	
Simona Ardùini	Director of Ifis Npl Investing S.p.A.	from 01/01/2023 to	Approval of the financial statements	20,0	-	-	-	-	-	-	-	-	-	20,0	-	-	
Simona Ardùini	Director of Ifis Npl Servicing S.p.A.	from 01/01/2023 to	Approval of the financial statements	20,0	-	-	-	-	-	-	-	-	-	20,0	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				40,0	-	-	-	-	-	-	-	-	-	40,0	-	-	
Total				90,0	18,8	40,4	-	-	69,1	-	-	-	-	218,3	-	-	
Monica Billio	Director	from 01/01/2023 to	Approval of the financial statements	50,0	17,0	-	-	-	-	-	-	-	-	67,0	-	-	
Monica Billio	Member of the Control and Risk Committee	from 01/01/2023 to	Approval of the financial statements	-	-	-	-	-	45,0	-	-	-	-	45,0	-	-	
Remuneration in Banca Ifis S.p.A.				50,0	17,0	-	-	-	45,0	-	-	-	-	112,0	-	-	
Monica Billio	Director of Ifis Npl Investing S.p.A.	from 01/01/2023 to	Approval of the financial statements	20,0	-	-	-	-	-	-	-	-	-	20,0	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				20,0	-	-	-	-	-	-	-	-	-	20,0	-	-	
Total				70,0	17,0	-	-	-	45,0	-	-	-	-	132,0	-	-	
Beatrice Colleoni	Director	from 01/01/2023 to	Approval of the financial statements	50,0	19,5	-	-	-	-	-	-	-	-	69,5	-	-	
	Member of the Remuneration Committee	from 01/01/2023 to	End of office 19/10/2023	-	-	-	-	-	8,0	-	-	-	-	8,0	-	-	
	Chairman of the Remuneration Committee	from 19/10/2023 to	Approval of the financial statements	-	-	-	-	-	2,4	-	-	-	-	2,4	-	-	
Remuneration in Banca Ifis S.p.A.				50,0	19,5	-	-	-	10,4	-	-	-	-	79,9	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total				50,0	19,5	-	-	-	10,4	-	-	-	-	79,9	-	-	
Roberto Diacetti	Director	from 01/01/2023 to	Approval of the financial statements	50,0	15,8	-	-	-	-	-	-	-	-	65,8	-	-	
	Member of the Control and Risk Committee	from 01/01/2023 to	Approval of the financial statements	-	-	-	-	-	45,0	-	-	-	-	45,0	-	-	
	Member of the Appointments Committee	from 01/01/2023 to	Approval of the financial statements	-	-	-	-	-	10,0	-	-	-	-	10,0	-	-	
Remuneration in Banca Ifis S.p.A.				50,0	15,8	-	-	-	55,0	-	-	-	-	120,8	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total				50,0	15,8	-	-	-	55,0	-	-	-	-	120,8	-	-	
Roberta Gobbi	Director	from 01/01/2023 to	Approval of the financial statements	50,0	19,5	-	-	-	-	-	-	-	-	69,5	-	-	
	Chairman of the Appointments Committee	from 19/10/2023 to	Approval of the financial statements	-	-	-	-	-	2,4	-	-	-	-	2,4	-	-	
Remuneration in Banca Ifis S.p.A.				50,0	19,5	-	-	-	2,4	-	-	-	-	71,9	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total				50,0	19,5	-	-	-	2,4	-	-	-	-	71,9	-	-	

Name and surname	Office	Period for which the office was held	End of term	Fixed remuneration					Variable remuneration (non equity)		Non-monetary benefits	Other remuneration	Total	Fair Value of equity remuneration	Severance indemnity or indemnity for termination of employment
				Remuneration of office decided by the Shareholders' Meeting	Attendance fees	Remuneration for special offices pursuant to art. 2389 of the Italian Civil Code	Fixed remuneration as employee	Remuneration of the Supervisory Body	Remuneration for participating in committees	Bonuses and other incentives					
Luca Lo Giudice	Director	from 01/01/2023 to 31/10/2023	Approval of the financial statements	50,0	16,5	-	-	-	-	-	-	66,5	-	-	
	Member of the Remuneration Committee	from 01/01/2023 to 31/10/2023	Approval of the financial statements	-	-	-	-	-	10,0	-	-	10,0	-	-	
Remuneration in Banca Ifis S.p.A.				50,0	16,5	-	-	-	10,0	-	-	76,5	-	-	
Luca Lo Giudice	Chairman of the Board of Directors of Ifis Npl Investing S.p.A.	from 01/01/2023 to 31/10/2023	Approval of the financial statements	50,0	-	-	-	-	-	-	-	50,0	-	-	
	Chairman of the Board of Directors of Ifis Npl Servicing S.p.A.	from 01/01/2023 to 31/10/2023	Approval of the financial statements	50,0	-	-	-	-	-	-	-	50,0	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				100,0	-	-	-	-	-	-	-	100,0	-	-	
Total				150,0	16,5	-	-	-	10,0	-	-	176,5	-	-	
Antonella Malinconico	Director	from 01/01/2023 to 31/10/2023	Approval of the financial statements	50,0	20,3	-	-	-	-	-	-	70,3	-	-	
	Member of the Control and Risk Committee	from 01/01/2023 to 19/10/2023	End of office	-	-	-	-	-	35,9	-	-	35,9	-	-	
	Chairman of the Control and Risk Committee	from 19/10/2023 to 31/10/2023	Approval of the financial statements	-	-	-	-	-	15,1	-	-	15,1	-	-	
	Chairman of the Appointments Committee	from 01/01/2023 to 19/10/2023	End of office	-	-	-	-	-	9,6	-	-	9,6	-	-	
	Member of the Appointments Committee	from 19/10/2023 to 31/10/2023	Approval of the financial statements	-	-	-	-	-	2,0	-	-	2,0	-	-	
	Lead Independent Director	from 01/01/2023 to 31/10/2023	Approval of the financial statements	-	-	-	-	-	-	-	-	-	-	-	
Remuneration in Banca Ifis S.p.A.				50,0	20,3	-	-	-	62,6	-	-	132,9	-	-	
Antonella Malinconico	Director of Revalda S.p.A.	from 31/10/2023 to 31/10/2023	Approval of the financial statements	-	-	-	-	-	-	-	-	-	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	-	-	-	-	-	-	
Total				50,0	20,3	-	-	-	62,6	-	-	132,9	-	-	
Giovanni Meruzzi	Director	from 01/01/2023 to 31/10/2023	Approval of the financial statements	50,0	19,5	-	-	-	-	-	-	69,5	-	-	
	Chairman of the Remuneration Committee	from 01/01/2023 to 19/10/2023	End of office	-	-	-	-	-	9,6	-	-	9,6	-	-	
	Member of the Remuneration Committee	from 19/10/2023 to 31/10/2023	Approval of the financial statements	-	-	-	-	-	2,0	-	-	2,0	-	-	
	Chairman of the Supervisory Body	from 01/01/2023 to 31/10/2023	Approval of the financial statements	-	-	-	-	10,0	-	-	-	10,0	-	-	
Remuneration in Banca Ifis S.p.A.				50,0	19,5	-	-	10,0	11,6	-	-	91,1	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	-	-	-	-	-	-	
Total				50,0	19,5	-	-	10,0	11,6	-	-	91,1	-	-	
Paola Paoloni	Director	from 01/01/2023 to 31/10/2023	Approval of the financial statements	50,0	18,8	-	-	-	-	-	-	68,8	-	-	
	Member of the Control and Risk Committee	from 01/01/2023 to 31/10/2023	Approval of the financial statements	-	-	-	-	-	45,0	-	-	45,0	-	-	
Remuneration in Banca Ifis S.p.A.				50,0	18,8	-	-	-	45,0	-	-	113,8	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	-	-	-	-	-	-	
Total				50,0	18,8	-	-	-	45,0	-	-	113,8	-	-	
Monica Regazzi	Director	from 01/01/2023 to 31/10/2023	Approval of the financial statements	50,0	14,3	-	-	-	-	-	-	64,3	-	-	
	Member of the Appointments Committee	from 01/01/2023 to 19/10/2023	End of office	-	-	-	-	-	8,0	-	-	8,0	-	-	
	Member of the Supervisory Body	from 01/01/2023 to 31/10/2023	Approval of the financial statements	-	-	-	-	10,0	-	-	-	10,0	-	-	
Remuneration in Banca Ifis S.p.A.				50,0	14,3	-	-	10,0	8,0	-	-	82,3	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	-	-	-	-	-	-	
Total				50,0	14,3	-	-	10,0	8,0	-	-	82,3	-	-	
Andrea Balelli	Chairman of the Board of Statutory Auditors	from 01/01/2023 to 31/10/2023	Approval of the financial statements	105,0	15,5	-	-	-	-	-	-	120,5	-	-	
Remuneration in Banca Ifis S.p.A.				105,0	15,5	-	-	-	-	-	-	120,5	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	-	-	-	-	-	-	
Total				105,0	15,5	-	-	-	-	-	-	120,5	-	-	
Annunziata Melaccio	Standing Auditor	from 01/01/2023 to 31/10/2023	Approval of the financial statements	70,0	13,0	-	-	-	-	-	-	83,0	-	-	
	Member of the Supervisory Body	from 01/01/2023 to 31/10/2023	Approval of the financial statements	-	-	-	-	10,0	-	-	-	10,0	-	-	
Remuneration in Banca Ifis S.p.A.				70,0	13,0	-	-	10,0	-	-	-	93,0	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	-	-	-	-	-	-	
Total				70,0	13,0	-	-	10,0	-	-	-	93,0	-	-	
Franco Olivetti	Standing Auditor	from 01/01/2023 to 31/10/2023	Approval of the financial statements	70,0	15,5	-	-	-	-	-	-	85,5	-	-	
Remuneration in Banca Ifis S.p.A.				70,0	15,5	-	-	-	-	-	-	85,5	-	-	
Franco Olivetti	Chairman of the Board of Statutory Auditors of Ifis Rental Services S.r.l.	from 01/01/2023 to 31/10/2023	Approval of the financial statements	30,0	-	-	-	-	-	-	-	30,0	-	-	
	Standing Auditor of Banca Credifarma S.p.A.	from 01/01/2023 to 31/10/2023	Approval of the financial statements	20,0	-	-	-	-	-	-	-	20,0	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				50,0	-	-	-	-	-	-	-	50,0	-	-	
Total				120,0	15,5	-	-	-	-	-	-	135,5	-	-	
Andrea Bellon	Director of Banca Credifarma S.p.A.	from 01/01/2023 to 31/10/2023	Approval of the financial statements	20,0	-	-	-	-	-	-	-	20,0	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				20,0	-	-	-	-	-	-	-	20,0	-	-	
Paolo Giosue' Bifulco	Chairman of the Board of Statutory Auditors of Ifis Npl Investing S.p.A.	from 01/01/2023 to 31/10/2023	Approval of the financial statements	30,0	-	-	-	-	-	-	-	30,0	-	-	
	Chairman of the Supervisory Body of Ifis Npl Investing S.p.A.	from 01/01/2023 to 31/10/2023	Approval of the financial statements	-	-	-	-	5,0	-	-	-	5,0	-	-	
	Chairman of the Board of Statutory Auditors of Revalda S.p.A.	from 31/10/2023 to 31/10/2023	Approval of the financial statements	5,1	-	-	-	-	-	-	-	5,1	-	-	
	Chairman of the Supervisory Body of Revalda S.p.A.	from 31/10/2023 to 31/10/2023	Approval of the financial statements	-	-	-	-	0,9	-	-	-	0,9	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				35,1	-	-	-	5,9	-	-	-	41,0	-	-	
Paolo Ciccarelli	Director of Banca Credifarma S.p.A.	from 01/01/2023 to 31/10/2023	Approval of the financial statements	20,0	-	-	-	-	-	-	-	20,0	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				20,0	-	-	-	-	-	-	-	20,0	-	-	
Ferruccio Di Lenardo	Standing Auditor of Ifis Rental Services S.r.l.	from 01/01/2023 to 31/10/2023	Approval of the financial statements	20,0	-	-	-	-	-	-	-	20,0	-	-	
	Chairman of the Supervisory Body of Ifis Rental Services S.r.l.	from 01/01/2023 to 31/10/2023	Approval of the financial statements	-	-	-	-	5,0	-	-	-	5,0	-	-	
	Standing Auditor of Cap.Ital.Fin. S.p.A.	from 01/01/2023 to 31/10/2023	Approval of the financial statements	15,0	-	-	-	-	-	-	-	15,0	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				35,0	-	-	-	5,0	-	-	-	40,0	-	-	
Massimo Donati	Standing Auditor of Ifis Npl Investing S.p.A.	from 01/01/2023 to 31/10/2023	Approval of the financial statements	20,0	-	-	-	-	-	-	-	20,0	-	-	
	Standing Auditor of Revalda S.p.A.	from 31/10/2023 to 31/10/2023	Approval of the financial statements	3,4	-	-	-	-	-	-	-	3,4	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				23,4	-	-	-	-	-	-	-	20,0	-	-	
Alfredo Enria	Director of Ifis Npl Servicing S.p.A.	from 01/01/2023 to 31/10/2023	Approval of the financial statements	20,0	-	-	-	-	-	-	-	20,0	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				20,0	-	-	-	-	-	-	-	20,0	-	-	
Roberto Falato	Director of Ifis Finance I.F.N. S.A.	from 31/10/2023 to 31/10/2023	Approval of the financial statements	1,4	-	-	-	-	-	-	-	1,4	-	-	
	Member of the Audit Committee of Ifis Finance I.F.N. S.A.	from 31/10/2023 to 31/10/2023	n.a.	-	-	-	-	-	-	-	-	-	-	-	
* Remuneration from subsidiaries of Banca Ifis S.p.A.				1,4	-	-	-	-	-	-	-	1,4	-	-	
Raffaella Ferrari	Standing Auditor of Ifis Npl Servicing S.p.A.	from 01/01/2023 to 31/10/2023	Approval of the financial statements	20,0	-	-	-	-	-	-	-	20,0	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				20,0	-	-	-	-	-	-	-	20,0	-	-	
Nicola Fiorini	Standing Auditor of Cap.Ital.Fin. S.p.A.	from 01/01/2023 to 31/10/2023	Approval of the financial statements	15,0	-	-	-	-	-	-	-	15,0	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				15,0	-	-	-	-	-	-	-	15,0	-	-	
Andrea Giacomelli	Member of the Development Committee of Banca Credifarma S.p.A.	from 01/01/2023 to 31/10/2023	Approval of the financial statements	-	-	-	-	-	4,0	-	-	4,0	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	4,0	-	-	4,0	-	-	
Francesco Giammaria	Director of Banca Credifarma S.p.A.	from 01/01/2023 to 31/10/2023	Approval of the financial statements	20,0	-	-	-	-	-	-	-	20,0	-	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				20,0	-	-	-	-	-	-	-	20,0	-	-	

