English translation for courtesy purposes only. In case of discrepancies between the Italian version and the English version, the Italian version shall prevail

BANCA MONTE DEI PASCHI DI SIENA S.P.A.

ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING

17 April 2025 (on a single call)

EXPLANATORY REPORT BY THE BOARD OF DIRECTORS

CONCERNING ITEM 2) ON THE ORDINARY SESSION OF THE AGENDA

REPORT ON THE POLICY REGARDING REMUNERATION AND COMPENSATION PAID PURSANT TO ARTICLE 123-*TER* OF THE LEGISLATIVE DECREE NO. 58 OF 24 FEBRUARY 1998 ("CONSOLIDATED FINANCIAL ACT" OR "TUF"); RELATED AND CONSEQUENT RESOLUTIONS:

2.1) BINDING VOTE ON THE FIRST SECTION CONCERNING THE REMUNERATION POLICY

AND

2.2) NON-BINDING VOTE ON THE SECOND SECTION CONCERNING THE COMPENSATION PAID.

Dear Shareholders,

You were convened to resolve upon the following **item 2)** on the agenda of the Ordinary Shareholders' Meeting:

"Report on the policy regarding remuneration and compensation paid pursuant to article 123-*ter* of the Legislative Decree no. 58 of 24 February 1998 ("Consolidated Financial Act" or "TUF"); related and consequent resolutions:

2.1) binding vote on the first section concerning the remuneration policy

and

2.2) non-binding vote on the second section concerning the compensation paid "

Report on the remuneration policy 2025 and on compensation paid

Courtesy translation: in case of discrepancy between the Italian language original text and the English language translation, the Italian text shall prevail.

Letter from the Chairperson of the Remuneration Committee

Gianluca Brancadoro

Dear Shareholders,

As Chairman of the Remuneration Committee of Banca Monte dei Paschi di Siena, I am pleased to present to you the Report on the 2025 remuneration policy and compensation paid in 2024.

In line with previous years, the 2025 Remuneration Policy ensures a link with the strategic guidelines outlined in the new 2024-2028 Business Plan *"A Clear and Simple Commercial Bank Revolving Around Customers, Combining Technology With Human Touch"* which, within a clear and transparent governance framework, fully integrates the sustainability issue into strategic guidelines, enhancing the value of the Bank's talented resources, further improving the business' sustainability, strengthening the financial statements and focusing on the distribution and creation of value for all stakeholders.

Partially renewed at the end of 2024, in compliance with current provisions and best practices, the Board of Directors continued in its commitment to provide the Bank with remuneration tools and structures that take into account the remuneration *benchmarking* analyses and are suitable for making it competitive in the labour market, functional to the pursuit of company objectives and consistent with the expectations of investors for the future, with a view to pursuing sustainable success and creating value in the long term, ensuring careful risk management and establishing a link with company performance.

The Bank's governance model guarantees full collaboration among the various bodies and functions as well as adequate control and a precise review of the preliminary steps as regards all profitable decisions made within the Group, ensuring that they are made independently, knowledgeably and in a timely manner, in order to avoid conflicts of interest or unfairness.

The Committee participated in each phase of the remuneration processes, interacting with the Bank's structures and verifying alignment with the commitment to create value through the *"pay for sustainable performance"* close link as the guiding principle of the incentive system and management's choices towards achieving the Business Plan objectives.

In 2025, this link was further strengthened by introducing more challenging goals and an incentive mechanism even more closely related to exceeding strategic targets, with the aim of rewarding excellence and promoting a culture of high performance

Both in describing the principles and elements that make up remuneration, and in reporting on what was done in the previous financial year, the Report is based on principles of fairness and merit, simplicity, transparency, long-term outlook, and it confirms the focus on respect for diversity and gender equality, guaranteeing the neutrality and fairness of remuneration policies with the aim of achieving a progressive and substantial reduction in the gender pay gap, while at the same time implementing a cultural process that recognises and values diversity in all its forms and guarantees equal opportunities for work and professional growth for all.

The Group has also renewed its commitment in terms of communication, with the aim of providing complete and transparent disclosure, clearly responding to market demands and regulations regarding the remuneration practices adopted.

In this way, within an overall framework of sustainability and alignment with the interests of investors, the Remuneration Policy continues to represent the fundamental tool for attracting, retaining and motivating people who, on a daily basis, act in accordance with ethical principles and work with passion, care and collaboration.

Confirming this approach, the structure defined for the short-term incentive system sought to combine a responsible approach in the informed management of business risks with a self-financing mechanism for the sane systems. The correct focus on Group performance was also ensured, with attention to the different business areas, confirming the commitment to sustainability issues, through the focus on both ESG indicators and gender equality, related to the Sustainability Plan approved by the Board of Directors in 2023.

The Policy also clearly outlines the remuneration structure of the CEO, the criteria linking incentives to economic, financial and social responsibility objectives, the incentive drivers for all

Identified Staff and, therefore, the creation of value for all employees and collaborators.

The 2025 remuneration strategy also reflects the excellent results achieved, which have also led to the definition of a new corporate structure, representing the framework that has contributed to the achievement of these results and that will continue to do so in the future, together with financial discipline and cost control, operational efficiency and careful risk management. Looking ahead, the Committee intends to continue working throughout the year to ensure that the remuneration policy remains attractive and motivating, supporting the Bank in its new phase in the market, This transition represents a significant opportunity to consolidate the institution's competitiveness and attract the best professionals available in the market.

In parallel, efforts to simplify internal processes will continue, with the aim of developing a governance framework that is flexible and responsive to market stresses. This approach will enable the Bank to remain agile, competitive and able to adapt quickly to new challenges and opportunities.

I therefore take this opportunity to warmly thank all the members of the Board of Directors and of the company functions that have actively contributed to its definition.

I would like to sincerely thank my colleagues Paola De Martini, Lucia Foti Belligambi, Anna Paola Negri-Clementi and Renato Sala for their commitment to the Committee's activities and their significant contribution in terms of critical analysis and exchange of ideas, and welcome the new members Elena De Simone, Marcella Panucci and Alessandro Caltagirone.

Finally, I would like to thank you, the Shareholders, for the consideration you have given to this Report, for your contribution and for the trust that we hope you will place in us at the Shareholders' Meeting.

Kindest regards,

Gianluca Brancadoro

Chairperson of the Remuneration Committee

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INTRODUCTION AND OVERVIEW

Foreword	The Report on the 2025 Remuneration policy and on compensation paid (hereinafter "**Report**") is defined in **compliance** with the relevant legal and regulatory system and **fulfils** the **disclosure obligations** envisaged by Consob regulations and by the Bank of Italy's Supervisory Provisions.

In 2024, the Bank recorded excellent results, in continuity with the growth trend already recorded in 2023, testifying the effectiveness of the actions undertaken to strengthen its financial soundness and to improve the Bank's operational efficiency, laying a solid foundation for the acceleration of the growth path in the coming years. In this context, the Bank continued to promote a strong corporate culture focused on the creation of long-term value, encouraging personnel responsibility with respect to the challenges outlined in the new 2024-2028 Business Plan "*A clear and simple commercial Bank, revolving around customers, combining technology with human touch*" (hereinafter "Business Plan").

In a constantly evolving economic and regulatory context, the new Business Plan represents a fundamental strategic step to consolidate the process of relaunch and innovation undertaken in recent years. It aims to strengthen financial soundness, improve the quality of customer service and promote a sustainable growth through a resilient and innovative business model.

This strategic vision is based on remuneration policies aligned with company objectives and the principles of transparency, fairness and inclusion, recognising the commitment of personnel, with the aim of satisfying customer needs in an increasingly effective manner and supporting the achievement of the Group's long-term economic and financial interests as well as pursuing "sustainable success" as a distinctive element of the business development model.

The Plan, consisting of four main pillars, aims to:

- strengthen market position, improving operational efficiency and expanding the range of products and services offered;
- integrate sustainability into core activities, promoting sustainable success as a core value;
- improve profitability, optimising processes and seizing opportunities for digitalisation and technological innovation;

- strengthen corporate governance, with particular attention to transparency and responsibility in strategic decisions.

In summary, the business plan serves as a catalyst for the transformation of Banca Monte dei Paschi di Siena (hereinafter also "Banca MPS"), guaranteeing sustainable growth and lasting value for all stakeholders. The remuneration policies of 2025 fully support this trajectory, encouraging merit and the achievement of strategic objectives, through a fair and measurable system that recognises the value of individual and collective performance. As evidence of its constant commitment to inclusion, equity and value recognition of plurality, at the end of 2024 the Bank improved its rating under the Gender Equality Certification in 2023. This certification underlines the central role of diversity and inclusion in the human capital development strategy, fundamental elements to support the Group's sustainable growth and create value in the long term.

Lastly, in March and November 2024, the MEF finalised, with two separate transactions, the sale of its 27.5% stake in the share capital of Banca MPS and, therefore, at the reference date of this Remuneration Policy, the stake held by the MEF in Banca MPS amounted to approximately 11.7% of the share capital with consequent fulfilment of commitment no. 12.

Therefore, as required by commitment no. 12 and as officially communicated by the European Commission, certain commitments, including commitment no. 5 (remuneration of Bank employees and managers), no longer apply as a result of the aforementioned sale.

Structure of the 2025 Report

Section I	The first section of the Report on the Remuneration Policy: > **indicates** how policies contribute to the corporate strategy, the pursuit of long-term interests and the sustainability of the company > **is determined** considering the remuneration and working conditions of the company's employees > **defines** the various components of remuneration that can be recognised > **specifies** the elements of the policy which, in the presence of the exceptional circumstances indicated in article 123-*ter,* paragraph 3-*bis,* of the Consolidated Law on Finance, it is possible to derogate from

The remuneration and incentive policies for the banking sector are subject to specific European and national regulations. The Report is therefore prepared based on the provisions of the **Consolidated Law on Finance**[1] and the Issuers' Regulations[2] and also takes into account the disclosure obligations to be provided to the Shareholders' Meeting in accordance with the Supervisory Provisions of the Bank of Italy[3] and Regulation EU no. 637/2021[4].

The Report is divided into two separate sections[5]:

- the first concerns the Bank's remuneration and incentive policies for 2025, with reference to the corporate bodies of the Bank and its subsidiaries, and the Group's employees and associates, as well as the processes for implementing such policies, illustrating their contribution to the business strategy, the pursuit of long-term interests and the sustainability of Group operations. The Shareholders' Meeting resolution on said section is binding;
- the second section, accompanied by statements with detailed and aggregated quantitative information, provides details on the application of the policy in relation to the compensation paid with reference to 2024. The Shareholders' Meeting resolution on the second section is non-binding.

[1] Article 123-*ter* of Italian Legislative Decree no. 58/1998, as subsequently amended ("Consolidated Law on Finance - TUF").
[2] According to the provisions of Schedule 7-*bis* of Annex 3A to the Regulations adopted by Consob with resolution no. 11971 of 14 May 1999, as subsequently amended ("Issuers' Regulations").
[3] Circular no. 285 of 17 December 2013 of the Bank of Italy, as subsequently supplemented and amended (the "Supervisory Provisions" or "Circular 285").
[4] Commission Implementing Regulation (EU) 2021/637 of 15 March 2021 laying down implementing technical standards with regard to the publication by institutions of the information referred to in Part Eight, Titles II and III, of Regulation (EU) no. 575/2013 of the European Parliament and of the Council and repealing Implementing Regulation (EU) no. 1423/2013 of the Commission, Commission Delegated Regulation (EU) 2015/1555, Commission Implementing Regulation (EU) 2016/200 and Commission Delegated Regulation (EU) 2017/2295.
[5] The division into two separate sections complies with the provisions of the Consolidated Law on Finance and the Issuers' Regulations.

Regulatory context

In 2024, a series of new rules on remuneration were issued:

- the **Communication of the Bank of Italy of 27 February 2024:** the deadline for sending data on the remuneration systems referred to in the EBA (GL/2022/06) guidelines has been brought forward to 15 June (instead of 31 August), in line with Resolution (EU) 2024/461 of the ECB. The obligation concerns significant banking groups with balance sheet assets total of EUR 40 billion or less and EU subsidiaries with balance sheet assets exceeding EUR 5 billion. In this regard, on 10 June 2024, the Bank sent benchmarking data on remuneration trends and normal practice;

- **Note no. 38 of 21 May 2024 of the Bank of Italy:** confirmation from the Bank about compliance with the EBA Guidelines (GL/2023/08) on gender diversity and the gender pay gap. The banks selected by the Bank of Italy will have to submit their gender pay data every three years, with the first deadline set on 30 April 2025. The Bank is not included in the selected sample;

- **Directive (EU) 2024/1619 ("CRD VI") of the European Parliament and of the Council**: published on 31 May 2024, it must be implemented by the Member States by 10 January 2026. In particular, the Directive extends the responsibilities of the Remuneration Committee on remuneration of the head of the internal audit (art. 92, paragraph 2, letter f) and establishes that the variable remuneration must include the management of ESG risks including the objective of achieving climate neutrality (art. 94, par. 1, letter a). In this regard, it should be noted that the Remuneration Committee of the Bank already has this task in line with the requirements of the applicable Supervisory Provisions on remuneration issued by the Bank of Italy;

- the **Decree of the Minister of Labour and Social Policies of 3 June 2024, in agreement with the Minister for Equal Opportunities and Family**: published in the Official Journal no. 148 of 26 June 2024, it defines the procedures for the mandatory drafting of the two-year report on the situation of male and female personnel for public and private companies that employ over 50 employees. In this regard, on 2 September 2024, the Bank sent the aforementioned report and a similar communication was subsequently provided to the trade unions;

- on 17 December 2024, the Chairman of the Corporate Governance Committee sent the annual letter to listed companies, with recommendations for 2025. In this regard, reference is made to recommendation "B) Transparency and effectiveness of the Remuneration Policy" based on recommendation 27 of Principle XV[6] of the Corporate Governance Code on remuneration and incentive policies, which provides that the performance objectives applicable to executive directors and the Top Management, linked to the disbursement of the variable components, are predetermined and measurable. Any failure to apply this must be expressly indicated in the corporate governance report illustrating the reasons for the non-application decision and how it is intended to ensure compliance with Principle XV of the Corporate Governance Code. The Bank follows the recommendations set forth for remuneration and incentive policies.

[6] "Corporate Governance Code" approved by the Corporate Governance Committee in January 2020 - art. 5 - Principle XV.

SECTION I – 2025 GROUP REMUNERATION AND INCENTIVE POLICY

1. PURPOSE OF THE REMUNERATION POLICY AND MAIN CHANGES FOR 2025

The Group's remuneration policies are geared towards creating sustainable value over time, with the aim of motivating and retaining all personnel, attracting external professionals and maintaining full compliance with risk management policies. These guidelines are reflected in the following goals:

Our goals

- **achievement of short and long-term strategic objectives**, strengthening the link between remuneration and performance through the application of remuneration mechanisms aligned with the principles of sustainability
- **implementation of clear and transparent governance mechanisms** for all stakeholders
- **recognition of merit and diversity**, encouraging personnel growth in an inclusive context and with a view to gender neutrality**, increasing motivation and loyalty**
- **attention to risk**, according to an adequate proportion between the fixed and variable components of the remuneration (so-called Pay-Mix) to avoid short-term or risky behaviour, in compliance with the applicable legislative and regulatory framework
- **reduction of the gender pay gap, with a concrete commitment to gender neutrality, internal equity and external competitiveness,** through constant benchmarking with market practices, in compliance with applicable regulations
- **compliance with legal**, regulatory and statutory provisions, and any applicable codes of ethics or conduct

The 2025 Remuneration policy was defined, in substantial continuity with 2024, also taking into account the broad consensus received during the Shareholders' Meeting of 11 April 2024 (for details see Section II par. 1.2) and the connection with the "pay-for-sustainable performance".

With regard to the "2025 Incentive System", compared to 2024, the approach to the bonus pool funding in close correlation with the results obtained and prospective risk is confirmed. In particular, as part of the so-called CRO Dashboard for the Risk Assessment, a more prudential scheme was adopted with an Appetite - Limit - Tolerance range.

Furthermore, with reference to the scorecards intended for the Chief Executive Officer/General Manager and the remaining Identified Staff, the correlation with economic, financial, risk-related and ESG objectives defined in line with the Sustainability Plan remains tight.

Details relating to the Chief Executive Office/General Manager's objectives are provided in paragraph 4.5.2. of the first section.

During 2025, also in consideration of the ongoing evolution of the business context, the Bank will evaluate an update of the Remuneration Policy to be submitted to the first possible Shareholders' Meeting, in order to strengthen the competitiveness of the remuneration structure, integrating a long-term incentive plan and raising the maximum limit of the variable remuneration with respect to the fixed remuneration in line with market normal practice, in compliance with the reference regulatory framework, subject to the necessary authorisations.

1.1 The sustainability objectives in the MPS Group strategy

One of the main commitments of the MPS Group (hereinafter "the Group") is to be an active part of the transformation of the economic and social context, fostering the transition towards sustainable development models and towards a low-emission economy.

In this context, fully aware of the importance of reconciling business development and financial soundness with social, environmental and governance sustainability, to direct its activities towards the creation of shared value in the long term, the Bank pursues the gradual integration of sustainability principles in its strategy and in decision-making processes, according to the three environmental, social and governance (ESG) guidelines. This process, detailed in the Bank's Sustainability Plan, targets an even more informed use of natural resources and the creation of a more inclusive working environment open to the values of diversity and gender neutrality, by pursuing improvement in the Bank's risk profiles.

Policies will be focused on the principles of efficiency, equity, transparency, sustainability, on the desire to value merit and correspondence between performance and personal recognitions, while also paying the utmost attention to avoiding conflicts of interest and strengthening the culture of regulatory compliance.
The intent is to contribute more and more effectively in the pursuit of the Group's long-term economic/financial interests, but also to the company's "**sustainable success**". The priority objective of creating value for shareholders over the medium/long-term cannot, in fact, disregard the pursuit of objectives in the interest of other stakeholders relevant for the company.
In this scenario, remuneration policies can play a strategic role, also through adequate balancing and sizing of the variable remuneration component with respect to the fixed component, ensuring that the variable part of remuneration is connected to both financial and non-financial performance parameters, as well as ESG targets.

Particular attention is paid not only to the results achieved, through a direct link between performance and remuneration, but also to the evaluation of the objectivity and measurability of the conditions to which remuneration is linked to and the indicators used to measure it. To this end, over the annual horizon of the Report, a detailed and balanced framework of objectives is expected to be maintained to guarantee the profitability of the company as a whole and reinforce operational efficiency in traditional business sectors.
The remuneration policy therefore supports the Group's commitment to combine the requirements of the Business Plan to achieve sustainable profitability and the observance of a rigorous financial discipline, ensuring the sustainability of future actions and projects.

1.2 Gender equality and inclusion

The Bank has begun a systemic process of cultural change aimed at achieving full gender equity. The promotion of plurality, inclusion and equity, including gender neutrality, is a fundamental pillar of a sustainable development model. This approach represents one of the cornerstones of the company that recognises how the combined action of individual unique skills contributes to the company's competitive capacity and reputation.

These values, enshrined in the Gender Equality Policy[7], guide all the Bank's policies, not only in terms of remuneration, but in every area of the company and guide all phases of people's professional lives, such as, for example, recruitment processes, career development, managerial succession plans and training programs.

A concrete commitment to diversity

The Bank adopts a global vision on diversity, pursuing the clear objectives summarised below:

- recognition and value enhancement of the uniqueness of human capital, an intangible and valuable resource for the company;
- equal opportunities, promotion and development of everyone's skills and potential, collaboration, innovation, creativity and freedom of expression, an inclusive, safe and proper working environment, reconciliation of business needs with personal and family demands;
- promotion and dissemination of the principles for a "zero tolerance" culture towards violence and harassment in the workplace.

Following the Group's voluntary adhesion, in 2023 the Bank obtained the "Gender Equality Certification", based on thirty-one performance indicators, divided into six specific thematic areas: Culture and strategy, Governance, HR processes, Opportunities for the growth and inclusion of women in the company, Gender equal pay, Protection of parenting and work-life balance.

The external company, accredited as a certification body[8], confirmed the Gender Equality Certification, obtained in 2023, also for the year 2024 with a significant improvement in the related rating compared to the previous year.

Equal pay policies

Remuneration policies are an integral part of this process, and are inspired by the principles of fairness, inclusiveness, sustainability and the value recognition of diversity.

[7] The document in which the Bank notifies all stakeholders of their commitments in terms of valuing diversity, inclusion, equity and parity that the Company aims to pursue in all phases of the professional life of each person, in terms of organisational and operational aspects, internal and external communication and their relationship with the local area.

[8] The company which conducted the assessment process for the Group was RINA Services S.p.A.

The Bank guarantees a remuneration based on merit, skills and results, without distinction as to age, gender, sexual orientation, marital status, religion, language, ethnicity, disability or personal beliefs[9].

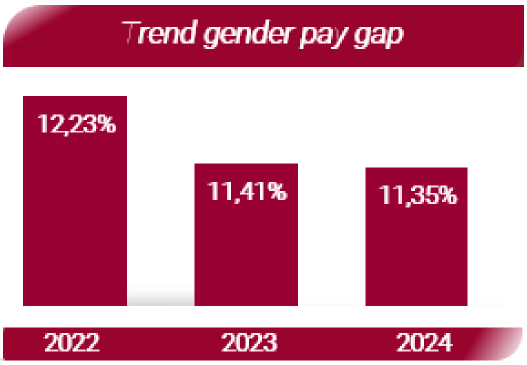
In order to pursue equal pay and strengthen consistency between roles and responsibilities, the Bank, also in terms of attraction, engagement and retention, is committed to offering remuneration in line with:

- market trends;
- characteristics of the role held;
- skills, abilities and professional experience of each;
- individual contribution to company performance, objectively evaluated.

The organisational model and the processes adopted are also **aimed at reducing any gap with respect to the less represented gender** with the aim of achieving equal pay.

To this end, the systems for assessing organisational positions, tools that have been in use for some time, take into account the responsibilities and complexities relating to the different roles, a detailed description of which is provided in the paragraphs below (see paragraph 4.1)

The objective approach to the weighting of organisational positions helps to ensure that the remuneration policies adopted are gender neutral and makes it possible to achieve the goal of equal pay. The tools used make it possible to constantly monitor the **gender pay gap**[10] in the Group, which at the end of 2024 stood at **11.35%, confirming a decreasing trend** (see chart)[11].



The progressive reduction of the pay gap reflects the synergies that exist between the management actions implemented by the Bank's structures and the Group companies –

[9] State of pregnancy, of maternity or paternity, including in the case of adoption, political opinions, affiliation or trade union activity.

[10] Understood as the percentage gap between the average hourly pay for men and the average hourly pay for women, in relation to the average hourly pay for men.

[11] Compared to previous years, the index is presented in the same way as in the Corporate Sustainability Reporting Directive (so-called CSRD), including in the calculation of remuneration any form of non-monetary remuneration granted during the year. The CSRD is the new corporate reporting requirement aimed at improving the quality, consistency and comparability of sustainability reporting by companies operating in the European Union (see Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council with regard to sustainability reporting principles).

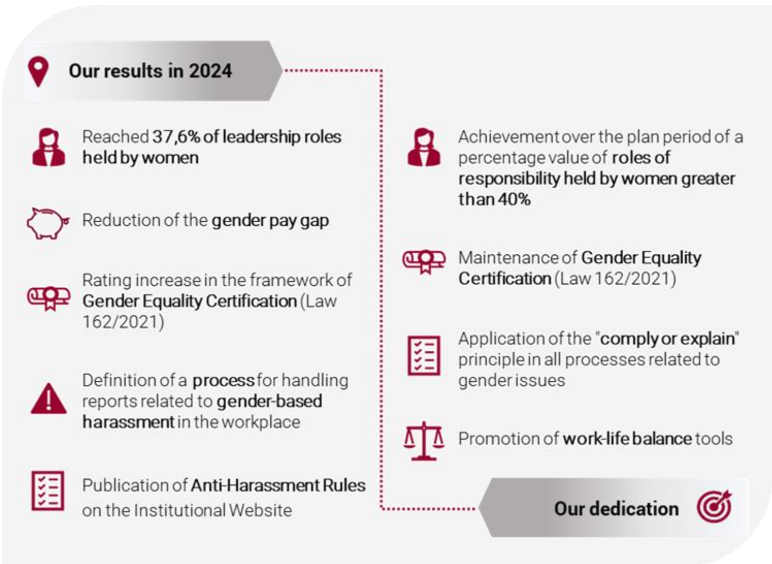
focus on development and managerial programmes, attention to incoming resources – and the related salary actions.[12]

With a view to continuous improvement, the Bank has also been implementing the following for some time:

- The **Joint Commission on Equal Opportunities**, which is responsible for sharing female employment indicators in the company, as well as identifying appropriate empowerment policies in order to accelerate practical solutions aimed at pay equality between men and women across all levels of the organisation.
- The **Corporate Observatory**[13] is tasked with specific monitoring of situations potentially detrimental to the dignity of workers.

The Bank has reconfirmed its commitment to these issues, continuing the process undertaken in compliance with the "Memorandum of Understanding between the Minister for the Family, Birth Rate and Equal Opportunities and the Italian Banking Association for preventing and combating violence against women and domestic violence" which it adopted in 2023. In terms of continuity, it also closely monitors the other initiatives promoted by ABI, which the Bank has already adhered to in previous years, including the "Women in banking charter" and the "Memorandum of understanding to encourage the repayment of loans by victims of gender-based violence".

Focus: our results and our commitment



For further information on Diversity & Inclusion issues, please refer to the Consolidated Financial Report.

[12] For further information, please refer to Section II, paragraph 1.6.
[13] In line with the principles of the "Protocol on the sustainable and compatible development of the banking system" of 16 June 2004.

2. GOVERNANCE RULES

Governance rules	The **governance model** > **aims** to ensure a **correct implementation** of the Group's remuneration practices > is defined in **compliance with the legal and regulatory system** of reference > **guarantees correct disclosure** in compliance with the provisions of the Supervisory Authorities

The Bank adopts governance rules and decision-making autonomy with regard to remuneration and incentives of Group personnel, which can be implemented according to an approach based on consistency and respect for the business of the individual companies to which the personnel belong. These rules are identified with the aim of ensuring clarity and reliability in the related decision-making processes, through adequate monitoring of remuneration practices and decisions taken in an independent, informed and timely manner, at a level considered appropriate to avoid conflicts of interest and ensure correct disclosure in full compliance with the provisions of the Supervisory Authorities.

The **By-Laws**[14] and the Group's internal regulations, approved by the Bank's Board of Directors in compliance with the reference legal and regulatory system (in particular, the Supervisory Provisions[15] and the relevant European regulations, the Consolidated Law on Finance and the Corporate Governance Code to which the Bank adheres), draw up a clear process for the definition and implementation of the Group's remuneration and incentive policies.

Special attention is paid to the identification of principles and responsibilities aimed at defining, on an annual basis, the perimeter of **Identified Staff**, i.e. staff whose professional activities have or may have a significant impact on the risk profile of the Bank or the Banking Group, identified as such by the Bank in accordance with the relevant legislative and regulatory provisions[16] and recipients of adequate incentives to ensure their professional and prudent conduct.

[14] Available on the Bank's website at the address *www.gruppomps.it* section Corporate Governance - Governance Model.
[15] Circular no. 285 of 17 December 2013 of the Bank of Italy, as subsequently supplemented and amended (the "Supervisory Provisions" or "Circular 285").
[16] As defined by Circular no. 285 and in compliance with Delegated Regulation (EU) 2021/923.

Parties that define the remuneration and incentive policies of the Montepaschi Group personnel

SHAREHOLDERS' MEETING: DUTIES AND RESPONSIBILITIES

The **Shareholders' Meeting**:

- determines the compensation of Directors and statutory auditors in compliance with the provisions of the By-Laws;
- determines the fee of the Chairperson of the Board of Directors;
- on an annual frequency, at the time of the approval of the financial statements, it approves, with a binding vote, the remuneration and incentive policies for the Bank and the Group, stated in Section I of the Report and resolves, with a non-binding vote, on Section II of the Report itself, containing information on the remuneration components and the compensation paid in the reference year and for whatever reason and in whatever form, by the Bank and by the subsidiaries or associates, in favour of the members of the Board of Directors, the Board of Statutory Auditors, the General Managers and, in aggregate form, key management personnel. Section II also describes how the Company has taken into account the vote cast the previous year on Section II of the Report;
- approves the remuneration plans based on financial instruments in favour of board directors, employees and other business partners - not bound by employment contracts - with the Bank;[17]
- approves the criteria for the calculation of the remuneration to be agreed in the event of early termination of employment, or early termination of office, including the limits set for said remuneration in terms of annuality of the fixed remuneration and the maximum amount resulting from their application.

BOARD OF DIRECTORS: DUTIES AND RESPONSIBILITIES

the **Board of Directors** as a **corporate body** with strategic supervision functions:

- prepares, with the support of the Remuneration Committee and the qualified corporate functions involved, the Report and submits it annually to the Shareholders' Meeting, implementing it once it has been approved;
- establishes **the remuneration of the directors holding particular offices**, in compliance with the By-Laws and the rules currently in force, including the Chief Executive Officer and the Directors that are members of the Board's internal committees (Appointments Committee, Remuneration

[17] Pursuant to the Bank's internal regulations, the parties indicated in relation to the payment plans based on financial instruments also include financial advisors authorised to sell on indirect sales channels as agents, and the Bank's business partners, insurance agents and financial agents.

Committee, Risk and Sustainability Committee, Related Parties Transactions Committee and IT and Digitisation Committee[18]), except for the remuneration of the Chairperson of the Board of Directors, which is set by the Shareholders' Meeting. The relevant resolutions are passed by the Board of Directors on the proposal of the Remuneration Committee, with the prior opinion of the Compliance Function and with the opinion of the Board of Statutory Auditors;

- defines, pursuant to Circular 285[19], **the remuneration and incentive systems** at least for the following parties: Executive Directors; General Manager; Co-General Managers and similar figures, the Managers of the main business lines, company functions or geographical areas, those who report directly to the bodies with strategic supervision, management and control functions, the Managers and senior staff of the Corporate Control Functions.[20]
- ensures that the remuneration and incentive systems are **suitable to guarantee compliance** with the provisions of law, regulations and the By-Laws as well as any codes of ethics or conduct, promoting the adoption of compliant behaviour;
- adopts **the measures relating to the legal and economic status** of the General Manager, the Deputy General Managers, the Managers of the internal, compliance, risk control and anti-money laundering functions, as well as any other figures, in accordance with the pro-tempore regulations in force;
- resolves on the **rules concerning the legal and economic status of the staff**, including base salary and allowances, which like any other rules must be approved in accordance with law;
- ensures that personnel remuneration is **consistent with the overall decisions of the Bank** in terms of risk-taking, strategies, long-term objectives, corporate governance structure and internal controls;
- annually approves the Group's economic allocation for variable instruments, based on the proposal of the Remuneration Committee and having received the opinion of the Risk and Sustainability Committee which assesses its consistency with the Risk Appetite Framework (so-called RAF) and the Compliance Function;
- approves annually, on the proposal of the Remuneration Committee, the **gates** for the payment of variable remuneration;
- approves, on the proposal of the Remuneration Committee, the activation of the so-called "**Core" variable instruments**;
- approves, on the proposal of the Remuneration Committee and with the opinions of the competent corporate functions, the application of any exceptions to the policy in compliance with the criteria set out in the Remuneration Report recently approved by the Shareholders'

[18] Committee established by the Board resolution of 19 September 2024.
[19] First Part, Title IV, Chapter 2, Section II, Role and responsibilities of the Shareholders' Meeting and corporate bodies.
[20] Corporate Control Functions of the Bank: Internal Audit, Risk Management, Compliance, AML-CFT and Internal Validation.

Meeting, providing reports to the latter, according to the procedures and the levels of detail defined by the external regulations applicable from time to time;

- as part of the periodic review of remuneration policies, analyses, with the support of the Remuneration Committee, their gender neutrality and evaluates any gender pay gap and its evolution over time, documenting the reasons for any **gender pay gap**, also in order to identify and adopt practical and targeted actions aimed at gradually reducing the gap.

REMUNERATION COMMITTEE:[21] DUTIES AND RESPONSIBILITIES

The Remuneration Committee (internal board body) exercises advisory, investigative and proposal-making functions in support of the Board of Directors. In particular:

- is responsible, also with the support of the Risk Management Function, whose head is appropriately involved in the meetings of the Committee itself - for expressing an independent opinion on the Group's remuneration policies and practices, in general, with reference to the balancing of the objectives of personnel engagement/retention and reducing corporate risk;
- makes proposals to the Board of Directors regarding the remuneration and economic treatment of the persons whose remuneration structure is the responsibility of the Board of Directors;
- periodically assesses the criteria adopted for the remuneration of the key management personnel, monitoring their application and providing general recommendations to the Board of Directors on this subject;[22]
- directly supervises the correct application of the rules on the remuneration of the managers of the Company Control Functions, in close cooperation with the body with control functions (Circular 285[23]);
- prepares the documentation to be submitted to the strategic supervisory body for the related decisions (Circular 285[24]).

The Remuneration Committee envisages that, if members have a personal interest or represent that of others with regard to a matter on the agenda, they should inform the Committee of this and abstain from attending in the meeting, it being understood that no Director should take part in Committee meetings in which proposals are to be made to the Board of Directors regarding their own remuneration[25].

[21] For further information on the activities carried out by the Committee in 2024, please refer to the Report on Corporate Governance and Ownership Structure published on the Bank's website *www.gruppomps.it* - Corporate Governance - Governance Model.
[22] See By-Laws, art. 17, paragraph 4, letter a).
[23] See note no. 19.
[24] See note no. 19.
[25] Indication provided also in accordance with the "CRD Directive" (Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013, as subsequently amended, on access to the activity of credit institutions and prudential supervision of credit institutions and investment firms).

The Remuneration Committee, in order to carry out its duties, may employ independent external advisors and experts in remuneration policies[26].

The remuneration of the members of the Remuneration Committee, as non-executive directors, is not linked to the Group's economic results and, therefore, incentive plans of any nature whatsoever are not envisaged for the same (see paragraph 4.2).

Members in office as at 31 December 2024

- *Gianluca Brancadoro (Chairperson)*
- *Paola De Martini (member of the minority list)*
- *Renato Sala*

all **Independent Directors**[27].

Following the resignation from office on 17 December 2024 of the Board Member Lucia Foti Belligambi and Anna Paola Negri-Clementi, members of the Remuneration Committee, the Board of Directors, on 5 February 2025, reconstituted the Committee with the appointment of Directors Alessandro Caltagirone, Elena De Simone, Marcella Panucci (Independent), while the Independent Director Paola De Martini, formerly a member of the Remuneration Committee, was appointed member of the 231 Supervisory Body.

RISK AND SUSTAINABILITY COMMITTEE: DUTIES AND RESPONSIBILITIES[28]

The Risk and Sustainability Committee (internal board body) provides advice and makes proposals to the Board of Directors. In particular:

- assists the Board of Directors in defining the guidelines for the internal control and risk management system and in assessing the adequacy and effectiveness of this system;
- without prejudice to the responsibilities of the Remuneration Committee, ensures that the incentives underlying the Group's remuneration and incentive system are consistent with the Risk Appetite Framework ("**RAF**");

[26] The Remuneration Committee for 2025 decided to engage an external and independent advisor, Chaberton Partners.
[27] The above mentioned directors were assessed as independent pursuant to the provisions of art. 15 of the By-Laws: independence requirements established by art. 147-*ter* and art. 148, paragraph 3, of the Consolidated Law on Finance, art. 13 of MEF (Ministry of Economy and Finance) Decree no. 169/2020 and art. 2 of the Corporate Governance Code.
[28] For further information on the functions and activities carried out by the Committee in 2024, please refer to the Report on Corporate Governance and Ownership Structure published on the Bank's website *www.gruppomps.it* - Corporate Governance - Governance Model.

- expresses a prior opinion when determining the remuneration of the Managers of the Corporate Control Functions which, on the basis of the By-Laws and the regulations in force at the time, are decided by the Board of Directors;
- assists the Board of Directors in Sustainability assessments and decisions, in the analysis of the relevant issues for the generation of long-term value, in the evaluation of the suitability of the periodic information - financial and non-financial - to correctly represent the business model, the Company's strategies, the impact of its activities and the performance achieved, with particular attention to the aspects relevant to the internal control and risk management system, as well as to Sustainability.

Members in office as at 31 December 2024

- *Alessandra Giuseppina Barzaghi (Chairperson) (member of the minority list)*
- *Stefano Di Stefano*
- *Domenico Lombardi*
- *Paola Lucantoni*

all **Independent Directors**[29] **with the exception of director Stefano Di Stefano.**

Following the resignation from office on 17 December 2024 of Director Laura Martiniello, a member of the Risk and Sustainability Committee, on 5 February 2025 the Board of Directors appointed Director Barbara Tadolini (Independent) as new member of the Committee.

OTHER CORPORATE BODIES: DUTIES AND RESPONSIBILITIES

The Chief Executive Officer/General Manager resolves, based on the powers delegated to them by the Board of Directors, on the legal and economic status of staff of all levels and status, except for the persons mentioned whose legal and economic status falls under the exclusive responsibility of the Board of Directors.

As General Manager, pursuant to art. 22 of the By-Laws, he/she is in charge of the personnel and exercises, with regard to the latter, the functions assigned to him/her by the regulations governing the relative employment relationships.

The Board of Statutory Auditors[30] expresses an opinion on the remuneration of directors holding special offices.

[29] See note 27.
[30] According to the provisions of art. 2389 of the Italian Civil Code and with reference to the By-Laws of the Bank (art. 26, paragraph 3).

COMPANY FUNCTIONS: DUTIES AND RESPONSIBILITIES
The **Human Resources**, ***Compliance***, ***Risk Management***, **Planning, Internal Audit and Legal** functions of the Bank, according to their respective responsibilities and in such a manner to ensure the independence of the Company Control Functions, participate in the definition, planning, preparation and any revision of the remuneration and incentive policies and provide the necessary support to ensure they are in line with the reference regulatory framework and that they work properly. The **Human Resources Function** implements the policies from a technical and operational view, overseeing their coordination at Group (and individual company) level, regarding both the fixed and the variable remuneration components, and ensuring - inter alia - consistency between the policies, the human resource management procedures and the remuneration and incentive systems of the Bank.

3. COMPLIANCE

Compliance	The **Compliance**, **Risk Management** and **Internal Audit Functions** provide their contribution by **supporting** the corporate bodies in the design phase of the remuneration policies in order to make them **consistent** with the Bank's **risk appetite** and intervene in the corresponding implementation processes

The Compliance, Risk Management and Internal Audit Functions provide their contribution to the compliance of the Group's remuneration policies with the reference regulatory requirements and respect for the commitments undertaken by the Group towards stakeholders, with particular emphasis on monitoring the quality of the relationship with customers and engaging in effective behaviour for the correct management of this relationship.

In particular, the **Compliance** Function:

- verifies continuously and annually, in time for the Remuneration Report to be approved by the Shareholders' Meeting, the consistency of the remuneration policies and practices adopted according to the external regulatory framework;
- prepares a report for the Remuneration Committee in which it highlights any areas of attention for compliance purposes;
- together with the Bank's Human Resources Function, defines the set of requirements that the aforementioned function is required to observe in the practical implementation of the approved remuneration policies.

The **Risk Management** Function safeguards the sustainability of remuneration and incentives policies by monitoring their consistency and that of ensuing incentive systems with the Group's RAF, also producing a report to support the Risk and Sustainability Committee and providing adequate support to the Remuneration Committee.

The **Internal Audit** Function is required to verify, on an annual basis, that the remuneration practices are consistent with the policies approved by the Shareholders' Meeting and applicable legislation, making the Board of Directors and the Shareholders' Meeting aware of the results.

In preparing the remuneration policies, the Bank analysed the practices of the main banking groups and Bank made use, for the definition of some specific technical aspects, of the consultancy firm Willis Towers Watson[31]. The Bank also makes continuous use of said company for benchmarking activities (see paragraph 4.1)[32].

Relevant parties and credit intermediaries for the purposes of the Bank of Italy Provisions on the transparency of banking and financial transactions and services

The remuneration policies contained in the Report, pursuant to the Bank of Italy regulations on Transparency[33], also include the indication of the number of "relevant parties"[34] and "credit intermediaries"[35] to which they apply, as well as their role and functions. The role and functions of the relevant parties are indicated by business area, without prejudice to the distinction between parties that offer products directly to customers and parties to which they report hierarchically.

The objective of the remuneration policies and practices of "relevant parties" and "credit intermediaries" is to reconcile the needs of an increasingly competitive market with the legitimate expectations of shareholders, associates and customers, also taking into account the rights and interests of customers in relation to the offer of "products".

In the overall assessment, the results of the monitoring of the structures responsible for verifying the correct relationship with customers are considered, together with corrective measures related to the assessment of other compliance and quality indicators, as well as the results of the audits by the Control Functions.

The Group informs the "relevant parties" and the "credit intermediaries", in a clear and easy-to-understand way, of the remuneration policies and practices applicable to them, before they are responsible for offering the products. To this end, it should be noted that the agreements signed with the "credit intermediaries" must comply with the remuneration policies.

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[31] Information also provided pursuant to Article 450 (1) (a) of EU Regulation 575/2013.
[32] Indication also provided pursuant to Directive 2017/828/EU ("Shareholder Rights Directive II").
[33] The "Provisions for the transparency of banking and financial transactions and services. Proper relations between intermediaries and customers" issued by the Bank of Italy ("Transparency Provisions") govern the policies and normal practice that intermediaries adopt for the remuneration of personnel and third parties involved in the sales network without prejudice to the application of the prudential provisions with regard to remuneration policies and practices.
[34] Group personnel who offer products to customers, interacting with the latter, as well as those to whom these personnel report hierarchically (see Transparency Provisions - Section XI, paragraph 2-*quater*).
[35] Parties identified as the financial agent, the credit broker as well as the party, other than the lender, who in exercising their commercial or professional activity, for a fee in cash or other economic advantage contained in an agreement and in compliance with the asset reserves, provided for by law, concludes credit agreements on behalf of the lender or carries out activities involving the presentation or proposal of credit agreements or other preparatory activities with a view to concluding such agreements (see Transparency Provisions - Section VII, paragraph 2).

The Group annually reviews the remuneration policies and practices of “relevant parties” and “credit intermediaries” also in order to ensure a periodic assessment of the adequacy of the controls adopted to address the risks described above, with the support of the Functions concerned for the purposes of Compliance.

Identification of "relevant parties" and "credit intermediaries" as at 31 December 2024

In 2024, in accordance with current supervisory provisions on the transparency of banking and financial transactions and services, the Group identified the “relevant parties”. The list, broken down by business area as at 31 December 2024, is shown in the table below.

With reference, moreover, to participants in incentive systems or in general in variable remuneration plans:

- for personnel responsible for assessing creditworthiness, the remuneration policies and practices ensure prudent risk management by the Group;
- for personnel responsible for handling complaints, the remuneration policies and practices provide for indicators that take into account, among other things, the results achieved in the management of complaints and the quality of relations with customers.