Name and surname	Office	Period for which the office was held	End of term	Fixed remuneration					Variable remuneration (non equity)		Non-monetary benefits	Other remuneration	Total	Fair Value of equity remuneration	Severance indemnity or indemnity for termination of employment
				Remuneration of office decided by the Shareholders' Meeting	Attendance fees	Remuneration for special offices pursuant to art. 2389 of the Italian Civil Code	Fixed remuneration as employee	Remuneration of the Supervisory Body	Remuneration for participating in committees	Bonus and other incentives					
Francesco Lupo	Member of the Development Committee of Banca Credifarma S.p.A.	from 01/01/2023 to	Approval of the financial statements						4,0			4,0			
Remuneration from subsidiaries of Banca Ifis S.p.A.												4,0			
Maurizio Manna	Chairman of the Board of Directors of Banca Credifarma S.p.A.	from 01/01/2023 to	Approval of the financial statements	20,0		30,0								50,0	
Remuneration from subsidiaries of Banca Ifis S.p.A.				20,0		30,0								50,0	
Marinella Monterumisi	Standing Auditor of Ifis Npl Investing S.p.A.	from 01/01/2023 to	Approval of the financial statements	20,0										20,0	
	Standing Auditor of Ifis Npl Servicing S.p.A.	from 01/01/2023 to	Approval of the financial statements	20,0										20,0	
	Chairman of the Board of Statutory Auditors of Banca Credifarma S.p.A.	from 01/01/2023 to	Approval of the financial statements	30,0										30,0	
	Chairman of the Supervisory Body of Banca Credifarma S.p.A.	from 01/01/2023 to	Approval of the financial statements					5,0						5,0	
	Standing Auditor of Revelea S.p.A.	from 31/10/2023 to	Approval of the financial statements	3,4										3,4	
Remuneration from subsidiaries of Banca Ifis S.p.A.				73,4				5,0						78,4	
Alberto Morini	General Manager of Ifis Finance I.F.N. S.A.	from 10/01/2023 to	Approval of the financial statements	150,0								100,0		250,0	
Remuneration from subsidiaries of Banca Ifis S.p.A.				150,0								100,0		250,0	
Francesco Natale	Chairman of the Board of Statutory Auditors of Cap.Ital.Fin. S.p.A.	from 01/01/2023 to	Approval of the financial statements	20,0										20,0	
	Chairman of the Supervisory Body of Cap.Ital.Fin. S.p.A.	from 01/01/2023 to	Approval of the financial statements					5,0						5,0	
Remuneration from subsidiaries of Banca Ifis S.p.A.				20,0				5,0						25,0	
Victor Patrusca	Director of Ifis Finance I.F.N. S.A.	from 01/01/2023 to	End of office 31/10/2023												
	Member of the Audit Committee of Ifis Finance I.F.N. S.A.	from 01/01/2023 to	End of office 31/10/2023												
* Remuneration from subsidiaries of Banca Ifis S.p.A.															
Antonello Piri	Standing Auditor of Banca Credifarma S.p.A.	from 01/01/2023 to	Approval of the financial statements	20,0										20,0	
Remuneration from subsidiaries of Banca Ifis S.p.A.				20,0										20,0	
Riccardo Preve	Chairman of the Board of Directors of Ifis Rental Services S.r.l.	from 01/01/2023 to	Approval of the financial statements	50,0										50,0	
Remuneration from subsidiaries of Banca Ifis S.p.A.				50,0										50,0	
Marilena Segnana	Chairman of the Board of Statutory Auditors of Ifis Npl Servicing S.p.A.	from 01/01/2023 to	Approval of the financial statements	30,0										30,0	
	Chairman of the Supervisory Body of Ifis Npl Servicing S.p.A.	from 01/01/2023 to	Approval of the financial statements					5,0						5,0	
	Standing Auditor of Ifis Rental Services S.r.l.	from 01/01/2023 to	Approval of the financial statements	20,0										20,0	
Remuneration from subsidiaries of Banca Ifis S.p.A.				50,0				5,0						55,0	
Giancarlo Visini	Member of the Development Committee of Banca Credifarma S.p.A.	from 01/01/2023 to	Approval of the financial statements						4,0					4,0	
Remuneration from subsidiaries of Banca Ifis S.p.A.									4,0					4,0	
Marco Agosto	Director of Ifis Rental Services S.r.l.	from 01/01/2023 to	Approval of the financial statements												
* Remuneration from subsidiaries of Banca Ifis S.p.A.															
Rosalba Benedetto	Director of Ifis Npl Servicing S.p.A.	from 01/01/2023 to	Approval of the financial statements												
* Remuneration from subsidiaries of Banca Ifis S.p.A.															
Andrea Bema	Director of Cap.Ital.Fin. S.p.A.	from 01/01/2023 to	Approval of the financial statements												
	Director of Ifis Finance I.F.N. S.A.	from 01/01/2023 to	Approval of the financial statements												
* Remuneration from subsidiaries of Banca Ifis S.p.A.															
Daniele Matteo Bert	Director of Revelea S.p.A.	from 31/10/2023 to	Approval of the financial statements												
* Remuneration from subsidiaries of Banca Ifis S.p.A.															
Daniela Bonzanini	Director of Ifis Finance Sp z.o.o.	from 01/01/2023 to	Approval of the financial statements												
	Director of Ifis Finance I.F.N. S.A.	from 01/01/2023 to	Approval of the financial statements												
* Remuneration from subsidiaries of Banca Ifis S.p.A.															
Francesco Borini	Director of Ifis Finance Sp z.o.o.	from 01/01/2023 to	Approval of the financial statements												
	Director of Ifis Finance I.F.N. S.A.	from 01/01/2023 to	Approval of the financial statements												
* Remuneration from subsidiaries of Banca Ifis S.p.A.															
Massimo Consalvi	CEO of Cap.Ital.Fin. S.p.A.	from 01/01/2023 to	Approval of the financial statements												
* Remuneration from subsidiaries of Banca Ifis S.p.A.															
Francesca Di Dadda	Director of Banca Credifarma S.p.A.	from 12/04/2023 to	Approval of the financial statements												
* Remuneration from subsidiaries of Banca Ifis S.p.A.															
Massimiliano Fabrizio	CEO of Banca Credifarma S.p.A.	from 01/01/2023 to	Approval of the financial statements												
Member of the Development Committee of Banca Credifarma S.p.A.	from 01/01/2023 to	Approval of the financial statements													
	from 01/01/2023 to	Approval of the financial statements													
* Remuneration from subsidiaries of Banca Ifis S.p.A.															
Angelo Ferracchiati	Member of the Supervisory Body of Banca Ifis S.p.A.	from 01/01/2023 to	Approval of the financial statements												
	Member of the Supervisory Body of Ifis Npl Investing S.p.A.	from 01/01/2023 to	Approval of the financial statements												
	Member of the Supervisory Body of Ifis Npl Servicing S.p.A.	from 01/01/2023 to	Approval of the financial statements												
	Member of the Supervisory Body of Ifis Rental Services S.r.l.	from 01/01/2023 to	Approval of the financial statements												
	Member of the Supervisory Body of Cap.Ital.Fin. S.p.A.	from 01/01/2023 to	Approval of the financial statements												
	Member of the Supervisory Body of Banca Credifarma S.p.A.	from 01/01/2023 to	Approval of the financial statements												
	Member of the Supervisory Body of Revelea S.p.A.	from 31/10/2023 to	Approval of the financial statements												
* Remuneration from subsidiaries of Banca Ifis S.p.A.															
Fabio Lanza	Director of Ifis Npl Servicing S.p.A.	from 01/01/2023 to	End of office 17/04/2023												
	CEO of Ifis Npl Servicing S.p.A.	from 17/04/2023 to	Approval of the financial statements												
	Chairman of the Board of Directors Revelea S.p.A.	from 31/10/2023 to	Approval of the financial statements												
* Remuneration from subsidiaries of Banca Ifis S.p.A.															
Katia Mariotti	CEO of Ifis Npl Investing S.p.A.	from 01/01/2023 to	Approval of the financial statements												
	Director of Ifis Npl Servicing S.p.A.	from 01/01/2023 to	Approval of the financial statements												
	CEO of Revelea S.p.A.	from 31/10/2023 to	Approval of the financial statements												
* Remuneration from subsidiaries of Banca Ifis S.p.A.															
Lucia Martini	Director of Cap.Ital.Fin. S.p.A.	from 01/01/2023 to	Approval of the financial statements												
	Director of Revelea S.p.A.	from 31/10/2023 to	Approval of the financial statements												
* Remuneration from subsidiaries of Banca Ifis S.p.A.															
Simone Mattiacci	Member of the Development Committee of Banca Credifarma S.p.A.	from 01/11/2023 to	Approval of the financial statements												
* Remuneration from subsidiaries of Banca Ifis S.p.A.															
Federica Milanese	Director of Revelea S.p.A.	from 31/10/2023 to	Approval of the financial statements												
* Remuneration from subsidiaries of Banca Ifis S.p.A.															
Francesco Peluso	Member of the Supervisory Body of Banca Ifis S.p.A.	from 01/01/2023 to	Approval of the financial statements												
	Member of the Supervisory Body of Ifis Npl Investing S.p.A.	from 01/01/2023 to	Approval of the financial statements												
	Member of the Supervisory Body of Ifis Npl Servicing S.p.A.	from 01/01/2023 to	Approval of the financial statements												
	Member of the Supervisory Body of Ifis Rental Services S.r.l.	from 01/01/2023 to	Approval of the financial statements												
	Member of the Supervisory Body of Cap.Ital.Fin. S.p.A.	from 01/01/2023 to	Approval of the financial statements												
	Member of the Supervisory Body of Banca Credifarma S.p.A.	from 01/01/2023 to	Approval of the financial statements												
	Member of the Supervisory Body of Revelea S.p.A.	from 31/10/2023 to	Approval of the financial statements												
* Remuneration from subsidiaries of Banca Ifis S.p.A.															