Table: identification of "relevant parties" and "credit intermediaries" as at 31 December 2024

Banca Monte dei Paschi di Siena	Subjects that offer products directly to customers	Subjects to which the former respond hierarchically
Retail		
Head of Retail (including deputy, if present)	28	14
District Manager of Retail	132	14
Retail Branch Manager	1262	132
Retail employee	8041	1262
Support/Commercial assistant	87	4
Corporate e Private		
Head of Corporate and Private (including deputy, if present)	28	14
Specialist Support	17	14
Corporate Branch Manager	72	14
Corporate Officer	615	72
Small Business Manager	133	14
Small Business Officer	752	133
Private Manager/Private Director	11	11
Private Branch Manager	53	11
Private Banker/Account Private	316	53
Specialist support/commercial assistant	192	36
Large Corporate & Investment Banking		
LC & IB Specialist (including approver, if present)	111	11
Lending Officer		
Credit Specialist (including approver, if present)	62	5
Credit Intermediaries & Financial Advisors	**Subjects that offer products directly to customers**	**Subjects to which the former respond hierarchically**
Widiba Head of Financial Advisors	55	10 (*)
Widiba Financial Advisors	510	46
Other credit intermediaries	0	0

(*) including the Head of Financial Advisors

4. PERSONNEL REMUNERATION AND INCENTIVES

4.1 General Principles

Remuneration policy

The Remuneration and Incentive Policy helps to **direct the business**, pursue the long-term interests of the company, have a **positive impact on society and the environment**, implementing specific governance models.
It is designed in **compliance** with the principles and purposes of the company and the **provisions of current legislation**. In order to ensure **effectiveness**, **competitiveness** and **solidity**, analyses are conducted periodically to monitor the main market practices and trends.
The following paragraphs describe the implementation choices.

Remuneration[36] refers to "all forms of payment or benefit, including any allowances paid, directly or indirectly, in cash, financial instruments or services or fringe benefits in exchange for work or professional services by staff to the Bank or other companies in the Banking Group.[37]"

The combination of the fixed and variable components (the so-called "**Pay Mix**") is established preventively for each staff sub-category, in order to discourage excessive risk-taking behaviour (see paragraph 4.4.2 and 4.5.1).

[38]Remuneration policies are aimed at ensuring that staff have an equal level of remuneration, including in terms of the conditions applied to its recognition and payment; they are therefore gender-neutral and contribute to the pursuit of complete equality at all organisational levels.

More specifically, the remuneration structures are defined in correlation with the applicable market practices (see box on "benchmarking" and "job levelling"). In determining remuneration, the Bank also takes the following aspects into account: (i) skills and commitment; (ii) location of service and relative cost of living; (iii) level of formal education; (iv) scarcity of personnel available in the job market for specialised positions; (v) the nature of the employment agreement; (vi) duration of professional experience; (vii) professional certifications[39].

The basic elements that characterise the salary structure are outlined in the paragraphs below.

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[36] In accordance with the provisions of Circular no. 285.
[37] In accordance with applicable law "marginal payments or benefits given to staff on a non-discretionary basis may not be included, and which form part of a general policy of the bank, and which do not have effects on the bonus plan when taking on or controlling risks". Supervisory Provisions, Part I, Title IV, Chapter 2, Section I, par. 3.
[38] The Bank ensures that all of the relative working conditions with an impact on remuneration by unit of measurement or hourly rate are gender neutral.
[39] Information provided also pursuant to the "EBA Guidelines" (specifically, see paragraph 27).

BENCHMARKING

A highly significant aspect that makes it possible to establish how the company's remuneration policy is positioned with respect to the reference market is benchmarking. It makes it possible to implement - at the same time - choices that are competitive externally and balanced internally, through the identification of objective parameters of comparison.

In order to verify the salary positioning of the human capital of the Bank and of the Group, specific peer groups have been identified:

- for the Chief Executive Officer/General Manager, a selection of Italian Banking Groups representative of Banca MPS's reference market, in which each Group presents elements of comparability with Banca MPS's strategy with reference to the geographical area of operations, size in terms of funding, business portfolio, listing on regulated markets (9 companies in the banking or financial sector: Banca Mediolanum, Banca Popolare di Sondrio, Banco BPM, BPER Banca, Credito Emiliano, Fineco Bank, Mediobanca, Intesa Sanpaolo and UniCredit);
- for the remaining Key Management Personnel, a selection of Italian companies, similar to the Montepaschi Group in terms of business model and organisational complexity, identified from a panel of Groups proposed by the leading specialised company Willis Towers Watson (hereinafter WTW);
- for other positions with management responsibilities, from the 2024 Financial Services Survey Report - Italy by WTW;
- for the operational positions, the Retributiva Credito e Finanza survey by ABI in association with Deloitte Consulting S.r.l. which included 41 of the leading companies/groups in the Italian banking sector in 2024.

JOB LEVELLING

In order to determine the importance and establish the value of various job positions, the Group engaged the international advisory firm WTW, which uses its proprietary method (the Global Grading System) to create a job levelling system for the main company jobs, allowing them to be sorted in descending order.

Each of these positions is evaluated based on the nature and level of complexity of the contribution provided to the business, through quantitative and qualitative factors, including those of an organisational nature and risk governance-related factors. All these elements together make it possible to identify the grade of the position.

Once the grade has been assigned, internal equity can be evaluated over time, by verifying both the consistency of the remuneration packages of employees with the same classification levels and the external competitiveness through market comparison. For top positions, the analysis goes into more depth and considers not only the grade but also the role covered through a comparison with the same or the closest roles present in the market and belonging to the same grade or nearby grades, allowing for a more precise assessment of remuneration with respect to the applicable market. The organisational ranges, as sets of contiguous grades, have also been defined and associated with the entire HR value proposition.

4.2 Remuneration of Directors and Statutory Auditors

For the term of office for the financial years 2023 - 2024 - 2025, the Ordinary Shareholders' Meeting held on 20 April 2023, appointed the Board of Directors and the Board of Statutory Auditors and approved their gross annual remuneration, to the extent due *pro tempore*, for the positions of Director, Chairperson of the Board of Directors, Standing Auditor and Chairperson of the Board of Statutory Auditors of the Bank.

The table below summarises the amounts approved for the 2023-2025 mandate:

Role	Gross annual remuneration in EUR	Daily allowance (**)
Board of Directors:		
Chairperson	110.000	-
Chief Executive Officer	1.000.000 (*)	-
Other Directors(***)	65.000	-
Board of Statutory Auditors:		
Chairperson	80.000	-
Statutory Auditors	65.000	-

(*) At its meeting of 7 February 2022, for Luigi Lovaglio, the Board of Directors resolved a single, comprehensive remuneration of EUR 1,000,000 for the roles of General Manager and Chief Executive Officer, inclusive of annual remuneration as well as any attendance fees due, for exercising the powers of Chief Executive Officer.
(**) At the time of the renewal of the corporate bodies, the Shareholders' Meeting of 20 April 2023 did not approve any compensation as an attendance fee for participation in board meetings, in meetings held by the Board of Statutory Auditors and internal board committees.
(***) Including the Deputy Chairperson.

In addition to the fixed gross annual remuneration approved for the Directors by the Shareholders' Meeting, the Board of Directors has the right to resolve additional fixed gross annual remuneration for the members of the internal committees of the Board of Directors and for the directors with special offices.[40]

On the proposal of the Remuneration Committee and after hearing the opinion of the Board of Statutory Auditors, at the meeting of 14 June 2023 the Board of Directors resolved on the additional remuneration for the Directors who were appointed as members of the Board Committees for the 2023-2025 mandate, according to the office assigned. Defined in continuity with the previous mandate, these remunerations are shown below:

Role	Gross annual remuneration in EUR	Daily allowance
Risk and Sustainability Committee:		
Chairperson	25.000	-
Other Members	15.000	-
Related Party Transatcions Commitee:		
Chairperson	15.000	-
Other Members	10.000	-
Nomination Commitee:		
Chairperson	15.000	-
Other Members	10.000	-
Remuneration Commitee:		
Chairperson	15.000	-
Other Members	10.000	-
IT and Digitalisation Committee(*):		
Chairperson	15.000	-
Other Members	10.000	-

(*) On 6 November 2024, upon proposal of the Remuneration Committee, the Board of Directors approved the remuneration for the Directors holding the office of members of the new "IT and Digitalisation Committee", in line with the provisions for the members of the other internal board committees.

The following remuneration has been decided for the sole Director of the Bank who is part of the Supervisory Board, pursuant to Italian Law 231/2001:

[40] Pursuant to art. 2389, paragraph 3 of the Italian Civil Code.

Role	Gross annual remuneration in EUR	Daily allowance
Supervisory Board 231/2001:		
Independent director	10.000	-

With reference to the participation of Directors in Board Committees, as Chairman or Member, or in the Supervisory Body, it is understood that the Board of Directors, in accordance with the decision-making process described, may change the remuneration, if necessary, taking into account the evolution of the context in which the Bank operates and of specific market benchmarking.

With reference to Non-Executive Directors and the members of the Board of Statutory Auditors, the principle is confirmed that there be no connection with the economic results achieved by the Group and that no incentive plans of any nature are to be assigned to them, as had previously been approved by the Shareholders' Meeting.

There is no predetermined severance pay for the Directors in the event that they leave office.

For members of the Bank's Board of Directors and Board of Statutory Auditors, like the provisions in force for employees, an insurance policy has been taken out for occupational accidents cover and health cover (see paragraph 4.3.2).

For the sake of completeness, note that the members of the Board of Directors, the Board of Statutory Auditors of the Bank and its subsidiaries are beneficiaries of a "Directors & Officers Liability" (D&O) insurance policy, which covers the third-party liability of directors, statutory auditors and management resulting from illegal acts[41] performed by the same while carrying out their duties. The D&O policy was taken out at Group level, effective as of 1 May 2019 and with a limit of EUR 100 million, in implementation of the Shareholders' Meeting resolution of 11 April 2019 and subsequently renewed year by year within the limits provided for by the aforementioned resolution[42]. Activities are currently under way in preparation for the renewal of that policy for a period of one year, effective as of 1 May 2025.

[41] Excluding wilful misconduct.

[42] The above-mentioned resolution authorised the stipulation of the D&O with an annual duration and awarded the most extensive power to the Parent Company's Board of Directors for the annual renewal of this insurance policy, informing the Shareholders' Meeting of the costs actually incurred and the scope of application of the cover.

Also for the members of the company bodies of the subsidiaries, the principle has been confirmed that there will be no link established with the economic results achieved by the Group and/or participation in incentive schemes of any nature whatsoever, with the exception of any non-executive Directors of those companies who are also employees of another Group company and who, as such, may be beneficiaries of incentive schemes in compliance with what is set forth in par. 4.4.

Lastly, for the Group's employees in non-executive corporate roles, on designation of the Parent Company and/or a subsidiary, there is also a waiver to the remuneration established for the role of director or member of the Board of Statutory Auditors (the latter only with reference to the associates), based on the prior written consent of the employee concerned.

4.3 Fixed remuneration

4.3.1 Fixed remuneration and indemnities

The fixed remuneration is the **stable** and **irrevocable** part of the remuneration. It is set and disbursed on the basis of **pre-established, non-discretionary and verifiable criteria** such as, for example, levels of professional experience and responsibility. These are in no way dependent on the performance of the individual and of the Bank, so as not to incentivise risk-taking. In fact, the fixed component is geared towards remunerating the skills and responsibilities inherent in the role held, laying the foundations for career paths that also guarantee gender neutrality.

In order to attract and maintain the professional skills of the company and enhance specialist or management contributions, the **remuneration** of the various **roles** and **positions** in the company, based on the grade assigned to them, is periodically **compared with the reference market**, in order to compare external ranges of remuneration with those implemented by our Bank (see detail box on "job levelling" and the box on "benchmarking", paragraph 4.1).

In general, salary ranges are defined for each grade and updated over time, with midpoint values, percentage breadth, progression (i.e. distance between the grade midpoints) and percentage overlaps between the categories, to guarantee a structured approach to remuneration reviews and **to minimise the amount of discretion involved**. The position in the applicable category is determined by a series of pre-established factors, including continuous performance on the role, risk culture and the transparency expressed, the strategic nature of the activity overseen, the riskiness of the role covered and lastly the difficulty of finding similar figures.

The table levels, provided by sector legislation, may be integrated with initiatives aimed at **enhancing the value of managerial and specialist contributions**, seeking **a better correlation** between the grade of the **position in the organisation,** the **remuneration levels** expressed by the market for said position/grade, those within the Bank reported for comparable roles and the **fixed remuneration** of the employee.

Company interventions on the fixed component of remuneration will also constantly **focus on reducing the gender pay gap** and on the **harmonisation of salaries for roles of equal complexity.** Therefore, situations characterised by a high priority for intervention and by strong selectivity and actions will be introduced to rebalance the remuneration structures of resources that are very far from the reference benchmark.

In line with the Business Plan, aimed at fully utilise the Bank's talented resources and in consideration of the market context in which the Bank operates, there is a need to be more competitive with regard to remuneration, for retaining or attracting key resources or the resources placed in critical roles.

The fixed remuneration may be supplemented by inconvenience indemnity, position or role indemnities, depending on the assignment of a position with role characteristics that imply greater complexity or particular organisational positions or, again, in the case of inconvenience indemnities, granted for a placement that generates a worsening of the employee's personal and/or economic situation, which it is appropriate to compensate.

A particular form of role **indemnity** is that paid to the **managers of the Company Control Functions**[43] in order to preserve their independence, while balancing the significant responsibilities associated with the role.

These indemnities, as strictly connected to the circumstance that determined them, remain for the duration of the same, and are revoked when the situation that generated the allocation changes.

[43] The EBA guidelines, which guarantee remuneration policies that do not generate possible conflicts of interest, recommend limitations for the assignment of variable remuneration to the Corporate Control Functions. For these reasons, the fixed remuneration is supplemented with an indemnity aimed at ensuring a level consistent with the nature of the responsibilities assigned.

For financial advisors, the recurring component of remuneration, which represents the most stable and ordinary element of their remuneration, is deemed equivalent to fixed remuneration and is represented by commissions recognised, based on the individual contracts of each financial advisor, in relation to the products and services placed and managed (see paragraph 4.7.2).

4.3.2 Benefits and other compensation

The fixed remuneration is supplemented, in compliance with the provisions set forth in the national and/or second-level bargaining and/or deriving from specific internal policies of reference (see box on "job levelling") by **company benefits** which, depending on the type, may be intended for the majority of employees or, on the contrary, be aimed at particular professionals[44].

In this scenario, the above-mentioned benchmarking and job-levelling processes and the remuneration categories defined for each grade are used to seek the best distribution of available financial resources.

As part of the **fixed remuneration component**, the Group provides its employees with a number of non-monetary recognitions which broaden the remuneration offer in structural terms, raising the levels of motivation and affiliation also with the consolidation of the "MPS Welfare" model through **second-level bargaining** and the work of **joint committees**.

The benefits described below are intended for the entire population of the Group. The institutions that support people include the following:

[44] Information provided also pursuant to the "EBA Guidelines" (see in particular paragraphs no. 131 and no. 134).

Benefits for the Group's population

health coverage not only for **employees in service**, including **dependent family members** and, by virtue of individual agreements, former employees included in the Solidarity Fund

company contribution to the Supplementary Pension Fund for all employees

option to enrol in the company supplementary pension scheme available to all employees of Group companies and their tax-dependent family members

occupational and **non-occupational accident insurance**

meal vouchers, with more favourable treatment than that of the National Collective Labour Agreement, both in terms of amount and number of beneficiaries

subsidised terms on **loans,** also through renegotiation initiatives and on certain **banking, financial and insurance transactions**

In addition to the above, the Bank uses some benefits assigned to particular categories of employees in compliance with predefined non-discretionary criteria/conditions and structured allocation processes detailed in internal regulations. It includes, for example:

- **insurance coverage, including permanent disability from illness and death from illness**, for Management;
- the **company car as a fringe benefit for mixed use**;
- the **provision of sub-lease accommodation.**

In the event of termination of the employment relationship, the Bank may decide to extend the car and accommodation benefit for a maximum period of 3 months.

Health and insurance coverage continue to be effective, for all terminated subjects, until their natural annual expiry[45].

[45] Indications also provided pursuant to Directive 2017/828/EU ("Shareholder Rights Directive II").

Benefits that are not allocated according to the above criteria or that do not fall within one of the aforementioned provisions are considered variable remuneration and therefore subject to the relative rules.

In the interest of completeness, it should be noted that in implementation of Shareholders' Meeting Resolution of 11 April 2019, for the Group Management, similar to what has been provided for Directors and Statutory Auditors, the Bank has confirmed the “Directors & Officers Liability” (D&O) insurance coverage for third-party liability resulting from illegal acts[46] performed by the same while performing their duties. The above-mentioned resolution authorised the stipulation of the D&O with an annual duration and awarded the most extensive power to the Parent Company’s Board of Directors for the annual renewal of this insurance policy, informing the Shareholders’ Meeting of the costs actually incurred and the scope of application of the cover.

[46] Excluding wilful misconduct.

4.4 Variable remuneration

4.4.1 Definition

Variable remuneration includes:

- any payment or benefit where recognition or assignment depends on performance, however it is measured (income targets, volumes, etc.), or other parameters (for example permanence in the company), not including remuneration relating to early retirement, benefits or pay in lieu of notice established by general employment law as described in paragraph 4.4.2;
- discretionary pension benefits and agreements on remuneration relating to early retirement or early termination of office (known as golden parachutes) described in paragraph 4.6 below;
- the “Non Core” components described in paragraph 4.4.3.

The correlation of the variable component with performance (for forms of variable remuneration that are not linked to different parameters) allows implementation of a **differentiation and meritocracy mechanism** and, no less important, makes it possible to **align the interests of management and employees with those of the shareholders and the other stakeholders**.

The maximum ratio of variable remuneration with respect to fixed remuneration is within the limit of 1:1 or lower in the cases specified in the regulations.

All variable remuneration instruments, aside from being gender neutral:

- are subject, when applicable, to the limits on variable distributions provided by the Supervisory Provisions in application of articles 141 or 141-*ter* of the CRD V, or in the situations pursuant to article 16-*bis* of Directive 2014/59/EU (BRRD)[47];
- are activated to the extent to which there is economic capacity in personnel costs, and more specifically the total annual amount allocated to variable remuneration determined in accordance with the Supervisory Provisions;
- are subject to *malus* and clawback clauses upon any occurrence of certain events, as described in paragraph 5.2;

[47] Pursuant to what is set forth in the Supervisory Provisions, Part I, Title IV, Chapter 2, Section V, paragraph 2.

- are designed to incorporate risk-adjusted performance, liquidity and equity indicators, both at Group and individual company entity level, also defined, valued and formalised on the basis of the binding instructions of the Risk Management Function, appropriately differentiated in accordance with the type of instrument;
- may not be subject to personal hedging strategies or insurance on remuneration or other aspects that could alter or invalidate the effects of alignment with the risk inherent in the remuneration mechanisms, as set forth in paragraph 5.3 below.

RAF and RAS
The Risk Appetite Framework ("**RAF**") aims to ensure consistency on a continuous basis between the Group's actual risk profile and the risk appetite approved ex ante by the Board of Directors, taking into account any risk tolerance thresholds and in any event within the maximum risk capacity limits deriving from regulatory requirements or other restrictions imposed by the Supervisory Authorities. The RAF is formalised at least once per year in a Risk Appetite Statement ("**RAS**") approved by the Board of Directors and developed based on a set of key risk indicators defined at Group, legal entity and business unit level, in accordance with processes approved internally by the Board itself. *Ex-ante* target risk appetite thresholds are established for each indicator, which are more conservative than the risk tolerance thresholds, which in turn are more conservative than the risk capacity thresholds.

The main instruments used to determine the variable remuneration applied by the Group may be logically broken down into three aggregates:

- "Core" components;
- "Non Core" components;
- remuneration of business partners not bound to the Bank by employment relationships.

In line with regulatory provisions, compensation related to early termination of the employment relationship or early termination of office is also attributable to variable remuneration and the applicable rules.

The following paragraphs describe the variable instruments usable within the Group for each of these aggregates.

4.4.2 "Core" components

The variable instruments classified among the "Core" components for 2025, which will be recognised, if the conditions are met, after the approval of the financial statements for the year in question, are:

- **"2025 Incentive System"** - system aimed at incentivising the achievement of objectives defined ex-ante, in line with the guidelines of the Business Plan, by Identified Staff and additional key resources, characterised by:
  - **formalised and transparent activation and delivery conditions established *ex ante*** in compliance with the minimum supervisory capital requirements[48];
  - pre-determined quantitative and qualitative **financial and non-financial targets** also connected to corporate social responsibility, including the provision of ESG parameters in order to ensure a constant link between sustainability over time, risk-adjusted performance, compliance and remuneration[49];
  - ***ex ante* identification and provision of *ex post* remodulation mechanisms of the "bonus pools"**, in correlation to the financial and equity position of the Bank according to a funding ratio approach to the profitability actually generated;
  - pre-defined individual target bonuses (by role or aggregated role);
  - **payment method according to the deferral and composition criteria between cash and financial instruments** consistent with the regulations set forth for significant banks[50]. For all the details of the "2025 Incentive System", see paragraphs 4.5.2 and 4.5.3.
- **Dedicated variable incentive components for the remaining Group personnel** - subject to the achievement of Group/Company-wide targets for risk-adjusted profitability as well as threshold levels of liquidity and capital[51]. The assignment of the variable amount will take place upon achievement of Group and Company-wide annual financial and non-financial objectives, also taking into account the professional

[48] CRD V articles 141 and 141-*ter* or in the situations pursuant to art. 16-*bis* of Directive 2014/59/EU (BRRD).
[49] Indication also provided pursuant to Directive 2017/828/EU ("Shareholder Rights Directive II").
[50] Banca MPS is a "Significant" bank pursuant to the Single Supervisory Regulation (SSM).
[51] Subject to the same activation conditions as the "2025 Incentive System" described in paragraph 4.5.3.

contribution and the activities carried out[52]. There is also a bonus system defined through dialogue with the trade unions, which may also provide for payment in the form of "welfare".

In compliance with current legislation on “Transparency of banking and financial transactions and services”, as well as the recent updates regarding MIFID, these systems are consistent with the corporate objectives, values and long-term strategies, inspired by criteria of diligence, transparency and fairness in the relations with customers, containment of legal and reputational risks, protection and customer loyalty, and are not based exclusively on business objectives and, with reference to personnel who offer banking products and services and their respective managers, they will not be tied to the offer of specific financial products.

These systems, when they include the distribution of investment products and services, are inspired by the same principles indicated above, and are aimed at ensuring compliance with the rules of fairness and transparency in the provision of investment services and activities and for the effective management of the related conflicts of interest between the Bank and its customers.

In addition, special precautions are in place, which may lead to withholding the bonus, to ensure compliance with regulations on anti-money laundering, transparency and fairness in customer relations, as well as with the Group's Code of Ethics and conduct, and in the presence of complaints from customers assessed in the context of disciplinary proceedings. They are also subject to the same *malus* and claw back rules as per paragraph 5.2.

Additional incentive instruments are also envisaged for specific business categories - including but not limited to the Private Market - subject to the achievement of both qualitative and quantitative objectives, assigned to predefined clusters of the population.

4.4.3 “Non Core” components

Within the scope of “non-core” components of variable remuneration, certain instruments are envisaged, assigned continuously to employees in service, and needed, according to the

[52] The variable remuneration for the staff managing complaints, where provided for, takes into consideration the level of satisfaction and loyalty of the Customers.

case, to protect the Bank's assets if key resources leave the commercial supply chains or to ensure greater stability, retaining strategic, highly skilled personnel[53].

More specifically:

I. Non-compete covenants

The non-compete covenant is an agreement between the Bank and the employee that limits the right of the employee to carry out professional activities in competition with the Bank following termination of the working relationship, providing, if breached, for payment of a penalty.

A consistent monthly payment, pre-established on a fixed basis, is given to the employee for that commitment (as required under art. 2125 of the Italian Civil Code), generally while the employment contract is in place[54].

The instrument is awarded to key figures in the commercial production chain, or who have ongoing relationships with highly loyal customers. By way of example, but not limited to, it is attributed to Private Bankers/Family Officers who meet certain requirements and to their managers, to relevant figures in the Premium or Small Business market and to those who, by virtue of their privileged relationship with customers, can generate an affiliation linked to specific personal knowledge, thus going beyond the connotation of being representatives designated by the company to manage that relationship. The breakdown of the amounts is established in a predetermined manner on the basis of aggregates defined upstream in order to maintain an objective approach in the specific attributions.

The agreement is maintained for the entire period in which the conditions which determined its attribution are met.

II. Staff retention

Instruments used for staff **retention** purposes (therefore not linked to performance), and in particular in the following forms:

- **agreement to extend notice period:** this is an agreement whereby the employee undertakes to agree, in the event of resignation, a longer notice period than that

[53] These instruments are activated and disbursed in accordance with the legislative and regulatory provisions applicable at the time and in compliance with any indications from the relevant national and foreign regulatory bodies.

[54] The agreements currently in place with the Bank all provide for the payment while the employment contract is in place. However, these payments can be made after the employment contract has ended (to that end, with reference to the Identified Staff, see what is specified in paragraph 4.6 on severance).

provided for under the applicable collective contract[55], for a pre-established fixed amount at a certain percentage of the fixed remuneration;

- stability pact: this is an agreement whereby the employee undertakes not to leave the company for a pre-established period in exchange for remuneration defined *ex ante* and with provision for a penalty in to be paid the event of breach of the commitment.

Both instruments are used primarily for employees in positions where there are retention risks and/or for staff with key skills.

The range of variable remuneration instruments also includes training internships/workshops, initiatives that envisage a reward to employees through the provision of specialist training and contests, i.e. campaigns of limited cost, that are effective in supporting business activities, also from the point of view of customer acquisition/retention since they incentivise commercial and productivity initiatives in the operating units, in line with customers' financial requirements. With regard to contests, a portion of the amounts may be deferred, also with a view to the retention of key staff, such as for example employees in the private banking segment. The recognition of the amounts is subject to continued employment on the date of payment[56] and is made in compliance with the provisions of paragraph 4.4.1. The activation of training internships/workshops or contests must be carefully analysed and specifically regulated, also to ensure that they do not constitute an incentive to push the sale of specific products or financial instruments, and that they take place in compliance with the rules envisaged for all variable remuneration components (see paragraph 4.4.1) with specific regard also to the regulatory provisions (e.g. Transparency, MIFID II, Insurance Distribution Directive and the rules of conduct with respect to the customers. Each initiative provides for exclusion clauses in the event of inadequate individual behaviour such as the presence of disciplinary measures or the failure to complete mandatory training.

In extraordinary cases, the Bank may use the following payment instruments:

[55] Normally, 6 or 12 months instead of the period provided under the collective agreement (1 month for the Professionals and Middle Management and 3 months for the Management).
[56] Indication also provided pursuant to Directive 2017/828/EU ("Shareholder Rights Directive II").

- **entry bonuses**, granted limited to the first year of employment or at the time of recruitment also for attraction purposes and only if the prudential requirements are met (not subject to the rules of variable remuneration and not included in the limit to the variable/ fixed ratio of the first year's remuneration only were paid in a single solution upon hiring[57]);
- **one-off** payments, i.e. monetary recognition of a small amount to reinforce the engagement of the individual employees who have been particularly distinguished on an individual level;
- **retention bonuses**, or individual payments for justified and documented reasons linked to the opportunity to keep the employee in service for a pre-established period of time and/or linked to a specific event (for example completion of a company restructuring process or an extraordinary transaction). A staff member cannot be paid more than one retention bonus except in exceptional and appropriately justified cases (i.e., the payment takes place at different times and there are specific reasons for the recognition of each payment).

With the exception of the specifications above relating to the **entry bonuses**, all the remaining amounts recognised pursuant to this paragraph (including payment of the non-compete covenants, but only for the amount that exceeds a year of fixed remuneration[58]), are paid out in accordance with the rules that apply to disbursement of variable remuneration. In particular:

I. for employees who are part of the Identified Staff, the payment procedures set out under paragraph 4.5.1 will be adopted (i.e. part of the disbursement deferred and part oin financial instruments, subject to *malus* and clawback clauses etc.) in accordance with the cluster they belong to;

II. for the remaining staff, the payment is made entirely up-front in cash, but subject to clawback clauses (see paragraph 5.2).

These amounts will furthermore only be paid if the capital and liquidity levels are sufficient to deal with the Bank's activities.

Finally, any benefits assigned that do not qualify as fixed remuneration are included in the "Non Core" components.

[57] In accordance with the provisions of paragraph 2.1 of Part I, Title IV, Chapter 2, Section III of the Supervisory Provisions.
[58] In accordance with the provisions of paragraphs 2.2.2 and 2.2.3 of Part I, Title IV, Chapter 2, Section III of the Supervisory Provisions.

Discretionary pension benefits are not currently among the instruments that can be set up for Group staff.

The assignment of all the instruments indicated in this paragraph, also functional to assure structural savings on labour costs, is undertaken on the basis of specific, pre-established and well documented decision-making processes, in accordance with the current regulatory framework[59] and taking into account any indications that may be received from the relevant authorities.

4.5 2025 Identified Staff

The process of identifying the Identified Staff 2025 detailed in paragraph 5.1, led to the identification of no. 155 subjects (no. 158 in 2024).

The staff included in the perimeter of Identified Staff are shown in the table below, broken down by classification criteria:

Criteria for classifying Identified Staff - 2025	no.
Chief Executive Officer of the Bank	1 (*)
Other managers with executive roles	
Non-executive managers	26
General Manager of the Bank, Deputy Sales General Manager	2
Division Heads, corporate functions, geographical areas and those who report directly to the corporate bodies	85 (**)
Managers and personnel in charge of the internal control functions	13
Other staff who individually or collectively take on significant risks	29
Highly paid employees and collaborators not included in the criteria above	
Total	**155**

(*) The Chief Executive Officer is also the General Manager
(**) Including the General Managers of the Group Companies

[59] Therefore, by making the payment, among other things, only if compatible with capital and liquidity levels sufficient to cope with the Bank's activities and subject (also including individuals not classified as Identified Staff) to the clawback mechanisms set forth in paragraph 5.2, as well as, in the case of deferral, the *malus* mechanisms envisaged in paragraph 5.2.

4.5.1 Basic rules of variable remuneration

In accordance with the legal requirements relating to the variable remuneration paid to the Identified Staff, the remuneration policies of the Bank provide as follows:

- limitation of the ratio between variable and fixed remuneration at a value that does not exceed 100% (ratio 1:1)[60];
- for the Identified Staff of the Company Control Functions, the ratio between variable and fixed remuneration may not exceed the limit of one third;
- payment of variable remuneration partly in cash and partly in financial instruments subject to retention periods, balancing percentages between the two components differentiated by Identified Staff Cluster;
- deferral of the variable remuneration for different percentage amounts and time periods depending on the relevant amount (depending on whether it is a "particularly high amount" or not) and the Identified Staff Cluster;
- the determination of the "particularly high amount" of the variable component as EUR 456.258, equal to the lower amount between:
  - 10 times the overall average remuneration of Bank employees in 2024 (i.e. 10 x EUR 53,616 = EUR 536,160);
  - 25% of the overall average remuneration of Italian high earners as resulting from the most recent report published by EBA[61] (i.e 25% of EUR 1,825,032, i.e.EUR 456,258);
- the deferred component being subject to the *ex-post* correction mechanisms (*malus* and clawback) described in paragraph 5.2.

Below is the classification of Identified Staff, as resulting from the application of the criteria described in paragraph 5.1:

[60] Except for that illustrated in paragraph 4.7.3 relating to Widiba Financial Advisors.
[61] EBA has published the Dashboard on high earners for 2023 "EBA HIGH EARNER DASHBOARD, DATA AS OF END 2023".

Cluster	Type of roles included in the cluster
I Cluster	Non-executive Directors of the Group companies
II Cluster	Chief Executive Officer/General Manager, Deputy Sales General Manager, C-Level and GM Widiba
III Cluster	Top management of companies, Financial Reporting Officer, Level 1 Managers of Parent Company with higher grade, Company Top Management with higher grade, Local Managers (Retails, Corporate and Private)
IV Cluster	Area Managers and Widiba financial advisors
V Cluster	Other staff who individually or collectively take on significant risks

The payment to the Identified Staff of the variable components will be made in accordance with the following parameters subject to approval by the Shareholders' Meeting:

1) % Limit to the variable/fixed ratio:

Cluster	Number of persons	max % of variable to fixed
I Cluster	26	-
II Cluster	15	100% (*)
III Cluster	80	80% (*)
IV Cluster	9	100% (**)
V Cluster	25	60% (*)
Totale	**155**	

(*) Without prejudice to the limit of one third for the Company Control Functions.
(**) See paragraph 4.7.3 Focus on the non-recurring component of the remuneration of Widiba financial advisors.

2) Percentage deferral of the variable component differentiated by type

Amount	Cluster	Variable(*)
Particularly high amount (> Euro 456.258)	II, III, IV e V	60%
Other amounts	II Cluster	50%
	III Cluster	40%
	IV Cluster	
	V Cluster	

(*) Including the non-recurring component of the financial advisors.

3) Percentage balance of the variable component between cash and financial instruments[62]

Amount	Cluster	Upfront Quota		Deferred quota	
		Cash	Financial instruments	Cash	Financial instruments
All amounts	II Cluster	50%	50%	48%	52%
	III Cluster	50%	50%	50%	50%
	IV Cluster				
	V Cluster				

4) Years of deferral and holding periods

Amount	Cluster	Years of deferral	Years between valuation and first deferred payment	Holding period up-front and deferred component
All amounts	II Cluster	5	1	1
	III Cluster	4		
	IV Cluster			
	V Cluster			

5) *Malus* mechanisms, operating at each payment of a deferred amount (as well as in the event of a compliance breach being identified; more details in par. 5.2). The up-front and deferred portions are subject to *malus* rules that lead to the zeroing of the portion in the event of failure to reach the access thresholds (so-called entry gate) envisaged for the year preceding the year of disbursement of each portion[63].

With regard to the non-recurring component of financial advisors of Banca Widiba (hereinafter "Widiba"), specific access conditions illustrated in paragraph 4.7.3. will be applied.

[62] The threshold values, differentiated by the up-front portion and the deferred portion, are consistent with the regulatory levels envisaged for "significant" Banks.
[63] Without prejudice to the fact that if the requirements set forth in articles 141 or 141-ter of the CRD are not met or in the situations pursuant to art. 16-*bis* of Directive 2014/59/EU (BRRD), variable remuneration may be recognised and/or paid within the limits and under the conditions laid out in the provisions implementing the above-mentioned articles.

6) **Clawback mechanisms** operating if a compliance breach is found (more detail in paragraph 5.2).

With the exception of the provisions for the amounts to be granted in the event of early termination of employment or termination of office (see paragraph 4.6), from 2021 the Bank has adopted the following significance thresholds of variable remuneration for the Identified Staff below which each payment is fully in cash and up-front, established in Bank of Italy Circular 285, in implementation of the CRD V[64], and therefore, for Identified Staff, a **significance threshold of the variable component** of **EUR 50,000** per year and jointly equal to or less than one third of the total annual remuneration has been established.[65]

Examples of application of the significance threshold of the variable component - Circular 285, in EUR

Total remuneration	Variable remuneration		
	40,000	50,000	51,000
110,000	pay-mix/deferral	pay-mix/deferral	pay-mix/deferral
140,000	cash/up-front	pay-mix/deferral	pay-mix/deferral
160,000	*cash/up-front*	*cash/up-front*	pay-mix/deferral

[64] Article 94, par. 3 letter b of the CRD V.
[65] The threshold does not apply to severance pay, for which the provisions set forth in par. 4.6 apply.

4.5.2 Focus on the remuneration of the Chief Executive Officer/General Manager

The remuneration of the Chief Executive Officer/General Manager of Banca MPS is composed of a fixed component and an annual variable component recognised, once the achievement of the objectives assigned *ex-ante*, has been verified, and planned over a long-term time horizon.

Fixed remuneration	Variable remuneration
At its meeting of 7 February 2022, for Luigi Lovaglio, the Board of Directors resolved a single, comprehensive remuneration of EUR 1,000,000 for the roles of General Manager and Chief Executive Officer, inclusive of annual remuneration as well as any attendance fees due, for exercising the powers of Chief Executive Officer.	Consistent with regulatory provisions, investor guidelines and the interests of the major stakeholders, the Chief Executive Officer/General Manager are the beneficiaries of the "2025 Incentive System". The theoretical Pay-Mix, considering the maximum level of variable remuneration that can be accrued in the presence of extra-performance and having verified the that the bonus pool is full and that the conditions for access are exceeded, provides for: - a maximum incidence of 100%, and - a target incidence of 80% with respect to the fixed remuneration of reference.

The short-term variable incentive system ("2025 Incentive System") is funded through a bonus pool mechanism related to the income results achieved - measured considering the Net Operating Income - and taking into account the trend of the main risk indicators ("CRO Dashboard"), as part of which a prudential framework was adopted for 2025 in line with the RAS.

The awarding of the bonus is also subject to the fulfilment of access conditions, so-called entry gates, to be jointly achieved, which for 2025 are defined as:

Entry Gate of the System		
ROE	>	Risk Capacity 2025
MREL overall requirement on TREA	>	Risk Tolerance 2025
Total Capital ratio	>	Risk Tolerance 2025
NSFR	>	Risk Tolerance 2025
RAROC	>	Risk Capacity 2025

After the entry gates have been verified, the actual awarding of the bonus and the definition of its amount are defined by means of a performance assessment process whose focus is represented by a table of objectives that are mainly economic and financial, including risk-adjusted indicators. In particular, for 2025, the scorecard of the Chief Executive Officer/General Manager consists of the following objectives:

Area	KPIs	Weight	Min	Target Level	Max
Economic-Financial (KPI Shared)	Pre-tax Profit	40%	Risk Appetite -10%	Risk Appetite (Budget)	Risk Appetite +10%
Economic-Financial (Individual KPI)	Cost/Income	20%	Risk Limit	Risk Appetite (Budget)	Risk Appetite + (Risk Appetite – Risk Limit)
	NSFR	10%	Risk Limit	Risk Appetite	Budget
	NPE Ratio EBA	10%	Risk Tolerance	Budget	Budget+(Budget-Risk Tolerance)
KPI Risk Managment	Total Capital Ratio	10%	Risk Limit	Risk Appetite	Budget
ESG	ESG KPIs	10%	see specific focus		

ESG focus

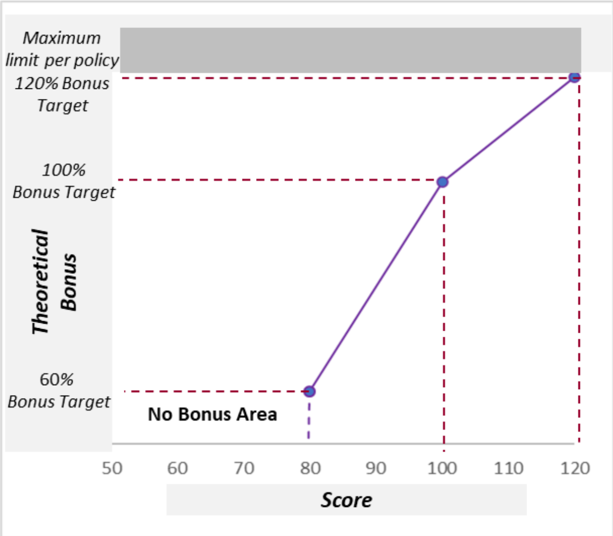
The ESG priorities defined for 2025 are closely related to the Sustainability Plan; in detail, the ESG KPI is composed of the following four indicators with predefined min./target/max. values in line with the Plan itself.

	Indicators	Weight
1	New ESG disbursements to private individuals	2,5%
2	New ESG disbursements to companies	2,5%
3	% Gender under represented in leadership roles	2,5%
4	% New ESG issues (net subordinated)	2,5%

The Board of Directors, through the assessment of managerial skills measured with respect to the key areas of the Bank's "Leadership Model", can confirm, increase by up to 20% or reduce by 20% the score achieved based on the quantitative scorecard.

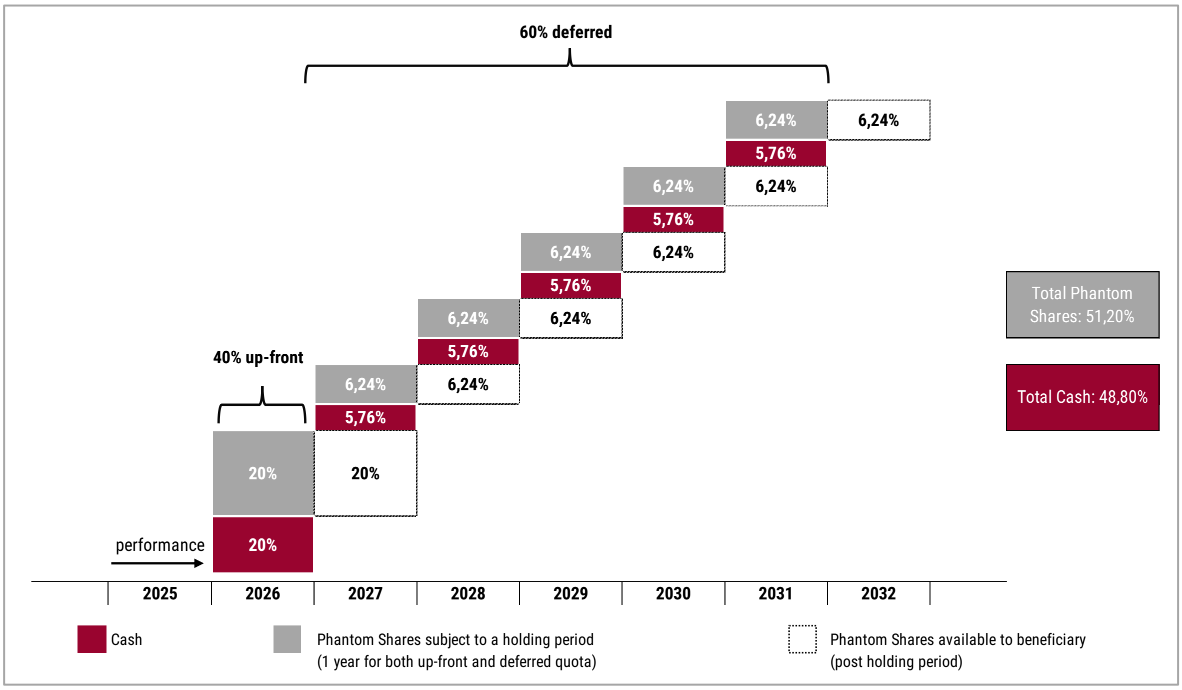
In the presence of a sufficient bonus pool, having verified the absence of individual *malus*, the Bonus is calculated based on the final score achieved and taking into account the following Incentive Curve:

- with a final score of 100%, 100% of the Target Bonus is awarded;
- with a final score of 80%, 60% of the Target Bonus is awarded;
- with a score of less than 80%, the Bonus is not awarded;
- with a score above100%, there is a linear increase of the Target Bonus, subject to the maximum limit set forth in the remuneration and incentive policies according to the Cluster to which it belongs.



The method for the payment of the bonus accrued following the finalisation of the results of the scorecard is consistent with the provisions of the regulations, in order to achieve ex-post risk alignment, support the medium- and long-term trend and, therefore, the correlation of the variable component to the actual results and the risks assumed.

In particular, the bonus accrued by the Chief Executive Officer/General Manager by virtue of the results achieved is subject to the Pay-Out schemes (deferral, cash-financial instrument mix and holding period) defined for II Cluster in paragraph 4.5.1 according to the scheme shown below:



4.5.3 "2025 Incentive System"

The short-term variable incentive system ("2025 Incentive System") for the remaining Identified Staff, including the Deputy Sales General Manager and the remaining Key Management Personnel, has the same characteristics as those defined for the Chief Executive Officer, including the bonus pool mechanism and the conditions of access (so-called entry gate), without prejudice to any specificities depending on the reference Cluster.

The actual awarding of the bonus and the consequent amount of the variable remuneration are defined according to the level of achievement of the quantitative and qualitative objectives assigned. Below is an example of the breakdown of quantitative objectives with reference to Key Management personnel:

	Area	Indicators
1)	Economic-Financial	1 "Solidarity" objective
		1-3 Individual objectives
2)	Risk management	Risk Objective/Risk Adjusted Indicator
3)	Strategic Planning	Project from the MasterPlan of the Plan
4)	ESG	ESG KPIs

Also, with reference to the remaining Key Management personnel, the assessment of managerial skills measured with respect to the key areas of the Bank's Leadership model can confirm, increase by up to 20% or reduce by up to 20% the score achieved with the scorecard[66]. The same incentive curve described for the Chief Executive Officer/General Manager is applied (for all the details see paragraph 4.5.2). For the Managers of the Company Control Functions, the Financial Reporting Officer and the Manager of Human Resources, the principle of avoiding objectives tied to economic results is confirmed.