Name and surname	Office	Period for which the office was held	End of term	Fixed remuneration					Variable remuneration (non equity)					Fair Value of equity remuneration	Severance indemnity or indemnity for termination of employment			
				Remuneration of office decided by the Shareholders' Meeting	Attendance fees	Remuneration for special offices pursuant to art. 2389 of the Italian Civil Code	Fixed remuneration as employee	Remuneration of the Supervisory Body	Remuneration for participating in committees	Bonus and other incentives	Profit sharing	Non-monetary benefits	Other remuneration			Total		
Marco Pisoni	Director of Revalles S.p.A.	from 31/10/2023 to	Approval of the financial statements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
* Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Serena Sollecito	General Manager of Ifis Npl Servicing S.p.A.	from 01/01/2023 to	Approval of the financial statements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
* Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Alberto Staccione	Director of Ifis Npl Investing S.p.A. Director of Ifis Rental Services S.r.l.	from 01/01/2023 to from 01/01/2023 to	Approval of the financial statements End of office 06/02/2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
* Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Maria Cristina Taormina	Director of Banca Credifarma S.p.A.	from 01/01/2023 to	End of office 09/03/2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
* Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Amelia Travi	Member of the Audit Committee of Ifis Finance I.F.N. S.A.	from 01/01/2023 to	n.a.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
* Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Marco Visconti	Member of the Development Committee of Banca Credifarma S.p.A.	from 01/11/2023 to	Approval of the financial statements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
* Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Raffaele Zingone	Director of Ifis Rental Services S.r.l.	from 01/01/2023 to	Approval of the financial statements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Chairman of the Board of Directors of Cap.Ital.Fin. S.p.A.	from 01/01/2023 to	Approval of the financial statements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Deputy Chairman of the Board of Directors of Banca Credifarma S.p.A.	from 01/01/2023 to	Approval of the financial statements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Chairman of the Board of Directors of Ifis Finance I.F.N. S.A.	from 01/01/2023 to	Approval of the financial statements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Director of Ifis Finance z.o.o.	from 01/01/2023 to	Approval of the financial statements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
* Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Claudio Zibilli	CEO of Ifis Rental Services S.r.l.	from 07/02/2023 to	Approval of the financial statements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
* Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fabio Lanza	Co-General Manager Chief Operating Officer	from 01/01/2023 to	n.a.	-	-	-	300,0	-	-	-	75,0	-	47,5	-	422,5	129,4	-	
Raffaele Zingone	Co-General Manager Chief Commercial Officer	from 01/01/2023 to	n.a.	-	-	-	300,0	-	-	-	75,0	-	30,0	-	405,0	129,4	-	
Remuneration in Banca Ifis S.p.A.				-	-	-	600,0	-	-	-	150,0	-	77,5	-	827,5	258,8	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total				-	-	-	600,0	-	-	-	150,0	-	77,5	-	827,5	258,8	-	
Other key managers (14 managers in office as at 31/12/2023)				-	-	-	3.027,1	-	-	-	763,4	-	299,7	-	4.090,2	965,5	-	
Remuneration in Banca Ifis S.p.A.				-	-	-	3.027,1	-	-	-	763,4	-	299,7	-	4.090,2	965,5	-	
Other key managers (1 managers in office as at 31/12/2023)				-	-	-	134,6	-	-	-	37,5	-	14,3	-	186,4	68,1	-	
Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	134,6	-	-	-	37,5	-	14,3	-	186,4	68,1	-	
Total				-	-	-	3.161,7	-	-	-	800,9	-	314,0	-	4.276,6	1.033,6	-	

* Any remuneration received by members of the Group's corporate bodies who are also employees of the Parent Company is reversible.