The bonus accrued in virtue of the results achieved is subject to the Pay-Out schemes (deferral, cash/financial instruments mix and holding period) defined for II Cluster in paragraph 4.5.1. The overall time frame, considering the performance assessment year, the subsequent 4-5 years (depending on the cluster to which it belongs) of deferral and the holding period year with reference to the Phantom Shares, is consistent with industry regulatory requirements and the recommendations of the Corporate Governance Code.

4.6 Compensation for early termination of the employment

The By-Laws state that the Ordinary Shareholders' Meeting, in addition to establishing remuneration due to Board members, approves the criteria for the determination of **compensation to be granted in the event of early termination of employment or termination of office**, including limits to the defined compensation in relation to number of years of fixed remuneration and the total maximum amount that results from their application.

Payments for employment termination, in addition to the post-employment benefits established by general law on the work relationship and advance notice (by law and collective labour agreement)[67], and not determined by a relevant third party such as a judicial authority and/or arbitration authority (the ***severance***), is quantified and paid out by the Bank in

[66] The bonus can be zeroed if the Leadership is assessed below the minimum threshold.

[67] In particular, the Bank applies the notice periods envisaged by the National Collective Labour Agreement for Credit Management to managerial staff (with relation to length of service in the company) and applies the notice periods envisaged by the National Collective Labour Agreement for non-managerial staff in the Credit Sector (with relation to length of service in the company and to level).

accordance with the regulatory framework in force at the time, in application of the criteria described below, and always with respect and in pursuit of the best interests of the Company.

There are no arrangements currently in place that pre-establish fixed *ex-ante* amounts due in the event of early termination of employment, or that provide for the payment of amounts exceeding the treatment provided for in the applicable national collective agreements.

The severance may only be recognised by the Bank in the event of consensual termination of employment, therefore excluding voluntary resignation, and is determined on the basis of the following main criteria:

- age and specific personal conditions of the interested party;
- length of service, with reduction of amount to be paid in the event of short duration of employment;
- performance (not including risks) and the liquidity and capital levels of the Bank;
- professional contribution provided to the Company and performance of the beneficiary (not including risks) in relation to expectations; individual conduct and alignment to values, in the corporate interest and in relation to risk; effective integration in the context and dynamics of the company;
- reasons for the decision to terminate employment (also with reference to the notions of just cause and justification according to parameters in force at the time) in relation to the risk of dispute which the employee may initiate as regards his/her previous employment and related termination, considering, among other things, possible indications provided by relevant third parties such as judicial authorities and/or arbitration and/or conciliation.

The above-mentioned criteria are, based on the characteristics of each case, carefully considered and balanced among themselves, and always in pursuit of the best interests of the Company.

Overall, the **number of months related to notice and to severance payment** (where the latter is agreed within the company applying the specific formula, and not, by contrast, determined by a relevant third party, as described above), and any compensation for non-compete covenants **do not exceed** an amount which corresponds to **24 months' salary** (for more information please refer to paragraph 4.10).

The number of months related to notice and severance pay are calculated considering the mandatory criteria of the law and the collective labour agreement, i.e. the **total remuneration** (including fixed remuneration, the average variable remuneration paid in the last three years and the value of benefits in kind), which together also incorporate the performance demonstrated by the interested party (as reflected in the average variable remuneration), bringing about a reduction, which can be significant, of the overall amount granted in the event of negative performance. As for the effects of the termination of the relationship on the rights granted under share-based incentive plans, these are regulated, with good and bad leavership clauses, in the information documents that are part of the plans.

If, after a careful assessment of the cost/benefit ratio in the broader area of the individual negotiations, it is considered useful to pursue the goals regarding the payment of severance pay, this[68] is generally calculated in application of the formula shown in the following table and subject to the following two prerequisites:

1. Compliance, at Group as well as individual Company level, with the limits on variable distributions provided by the Supervisory Provisions in application of articles 141 or 141-*ter* of the CRD V, or in the situations pursuant to article 16-*bis* of Directive 2014/59/EU (BRRD);
2. no compliance breaches for the potential beneficiary (see to that end, paragraph 5.2) which are serious enough to justify dismissal from the job[69].

[68] Subject to the exception provided for under paragraph 2.2.3, Part I, Title IV, Chapter 2, Section III of the Supervisory Provisions upon the occurrence of which - in compliance with the provisions of the aforementioned Supervisory Provisions - the provisions regarding severance pay pursuant to this paragraph do not apply. With regard to severance, see paragraph 4.10.

[69] If a less serious compliance breach is found, the severance pay will be reduced (at a different percentage on the basis of the degree of materiality of the compliance breach) according to the provisions of the relevant internal procedure (see paragraph 5.2).

Factors determining the number of months to be awarded in the case of severance:

Evaluation factors	Criteria	Number of months
Company seniority	Up to 2 years	0
	Up to 6 years	1
	Up to 10 years	2
	Up to 15 years	3
	Over 15 years	5
Relevance and complexity of the position covered (grade)	Up to Grade 12	0
	Grades 13 and 14	1
	Grades 15 and 16	2
	Grades 17 and 18	3
	Grade 19 and over	5
Age	Up to 40	0
	Up to 45	1
	Up to 55	2
	Over 55 and until pension entitlement	1
	Beyond the right to a pension	0
Individual performance	Low	-2
	Average	2
	High	6
Risk of legal disputes	None/low	0
	Medium	2
	High	4
Performance of the Bank, net of risks	Positive	0
	Negative	-2
Individual conditions of the employee (*)	YES	3 (MAX)
	NO	0

(*) This factor, from a solidarity perspective, makes it possible to take into account, in exceptional and circumscribed cases, any individual conditions such as serious illness of the spouse or cohabiting relatives, death of the spouse or cohabiting relatives, or serious illness of the employee (factor valued subject to formal documented ascertainment), for the Bank's operational employees only (professionals and middle managers) and as an alternative to the factor "relevance and complexity of the position held (grade)", which is not normally valued for these positions.

In compliance with the Supervisory Provisions, severance pay, where calculated on the basis of the formula indicated above, within the scope of an agreement aimed at settling a current or potential dispute, will not form part of the calculation of the maximum ratio between the variable and the fixed remuneration.

The severance is paid with a method consistent with the regulatory provisions applicable at that time and subject to ad hoc *ex-post* correction mechanisms (*malus* and clawback), which are set forth in the redundancy agreements to cover, *inter alia*, against fraudulent or gross negligent misconduct that may be detrimental to the Bank and the Group (and, in any case, defined consistently, on the one hand, with the regulatory framework and on the other with the unique nature and characteristics of the severance).

With regard to staff who have foreign employment contracts, the formula will be applied to the extent that it is compatible with the specific local regulations that apply.

In addition, **non-compete covenants** may be defined with individual managers for the period subsequent to employment termination, should they reflect an actual and demonstrable business interest (subject to the provisions of the paragraph below). The related payments are determined, in compliance with art. 2125 of the Italian Civil Code, on the basis of the perimeter of the enforced restrictions set forth in the agreement (in terms of subject matter, duration and territory) and, in all cases, it may not exceed, as a maximum limit, the amount of the total annual remuneration paid to the manager calculated on the basis of the duration of the agreement.

In accordance with the Supervisory Provisions, the consideration of the non-compete covenants:

- is not subject to the provisions of this paragraph for the amount that does not exceed the last yearly fixed remuneration payment to the beneficiary;
- on the other hand, it is subject to the provisions of this paragraph for the amount that exceeds the last yearly fixed remuneration but is excluded from the calculation of the limit to the ratio between the variable and fixed remuneration for the portion that, for each year the agreement lasts, does not exceed the last yearly fixed remuneration payment to the beneficiary.

4.7 Remuneration of financial advisors

4.7.1 Indirect sales channels

Starting from 29 December 2017, the Bank began promoting and placing investment products and services to the public through **"indirect sales channels"**, through employees listed on the register of qualified financial advisors and holding the necessary mandate to operate on behalf of the Bank. The indirect sales channels relate to the placement of UCITS, portfolio management and the sale of insurance investment policies[70], and the collection and transmission of orders in administered assets on the secondary market.

At the current state of play, the remuneration envisaged for this category of individuals has the same characteristics as that applicable to all employees in general, since there is no commission component attached.

The Bank currently does not use financial advisors operating as agents.

[70] Through the Advisory service defined by the regulations of Banca Monte dei Paschi.

Effective from 29 May 2019, the Bank started to promote banking products to the public, as defined by the Resolution of the CICR (Comitato Interministeriale per il Credito ed il Risparmio - Interministerial Committee for Credit and Savings) dated 4 March 2003 and subsequent amendments, through personnel classified as “employees” that meet specific personal requirements defined by the Bank (classified as Middle Management, specific network positions such a branch manager, attendance of specific training courses on loans). This indirect sales channel regarded only the promotion, but not the sale of these products, which is undertaken at the Bank’s branches. The remuneration envisaged for this category of individuals has the same characteristics as that applicable to all employees in general, since, in particular, there is no commission component attached.

For the distribution of its own and third-party products, the Group avails of a **network of financial advisors**, acting as agents based on mandates granted by the subsidiary **Widiba** (see following paragraphs).

4.7.2 The network of financial advisors of Widiba

The financial advisors (hereinafter FAs) are linked to Widiba by an agency contract which permanently engages them (and without representation) to:

- independently and on behalf of Widiba exclusively, promote and place in Italy the financial, banking, insurance and welfare instruments and services indicated in the contract;
- assist the customers acquired and/or assigned under the mandate[71].

The Widiba's Network of financial advisors consists of:

- 565 FAs, of which:
  - 9 Area Managers (AM), who report directly to the Network Department Manager, organised by geographical area, responsible for coordinating the financial advisors reporting to them, for business development in their territory and to achieve the objectives defined by the corporate management;
  - 46 District Managers (DM) who support the Area Managers in the activities described above.

The activities carried out by the Area Manager are supported by the Deputy Area Manager, part of the hierarchy of the managerial structure. This person works alongside, supports and/or replaces the Area Manager in coordinating the assigned advisors, in developing the territory of reference and in achieving the objectives defined by the company management. To support of the activities carried out by the management structure in the recruitment area, the following figures (financial advisors) who are not part of the management hierarchy are foreseen:

- National Recruiting Manager (NRM);
- Area Recruiting Manager (ARM), reporting directly to the NRM;
- Area Recruiting Manager (RM), reporting directly to the Area Manager.

Conversely, to support the activities carried out by the management structure in the field of education/on-the-job training, the following figures (financial advisors) who are not part of the management hierarchy are foreseen:

- Group Manager/Group Supervisory Manager (reporting directly to the DM/AM);
- Product and application tools trainers (reporting directly to the DM/AM).

[71] In compliance with current regulatory principles, contractual relationships with the customers that are either acquired by, or assigned to the financial advisor, exclusively take place between the customer and Widiba in any case.

The Network of Financial Advisors has the ability to manage customers through a special "FA Team" with one of the following purposes:

- "Next Generation Team": for the management of an effective generation changeover and subsequent portfolio transfer;
- "Partnership Team": to improve customer assistance, commercial and advisory support activities.

The FA Team is composed of 2 FAs (the "FA Leader" and the "FA Partner") who may belong to different Territorial Areas. The FA Leader and the FA Partner must also be enrolled in the Register of insurance intermediaries pursuant to art. 109 of the Private Insurance Code (Italian Legislative Decree no. 209/2005). With the establishment of the Team, the FA Leader and the FA Partner establish the Split rate (range 1% - 99%) to be applied, for the entire duration of the agreement, both for the recurring remuneration and for the funding flows needed to determine the non-recurring component, on the entire portfolio of products/services of customers falling within the scope of the FA Team.

The remuneration system for FAs, unlike the system used for employees, comprises different types of commission in accordance with the type of activities carried out and the products placed.

The overall remuneration[72] of FAs is based on the provisions of the Supervisory Provisions, organised as follows:

- a **recurring** component, which can be compared to the fixed remuneration of staff, is the most stable and ordinary element of the consultant's remuneration and is represented by **commission remuneration** recognised in relation to the products and services placed;
- a **non-recurring** component that can be compared to staff's variable remuneration, providing an incentive to the agents, and essentially comprising **incentive and loyalty-building plans**. Payment of this component, based on criteria favouring and promoting compliance with the rules of conduct and the interests of the customers served is conditioned upon the achievement of specific commercial results established by Widiba, corrected for risks (including legal and reputational). To this end a specific method has been developed to continuously assess the overall risk profile of the individual financial advisors based on indicators relating to the following profiles:

[72] The criteria set out under paragraph 100 of the "EBA Guidelines" are used to value it.

- subjective - information and data referring to the advisor which may emerge from controls carried out by the control functions or the analysis of data which indicate anomalous conduct;
- objective - regarding the transactions carried out with customers, that is, anomaly indicators inferable from the transactions of such customers.

This analysis is performed on an ongoing basis through a platform which identifies the financial advisor's risk index.

SUSTAINABILITY AT WIDIBA
The continuous process of growth and development of Widiba's network of advisors is structured into a series of training initiatives aimed at enhancing their specific skills (hard and soft) and promoting the dissemination of a correct corporate culture, through targeted activities and a fair, inclusive, and increasingly sustainability-oriented working environment. Widiba provides financial advisors with approximately 60 hours of training per capita each year. The ISO certification, in accordance with UNI 11348 standards in parts 1-2-3 and ISO 22222 WISE, based on ethics, transparency and clarity, represents for Widiba a strength and distinctive feature on the market. As regards the training initiatives focussed on sustainability, a great deal of space was dedicated in 2024 to ESG training courses. Overall, around 2,400 hours were provided to develop culture and increase awareness of sustainable finance issues. Also in 2024, all consultants were trained on the changes introduced in the 231 organisational model and in the Code of Ethics with the aim of: disseminating the latest updates, developing a culture of inclusion and sustainability, strengthening knowledge of the model and raising awareness of the network in order to act consciously always in line with the Widiba model. In compliance with the ISO 22222 WISE certification and the strong commitment to contribute to the financial well-being of customers, Widiba has always invested in financial education by organising numerous initiatives to help savers to invest consciously. To adequately prepare the advisors, some basic and advanced training courses of about 2,000 hour duration were provided, aimed at teaching them how to guide customers towards increasing their financial knowledge and improving their decision-making process. In total, the training hours provided by Widiba in 2024, including the professional updating of consultants, exceeded 30,000.

4.7.3 Focus on the non-recurring component of the remuneration of Widiba financial advisors

The incentive systems in the non-recurring component for financial advisors are in any case funded on a bottom-up basis from the overall gross proceeds obtained by Widiba from customer assistance/management activities (so-called Pay-In) and are generally monetary in nature, but non-monetary incentives may also be provided (e.g. annual contests with prizes in the form of training courses).

In accordance with the rules, criteria and processes defined for all Group staff and therefore with gender neutrality[73], these systems are based on the following principles:

- the non-recurring component is **determined *ex-ante*** based on **defined parameters**;
- the individual and/or Group goals to be realised are defined by ensuring that relations with customers are fair, do not create legal and reputational risks and are aimed at contributing to the diversification/reduction of risk;
- the motivating plans must never give an incentive to take on risk to an excessive extent compared to the level of risk appetite provided under company strategies; more specifically, it must be in line with the reference framework for determining the risk appetite (RAF);
- *gates* relating to the following will be added for:
  - capital and liquidity conditions of the Group;
  - specific access conditions relating to Widiba;
  - operational/compliance risk indicators that condition payment of the amounts reserved also upon the occurrence of the above indicated conditions and in compliance with the terms established, causing all rights and/or financial benefits deriving from the system to expire (with the consequent obligation to repay any amounts received under the system) if the indicators materialise within five years

[73] Since 2018, with the WOW project, "Women of Widiba", Widiba has valued and promoted the female component within the institution and in the financial consulting sector through financial education initiatives and the recognition of the strategic characteristics of women. The objective is to support female leadership and empowerment, offering opportunities for professional growth through training courses dedicated to women, still under-represented in the sector, favouring both access to the financial consulting network and a diversified approach to customer needs. Widiba is committed to combating gender stereotypes and enhancing female talent, both in the role of external advisors and within its organisational structure. Widiba now employs 48% women, with a percentage rising to 67% at first-level management; in the Financial Advisors Network, on the other hand, professionals account for about 20% of the total, with 110 active advisors. The commitment to inclusion and gender equality also translates into the aim of further increasing the presence of women in the sector throughout the country. In 2024, Widiba launched several initiatives to support female entrepreneurship involving the Network female advisors.

of expiry of the system for financial advisors included in Identified Staff and within three years for the remaining advisors;

- the **performance targets** are identified as follows:
  - by considering the customer as the main priority;
  - by implementing long-term incentive systems aligned with Widiba and Group strategic objectives;
  - based on annual results and their impact over time;
  - including elements that reflect the impact of the performance of the individual and/or the group/business unit on the creation of value of the company as a whole;
  - assessing the individual performance, not only based on financial criteria, but also based on non-financial criteria (for example risk management, behavioural aspects, compliance with company values) and taking account of the specific nature of the role;
- the **deferral**, in accordance with current regulatory provisions, of payment of the bonus in relation to the risk time horizon it refers to, with the option of applying possible ***malus* mechanisms**. Said mechanisms can be implemented with respect to the variable remuneration to be paid or already recognised but not yet paid, for the year in which the compliance breach occurred. If the variable remuneration affected is not enough to ensure an adequate *malus* mechanism, the reduction may also be applied to other components of the variable remuneration;
- application of claw backs to the extent legally exercisable, to the performance-related bonuses recognised based on assumptions which were subsequently discovered to be incorrect. The clawback clauses are triggered no later than five years from the payment of the individual instalment (up-front or deferred) of variable remuneration for the financial advisors included in the Identified Staff and no later than three years for the remaining advisors;
- addition of **clauses to reduce the bonuses to zero and/or reduce** them in the event of:
  - non-compliant behaviour, disciplinary actions for irregular activities, poor conduct, with special reference to the sale of banking and financial products and services and the failure to honour internal conduct codes, breach of the values;
  - the performance levels of the advisors, considering risks assumed or incurred which have generated anomalies or critical issues in relations with customers.

These mechanisms can lead to a reduction, also to zero out the entire non-recurring remuneration, especially when results are negative or significantly lower than pre-established targets;

- prohibition for beneficiaries of the bonuses to use personal hedging strategies or insurance on remuneration or other aspects that could alter or invalidate the effects of risk alignment inherent in the remuneration mechanisms (see paragraph 5.3).

Where given to financial advisors who are included in Identified Staff, the non-recurring remuneration is disbursed in compliance with the rules described herein for the IV Cluster in paragraph 4.5.1 and within the limits of proportionality between the fixed and variable component, outlined below.

LIMIT OF VARIABLE AND FIXED RATIO FOR FINANCIAL ADVISORS INCLUDED IN THE IDENTIFIED STAFF PERIMETER

The maximum ratio between variable and fixed remuneration for financial advisors belonging Identified Staff is 1:1[74]. Without prejudice to the fact that the current Widiba By-Laws provide for the right to raise the variable/fixed ratio up to 2:1 for the exclusive benefit of financial advisors falling within the scope of Identified Staff, with the aim of retaining, hiring and attracting key figures for the business, the aforementioned increase in the variable/fixed ratio would not in any case have any impact, now or in the future, on the Group's and Widiba's ability to continue to comply with all prudential rules, also considering that the plans (loyalty and/or incentive plans) relating to the non-recurring components of remuneration always include conditions and requirements for the consolidation and payment of the amounts accrued over time, related to the achievement of the Bank's commercial and budget objectives (targets in terms of funding, assets under management, stock increases and Bank profitability), planned and identified, in most cases, on the basis of multi-year reference periods.

[74] As regards the relationship between variable and fixed remuneration for multi-year assessment systems that do not renew annually, the Bank applies the aforementioned "EBA Guidelines" (see specifically Title IV - Remuneration policy, award and pay-out of variable remuneration for identified staff).

MAIN INCENTIVE AND LOYALTY-BUILDING SYSTEMS OF THE NETWORK OF FINANCIAL ADVISORS AT WIDIBA

- Long Term Incentive (LTI): this is a loyalty-building and incentive system aimed at the entire network of financial advisors as at 31 December 2020 with a multi-year duration (generally 9 years) and the possibility of partial settlement every three years. The LTI system is based on sales performance conditions relating to each financial advisor verified at the time of access and on allocation conditions verified annually (minimum thresholds of assets managed and cash flows generated). The observance of all operational/compliance risk indicators is always verified with relation to the allocation and the payment of the amounts accrued. The system is intended for financial advisors as well as the managers of the managed portfolios that they coordinate.
- Over Bonus: bonus recognised to Area and District Managers if the applicable Area achieves the assigned budget targets formalised each year. The amount is determined by applying fixed rates to the Sales and Management pay-out generated by the structure coordinated and which is invoiced in the year under examination.
- Extra Management Fee: attributed to financial advisers from other networks, paid on pre-established deadlines for the achievement of pre-set targets with potential allocation of a higher bonus rate if the ratio of sales commissions and management fees accrued at a specific time to total funding achieved is greater than or equal to a set percentage.
- Bonus System (Productivity Bonus - Quality Bonus): includes short-term (1 year) productivity and quality objectives, linked to targets defined each year based on what is set forth in the budget. They may also include non-monetary benefits (e.g., specialised training) based on the achievement of a target defined at the level of overall stock or net cash flows or similar sales targets. This system may also include the period and/or annual contests based on the achievement of specific targets consistent with budget targets. The bonus system, for some predetermined figures, may have an annual value as well as a multi-year value with an observation period linked to objectives of a longer period (2 or 3 years).
- Recruiting Bonus: for financial advisors who participated in the recruitment process of other advisors hired in the network. The bonus can be paid in a percentage and/or

fixed amount in the case of the inclusion of financial advisors (senior/banking/junior FA) or lead managers of a group of advisors under negotiations[75].

- Stability Pacts: economic benefit subject to remaining in the Widiba network and the maintenance of the assets managed by the advisor at a specific date. Access to this benefit results, for the stability period, in the automatic suspension of any additional loyalty system in favour of such advisor.
- Non-compete covenant: is an agreement between the Bank and the advisor that limits the right of the employee to carry out professional activities in competition with the Bank following termination of the agency relationship, providing, if breached, for payment of a penalty. A consistent payment, pre-established on a fixed basis, is given to the advisor for that commitment and is maintained for the entire period in which the conditions which determined its attribution are met. The instrument is used in favour of key network positions.
- Fidelity plan: includes instruments intended to stabilise and/or retain financial consultants, with a duration of at least 12 months, which call for the recognition of pre-determined amounts or the allocation of sums to be recognised on termination of the mandate due to retirement and/or the suspension of activities, subject to targets of permanence in the Network for a specific period and/or the maintenance of asset volumes. The possible recipients of such instruments are advisors who do not receive loyalty bonuses.
- Bonus Retention: benefit granted to the transferee, in the case of portfolio transfers between advisers, aimed at strengthening the retention capacity on the transferred customers and conditional on the maintenance of the related funding.
- Welcome bonus: variable component recognised on a one-off basis to cover costs for terminating the employment relationship with the previous intermediary, which may be paid out on presentation of the relative spending commitments.
- Expense Reimbursement: benefit recognised to the advisor, after the achievement of sales targets, as a contribution for:
  i) the management of an HR office or logistics and furnishings costs, including any collaborators costs;
  ii) the development of Recruiting activities;

[75] There was an update in terms of the process, calculation criteria and payment of this economic benefit.

iii) the training activity provided by product Specialists in the presence of productivity and quality targets measured over a specific period of time;
iv) the start-up and consolidation of business advisory-development activities of customers in the territory;
v) health insurance policies.

- **Management Fee Bonus Increase:** assigned to financial advisors coming from other networks, when pre-established targets are met.
- **Supervisory Bonus**: benefit granted at predetermined due dates to the Group Supervisory Manager, for the activity referred to in art. 78 RI 20307/18, upon the achievement by the supervised financial adviser of predetermined objectives.

The awarding of the incentive plans is subject to controls carried out every month by Widiba's Operations Function, and to ensure compliance with remuneration policies, by the Parent Company's HR Department.

4.8 The remuneration of business partners not bound to the company by employment relationships

The Group makes extremely limited use of business partner contracts. These types of contracts are reserved for **specific requirements** (e.g. support for special projects or recommendations) and for professionals characterised by **excellent skills and experience** in specific areas, with a view to maintaining transparent relations with customers and avoiding legal and reputational risk.

The fixed component is determined in relation to the importance of the partnership; where the importance of the same increases, variable forms of incentive (including non-compete covenants) may be provided according to the same methods as those defined for employees.

4.9 Financial instruments to service variable remuneration payment

On the basis of the Supervisory Provisions in Circular 285, the Group is required to use shares or related instruments to pay a percentage of any variable remuneration disbursement to Identified Staff (see paragraph 4.5.1) (known as balancing). For disbursements that may arise in 2025 and which with the exception of what is set forth for Widiba and detailed in the following paragraph, the Bank will use the Phantom Shares, subject to approval by the Shareholders' Meeting of their use for said purposes - in this regard please refer to the information in the Report to the shareholders published on the website www.gruppomps.it – Corporate Governance – Shareholders' Meetings and BoD.

Widiba, following the approval by its Shareholders' Meeting of a Performance Shares Plan prepared in order to fulfil the obligation to pay part of the variable remuneration component in financial instruments to its financial advisors belonging to the Identified Staff, uses financial instruments linked to the value of the company itself on which the parties concerned can have, with their own actions, a more direct and immediate impact for the payment of the variable remuneration. These instruments will be converted, with the methods and timing defined by legislative and regulatory provisions, into a specific value in cash correlated with the performance of the value of Widiba. The value of such financial instruments will be calculated through the application of a valuation model validated by the relevant Bank functions and bodies.

4.10 The elements of the policy which may be derogated for personnel belonging to the perimeter of key management personnel

In exceptional circumstances, the possibility is provided to not apply specific policy elements, provided they establish the procedural conditions based on which an exemption is possible and indicate the elements of the policy which may be derogated, without prejudice to the binding provisions of Circular 285.

In compliance with the provisions laid out in Scheme 7-*bis* of Annex 3A of the Issuers' Regulations, exceptional circumstances are only those in which derogation of the remuneration policy is required to pursue the company's long-term interests and sustainability as a whole or to ensure its ability to stay on the market.

Information concerning the application of any derogations (in particular, the elements from which the derogation was made, the description of the exceptional circumstances that made the derogation necessary, the procedure followed for the application of the derogation and the remuneration paid by virtue of this procedure) will be described in the Report on the compensation paid, submitted to the vote of the Shareholders' Meeting of the year following the application of any derogation.

In line with the provisions of the Issuers' Regulations, the elements for which it is possible to temporarily derogate from the Remuneration Policy are:

- the **economic metrics relating to the** “Incentive System”;
- within the scope of severance**, the limit of 24 months and the formula** (see par. 4.6), provided that it is within a limit represented by the maximum number of months’ pay due at the time of termination by way of supplementary indemnity pursuant to the collective labour agreement in force over time (22 months’ pay, plus any additional months for age due based on the national collective labour agreement).

Any exemptions may be applied only following a **strict and articulated evaluation process**, which includes the issuing of opinions from the relevant company functions (and when necessary, also external consultants), in compliance with the procedures on Related Parties and with a reasoned resolution by the relevant corporate body (see paragraph 2 "Governance Rules"). Any application of the exemptions will be reported in compliance with the reporting provisions set forth in the Issuers’ Regulations.

5. FOCUS ON CERTAIN KEY PROCESSES

Focus on certain key processes	Some of the main processes relating to the implementation of remuneration policies are outlined: > identification of **Identified Staff** > management of ***compliance breaches*** > verification of absence of ***hedging*** strategies

5.1 Process of classifying "Identified Staff"

In accordance with the Supervisory Provisions, the Bank has adopted a specific company Directive “Group Directive on the classification of Identified Staff”, an integral part of this remuneration policy. In particular, the staff, whose professional activities may have a significant impact on the risk profile of the entity, is identified annually on the basis of a structured and formalised assessment, defined according to EU Delegated Regulation 2021/923 and the criteria introduced by Circular 285[76] which, in implementation of the CRD V, identifies the categories of personnel to be considered Identified Staff.

[76] In particular, see the provisions of paragraphs 6 and 6.1 of Part I, Title IV, Chapter 2, Section I of the Supervisory Provisions - introduced for the first time by the 37th update.

THE PROCESS

The process of process for the selection of the Identified Staff involves the following functions at Parent Company level:

- Risk Management - provides the applicable elements to identify the thresholds for the qualitative criteria of the Regulatory Technical Standards[77], both at Parent Company level and for the Group Companies classified as "Credit Institutions" within the scope of Directive 2013/36/EU (art. 73) and which have a centralised Risk Management Function (according to formal SLAs);
- Planning - identifies and provides the findings relating to the allocation/distribution of the internal capital both at Group level and for Group companies classified as "Credit Institutions";
- Organisation - oversees the development of the Group organisational model and reports any significant changes to it. In collaboration with the Human Resources function, and with the other relevant Functions in terms of delegated powers, it identifies the roles/positions in the perimeter resulting from the application of the thresholds identified in relation to the criteria of the above-mentioned Regulatory Technical Standards[78];
- Human Resources - identifies the members of staff with responsibility in the relevant operational / company units identified during the assessment process and processes the data relating to the "quantitative criteria"[79] and "calculation of the remuneration attributed"[80];
- Compliance and Legal - support the various functions involved in the proper interpretation and application of the prevailing laws;
- Internal Audit - controls the identification process and its results, including any requested exclusions therein.

The Group companies, classified as Credit Institutions, carry out their own self-evaluations at individual level, with the support of the Parent Company where required, while the Group companies that are smaller and less complex which therefore do not fall under the provisions of the Directive 2013/36/EU, are included in an identification process on a consolidated basis,

[77]See Delegated Regulation no. 1288/2022/EU art. 5 points b), c), d), and e).
[78] See Delegated Regulation no. 1288/2022/EU art. 5 points c) to f).
[79] See Delegated Regulation no. 1288/2022/EU, articles 1 to 5.
[80] See Delegated Regulation no. 1288/2022/EU art. 6.

delegating the consolidating entity to apply the identification process at an individual level. The Parent Company is responsible for ensuring the overall consistency of the identification process for the whole Group.

The results of the Identified Staff classification process are examined by the **Remuneration Committee**. With regard to any exclusions, the Chief Executive Officer of the Parent Company decides whether to submit potential exclusions from the Identified Staff to the Remuneration Committee for subsequent proposal to the Board.

Subject to the opinion of the Risk and Sustainability Committee, the Remuneration Committee submits the proposal of approval of the perimeter to the Board, including any proposals for exclusion. The perimeter identified each year is **updated every quarter** by the **Human Resources** Function following new hires/exits from roles, or in the case of any significant organisational and/or business changes or significant changes to the internal capital distribution on the basis of what was reported by the designated Parent Company functions.

The Identified Staff is divided into five Clusters through a precise analysis of the qualitative and quantitative criteria pursuant to EU Delegated Regulation 923/2021 (see table Cluster paragraph 4.5.1).

FINANCIAL ADVISORS

There is a structured evaluation process for Widiba financial advisors (hereinafter FAs) based on qualitative and quantitative criteria aimed at identifying the parties whose activities could have a substantial impact on its risk profile. The following criteria are considered to this end:

- contribution to the risk to Widiba and the Group and verification of the contribution to the results on a prospective basis;
- analysis of the responsibilities, the level and the individual authorisations provided for;
- amount and structure of the remuneration received.

With reference to the qualitative criteria, based on the Supervisory Provisions, the process includes the Area Managers as Identified Staff. The Group also believes that the FAs that satisfy at least one of the following thresholds should be included the perimeter of Identified Staff:

- an overall value of the overall portfolio over EUR 150 million;
- number of customers higher than 2% of the total of the entire network of financial advisors of Widiba.

On the other hand, with regard to FAs to which a total remuneration equal to or greater than EUR 750,000[81] was attributed during the previous year, automatic inclusion in the category of Identified Staff is envisaged.

In the event that remuneration of more than EUR 500,000 but less than EUR 750,000 has been attributed during the previous year, a detailed assessment process is followed regarding the existence or otherwise of a substantial impact on the risk profile, applying a specific methodology calculation based on an algorithm that takes into account a series of indicators and parameters representative of the degree of risk of the FA activity. Therefore, Identified Staff includes the FAs with an overall risk profile exceeding medium-low and remuneration exceeding EUR 500,000.

5.2 Compliance breach management process

The *malus* and claw-back correction mechanisms will be applied in the event of compliance breaches, which refer to:

- conduct that does not comply with the law, regulations or By-Laws or any codes of ethics or conduct that could apply to the Bank, resulting in a significant loss for the Bank or for customers;
- other conduct that does not comply with the law, regulations or By-Laws or any codes of ethics or conduct that could apply to the Bank, in the cases they may provide for;
- breaches of obligations pursuant to article 26 or when the party is an interested party, according to article 53 paragraphs 4 et seq. of the Consolidated Law on Banking or obligations on remuneration and incentives;
- other fraudulent behaviour or gross negligence to the damage of the Bank.

Reports of the above violations may originate from Group corporate bodies (Company Control, Legal and Labour Relations Functions), as well as from a third-party authority.

The Bank has developed a procedure for the identification of potential compliance breaches, the assessment of their actual existence s and the resulting enactment of *ex post* correction mechanisms, which applies to all personnel, including financial advisors and the former staff of the Group and other companies, including abroad (compatible with the local regulatory framework), whether or not they belong to Identified Staff.

[81] EU Delegated Regulation 923/2021 art. 6, paragraph 1, lett. a.

This procedure governs, in a structured manner, inter alia: the responsibilities of the company functions and bodies in the different process phases, as well as the times and procedures for that process; the application procedures of the resulting *malus* and clawback measures, affecting variable remuneration, also differentiated on the basis of an assessment of the degree of "materiality" of the compliance breaches, to be conducted in accordance with certain pre-established criteria.

The effects of any disciplinary proceedings on the application of the *ex-post* correction mechanisms are also regulated, providing in general for the suspension of payments due if there are disciplinary proceedings in progress, up to their conclusion and the internal procedure for assessment of the compliance breach.

The times defined by the Bank for the exercise of the claw back clauses (that are reflected in the above-mentioned procedure) are:

- 5 years from disbursement of the variable remuneration for Identified Staff;
- 3 years from disbursement of the variable remuneration for the remaining staff.

Without prejudice to the time limits for the application of the claw back laid out above, the following variable remuneration is subject to reduction/elimination:

- for all employees currently in service, all variable remuneration already paid out, or accrued but not yet paid, included within the scope of "Core" and "Non-Core" variable remuneration (see paragraphs 4.4.2 and 4.4.3) accrued for the year (or years, in the case, for example, of conduct extended over time) in which the compliance breach was committed;
- for personnel who have left the company, aside from the variable remuneration identified as set forth above, any severance (see paragraph 4.6) provided within an agreement for the consensual termination of the employment relationship;
- all variable remuneration referring to years subsequent to that in which the compliance breach was committed;
- for Widiba's financial advisors, the non-recurring remuneration component (see par. 4.7.3) accrued for the year (or years, in the case, for example, of conduct extended over time) in which the compliance breach was committed;
- only if the compliance breach has resulted or is expected to result in a financial loss for the Bank (for example, considering the penalty or judicial proceedings initiated but not yet completed, or for legal cases or complaints made against the Bank), all

variable remuneration referring to years prior to that in which the compliance breach was committed.

5.3 Process for verification of absence of hedging strategies ("hedging")

As part of the Supervisory Provisions, in order to avoid possible conduct contrary to the rules, it is forbidden for all Group personnel to make use of personal hedging strategies or insurance on remuneration or on other aspects that may alter or affect the risk alignment effects inherent in the remuneration mechanisms governed by the remuneration policy ("hedging strategies").

To ensure compliance with this prohibition, the Bank has established that the Compliance Function, in agreement and with the support of the Human Resources Function:

- defines and updates the operating processes to carry out the activities needed to that end;
- identifies the types of transactions and financial investments that are directly or indirectly carried out by the Identified Staff that could affect the risk alignment mechanisms, and more generally, the pursuit of the purposes of the regulations;
- carries out checks on internal custody and administration accounts of Identified Staff.

The Identified Staff are required **to communicate the transactions and financial investments carried out** that fall under the categories defined beforehand, and Identified Staff and individuals closely linked to them, through specific agreements, are required to **communicate the existence or the activation of custody and administration accounts with other intermediaries**.

The Bank takes account of the information received when adjusting the staff remuneration and incentive systems, with special regard to the risk alignment mechanisms and the financial and income position of the Bank (for example duration of the deferral period, *malus* and clawback systems, etc.).

SECTION II – COMPENSATION PAID (Part I)

Section II	The compensation paid section is divided into **two** parts: > the first part provides a **qualitative representation** of the items that made up the 2024 remuneration > the second part **shows the compensation paid in tabular form** in accordance with the provisions of Schedule 7-*bis* of Annex 3A to the Issuers' Regulations

As illustrated in more detail in the Financial Statements and in the presentation of the preliminary results approved by the Board of Directors on 5 February 2025, as at 31 December 2024 the Group had achieved a net profit of EUR 1,951 million, with total revenues of EUR 4,034 million, an increase of 6.2% compared to the previous year, confirming the effectiveness of the commercial bank's strategy, with the strengthening of its positioning and organic sustainable profitability.

1. IMPLEMENTATION OF REMUNERATION POLICIES IN 2024

1.1 Governance

In 2024, the Remuneration Committee met 10 times[82]. The meetings, with an average duration of about 1 hour and 25 minutes, were also attended, from time to time, by the managers of the competent corporate functions, called upon to provide the necessary in-depth information on the items on the agenda.

In particular, the Committee provided support to the Board of Directors with regard to:

- definition of the company policy for the identification of Identified Staff for 2024 and the results of its implementation;
- definition of the remuneration policy proposal for 2024 for the Group, with particular reference to the criteria underlying the incentive systems for the Identified Staff;
- definition of the objectives to be assigned to the Chief Executive Officer/General Manager for the 2024 Incentive System;
- analysis of the neutrality of the remuneration policy with respect to gender and verification of the gender pay gap;

[82] Information also provided pursuant to Article 450 (1) (a) of EU Regulation 575/2013.

- analysis of Shareholders' Meeting trends;
- analysis of market practice and possible evolutionary scenarios of the remuneration policy for 2025.

1.2 Dialogue with shareholders

The Bank attaches significant value to the annual analysis of the results of the Shareholders' Meeting votes, in order to ensure constant improvement in the adoption of market best practices through the progressive implementation of recommendations from shareholders, investors and proxy advisors.

The result of the vote of the Shareholders' Meeting of 11 April 2024, reported below, confirmed a high level of satisfaction with the structure, the general criteria and the remuneration levels envisaged and provided the Bank with a valuable reference point for the preparation of the Remuneration Policy for 2025 (Section I of this Report). The outcome of the vote is reported below:

- Section I – Remuneration policies 2024 (binding vote[83]); votes in favour were 96.008993% of the shares admitted to the vote.
- Section II – Compensation paid in 2023 (non-binding vote[84]); votes in favour were 97.500474% of the shares admitted to vote.

It should be noted that, at the same Shareholders' Meeting, the plan of financial instruments intended for variable remuneration and the payment of severance to personnel was approved, with a percentage of votes in favour of 97,725882% of the shares admitted to vote[85].

1.3 Remuneration to Directors and Statutory Auditors in 2024

In addition to the remuneration established by the Shareholders' Meeting of 20 April 2023 and detailed in Section I - paragraph 4.2, Directors and Statutory Auditors benefit from an insurance policy covering professional accidents, healthcare, in addition to "Directors &

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[83] Pursuant to art. 123-*ter*, paragraph 3 *bis* of the "Consolidated Law on Finance".
[84] Pursuant to art. 123-*ter*, paragraph 6 of the "Consolidated Law on Finance".
[85] Indication also provided pursuant to Directive 2017/828/EU ("Shareholder Rights Directive II").

Officers Liability" (D&O), which covers third-party liability arising from alleged wrongful acts[86] committed by them in the performance of their duties. At its meeting held on 28 March 2024, the Bank's Board of Directors resolved the renewal of this policy, for a cost of EUR 4.58 million, including taxes and accessory costs with a maximum of EUR 100 million for a one-year duration, effective 1 May 2024 and expiring on 30 April 2025. In 2024, the D&O coverage did not give rise to any insurance compensation in favour of the Bank.

Please refer to the dedicated Table in Part II of this Section for an indication of the remuneration paid to each member of the Board of Directors and the Board of Statutory Auditors during 2024, in accordance with the provisions of the Issuers' Regulations.

1.4 Variable remuneration of the Chief Executive Officer/General Manager - 2024

According to the provisions of the 2024 Remuneration Policy, the annual variable remuneration of the Chief Executive Officer/General Manager is linked to the achievement of the qualitative and quantitative objectives that have been approved by the Board, subject to verification of the entry gate conditions and the actual availability of the bonus pool.

The remuneration policy for 2024 envisaged for the Managing Director/General Manager, in the event of over-performance on assigned targets, the possibility of recognising a bonus of a maximum of 100% of the fixed remuneration[87].

The following two tables show the results obtained by the Chief Executive Officer/General Manager in 2024:

a) in relation to the quantitative objectives, concerning the economic- financial and risk management areas, the results obtained for each KPI are shown below:

Area	Indicator 2024	Weight 2024	Target achievement level			Results 2024	Score
			Min	Target	Max		
Economic-Financial Shared KPI	Net Operating Income	40%	*Budget -5%*	*Budget*	*Budget +5%*	1.775	48%
Individual KPIs	Cost/Income	20%	*Risk Limit*	*Risk Appetite*	*Risk Appetite -2,5%*	46,3%	24%
	NPE Ratio	20%	*Risk Limit*	*Risk Appetite*	*FY 2023 Actual*	3,8%	20%
Risk management KPI	Tier1 Ratio Gruppo	10%	*Risk Limit*	*Risk Appetite*	*Risk Appetite +100 basis point*	18,3%	10,3%

[86] Excluding wilful misconduct.
[87] In view of the fact that the constraints resulting from the commitment will no longer apply during 2024, this maximum bonus percentage was applied to the contractual remuneration.