Table 2: Stock options assigned to members of the administration bodies, general managers and other key managers

A	B	(1)	Options held at the beginning of the year			Options assigned during the year						Options exercised during the year			Options expired during the year	Options held at the end of the year	Options for the year
			(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) = (2)+(5)-(11)-(14)	(16)
Name and surname	Office	Plan	Number of options	Strike price	Possible period of exercise (from - to)	Number of options	Strike price	Possible period of exercise (from - to)	Fair value at date of assignment	Date of assignment	Market price of the underlying shares at option assignment	Number of options	Strike price	Market price of the underlying shares on the exercise date	Number of options	Number of options	Fair value
Frederik Herman Geertman	Chief Executive Officer	2021 - 2023 LTI Plan	609.000	12,92	2025-2030											609.000	479.588
Fabio Lanza	Co-General Manager and Chief Operating Officer	2022 - 2023 LTI Plan	25.050	12,92	2025-2029											25.050	54.359
Raffaele Zingone	Co-General Manager and Chief Commercial Officer	2022 - 2023 LTI Plan	25.050	12,92	2025-2029											25.050	54.359
Katia Mariotti	Head of the Npl Department	2022 - 2023 LTI Plan	11.250	12,92	2025-2029											11.250	24.413
Saverio Bonavita	Head of the Capital Markets Department	2022 - 2023 LTI Plan	17.550	12,92	2025-2029											17.550	38.084
Mauro Baracchi	Head of the Human Resources Department	2022 - 2023 LTI Plan	22.500	12,92	2025-2029											22.500	48.825
Paolo Formigoni	Head of the Strategic Planning Department	2022 - 2023 LTI Plan	21.600	12,92	2025-2029											21.600	46.872
Lucia Martinoli	Head of the General Counsel Department	2022 - 2023 LTI Plan	15.000	12,92	2025-2029											15.000	32.550
Andrea Martino Da Rio	Head of the Investor Relations and Business Development Department	2022 - 2023 LTI Plan	17.850	12,92	2025-2029											17.850	38.735
Rosalba Benedetto	Communication, Marketing, Public Affairs & Sustainability	2022 - 2023 LTI Plan	19.200	12,92	2025-2029											19.200	41.664
Massimiliano Fabrizi	CEO of Banca Credifarma	2022 - 2023 LTI Plan	18.300	12,92	2025-2029											18.300	39.711
Serena Sollecito	General Manager Ifis NPL	2022 - 2023 LTI Plan	14.100	12,92	2025-2029											14.100	30.597
Massimo Consalvi	CEO of Capitalfin	2022 - 2023 LTI Plan	17.550	12,92	2025-2029											17.550	38.084
(III) Total			634.000													634.000	967.836

Other tables: monetary incentive plans for members of the administration bodies, general managers and other key managers

The tables established by Appendix 3A, Template 7 bis, of the "Issuers' Regulation" currently applicable to the Banca Ifis Group are Tables 3A and 3B reported below with the participation in profits data established for the Chief Executive Officer and the General Manager.

TABLE 3A: Incentive plans based on financial instruments, other than stock options, for members of the administration bodies, general managers and other key managers

(A)	(B)	(1)	Financial instruments allocated in previous years not vested during the year		Financial instruments allocated during the year					Financial instruments vested during the year and not	Financial instruments vested during the year and attributable		Financial instruments for the year
			(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 at date of assignment	Vesting period	Date of assignment	Market price upon allocation	Number and type of financial instruments	Number and type of financial instruments	Value at vesting date	Fair value
Frederik Herman Geertman	Chief Executive Officer of Banca IFIS SpA since 22/04/2021												
Remuneration in Banca Ifis S.p.A.		2021 Plan Resolution of 22/04/2021	15563	3									
		2022 Plan Resolution of 28/04/2022			14.633	14,20818	5	20/04/2023			8.868	126.000	
		2023 Plan Resolution of 20/04/2023										132.000	343.800
Remuneration from subsidiaries of Banca IFIS S.p.A.		2023 Plan	-	-	-	-	-	-	-	-	-	-	-
Total			15.563		14.633						8.868	258.000	349.800
Zingone Raffaele	Co-General Manager Officer of Banca IFIS SpA since 05/10/2021												
Remuneration in Banca Ifis S.p.A.		2021 Plan Resolution of 22/04/2021	4052	3									
		2022 Plan Resolution of 28/04/2022			2.111	14,2082	5	20/04/2023			3.167	45.000	
		2023 Plan Resolution of 20/04/2023										45.000	75.000
Remuneration from subsidiaries of Banca IFIS S.p.A.		2023 Plan	-	-	-	-	-	-	-	-	-	-	-
Total			4.052		2.111	14	5				3.167	90.000	75.000
Fabio Lanza	Co-General Manager Officer of Banca IFIS SpA since 05/10/2021												
Remuneration in Banca Ifis S.p.A.		2021 Plan Resolution of 22/04/2021											
		2022 Plan Resolution of 28/04/2022			2.111	14,2082	5	20/04/2023			3.167	45.000	
		2023 Plan Resolution of 20/04/2023										45.000	75.000
Remuneration from subsidiaries of Banca IFIS S.p.A.		2023 Plan	-	-	-	-	-	-	-	-	-	-	-
Total			-	-	2.111	14	5				3.167	90.000	75.000
Other Key managers													
Remuneration in Banca Ifis S.p.A.		2019-2022 Plan	35.566	3	18.018	14,2082	5	20/04/2023			27.028	384.012	
		2023 Plan Resolution of 20/04/2023										415.236	692.060
Remuneration from subsidiaries of Banca IFIS S.p.A.		2023 Plan	-	-	-	-	-	-	-	-	-	-	-
Total			35.566		18.018	14	5				27.028	799.248	692.060

TABLE 3B: monetary incentive plans for members of the management body, general managers and other key managers

Name and surname	Office	Plan	Year bonus			Bonus of previous years			Other bonuses
			(A)	(B)	(C)	(A)	(B)	(C)	
			Payable/paid	Deferred	Deferment period	No longer payable	Payable/Paid	Still deferred	
Frederik Herman Geertman	Chief Executive Officer of Banca IFIS SpA since 22/04/2021								
Remuneration in Banca Ifis S.p.A.		2021 Plan Resolution of 22/04/2021						127.620	
		2022 Plan Resolution of 28/04/2022					37.800	132.300	
		2023 Plan Resolution of 20/04/2023	132.000	178.200	5				
Remuneration from subsidiaries of Banca IFIS S.		2023 Plan							
Total			132.000	178.200		-	37.800	259.920	-
Zingone Raffaele	Co-General Manager Officer of Banca IFIS SpA since 05/10/2021								
Remuneration in Banca Ifis S.p.A.		2021 Plan Resolution of 22/04/2021						30.000	
		2022 Plan Resolution of 28/04/2022						30.000	
		2023 Plan Resolution of 20/04/2023	45.000	30.000	4				
Remuneration from subsidiaries of Banca IFIS S.		2023 Plan							
Total			45.000	30.000		-	-	60.000	-
Fabio Lanza	Co-General Manager Officer of Banca IFIS SpA since 05/10/2021								
Remuneration in Banca Ifis S.p.A.		2022 Plan Resolution of 28/04/2022						30.000	
		2023 Plan Resolution of 20/04/2023	45.000	30.000	4				
		Remuneration from subsidiaries of Banca IFIS S.							
Total			45.000	30.000		-	-	-	-
Other Key managers		2020 - 2022 Plan			-	-	15.000	458.082	
		2023 Plan Resolution of 20/04/2023	524.036	276.824	4	-			
Total			524.036	276.824		-	15.000	458.082	-

Schedule of shareholdings of directors, auditors, the general manager and other key managers

Table 1: equity investments of the members of the administrative and control bodies and general managers

Name and surname	Office	Investee company	No. of shares held at the end of the previous year	No. of shares purchased/received	No. of shares sold/transferred	No. of shares held at the end of the current year
Sebastien Egon Fürstenberg	Honorary Chairman - Director	Banca IFIS S.p.A.	52.000			52.000
Ernesto Fürstenberg Fassio (through La Scogliera SA)	Chairman	Banca IFIS S.p.A.	27.174.347			27.174.347
Simona Arduini	Deputy Chairman - Director					
Frederik Herman Geertman	Chief Executive Officer					
Simona Arduini	Director					
Monica Billio	Director					
Antonella Malinconico	Director (LID)					
Roberto Diacetti	Director					
Monica Regazzi	Director					
Beatrice Colleoni	Director					
Luca Lo Giudice	Director					
Roberta Gobbi	Director					
Giovanni Meruzzi	Director					
Paola Paoloni	Director					
Andrea Balelli	Chairman					
Franco Olivetti	Standing Auditor					
Annunziata Melaccio	Standing Auditor					
Marinella Monterumisi	Alternate Auditor					
Emanuela Rollino	Alternate Auditor					
Raffaele Zingone	Co-General Manager					
Fabio Lanza	Co-General Manager					

Table 2: holdings of other key managers

Number of key managers	Investee company	Number of shares held at the end of the previous year	Number of shares purchased	Number of shares sold	Number of shares held at the end of the current year
18* resources as at 31/12/2023	Banca Ifis S.p.A.	-	186.715	-	186.715

* the number of shares refers to part of them

AGGREGATE QUANTITATIVE INFORMATION REPRESENTING THE "IDENTIFIED STAFF" (EMPLOYEES ONLY) OF THE BANCA IFIS GROUP								
Banca IFIS Group	No.	Fixed	Variable*	% Average variable on fixed	Cash up front	Equity up front	Deferred cash	Deferred equity
Key personnel	46	7.425.379	3.285.821	44,09%	1.457.568	783.537	522.358	522.358

Only the short-term variable is taken into account

EU REM A Table: Remuneration policy

Qualitative disclosure

a) Information regarding the bodies responsible for supervising remuneration

The main bodies and individuals of the Parent Company involved in the preparation, approval and possible revision of the remuneration and incentive policy are: the Shareholders' Meeting, the Board of Directors, the Remuneration Committee, the CEO, the General Management, Human Resources, the Control Functions and the Business Plan, Planning and Management Control Department.