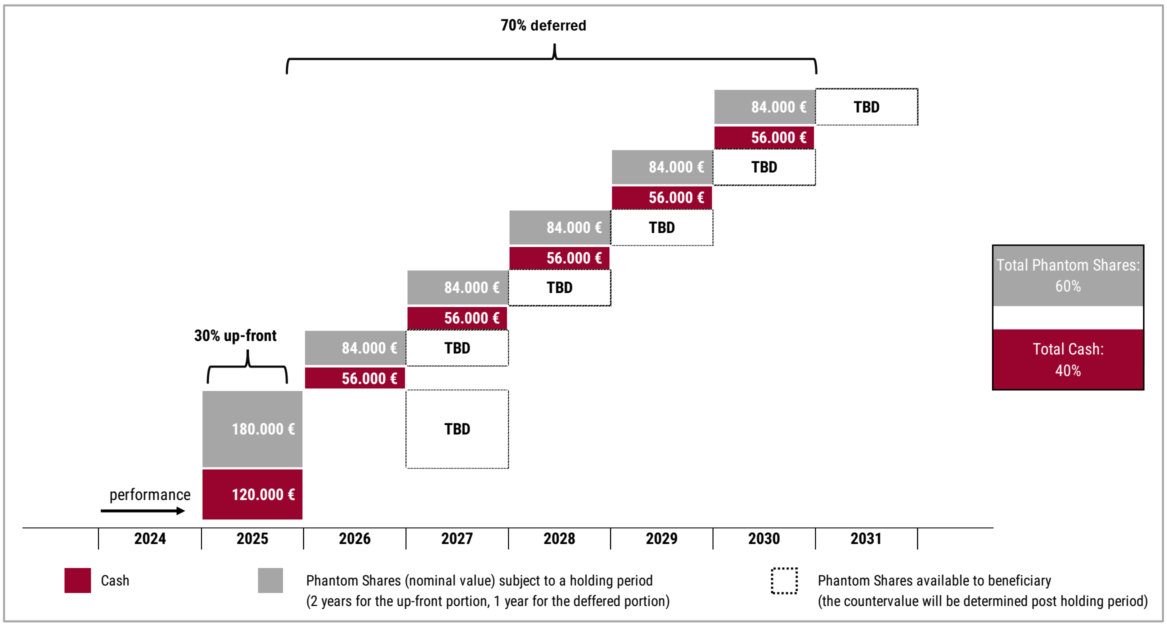
b) In relation to the qualitative and quantitative objectives, concerning the area of environmental sustainability and social equity, the results obtained for each KPI are shown below:

Area	Indicator 2024	Weight 2024	Target achievement level	Realised	Results 2024	Score
ESG	ESG volumes delivered to target	10%	All four identified objectives were realised, again achieving a result between the target and maximum thresholds	✓	18,4%	10,8%
	% ESG programme achievement			✓	93%	
	% least represented gender in positions of responsibility			✓	37,6%	
	ESG Strategic Roadmap Definition			✓	Si	

In consideration of the overall result achieved with respect to the objectives scorecard and the assessment of their leadership, on the proposal of the Remuneration Committee, the Board of Directors of 14 March 2025 resolved the recognition of a bonus equal to 100% of the fixed remuneration. The bonus thus defined, equal to EUR 1,000,000, will be awarded in consideration of the Pay-Out scheme (deferral, cash-financial instruments mix and holding period) defined defined in the Remuneration Policy for 2024, consistent with the applicable regulatory requirements:

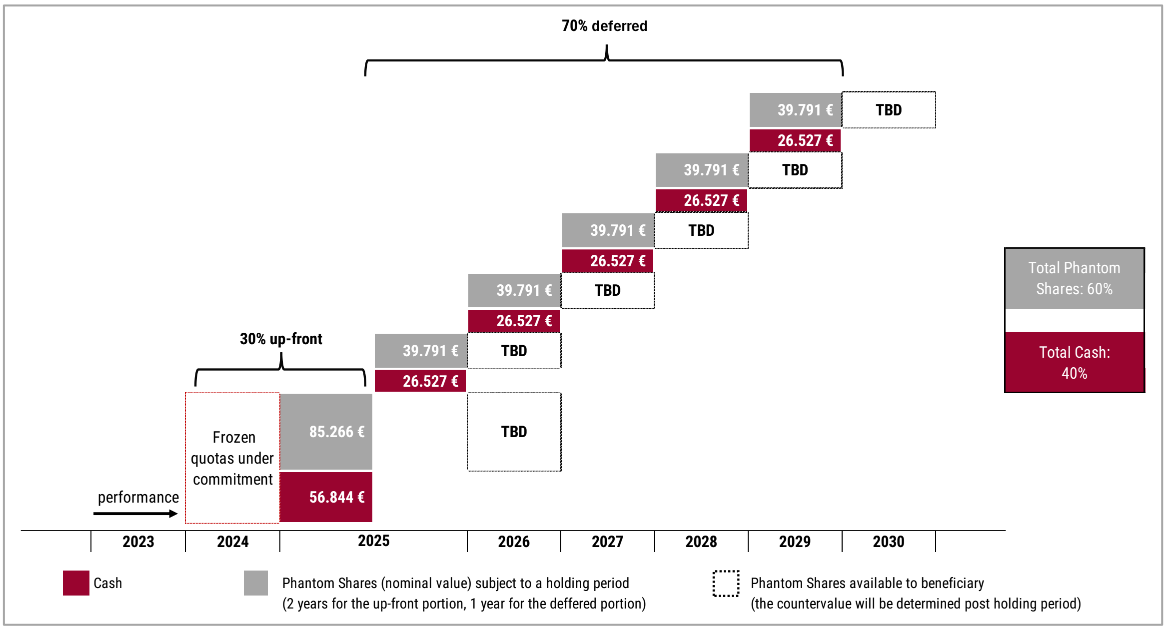
- disbursement of 40% in cash and 60% in financial instruments;
- the bonus is recognised 30% up-front and 70% deferred. The up-front portion (both in cash and in financial instruments) therefore corresponds to 30% of the bonus;
- the deferral is envisaged in 5 years, in portions of the same amount and composition (5.6% in cash and 8.4% in financial instruments), according to the format shown below;
- the up-front portion of financial instruments is subject to a 2-year holding period, while the individual deferred portions have a 1-year holding period.

The bonus accrued by the Chief Executive Administrator/General Manager is also subject to *malus* and claw back clauses in line with the applicable regulatory provisions.



It should also be noted that, with the elimination of the restrictions related to the commitments that provided for the freezing of the bonuses accrued by two top managers of the Bank with a total remuneration exceeding the salary cap, in 2025 the portions accrued with respect to the 2023 incentive system were released, obviously without prejudice to the application of the established Pay-Out schemes.

In particular, with reference to the Chief Executive Officer/General Manager, the Pay-Out scheme relating to the *bonus* accrued for 2023, equal to EUR 473,700, whose details have been provided in the Report on remuneration paid approved by the Shareholders' Meeting held on 11 April 2024 with 97.500474% of the votes, is shown below.



1.5 Changes in the Identified Staff perimeter

In 2024, the Identified Staff perimeter increased from 158 to 163[88] employees following the application of the updating process set out in paragraph 5.1 of Section I.

Quantitative information is provided in Section II Compensation Paid - EU REM drawn up pursuant to Article 450 of Regulation on Capital Requirements II (EU) no. 575/2013 (Pillar III).

1.6 Changes in remuneration levels for Group personnel

The total remuneration trends during 2024 were mainly influenced by the renewal of the National Collective Labour Agreement. In 2024, salary increases were also granted to approximately 9% of employees, in particular to those **in positions that are critical for the business** and in compliance with economic compatibility constraints.

As evidence of the Bank's policies to enhance the diversity and inclusion of human capital, with particular attention to the gradual and substantial reduction of the **gender pay gap**, in 2024, 56.5% of the total number of personnel salary adjustments were made in favour of the female gender.

[88] Recognition as at 31 December 2024.

In order to represent the remuneration trend over the last few years, the following is the relevant trend of the last 5 years for the Chief Executive Officer/General Manager, the directors, employees[89] and the results of the Group over the same period of time.

	Office	Periodo	Amounts 2024 in EUR	2024 vs 2023	2023 vs 2022	2022 vs 2021	2021 vs 2020
Luigi Lovaglio	CEO and General Manager	01.01.24 - 31.12.24	1.473.700 (1)	+55,6%	+100,0%	-	-
Members of the administration and control bodies							
Maione Nicola	Chairperson	01.01.24 - 31.12.24	110.000	+5,2%	+16,1%	+12,5%	-8,5%
Brancadoro Gianluca	Deputy Chairman	01.01.24 - 31.12.24	80.000	+43,4%	-	-	-
Barzaghi Alessandra Giuseppina	Director	01.01.24 - 31.12.24	103.306	+16,1%	+4,7%	+0,0%	+61,6%
Caltagirone Alessandro	Director	27.12.24 - 31.12.24	722				
De Martini Paola	Director	01.01.24 - 31.12.24	85.639	+9,0%	-7,6%	+0,0%	+61,6%
De Simone Elena	Director	27.12.24 - 31.12.24	722				
Di Stefano Stefano	Director	01.01.24 - 31.12.24	80.000	+0,0%	+41,3%	-	-
Fabris De Fabris Paolo	Director	01.01.24 - 17.12.24	81.931	+39,4%	-	-	-
Foti Belligambi Lucia	Director	01.01.24 - 17.12.24	81.958	+55,3%	-	-	-
Lombardi Domenico	Director	01.01.24 - 31.12.24	95.000	+43,4%	-	-	-
Lucantoni Paola	Director	01.01.24 - 31.12.24	82.833	+48,5%	-	-	-
Martiniello Laura	Director	01.01.24 - 17.12.24	87.014	+46,2%	-	-	-
Negri-Clementi Anna Paola	Director	01.01.24 - 17.12.24	86.750	+38,2%	-	-	-
Oriani Raffaele	Director	11.04.24 - 31.12.24	51.000				
Panucci Marcella	Director	27.12.24 - 31.12.24	722				
Paramico Renzulli Francesca	Director	27.12.24 - 31.12.24	722				
Sala Renato	Director	01.01.24 - 31.12.24	85.111	+43,6%	-	-	-
Tadolini Barbara	Director	27.12.24 - 31.12.24	722				
Visconti Donatella	Director	01.01.24 - 17.12.24	81.931	+38,2%	-	-	-
Ciai Enrico	Chairperson of the Board of Statutory Auditors	01.01.24 - 31.12.24	80.000	+0,0%	+0,0%	+0,0%	+61,4%
Linguanti Lavinia	Statutory Auditor	01.01.24 - 31.12.24	65.000	+43,4%	-	-	-
Cotone Pierpaolo	Statutory Auditor	01.01.24 - 11.04.24	18.236	-55,3%	-	-	-
Granata Giacomo	Statutory Auditor	11.04.24 - 31.12.24	46.944	-	-	-	-
Employees			53.616	+3,1%	+9,5%	-2,8%	+3,3%
Net Result			1.951 (2)	-4,9%	n.s.	n.s.	n.s.

(1) The value takes into account the remuneration actually paid in 2024 under the Commitment and the variable remuneration determined on the basis of the contractual fixed remuneration of € 1,000,000.

(2) Value in €/mln: the changes between the various financial years are not significant as in the years 2019, 2020 and 2022 there were negative values.

With reference to the high earners, i.e. those whose total remuneration paid for the year is equal to at least EUR 1 million on an annual basis (moreover subject to periodic reporting to the supervisory bodies) one Group employee has exceeded this threshold[90] (quantitative information is provided in Section II - Compensation Paid – EU REM drawn up pursuant to art. 450 of Regulation on capital requirements II (EU) no. 575/2013 - Pillar III).

89 Information pursuant to EU Directive 2017/828.
90 Information pursuant to article 450 (1) (i) of Regulation (EU) no. 575/2013.

1.7 2024 variable remuneration

As already discussed, in 2024 the Group has achieved a net profit of EUR 1,951 million, total revenues of EUR 4,034 million, up 6.2% compared to the previous year, confirming the excellent operating performance, the considerable capacity to generate capital and the capital strength at the top of the system.

With regard to remuneration, in order to create the conditions for the full execution of said Plan, as well as align the interests of management with those of shareholders, recognising and enhancing the contribution of human capital with a view to pay for performance, since 2023 the Group has activated specific annual incentive systems with the possibility of disbursement also in the form of welfare instruments.

The actual allocation of bonuses may only take place upon achievement of the annual qualitative and quantitative objectives of the Group, the company and the individual, subject to the fulfilment of the entry gate conditions and effective availability of the bonus pool. In particular, in addition to the presence of profit for the year, the entry gates set at Group level for 2024 also had to ensure the joint compliance with the capital strength, liquidity and risk-adjusted profitability ratios defined in the RAF; as at 31 December 2024, these entry gates had all been exceeded, as shown in the following table.

Entry Gate of the System			
Prerequisite: presence of profit for the year 2024(*)			✓
Tier1 Ratio	>	Risk Tolerance 2024	✓
NSFR	>	Risk Tolerance 2024	✓
RAROC	>	Positive	✓

(*) Including the cost of incentive systems

In addition, according to the provisions of the same 2024 Policies, the application of the funding ratio to the consolidated Net Operating Income (RON) for 2024 shows full availability of the bonus pool to service the 2024 incentive system.

1.8 Indemnities and/or other benefits for termination of office or for termination of employment awarded during the year

As part of the **compensation paid for early termination of the employment relationship**, 38 consensual resolutions which, among others, involved 4 management personnel belonging to the Identified Staff perimeter. For 20 employees amounts were paid **exceeding the cost of the notice**, which were disbursed according to the terms and methods envisaged by current legislation. In particular, an amount by way of severance exceeding EUR 100,000 was paid to two employees belonging to the Identified Staff perimeter. Disbursed in compliance with current legislation and the contractual provisions for the category, these amounts were defined within the perimeter of specific policies adopted by the Board of Directors in compliance with the resolutions of the Shareholders' Meeting, aimed at limiting discretion when determining the amounts to be granted and guaranteeing equal treatment.

For the sake of completeness, as regards the financial instrument Plan activated in 2016 relating to the original 32,806 "Phantom Shares" deferred, during the course of 2024, 10,688.19 of these were liquidated, as part of the Deferral Plans signed with two former Executive Managers. Firstly, 8.19 "Phantom Shares" were liquidated, corresponding to the last deferred portion set out in the Plan. Secondly, having verified the non-existence of the conditions for the application of the *malus*, the last two deferred portions were liquidated, for a total of 10,680 "Phantom Shares". Therefore, as at 31 December 2024, following both the liquidations and write-offs that have occurred to date, and the reverse split of the BMPS share in the ratio of 100 to 1, which took place with the resolution of the Shareholders' Meeting of 15 September 2022, there are no longer any Phantom Shares to be liquidated relating to the 2016 Plan.

With regard to the 2023 Plan, at 31 December 2024, 44,998 Phantom Shares are to be disbursed by way of severance, according to the terms and methods set forth in the deferral plan signed at the time of the early termination of the employment between an Executive Manager and the Bank.

With reference to the financial instrument plan intended for variable remuneration and for severance payments approved by the Shareholders' Meeting in 2024, it should be noted that use was made of the 68,987 Phantom Shares by way of severance, to be disbursed according to the terms and methods set forth in the deferral plans signed at the time of the early termination of the employment relationship between two Executive Managers and the Bank.

Finally, with regard to the share of the variable component to be paid in the form of financial instruments to Widiba's financial advisors included in Identified Staff, during the financial year 57,130 Performance Shares were assigned with a nominal value of EUR 66,608.30. Furthermore, 313,968.72 Performance Shares assigned in previous years were liquidated, for a total value of EUR 364,751.61.

1.9 Allocation of other forms of remuneration envisaged in the 2024 Policy

In compliance with the 2024 Remuneration Policies, which provided for the possibility of activating **notice extension agreements** and **non-compete covenants**, to serve the interest of the Bank, the use of these instruments continued for a total cost of the new activations equal to EUR 747,372.

With regard to the **non-recurring component of the remuneration** of Widiba's financial advisors, for 2024 the non-recurring remuneration of 143 advisors, linked to incentive and loyalty systems as well as to the entry of new financial advisors, was liquidated.

Lastly, it should be noted that no exceptions to the remuneration policies were made in 2024[91].

[91]See 4.10 The elements of the policy which may be derogated for Key Management personnel.

SECTION II – Compensation paid (Part II)

This section analytically illustrates the compensation paid or in any case assigned in 2024 financial year to the Directors, Statutory Auditors and key management personnel (pursuant to article 123-*ter* paragraph 4 of the Consolidated Law on Finance), as set forth in article 84-*ter* of the Issuers' Regulations, as well as data regarding the Identified Staff, pursuant to the Supervisory Provisions.

In this regard, it should be noted that Consob imposes the obligation to report payments made to those subjects who have held, during the financial year or a fraction thereof, the office of Director, General Manager or key management personnel.

Moreover, **no stock option plans are active** at Group level.

This section also sets out the information that the Bank is required to publish under Pillar III, pursuant to art. 450 of the Capital Requirements Regulation II (EU) No. 575/2013. Indeed, as of 30 June 2021 new provisions are in force on the Pillar III Disclosures of intermediaries, which are used to reinforce the role of entity disclosures in promoting market discipline.

Pillar III is based on the assumption that Market Discipline contributes to strengthening capital regulation and promoting the stability and solidity of Banks and the financial sector and provides investors and other interested parties with the appropriate, complete, accurate and timely information that they need to take investment decisions and develop informed opinions on the Group.

On the basis of art. 434 of the CRR, which provides the possibility to refer to another public disclosure, the Group is taking advantage of that possibility to complement the information, by providing specific references to the paragraphs of the Remuneration Policies that address the relative required information.

List of the information included in this Section:

Tables	Contents	Authorities
Table 1	Remuneration paid to the Members of the Board, Statutory Auditors, General Managers, Deputy General Managers and other key management personnel.	Consob
Table 3A	Incentive plans based on financial instruments, other than stock options, for members of the board of directors, general managers and other managers with strategic responsibilities.	Consob
Table 3B	Monetary incentive plans for members of the board of directors, general managers, and other managers with strategic responsibilities.	Consob
Schedule 7-*ter*	Shareholdings of the Members of the Board of Directors and Statutory Auditors, General Managers, Deputy General Managers and key management personnel.	Consob
EU REMA Table	Remuneration policy Reconciliation table with references to paragraphs in the Remuneration Policies.	EBA (Art. 450 of the CRR)
EU REM1 Template	Remuneration awarded for the financial year	EBA (Art. 450 of the CRR)
EU REM2 Template	Special payments to staff whose professional activities have a material impact on institutions' risk profile (Identified staff)	EBA (Art. 450 of the CRR)
EU REM3 Template	Deferred remuneration	EBA (Art. 450 of the CRR)
EU REM4 Template	Remuneration of EUR 1 million or more per financial year	EBA (Art. 450 of the CRR)
EU REM5 Template	Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile ("Identified staff")	EBA (Art. 450 of the CRR)

Table 1 - Remuneration paid to the members of the board, statutory auditors, general manager, deputy general managers and other managers with strategic responsibilities

pursuant to the Consob Resolution no. 11971 of 14 May 1999 and subsequent amendments
data refers to period 1/1 - 31/12/2024

Surname and name	Office	Period for which office was held	Fixed remuneration (*)	Remuneration for the participation in committees (*)	Non equity variable pay		Non monetary benefits (**)	Other remuneration	Total	Fair Value of the equity remuneration	Severance pay
					Bonuses and other incentives	Profit sharing					
MAIONE Nicola	Chairperson	01.01.24 - 31.12.24									
(i) Fees in the company that prepares the Financial Statements			110.000	-	-	-	1.460	-	111.460	-	-
(ii) Fees from subsidiaries and affiliates									-		
(iii) Total			**110.000**	**-**	**-**	**-**	**1.460**	**-**	**111.460**	**-**	**-**
BRANCADORO Gianluca	Deputy Chairman	01.01.24 - 31.12.24									
(i) Fees in the company that prepares the Financial Statements			65.000	15.000 *(1)*	-	-	1.460	-	81.460	-	-
(ii) Fees from subsidiaries and affiliates									-		
(iii) Total			**65.000**	**15.000**	**-**	**-**	**1.460**	**-**	**81.460**	**-**	**-**
BARZAGHI Alessandra Giuseppina	Director	01.01.24 - 31.12.24									
(i) Fees in the company that prepares the Financial Statements			65.000	38.306 *(2)*	-	-	1.460	-	104.766	-	-
(ii) Fees from subsidiaries and affiliates											
(iii) Total			**65.000**	**38.306**	**-**	**-**	**1.460**	**-**	**104.766**	**-**	**-**
CALTAGIRONE Alessandro	Director	27.12.24 - 31.12.24									
(i) Fees in the company that prepares the Financial Statements			722	-	-	-	4	-	726	-	-
(ii) Fees from subsidiaries and affiliates											
(iii) Total			**722**	**-**	**-**	**-**	**4**	**-**	**726**	**-**	**-**
LOVAGLIO Luigi	Director	01.01.24 - 31.12.24									
(i) Fees in the company that prepares the Financial Statements			65.000	20.639 *(3)*	-	-	1.460	-	87.099	-	-
(ii) Fees from subsidiaries and affiliates											
(iii) Total			**65.000**	**20.639**	**-**	**-**	**1.460**	**-**	**87.099**	**-**	**-**
DE SIMONE Elena	Director	27.12.24 - 31.12.24									
(i) Fees in the company that prepares the Financial Statements			722	-	-	-	4	-	726	-	-
(ii) Fees from subsidiaries and affiliates											
(iii) Total			**722**	**-**	**-**	**-**	**4**	**-**	**726**	**-**	**-**
DI STEFANO Stefano	Director	01.01.24 - 31.12.24									
(i) Fees in the company that prepares the Financial Statements			65.000	15.000 *(4)*	-	-	1.460	-	81.460	-	-
(ii) Fees from subsidiaries and affiliates											
(iii) Total			**65.000**	**15.000**	**-**	**-**	**1.460**	**-**	**81.460**	**-**	**-**
FABRIS DE FABRIS Paolo	Director	01.01.24 - 17.12.24									
(i) Fees in the company that prepares the Financial Statements			62.653	19.278 *(5)*	-	-	1.456	-	83.387	-	-
(ii) Fees from subsidiaries and affiliates											
(iii) Total			**62.653**	**19.278**	**-**	**-**	**1.456**	**-**	**83.387**	**-**	**-**
FOTI BELLIGAMBI Lucia	Director	01.01.24 - 17.12.24									
(i) Fees in the company that prepares the Financial Statements			62.653	19.306 *(6)*	-	-	1.456	-	83.415	-	-
(ii) Fees from subsidiaries and affiliates											
(iii) Total			**62.653**	**19.306**	**-**	**-**	**1.456**	**-**	**83.415**	**-**	**-**
LOMBARDI Domenico	Director	01.01.24 - 31.12.24									
(i) Fees in the company that prepares the Financial Statements			65.000	30.000 *(7)*	-	-	1.460	-	96.460	-	-
(ii) Fees from subsidiaries and affiliates											
(iii) Total			**65.000**	**30.000**	**-**	**-**	**1.460**	**-**	**96.460**	**-**	**-**

(*) The amounts indicated refer to 2024 accrual, even in cases where they have not yet been fully disbursed.
(**) For the members of the Bank's Board of Directors and Board of Statutory Auditors, the item includes an insurance policy to cover occupational accidents and health coverage. For the Chief Executive Officer and other Executives with Strategic Responsibilities, the item includes accident and health insurance policies, the Long Term Care policy, the company's contribution to the Supplementary Pension Fund set at a fixed rate of 2.5% and benefits in support of the individual.