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

The structure of the variable component of remuneration must in any case be compatible with the risk analysis undertaken by the Banking Group and, to be sustainable, it must be compatible with the levels of capital and liquidity in the medium/long-term.

In line with the Supervisory Provisions, the Banca Ifis Group cannot be classified as a "bank of smaller size or operational complexity" and is therefore required to apply the entire discipline "proportionally", i.e. taking into account the characteristics and size as well as the riskiness and complexity of the activity carried out.

However, the Group is not required to apply the above more detailed rules of Section III of the Supervisory Provisions to key personnel whose annual variable remuneration meets the following two conditions:

- does not exceed 50.000 Euro and
- it does not represent more than one third of the total annual remuneration.

In accordance with the Supervisory Provisions, the Group defines:

- Materiality threshold. The variable remuneration of the identified staff which exceeds the amount of 50.000 Euro or represents more than one third of the total annual remuneration.
- "Particularly high" variable remuneration amount. This is the lesser of 25% of the average total remuneration of Italian high earners, as resulting from the most recent report published by the EBA and 10 times the average total remuneration of the Ifis Group's employees.
- Deferral period and deferred dues. This is the vesting period to which the variable remuneration is subject, in order to take into account the development of the risks assumed by the Bank over time. In line with the Supervisory Provisions:
 - the variable component, where it exceeds the materiality threshold (and is not of a particularly high amount) is subject to deferment for a portion equal to 40%, for a period of 4 years;
 - the variable component of a particularly high amount is subject to deferment for a portion equal to 60% for a period of 5 years.

- Financial instruments: the Supervisory Provisions envisage that the variable remuneration subject to deferment (pursuant to the preceding point) be balanced by a quota of at least 50% in financial instruments, meaning, in the Banca Ifis Group, the shares of the Parent Company. In the case of top management and particularly large amounts of variable remuneration, it is required that more than 50% of the deferred portion be made up of financial instruments.
- Retention period: the period during which there is a ban on the sale of shares, set at 1 year.

The methods of payment of variable remuneration (short-term incentive scheme) for the identified staff adopted by the Banca Ifis Group are summarised below:

	Upfront	Differimento
pari o inferiore alla soglia di materialità	100% cash	
superiore alla soglia di materialità e non di importo particolarmente elevato	60% upfront , di cui: <ul style="list-style-type: none"> - 50% (ovvero il 30% della remunerazione variabile complessiva) in azioni Banca Ifis, che saranno esercitabili al termine del periodo di retention) di un 1 anno - 50% (ovvero il 30% della remunerazione variabile complessiva) erogato cash 	40% differito in 4 anni a decorrere dall'anno successivo all'anno di maturazione della quota up-front , di cui: <ul style="list-style-type: none"> - 50% (ovvero il 20% della remunerazione variabile complessiva) in azioni Banca Ifis, che saranno esercitabili al termine dell'ulteriore periodo di retention di un 1 anno - 50% (ovvero il 20% della remunerazione variabile complessiva) cash, oggetto di rivalutazione annuale al tasso legale tempo per tempo vigente.
di importo particolarmente elevato	40% upfront , di cui: <ul style="list-style-type: none"> - 50% (ovvero il 20% della remunerazione variabile complessiva) in azioni Banca Ifis, che saranno esercitabili al termine del periodo di retention) di un 1 anno - 50% (ovvero il 20% della remunerazione variabile complessiva) erogato cash 	60% differito in 5 anni a decorrere dall'anno successivo all'anno di maturazione della quota up-front , di cui: <ul style="list-style-type: none"> - 55% (ovvero il 33% della remunerazione variabile complessiva) in azioni Banca Ifis, che saranno esercitabili al termine dell'ulteriore periodo di retention di un 1 anno - 45% (ovvero il 27% della remunerazione variabile complessiva) cash, oggetto di rivalutazione annuale al tasso legale tempo per tempo vigente.

c) Description of how current and future risks are factored into remuneration processes.

Access to the variable portion for all personnel is subject to compliance with the conditions for access (so-called "gate") provided for by the following indicators measured at year-end:

- on the basis of a measure of risk-adjusted profitability, such as RORAC (return on risk-adjusted capital) defined as the ratio between Net Income and Capital absorbed by pillar one risks (i.e. 8% Pillar 1 Risk Weighted Asset (RWA)), the $[\text{RORAC}/\text{RORAC}^*]$ indicator, where RORAC* is the RORAC approved by the Board of Directors for the reporting year concurrent with the submitted annual business plan/budget, must be no less than 80%. This indicator allows profits to be weighted by the underlying risks in terms of regulatory capital absorbed.
- related to the tolerance level, greater than the regulatory minimum equal to 100%, of the Group's short term liquidity indicator - Liquidity Coverage Ratio (LCR), recorded quarterly in the year of reference. The tolerance level is established every year in the Banca Ifis Group's Risk Appetite Framework (RAF) at consolidated level, in accordance with prudential supervisory regulations in force.
- related to the tolerance level, greater than the regulatory minimum equal 100%, for the Group's medium-long term liquidity indicator - Net Stable Funding Ratio (NSFR). The tolerance level is established every year in the Banca Ifis Group's Risk Appetite Framework (RAF) at consolidated level, in accordance with prudential supervisory regulations in force.

- The consolidated Total Own Funds Ratio greater than the tolerance level set in the RAF in force, therefore, greater than the Overall Capital Requirement communicated by the Supervisory Body as part of the “Decisions on capital” at the conclusion of the supervisory review process (SREP).

Failure to meet one of these conditions will result in variable pay not being awarded.

Without prejudice to the opening of the access gates, in the presence of adverse scenarios, exceptional and unforeseeable situations, as well as in the event of a 20% lower-than-expected Gross Profit figure for the Consolidated Financial Statements, the Board of Directors may assess - on the proposal of the Remuneration Committee, subject to the opinion of the Risk Committee - a redefinition of the amounts of variable remuneration for the various categories of staff, with a consequent pro-rata reduction.

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

The remuneration of identified staff is made up of fixed annual remuneration (RAL) and a variable component defined in advance (target) for each individual, in relation to the role held. The limit on the fixed/variable ratio is 1:1, with the exception of:

- the Chief Executive Officer, for whom the Shareholders' Meeting held on 21 December 2021 approved the definition, with effect from FY 2022, of a ratio between the variable and fixed components of remuneration of a maximum of 1,5:1 in compliance with that permitted by Title IV, Chapter 2, Section III of the Supervisory Provisions;
- the Heads of the control functions (Risk Management, Compliance, Internal Audit, Anti-Money Laundering) for whom the remuneration package is structured with a prevailing fixed component and a limited variable part that may not exceed 33% of the fixed remuneration.

When determining the remuneration of the identified staff belonging to the control functions, incentive mechanisms linked to economic results are in any case excluded.

With regard to the Manager charged with preparing the company's financial reports and the Head of the Human Resources Department, variable remuneration is nevertheless limited.

e) Description of the ways in which the institution seeks to link performance during a performance measurement period with levels of remuneration.

The Bank defines an annual Short Term Incentive Plan (STI), the payment of which - subject to the opening of the access gates - is linked to the achievement of specific qualitative and quantitative performance objectives, assigned to the recipients of the plan.

Goals are declined within a performance scorecard.

The performance scorecard includes a predefined number of indicators; each indicator is given a weight in percentage terms on the total of at least 10% to ensure the significance of the objective and no more than 30% to ensure an adequate weighting of the multiple objectives.

The variable remuneration accrues according to a result curve based on the levels of achievement of the objectives; the result obtained by each KPI determines a weighted score, on a recognition curve varying between a minimum and a maximum achievable; the sum of the weighted scores obtained corresponds to the performance achieved, in proportion to which, only if at least equal to a prefixed minimum score, the amount of the incentive is quantified; the latter cannot, in any case, exceed a prefixed maximum level.

Finally, it is expressly forbidden for individual employees to engage in personal hedging or insurance strategies on remuneration or other aspects that may alter or affect the effects of alignment with the company risk inherent in the remuneration mechanisms envisaged.

The description of the main parameters and rationale for any variable components scheme and any other non-cash benefit in accordance with point (f) of Article 450(1) CRR.

The Chief Executive Officer of Banca Ifis is also the recipient of a Long Term Incentive (LTI) Plan 2021-2023, approved by the Board of Directors on 24 June 2021 and by the Shareholders' Meeting of the Parent Company on 28 July 2021. The Plan provided for the assignment to the CEO, free of charge, of a certain number of options that will give the right to purchase, at a unit exercise price (the “strike price”) equal to 12,92 Euro, a corresponding number of Banca Ifis shares.

The Plan vested on 31 December 2023 at the end of the three-year vesting period (2021-2023), and the options will become exercisable after an additional year of retention, subject to the circumstance that the relationship between the Bank and the CEO is still in place, and that pre-determined quantitative and qualitative, financial and non-financial targets, linked to the Bank's long-term strategies, have been achieved.

The Plan granted the CEO of the Parent Company the right to receive up to a maximum of 696.000 options at the end of the vesting period and on achievement of the objectives of

the Plan.

The aforementioned Options were counted for the purposes of calculating the ratio between fixed and variable remuneration as follows: (i) 156.000 Options for FY 2021; (ii) 270.000 Options for FY 2022; and (iii) 270.000 Options for FY 2023.

As envisaged in the Plan approved by the Shareholders' Meeting of 28 July 2021, and in execution of the mandate granted to the Board of Directors on that occasion, on 9 June 2022, the latter resolved to include 13 "additional beneficiaries" in the LTI Plan, assigning them the same objectives already envisaged for the Chief Executive Officer and illustrated in the 2022 Remuneration Policy. These additions to the Plan were then approved by the Shareholders' Meeting of Banca Ifis on 28 July 2022.

Also for these additional beneficiaries, represented by high-level managers of the Group (including 12 key managers and Co-General Managers), the Plan provided for the assignment of a certain number of options that will entitle them to purchase, free of charge and always at a strike price per share of 12,92 Euro, a corresponding number of Banca Ifis shares. The Plan vested on 31 December 2023 at the end of the vesting period, and the options will become exercisable after an additional year of retention, subject to the circumstance that the relationship between the Bank and the beneficiaries is still in place, and that pre-determined quantitative and qualitative, financial and non-financial targets, linked to the Bank's long-term strategies, have been achieved. The Plan granted the other beneficiaries the right to receive up to a maximum of 320.000 options at the end of the vesting period and on achievement of the objectives of the Plan.

For the TSR and Gross Profit targets, the calculation was carried out for the two-year vesting period, while for the other targets the calculation was based on the results achieved as at 31 December 2023 (thus considering the entire duration of the 2021 - 2023 plan).

It is also noted that during the first half of 2023, the resignation of an executive with strategic responsibility included in the Plan took place, with the consequent loss of his status as a beneficiary of the Plan.

As a result of the aforementioned changes in 2022 and the first half of 2023, the Plan's beneficiaries total 12, including 11 executives with strategic responsibilities, and the maximum amount of options assignable to the other beneficiaries is 300.000.

The aforementioned Options will be counted for each of the beneficiaries, for the purpose of calculating the ratio between fixed and variable remuneration, 50% for FY 2022 and the remaining 50% for FY 2023.

For the final balance of the LTI Plan, please refer to Section II of the Report on Remuneration Policy and Remuneration Paid 2024.

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

With regard to ex-post correction mechanisms, the following should be noted.

The deferred variable component is subject to the following *malus* mechanisms which reduce, up to zero, the amount previously determined before payment.

The *ex post* correction mechanisms cannot lead to an increase in the initially recognised variable remuneration or to the variable remuneration previously reduced or made null following the application of *malus*.

The criteria envisaged are checked in each of the three financial years closed following calculation of the variable component (accrual period) and applied when the above-mentioned conditions occur, taking the worst result recorded in the reference period into consideration.

As regards the claw back, the related criteria are also checked in each of the three financial years closed after calculation of the variable component (accrual period) and are applied when the envisaged conditions are met, except for identified staff for whom that audit must be carried out in each of the following five financial years closed.

Finally, it is expressly forbidden for individual employees to engage in personal hedging or insurance strategies on remuneration or other aspects that may alter or affect the effects of alignment with the company risk inherent in the remuneration mechanisms envisaged.

g) The description of the main parameters and rationale for any variable components scheme and any other non-cash benefit in accordance with point (f) of Article 450(1) CRR

Variable remuneration in addition to short-term and long-term incentive schemes includes:

- the "company productivity bonus" or "variable performance bonus";
- one-off awards;

- other one-off awards and/or contests;
- stability pacts or retention bonuses;
- entry bonuses;
- non-compete agreements;
- notice extension agreements.

h) At the request of the relevant member state or authority, the total compensation for each member of the governing body or senior management.

Refer to Table REM 1

Template EU REM1: remuneration awarded for the financial year

			a	b	c	d
			MB - Supervisory function	MB - Management function	Other senior management	Other identified staff
1	Fixed remuneration	Number of identified staff	12	1	8	47
2		Total fixed remuneration	2.905.493	993.333	1.850.001	5.932.379
3		Of which: cash-based	2.905.493	993.333	1.850.001	5.932.379
4		(Not applicable in the EU)				
EU-4a		Of which: shares or equivalent ownership interests				
5		Of which: share-linked instruments or equivalent non-cash instruments				
EU-5x		Of which: other instruments				
6		(Not applicable in the EU)				
7	Of which: other forms					
8	(Not applicable in the EU)					
9	Variable remuneration	Number of identified staff	12	1	8	47
10		Total variable remuneration	0	1.139.588	1.149.621	2.624.450
11		Of which: cash-based	0	310.200	454.050	1.525.876
12		Of which: deferred	0	178.200	181.620	340.738
EU-13a		Of which: shares or equivalent ownership interests	0	349.800	454.050	851.845
EU-14a		Of which: deferred	0	217.800	181.620	340.738
EU-13b		Of which: share-linked instruments or equivalent non-cash instruments	0	479.588	241.521	246.729
EU-14b		Of which: deferred				
EU-14x		Of which: other instruments				
EU-14y		Of which: deferred				
15	Of which: other forms					
16	Of which: deferred					
17	Total remuneration (2 + 10)		2.905.493	2.132.921	2.999.622	8.556.829

Template EU REM2: special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)

	a	b	c	d
	MB - Supervisory function	MB - Management function	Other senior management	Other identified staff
	Guaranteed variable remuneration awards			
1	Guaranteed variable remuneration awards - Number of identified staff			1
2	Guaranteed variable remuneration awards -Total amount			150.000
3	Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap			150.000
	Severance payments awarded in previous periods, that have been paid out during the financial year			
4	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff			
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount			
	Severance payments awarded during the financial year			
6	Severance payments awarded during the financial year - Number of identified staff			
7	Severance payments awarded during the financial year - Total amount			
8	Of which paid during the financial year			
9	Of which deferred			
10	Of which severance payments paid during the financial year, that are not taken into account in the bonus cap			
11	Of which highest payment that has been awarded to a single person			

Template EU REM3: deferred remuneration

	a	b	c	d	e	f	EU-g	EU-h
Deferred and retained remuneration	Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
1 MB - Supervisory function								
2 Cash-based								
3 Shares or equivalent ownership interests								
4 Share-linked instruments or equivalent non-cash instruments								
5 Other instruments								
6 Other forms								
7 MB - Management function								
8 Cash-based	297.720	37.800	259.920				9.720	
9 Shares or equivalent ownership interests	354.955		354.955					495.355
10 Share-linked instruments or equivalent non-cash instruments								
11 Other instruments								
12 Other forms								
13 Other senior management								
14 Cash-based	280.667	15.000	265.667					
15 Shares or equivalent ownership interests	280.667		280.667					443.667
16 Share-linked instruments or equivalent non-cash instruments								
17 Other instruments								
18 Other forms								
19 Other identified staff								
20 Cash-based	470.134		470.134				53.606	
21 Shares or equivalent ownership interests	523.740	53.606	470.134	13.402				758.326
22 Share-linked instruments or equivalent non-cash instruments								
23 Other instruments								
24 Other forms								
25 Total amount	2.207.882	106.406	2.101.476	13.402	0	0	63.326	1.697.347

Template EU REM4: Remuneration of 1 million EUR or more per year

	EUR	a Number of members of identified staff, who are high earners as set out in Article 450(i) CRR.
1	1 000 000 to below 1 500 000	1
2	1 500 000 to below 2 000 000	
3	2 000 000 to below 2 500 000	
4	2 500 000 to below 3 000 000	
5	3 000 000 to below 3 500 000	
6	3 500 000 to below 4 000 000	
7	4 000 000 to below 4 500 000	
8	4 500 000 to below 5 000 000	
9	5 000 000 to below 6 000 000	
10	6 000 000 to below 7 000 000	
11	7 000 000 to below 8 000 000	
x	To be extended as appropriate, if further payment bands are needed.	

Template EU REM5: information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)

		a	b	c	d	e	f	g	h	i	j
		Management body remuneration			Business areas						
		MB - Supervisory function	MB - Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	Total
1	Total number of identified staff										68
2	Of which: members of the MB	12	1	13							
3	Of which: other senior management									8	
4	Of which: other identified staff							18	5	24	
5	Total remuneration of identified staff	2.905.493	2.132.921	5.038.414				4.928.518	942.962	5.684.971	16.594.864
6	Of which: variable remuneration	0	1.139.588	1.139.588				1.631.627	225.800	1.916.644	4.913.658
7	Of which: fixed remuneration	2.905.493	993.333	3.898.826				3.296.891	717.162	3.768.327	11.681.206

Table prepared in accordance with Section 2, Schedule 2, of Table 1 of Schedule 7 of Annex 3A to the Issuers' Regulation

2021-2023 LTI Plan

Newly Allocated Instruments based on the Board of Directors' decision to propose to the Bank's Shareholders' Meeting

Name and surname or category	Office (to be indicated only for persons reported by name)	Date of meeting resolution	Instrument description	Number of Options ³⁵	Date of assignment	Strike price ³⁶	Market price of the underlying shares on the date of assignment	Period of possible exercise
Frederik Herman Geertman	Chief Executive Officer	28 July 2021	Option rights over the Bank's Shares	609.000	28 July 2021	Euro 12,92	n.a.	5 years, being a particularly large amount
Fabio Lanza	Co-General Manager and Chief Operating Officer	28 July 2022	Option rights over the Bank's Shares	25.050	28 July 2022	Euro 12,92	n.a.	4 or 5 years, depending on whether the amount is above the materiality threshold or particularly high
Raffaele Zingone	Co-General Manager and Chief Commercial Officer	28 July 2022	Option rights over the Bank's Shares	25.050	28 July 2022	Euro 12,92	n.a.	4 or 5 years, depending on whether the amount is above the materiality threshold or particularly high
Katia Mariotti	Head of the Npl Department	28 July 2022	Option rights over the Bank's Shares	11.250	28 July 2022	Euro 12,92	n.a.	4 or 5 years, depending on whether the amount is above the materiality threshold or particularly high
Saverio Bonavita	Head of the Capital Markets Department	28 July 2022	Option rights over the Bank's Shares	17.550	28 July 2022	Euro 12,92	n.a.	4 or 5 years, depending on whether the amount is above the materiality threshold or particularly high
Mauro Baracchi	Head of the Human Resources Department	28 July 2022	Option rights over the Bank's Shares	22.500	28 July 2022	Euro 12,92	n.a.	4 or 5 years, depending on whether the amount is above the materiality threshold or particularly high

³⁵ Intended as the number of Options to be granted to the Chief Executive Officer and the other 12 beneficiaries with reference to the three-year period (2021-2023) and the two-year period (2022-2023),

Table prepared in accordance with Section 2, Schedule 2, of Table 1 of Schedule 7 of Annex 3A to the Issuers' Regulation

2021-2023 LTI Plan								
Newly Allocated Instruments based on the Board of Directors' decision to propose to the Bank's Shareholders' Meeting								
Paolo Formigoni	Head of the Strategic Planning Department	28 July 2022	Option rights over the Bank's Shares	21.600	28 July 2022	Euro 12,92	n.a.	4 or 5 years, depending on whether the amount is above the materiality threshold or particularly high
Lucia Martinoli	Head of the General Counsel Department	28 July 2022	Option rights over the Bank's Shares	15.000	28 July 2022	Euro 12,92	n.a.	4 or 5 years, depending on whether the amount is above the materiality threshold or particularly high
Andrea Martino Da Rio	Head of the Investor Relations and Business Development Department	28 July 2022	Option rights over the Bank's Shares	17.850	28 July 2022	Euro 12,92	n.a.	4 or 5 years, depending on whether the amount is above the materiality threshold or particularly high
Rosalba Benedetto	Communication, Marketing, Public Affairs & Sustainability	28 July 2022	Option rights over the Bank's Shares	19.200	28 July 2022	Euro 12,92	n.a.	4 or 5 years, depending on whether the amount is above the materiality threshold or particularly high
Massimiliano Fabrizi	CEO of Banca Credifarma	28 July 2022	Option rights over the Bank's Shares	18.300	28 July 2022	Euro 12,92	n.a.	4 or 5 years, depending on whether the amount is above the materiality threshold or particularly high
Serena Sollecito	General Manager Ifis NPL	28 July 2022	Option rights over the Bank's Shares	14.100	28 July 2022	Euro 12,92	n.a.	4 or 5 years, depending on whether the amount is above the materiality threshold or particularly high
Massimo Consalvi	CEO of Capitalfin	28 July 2022	Option rights over the Bank's Shares	17.550	28 July 2022	Euro 12,92	n.a.	4 or 5 years, depending on whether the amount is above the materiality threshold or particularly high

respectively, taking into account that the ratio between variable and fixed remuneration is defined as 1:1 for the first financial year (2021) and 1,5:1 for the following two financial years (2022 and 2023) for the Chief Executive Officer and 1:1 for the other beneficiaries.

³⁶ Equal to the average market value of the Shares recorded in the period of 30 days prior to the date on which the Plan is submitted to the approval of the competent bodies for submission to the Shareholders' Meeting (i.e. in the period of 30 days prior to 18 June 2021)

Results of the audits conducted by the Internal Audit Function

In compliance with the requirements of Bank of Italy Circular No. 285/2013, the Internal Audit Function carried out a specific audit on the compliance of remuneration practices with the policies approved internally within the Banca Ifis Group and the relevant reference regulations.

In particular, audits concerned the following areas:

- the definition of remuneration and incentive policies, their adherence to the regulatory framework and their adequacy in fostering balanced governance and development mechanisms of the Group;
- the application of policies in remuneration and incentive practices in order to assess, on the basis of sample checks, the actual action of the Group against the reference principles;
- the adequacy of the process of identifying the 'identified staff' and the correct definition of the relevant perimeter;
- the evolution with respect to previous areas of improvement recommended by the Internal Audit Function in order to direct the Group's actions to industry best practices.

After the audits conducted, Internal Audit expressed a favourable opinion on the remuneration and incentive policies and practices of the Banca Ifis Group.

The results of the audit activities were presented to the Remuneration Committee at its meeting on 20 March 2024



Policy relating to the identified staff identification process

Annex 1 to the 2024 Report on the Remuneration Policy and remuneration paid

MARCH 2024

1. Version history

Version	Approval date	Brief description of changes
1	07 March 2019	<i>First issuance</i>
2	08 March 2022	<i>Update</i>
3	10 March 2022	<i>Update</i>
4	09 March 2023	<i>Update</i>
5	06 March 2024	<i>Update</i>

2. Document objectives and management

2.1. Document objectives

This Policy, which forms an integral part of the Report on Remuneration Policy and Remuneration Paid, describes:

- the principles and guidelines for defining the process for identifying the identified staff (including those relating to possible exclusion);
- the criteria for determining the financial year of reference for the calculation of variable remuneration;
- the procedures for evaluating personnel;
- the role played by the corporate bodies and the competent corporate functions for the preparation, monitoring and review of the identification process.

2.2. Recipients

This policy is applicable and disseminated, to the extent applicable, to all the organisational units of the Parent Company and its subsidiaries.

2.3. Document Management

The document is managed in the same way as the Report on Remuneration Policy and Remuneration Paid, of which this policy is an integral part.

Responsibility for the document management process is broken down as follows.

Drafting	Parent Company			Subsidiaries
	Discussion	Approval	Publication and Archiving	Approval
<u>Manager</u> Parent Company Human Resources Department <u>Support</u> Parent Company Compliance Parent Company's Organisation	Chief Executive Officer Remuneration Committee	Board of Directors Shareholders' Meeting	Parent Company's Organisation	Board of Directors and Shareholders' Meeting (for bank subsidiaries)

This policy has been shared with the Compliance Function, which has assessed its compliance with applicable regulations

3. Identification of “most relevant staff” (identified staff)

The Supervisory Provisions for Banks on Remuneration and Incentive Policies and Practices - Circular No. 285 of 17 December 2013, govern the process for identifying the **identified staff**, i.e. the categories of personnel whose activities have a material impact on the Bank's risk profile, which the Bank is required to carry out annually.

The Provisions of the Bank of Italy that transposed the changes introduced by CRD V (Directive 2019/878/EU) on remuneration policies and practices and the Guidelines of the European Banking Authority implementing Directive 2013/36/EU (EBA/GL/2021/04) indicate the criteria for **identifying personnel who take significant risks for the bank or the group to which it belongs, who are termed the “identified staff” or “risk-takers”**: in particular, the CRDV identifies the - non-exhaustive - list of staff members who are to be considered risk-takers and gives the EBA the power to clarify certain definitions for the correct identification of these individuals, as well as to define criteria for the identification of additional individuals whose activities have a material impact on the risk profile of the institution³⁷.

For the purpose of the process of identifying the identified staff, the European legislator established with Delegated Regulation (EU) No. 2021/923 (hereinafter the “**Delegated Regulation**”) - *regulatory technical standards, which identify the criteria for defining managerial responsibilities, control functions, the relevant business unit/company and the significant impact on the risk profile of the business unit/company in question, and the criteria for identifying staff members or categories of staff*

³⁷ Bank of Italy Circular no. 285/2013 (37th update), Part One, Title IV, Chapter 2, Section I, par. 6

whose professional activities have an impact on the institution's risk profile that is comparatively as significant as that of the categories of staff mentioned in Article 92(3) of the CRD.

In order to identify the key personnel, **the Bank therefore applies, in addition to the Provisions of the Bank of Italy pursuant to Circular No. 285 of 2013, the technical standards of Delegated Regulation (EU) 2021/923.**

The Bank, in its capacity as Parent Company, identifies the most relevant staff for the Group, having regard to all Group companies, whether or not they are subject to the discipline on an individual basis. The Bank, if necessary, identifies and applies **criteria in addition** to those established in the aforementioned Regulation, in order to identify additional personnel who take on risks relevant to the group.

The function responsible for preparing the policy governing the identification process of the identified staff, which forms an integral part of the Bank's remuneration and incentive policy, is the Human Resources function of the Parent Company.

The **Parent Company's Compliance** function, as a control function, expresses itself on the compliance with the regulatory framework of the policies for the identification of identified staff.

The **Parent Company's Risk Management** function, as a control function, supports the Human Resources function, as far as it is concerned, in verifying the existence of the quality requirements referred to in art. 3 of the Delegated Regulation.

The **Parent Company's Internal Audit** function, as a control function, on the other hand verifies *ex post* the compliance of the identification process of identified staff with this policy.

As part of the identification process of the identified staff, the companies of the Group actively participate by providing the Human Resources function of the Parent Company with the documentation and information necessary for the purpose and abide by the indications received.

The identification process of the most relevant staff is composed of the following sub-processes:

- identification of the scope of analysis;
- collection and analysis of all regulatory and internal governance legislation;
- verification of correspondence with the qualitative criteria referred to in Article 5 of the Regulation;
- verification of correspondence with the quantitative criteria referred to in Article 6 of the Regulation;
- drafting of the self-assessment document and related monitoring;
- presentation of the Self-Assessment document to the Remuneration Committee and approval by the Board of Directors of the Bank and (related implementation by the subsidiaries)
- approval of the document by the Shareholders' Meeting of the Bank (and its banking subsidiaries) as part of the approval of the Report on Remuneration Policy and Remuneration Paid.

3.1. Corporate bodies involved in the approval of policies relating to the identification process of the most relevant staff

The Remuneration Committee submits this Policy for subsequent approval by the Board of Directors of the Parent Company and the Shareholders' Meeting.

It is also specified that the Remuneration Committee:

- has the task of proposing the remuneration of the staff whose remuneration and incentive systems are decided by the body with strategic supervisory functions in accordance with the provisions of this paragraph;
- supports the Board of Directors in the review of policies at least once a year, in the analysis of the gender neutrality of remuneration policies and in the verification of the gender pay gap and its evolution over time. Reasons for the gender pay gap are appropriately documented and corrective action taken where necessary.
- has advisory tasks regarding determination of the criteria for the remuneration of all identified staff;
- expresses its opinion, also making use of the information received from the competent corporate functions, on the results of the identification process of the identified staff, including any exclusions;
- directly supervises the correct application of the rules relating to the remuneration of the heads of company control functions, in close collaboration with the body with control functions;
- prepares the documentation to be submitted to the body with strategic supervisory functions for the related decisions;
- collaborates with the other internal committees of the body with strategic supervisory functions, in particular with the Control and Risks Committee, where present;
- ensures the involvement of all competent company functions in the process of preparing and monitoring remuneration and incentive policies and practices;
- provides an opinion, making use of the information received by the competent company functions, on the achievement of performance objectives which are linked to the incentive plans and on the ascertainment of other conditions for the payment of remuneration;
- provides appropriate feedback on the activities carried out to the corporate bodies, including the Shareholders' Meeting.

In order to carry out its duties effectively and responsibly, the remuneration committee has access to company information relevant to this purpose and has sufficient financial resources to ensure its operational independence.

As regards the activities of the Board of Directors, please refer to what is specified below in paragraph 3.7 of this document.

For further details on the additional roles played by the Remuneration Committee, the Board of Directors and the Shareholders' Meeting, within the scope of the remuneration policies, reference should instead be made to the Report on Remuneration Policy and Remuneration Paid.

3.2. Identification of the scope of analysis

For the purpose of identifying the identified staff, the Parent Company's Human Resources Department considers all the Group's personnel as a whole and therefore the members of the bodies with strategic supervision, management and control departments, the Group's employees and collaborators.

The Human Resources Department of the Parent Company then proceeds with the collection and verification of all internal regulatory legislation, in order to identify the roles of greater responsibility within the entire organisational structure of the Group.

Therefore, the scope of the analysis takes into account the following roles within the Group:

- executive and non-executive members of the Boards of Directors;
- the General Management;
- the Heads of the Control functions;
- the Heads of the functions reporting directly to the Chief Executive Officer and/or the General Management (including the Heads of the main business lines and the Heads of the relevant operating/company units);
- the Managers of the second level organisational units;
- the collaborators of the Group.

3.3 Determination of the financial year of reference for the calculation of variable remuneration

For the purposes of the self-assessment process of the identified staff, as provided for in Bank of Italy Circular No. 285/2013, Part One, Title IV, Chapter 2, Section 1, par. 6 and the Delegated Regulation Article 7, the analyses carried out in connection with the quantitative criteria are based on the information reported for the previous financial year, approved by the shareholders' meeting and recorded as at 31 December. Reference financial year means the year preceding the financial year in which the variable remuneration is awarded.

In particular, the quantitative analysis is carried out with reference to all amounts of fixed and variable remuneration, calculated gross and on a full-time equivalent basis.

3.4 Verification of consistency with the qualitative criteria set out in Circular 285/2013, Part One, Title IV, Chapter 2, Section 1, paragraph 6 to Article 5 of Regulation 2021/923

Once the scope of the analysis has been defined, all the aforementioned roles are classified by the Parent Company's Human Resources Department, if the prerequisites are met, within the categories set out in Circular 285/2013, Part One, Title IV, Chapter 2, Section 1, paragraph 6 and Article 5 of Regulation 2021/923.

The Bank also identifies criteria in addition to those established in the aforementioned Delegated Regulation, in order to make the attention reserved by the Supervisory Provisions of the Bank of Italy to *"the executive directors; the general managers; the co-general managers; the deputy general managers and similar figures; the heads of the main lines of business, company functions or*

geographical areas; those who report directly to the bodies with strategic supervision, management and control functions; managers and higher-level personnel of the corporate control functions” as well as particular categories of personnel such as “agents in financial and insurance activities and financial consultants qualified for out-of-office canvassing employed in external distribution networks”.

In particular, the Human Resources Department identifies the additional personnel who, due to the professional activities carried out and the risks monitored, can have a substantial impact on the Group's risk profile, taking into account the responsibilities entrusted and the activities carried out, the hierarchical levels, the delegations and the ability to affect, individually and/or collectively, the risk profile of the Group. The presence or absence of these requirements is identified based on the analysis of internal regulations.

The outcomes of the identification process are appropriately motivated and formalised by Human Resources in the Self-Assessment document, with the support, as far as is within the remit of Compliance and Risk Management.

3.5 Verification of correspondence with the quantitative criteria set forth in Circular 285/2013, Part One, Title IV, Chapter 2, Section 1, paragraph 6, letter c) and Article 6 of the Regulation

Once the identified staff have been defined on the basis of the qualitative criteria set forth in Article 5 of the Delegated Regulations, Human Resources proceeds to verify the existence of the quantitative criteria set forth in Circular 285/2013, Part One, Title IV, Chapter 2, Section 1, paragraph 6, letter c) and Article 6 of the same Delegated Regulation, letters a) and b). The outcomes of the identification process are appropriately motivated and formalised by Human Resources in the Self-Assessment document.

3.5.1 Exclusion of identified staff

If the Bank considers that the staff identified in implementation of Article 6, paragraph 1, of Delegated Regulation (EU) No. 923/2021 may not be considered as identified staff, the Bank, through Corporate Affairs and on the advice of Human Resources, shall promptly, and in any event within six months of the end of the previous financial year, send the Bank of Italy the application for prior authorisation referred to in Article 6, paragraph 3, of Delegated Regulation (EU) No. 923/2021 (i.e., notification of the exclusions concerning personnel whose total remuneration amount is equal to or greater than 750.000 Euro, or for banks with more than 1.000 employees, personnel who fall within the 0,3% of personnel who are assigned the highest total remuneration in the previous financial year or for the previous financial year).

The request for prior authorisation is accompanied by the information identified in Annex A referred to in Part One, Title IV, Chapter 2, Section I of the Supervisory Provisions.

The exclusion lasts one year and concerns the year following the one in which the notification is made, with the exception of the exclusions notified for the first time, which also extend to the year in which the notification is submitted.

The application for authorisation may cumulatively concern several employees or categories of personnel whose exclusion is based on the same conditions, provided that the staff for which the exclusion is requested are clearly identifiable and the same level of information required under this paragraph is guaranteed.

Applications for authorisation for exclusions concerning staff to whom an amount of total remuneration equal to or greater than 1 million Euro is recognised (see Article 6, paragraph 4 of the Delegated Regulation) are in any case submitted individually for each employee. In these cases, the Delegated Regulation states that exclusion may only be authorised in exceptional circumstances, by which is meant unusual or infrequent situations that lead to the staff member not being considered a risk-taker. The existence of exceptional circumstances must be demonstrated in the permit application.

3.6 Drafting of the Self-assessment document and related monitoring

The Group's Self-assessment document is drawn up annually by the Human Resources Department of the Parent Company, which constitutes the preparatory phase for the preparation of the remuneration and incentive policies for the Group's personnel and which contains:

- the internal regulations of reference;
- qualitative and quantitative analysis pursuant to Articles 5 and 6 of the Delegated Regulation;
- the number of personnel identified as most relevant staff;
- the number of individuals identified for the first time;
- individual names or identifiers;
- the description of the roles and responsibilities of the staff;
- a comparison with the results of the previous identification process.

The same information concerns any personnel excluded and those for whom a request for preventive authorisation of exclusion has been submitted or is intended to be submitted, as regulated in paragraph 3.4.1.

The Human Resources function of the Parent Company, with the support of the Parent Company's Compliance, monitors the consistency of the contents of the Self-Assessment document with respect to any organisational changes that have occurred in order to assess the need for revision of the document itself in order to make it consistent with the organisational changes made.

In the event that an employee or a new employee is recognised during the year in a role falling within the identified staff according to the applicable regulations and the indications contained in the relevant identification document and in this identification process, the Human Resources Department will notify the person concerned of his/her entry into the category in question and of the consequent applicable remuneration regulations.

3.7 Submission of the Self-assessment document to the Remuneration Committee and approval of the Board of Directors

The Self-assessment document is submitted for evaluation by the Parent Company's Remuneration Committee and, in the event of a favourable opinion from the latter, for the approval of the Board of Directors of the Parent Company and Subsidiaries.

Following the aforementioned decisions, the subsidiaries then abide by the indications received and remain in any case responsible for compliance with the legislation directly applicable to them and for the correct implementation of the guidelines provided by the Parent Company.