(1) Brancadoro Gianluca, amounts recognised for the participation in board commitees:
- € 15.000 for the participation in the "Remuneration Committee"

(2) Barzaghi Alessandra Giuseppina, amounts recognised for the participation in board commitees:
- € 10.000,00 for the participation in the "Related Party Transactions Committee"
- € 25.472,22 for the participation in the "Risk and Sustainability Committee"
- € 2.833,33 for the participation in the "IT and Digitalisation Committee"

(3) De Martini Paola, amounts recognised for the participation in board commitees:
- € 10.000 for the participation in the "Nomination Committee"
- € 10.472,22 for the participation in the "Remuneration Committee"
- € 166,67 for the participation in the "Related Party Transactions Committee"

(4) Di Stefano Stefano, amounts recognised for the participation in board commitees:
- € 15.000 for the participation in the "Risk and Sustainability Committee"

(5) Fabris De Fabris Paolo, amounts recognised for the participation in board commitees:
- € 9.638,89 for the participation in the "Related Party Transactions Committee"
- € 9.638,89 for the participation in the Supervisory Board

(6) Foti Belligambi Lucia, amounts recognised for the participation in board commitees:
- € 9.638,89 for the participation in the "Related Party Transactions Committee"
- € 9.666,67 for the participation in the "Remuneration Committee"

(7) Lombardi Domenico, amounts recognised for the participation in board commitees:
- € 15.000 for the participation in the "Nomination Committee"
- € 15.000 for the participation in the "Risk and Sustainability Committee"

Table 1 - Remuneration paid to the members of the board, statutory auditors, general manager, deputy general managers and other managers with strategic responsibilities
pursuant to the Consob Resolution no. 11971 of 14 May 1999 and subsequent amendments
data refers to period 1/1 - 31/12/2024

Surname and name	Office	Period for which office was held	Fixed remuneration (*)	Remuneration for the participation in committees (*)	Non equity variable pay: Bonuses and other incentives	Non equity variable pay: Profit sharing	Non monetary benefits (**)	Other remuneration	Total	Fair Value of the equity remuneration	Severance pay
LUCANTONI Paola	Director	01.01.24 - 31.12.24									
(i) Fees in the company that prepares the Financial Statements			65.000	17.833 *(8)*	-	-	1.460	-	84.294	-	-
(ii) Fees from subsidiaries and affiliates											
(iii) Total			**65.000**	**17.833**	**-**	**-**	**1.460**	**-**	**84.294**	**-**	**-**
MARTINIELLO Laura	Director	01.01.24 - 17.12.24									
(i) Fees in the company that prepares the Financial Statements			62.653	24.361 *(9)*	-	-	1.456	-	88.470	-	-
(ii) Fees from subsidiaries and affiliates											
(iii) Total			**62.653**	**24.361**	**-**	**-**	**1.456**	**-**	**88.470**	**-**	**-**
NEGRI - CLEMENTI Anna Paola	Director	01.01.24 - 17.12.24									
(i) Fees in the company that prepares the Financial Statements			62.653	24.097 *(10)*	-	-	1.456	-	88.206	-	-
(ii) Fees from subsidiaries and affiliates											
(iii) Total			**62.653**	**24.097**	**-**	**-**	**1.456**	**-**	**88.206**	**-**	**-**
ORIANI Raffaele	Director	11.04.24 - 31.12.24									
(i) Fees in the company that prepares the Financial Statements			46.944	4.056 *(11)*	-	-	1.355	-	52.355	-	-
(ii) Fees from subsidiaries and affiliates											
(iii) Total			**46.944**	**4.056**	**-**	**-**	**1.355**	**-**	**52.355**	**-**	**-**
LOVAGLIO Luigi	Director	27.12.24 - 31.12.24									
(i) Fees in the company that prepares the Financial Statements			722	-	-	-	4	-	726	-	-
(ii) Fees from subsidiaries and affiliates											
(iii) Total			**722**	**-**	**-**	**-**	**4**	**-**	**726**	**-**	**-**
PARAMICO RENZULLI Francesca	Director	27.12.24 - 31.12.24									
(i) Fees in the company that prepares the Financial Statements			722	-	-	-	4	-	726	-	-
(ii) Fees from subsidiaries and affiliates											
(iii) Total			**722**	**-**	**-**	**-**	**4**	**-**	**726**	**-**	**-**
SALA Renato	Director	01.01.24 - 31.12.24									
(i) Fees in the company that prepares the Financial Statements			65.000	20.111 *(12)*	-	-	1.460	-	86.572	-	-
(ii) Fees from subsidiaries and affiliates											
(iii) Total			**65.000**	**20.111**	**-**	**-**	**1.460**	**-**	**86.572**	**-**	**-**
TADOLINI Barbara	Director	27.12.24 - 31.12.24									
(i) Fees in the company that prepares the Financial Statements			722	-	-	-	4	-	726	-	-
(ii) Fees from subsidiaries and affiliates											
(iii) Total			**722**	**-**	**-**	**-**	**4**	**-**	**726**	**-**	**-**
VISCONTI Donatella	Director	01.01.24 - 17.12.24									
(i) Fees in the company that prepares the Financial Statements			62.653	19.278 *(13)*	-	-	1.456	-	83.387	-	-
(ii) Fees from subsidiaries and affiliates											
(iii) Total			**62.653**	**19.278**	**-**	**-**	**1.456**	**-**	**83.387**	**-**	**-**

(*) The amounts indicated refer to 2024 accrual, even in cases where they have not yet been fully disbursed.
(**) For the members of the Bank's Board of Directors and Board of Statutory Auditors, the item includes an insurance policy to cover occupational accidents and health coverage. For the Chief Executive Officer and other Executives with Strategic Responsibilities, the item includes accident and health insurance policies, the Long Term Care policy, the company's contribution to the Supplementary Pension Fund set at a fixed rate of 2.5% and benefits in support of the individual.

(8) Lucantoni Paola, amounts recognised for the participation in board commitees:
- € 15.000 for the participation in the "Risk and Sustainability Committee"
- € 2.833,33 for the participation in the "IT and Digitalisation Committee"

(9) Martiniello Laura, amounts recognised for the participation in board commitees:
- € 9.638,89 for the participation in the "Nomination Committee"
- € 14.722,22 for the participation in the "Risk and Sustainability Committee"

(10) Negri-Clementi Anna Paola, amounts recognised for the participation in board commitees:
- € 14.458,33 for the participation in the "Related Party Transactions Committee"
- € 9.638,89 for the participation in the "Remuneration Committee"

(11) Oriani Raffaele, amounts recognised for the participation in board commitees:
- € 4.055,56 for the participation in the "IT and Digitalisation Committee"

(12) Sala Renato, amounts recognised for the participation in board commitees:
- € 10.000 for the participation in the "Nomination Committee"
- € 10.000 for the participation in the "Remuneration Committee"
- € 111,11 for the participation in the "Related Party Transactions Committee" (theoretical amount - effective from 27.12.24)

(13) Visconti Donatella, amounts recognised for the participation in board commitees:
- € 9.638,89 for the participation in the "Nomination Committee"
- € 9.638,89 for the participation in the "Related Party Transactions Committee"

Table 1 - Remuneration paid to the members of the board, statutory auditors, general manager, deputy general managers and other managers with strategic responsibilities

pursuant to the Consob Resolution no. 11971 of 14 May 1999 and subsequent amendments

data refers to period 1/1 - 31/12/2024

Surname and name	Office	Period for which office was held	Fixed remuneration (*)	Remuneration for the participation in committees (*)	Non equity variable pay		Non monetary benefits (**)	Other remuneration	Total	Fair Value of the equity remuneration	Severance pay
					Bonuses and other incentives	Profit sharing					
CIAI Enrico	Chairperson of the Board of Statutory Auditors	01.01.24 - 31.12.24									
(i) Fees in the company that prepares the Financial Statements			80.000	-	-	-	1.460	-	81.460	-	-
(ii) Fees from subsidiaries and affiliates											
(iii) Total			80.000	-	-	-	1.460	-	81.460	-	-
LINGUANTI Lavinia	Statutory Auditor	01.01.24 - 31.12.24									
(i) Fees in the company that prepares the Financial Statements			65.000	-	-	-	1.460	-	66.460	-	-
(ii) Fees from subsidiaries and affiliates											
(iii) Total			65.000	-	-	-	1.460	-	66.460	-	-
COTONE Pierpaolo	Statutory Auditor	01.01.24 - 11.04.24									
(i) Fees in the company that prepares the Financial Statements			18.236	-	-	-	1.185	-	19.421	-	-
(ii) Fees from subsidiaries and affiliates											
(iii) Total			18.236	-	-	-	1.185	-	19.421	-	-
GRANATA Giacomo	Statutory Auditor	11.04.24 - 31.12.24									
(i) Fees in the company that prepares the Financial Statements			46.944	-	-	-	1.355	-	48.299	-	-
(ii) Fees from subsidiaries and affiliates											
(iii) Total			46.944	-	-	-	1.355	-	48.299	-	-
LOVAGLIO Luigi	CEO/General Manager	01.01.24 - 31.12.24									
(i) Fees in the company that prepares the Financial Statements			473.700 *(14)*	-	400.000 *(15)*	-	20.915	-	494.615	600.000 *(15)*	-
(ii) Fees from subsidiaries and affiliates											
(iii) Total			473.700	-	400.000	-	20.915	-	494.615	600.000	-
MANAGERS WITH STRATEGIC RESPONSIBILITIES		01.01.24 - 31.12.24									
(i) Fees in the company that prepares the Financial Statements			3.937.732,73	-	834.200	-	224.256	-	4.996.189	1.221.300	1.044.033 *(17)*
(ii) Fees from subsidiaries and affiliates								63.844 *(16)*	63.844		
(iii) Total			3.937.732,73	-	834.200	-	224.256	63.844	5.060.033	1.221.300	1.044.033

(*) The amounts indicated refer to 2024 accrual, even in cases where they have not yet been fully disbursed.

(**) For the members of the Bank's Board of Directors and Board of Statutory Auditors, the item includes an insurance policy to cover occupational accidents and health coverage. For the Chief Executive Officer and other Executives with Strategic Responsibilities, the item includes accident and health insurance policies, the Long Term Care policy, the company's contribution to the Supplementary Pension Fund set at a fixed rate of 2.5% and benefits in support of the individual.

(14) Remuneration actually paid in 2024 during the term of the Commitment (contractual remuneration € 1.000.000); this remuneration does not take into account the higher amounts due to him following the termination of the Commitment.

(15) The reference value of the variable part is the fixed remuneration contractualised at the beginning of the mandate, amounting to €1.000.000, no longer subject to the limitations defined by the Commitment.

(16) Annual amounts paid or to be paid by investee companies, of which € 51.844 paid or to be paid to Banca MPS SpA.

(17) Managers with strategic responsibility

Amount paid as an incentive for the early termination of 2 employment relationships as follows:

- € 526.197 as amount in lieu of notice, paid upfront
- € 487.836 as severance pay, disbursed as follows:
  - 48% upfront, of which 40% in cash and 60% in phantom shares
  - 52% deferred, of which 40% in cash and 60% in phantom shares
- € 30.000 by way of a non-competition undertaking following termination of an employment relationship

Table 3A - Incentive plans based on financial instruments, other than stock options, for members of the board of directors, general managers, and other managers with strategic responsibilities

pursuant to the Consob Resolution no. 11971 of 14 May 1999 and subsequent amendments

data refers to period 1/1 - 31/12/2024

Surname and name	Office	Plan	Financial Instruments assigned in previous exercises and not vested during the year		Financial instruments assigned during the exercise					Financial Instruments vested during the year and not assigned	Financial Instruments vested during the year and attributable		Financial Instruments relevant to the year
			Number and type of financial instruments	Vesting period	Number and type of financial instruments	Fair value at assignment date	Vesting period	Assignment date	Market price at assignment date	Number and type of financial instruments	Number and type of financial instruments	Value at accrual date	Fair value
LOVAGLIO Luigi	CEO General Manager												
(I) Compensation in the company that prepares the Financial Statements		2023 Incentive System	56.695	2024 - 2029						-	24.298 *(1)*	158.755 *(1)*	158.755 *(1)*
		2024 Incentive System			(*)	600.000 *(2)*	2025 - 2030	(*)	(*)				180.000 *(2)*
(II) Compensation from subsidiaries and affiliates		-	-	-	-	-	-	-	-	-	-	-	-
(III) Total						600.000						-	338.755
MANAGERS WITH STRATEGIC RESPONSIBILITIES													
(I) Compensation in the company that prepares the Financial Statements		2023 Incentive System	169.201	2024 - 2029						-	121.412 *(1)*	793.272 *(1)*	793.272 *(1)*
		2024 Incentive System			(*)	1.221.300 *(2)*	2025 - 2030	(*)	(*)				494.520 *(2)*
(II) Compensation from subsidiaries and affiliates		-	-	-	-	-	-	-	-	-	-	-	-
(III) Total						1.221.300						-	1.287.792

(*) The data of the Phantom Shares assignable with reference to the incentive granted in relation to the results of the financial year 2024 will be available after the resolutions of the Ordinary Shareholders' Meeting convened for 17 April 2025

(1) Phantom Shares referred to the upfront component, subject to a two-year holding period. The value shown refers to the fair value recognised as at 31 December 2024

(2) The amount refers to the 2024 Incentive System and will be disbursed following the resolutions of the Ordinary Shareholders' Meeting ordinary General Meeting of Shareholders convened for 17 April 2025

Table 3B - Monetary incentive plans for members of the board of directors, general managers, and other managers with strategic responsibilities

pursuant to the Consob Resolution no. 11971 of 14 May 1999 and subsequent amendments

data refers to period 1/1 - 31/12/2024

Surname and name	Office	Plan	Annual Bonus			Bonus from previous years			Other Bonuses
			Payable/paid out	Deferred	Deferment period	No longer payable	Paid out/to be paid outt	Still deferred	
LOVAGLIO Luigi	CEO General Manager								
(I) Compensation in the company that prepares the Financial Statements		2023 Incentive System				-	56.844 *(1)*	132.636	-
		2024 Incentive System	120.000 *(3)*	280.000 *(3)*	2025 - 2030				
(II) Compensation from subsidiaries and affiliates		-	-	-	-	-	-	-	-
(III) Total			120.000	280.000		-	56.844	132.636	-
MANAGERS WITH STRATEGIC RESPONSIBILITIES									
(I) Compensation in the company that prepares the Financial Statements		2023 Incentive System				-	314.261 *(2)*	426.060	-
		2024 Incentive System	339.680 *(3)*	494.520 *(3)*	2025 - 2030				
(II) Compensation from subsidiaries and affiliates		-	-	-	-	-	-	-	-
(III) Total			339.680	494.520		-	314.261	426.060	-

(1) Liquidated in 2025 following exit from the Commitment

(2) Of which € 40.127 liquidated in 2025 following exit from the Commitment

(3) The amount refers to the 2024 Incentive System and will be disbursed following the resolutions of the Ordinary Shareholders' Meeting ordinary General Meeting of Shareholders convened for 17 April 2025

Chart 7-ter - Shareholding held in MPS by members of the board of directors, board of statutory auditors and general managers
data at 31/12/2024

Surname and name	Office	Company in which stake is held	Number of shares held at the end of the previous year	Number of shares acquired	Number of shares sold	Number of shares held at the end of the financial year underway
Maione Nicola	Chairperson	Banca Monte dei Paschi di Siena S.p.A.	-	-	-	-
Brancadoro Gianluca	Deputy Chairman	Banca Monte dei Paschi di Siena S.p.A.	-	-	-	-
Lovaglio Luigi	CEO/General Manager	Banca Monte dei Paschi di Siena S.p.A.	159.980 (1)	-	-	159.980
Barzaghi Alessandra Giuseppina	Director	Banca Monte dei Paschi di Siena S.p.A.	-	-	-	-
De Martini Paola	Director	Banca Monte dei Paschi di Siena S.p.A.	-	-	-	-
Di Stefano Stefano	Director	Banca Monte dei Paschi di Siena S.p.A.	-	12.000	-	12.000 (2)
Lombardi Domenico	Director	Banca Monte dei Paschi di Siena S.p.A.	-	-	-	-
Lucantoni Paola	Director	Banca Monte dei Paschi di Siena S.p.A.	-	-	-	-
Oriani Raffaele	Director	Banca Monte dei Paschi di Siena S.p.A.	-	-	-	-
Sala Renato	Director	Banca Monte dei Paschi di Siena S.p.A.	31.000 (1)	-	-	31.000
Caltagirone Alessandro	Director	Banca Monte dei Paschi di Siena S.p.A.	-	-	-	-
De Simone Elena	Director	Banca Monte dei Paschi di Siena S.p.A.	-	-	-	-
Panucci Marcella	Director	Banca Monte dei Paschi di Siena S.p.A.	-	-	-	-
Paramico Renzulli Francesca	Director	Banca Monte dei Paschi di Siena S.p.A.	-	-	-	-
Tadolini Barbara	Director	Banca Monte dei Paschi di Siena S.p.A.	-	-	-	-
Ciai Enrico	Chairperson of the Board of Statutory Auditors	Banca Monte dei Paschi di Siena S.p.A.	-	-	-	-
Linguanti Lavinia	Statutory Auditor	Banca Monte dei Paschi di Siena S.p.A.	-	-	-	-
Granata Giacomo	Statutory Auditor	Banca Monte dei Paschi di Siena S.p.A.	-	-	-	-
Cotone Pierpaolo	Alternate Auditor	Banca Monte dei Paschi di Siena S.p.A.	-	-	-	-
Giordano Paola Lucia Isabella	Alternate Auditor	Banca Monte dei Paschi di Siena S.p.A.	-	-	-	-
Fabris De Fabris Paolo	ex Director	Banca Monte dei Paschi di Siena S.p.A.	-	-	-	-
Foti Belligambi Lucia	ex Director	Banca Monte dei Paschi di Siena S.p.A.	-	-	-	-
Martiniello Laura	ex Director	Banca Monte dei Paschi di Siena S.p.A.	-	-	-	-
Negri-Clementi Anna Paola	ex Director	Banca Monte dei Paschi di Siena S.p.A.	-	-	-	-
Visconti Donatella	ex Director	Banca Monte dei Paschi di Siena S.p.A.	-	-	-	-

(1) Shares held directly at the end of the 2023 fiscal year
(2) Shares purchased directly

Chart 7-ter - Shareholding in MPS held by managers with strategic responsibilities

data at 31/12/2024

Number of managers with strategic responsibilities	Company in which stake is held	Number of shares held at the end of the previous financial year	Number of shares acquired	Number of shares sold	Number of shares held at the end of the financial year underway
16	Banca Monte dei Paschi di Siena S.p.A.	53.124 [1]	-	383	52.741

Of which in office at 31/12/2024

Number of managers with strategic responsibilities	Company in which stake is held	Number of shares held at the end of the previous financial year	Number of shares acquired	Number of shares sold	Number of shares held at the end of the financial year underway
13	Banca Monte dei Paschi di Siena S.p.A.	52.741 [1]	-	-	52.741

[1] Shares held directly at the end of the 2023 fiscal year

Table EU REMA - Remuneration policy

Institutions shall describe the main elements of their remuneration policies and how they implement these policies. In particular, the following elements, where relevant, shall be described:

Qualitative disclosures

Information relating to the bodies that oversee remuneration. Disclosures shall include:

a)

- *name, composition and mandate of the main body (management body or remuneration committee as applicable) overseeing the remuneration policy and the number of meetings held by that main body during the financial year*

  with reference to the Remuneration Committee see to that end Section I paragraph 2 - Governance Rules and Section II - Compensation paid Part I, paragraph 1.1 - Governance. For the Board of Directors see to that end Table 1 - Remuneration paid to the members of the board, statutory auditors, general manager, deputy general managers and other managers with strategic responsibilities.

- *external consultants whose advice has been sought, the body by which they were commissioned, and in which areas of the remuneration framework*

  in 2025, the Bank used the external consultants Willis Towers Watson to implement the incentive system for the "Identified Staff" 2025 and the preparation of the Report on Remuneration Policy 2025 and the compensation paid - see Section I paragraph 3 - Compliance;

  for 2025 the Remuneration Committee used an independent advisor, Chaberton Partners - see Section I paragraph 2 - Governance Rules.

- *a description of the scope of the institution's remuneration policy (eg by regions, business lines), including the extent to which it is applicable to subsidiaries and branches located in third countries*

  The principles set out in the Remuneration Policies are applicable to all the Group's companies, including resources employed abroad where applicable according to local regulations. As far as Widiba's Financial Advisors are concerned, the specific rules set forth in par. 4.7 - Remuneration of financial advisors.

- *a description of the staff or categories of staff whose professional activities have a material impact on institutions' risk profile.*

  see Section I, paragraphs 4.5 - 2025 Identified Staff, 5.1 - Process of classifying "Identified Staff".

Information relating to the design and structure of the remuneration system for identified staff. Disclosures shall include:

b)

- *an overview of the key features and objectives of remuneration policy, and information about the decision-making process used for determining the remuneration policy and the role of the relevant stakeholders*

  see Section I, paragraphs 2 - Governance Rules, 4.5 - 2025 Identified Staff, 5.1 - Process of classifying "Identified Staff".

- *information on the criteria used for performance measurement and ex ante and ex post risk adjustment*

  Variable remuneration of the Group, including shares attributable to Identified Staff., is determined based on Group and business unit risk-adjusted economic performance. For details, see Section I paragraphs 4.4.2 - "Core" components, 4.5.2 - Focus on the remuneration of the Chief Executive Officer/General Manager, 4.5.3 - "2025 Incentive System".

- *whether the management body or the remuneration committee where established reviewed the institution's remuneration policy during the past year, and if so, an overview of any changes that were made, the reasons for those changes and their impact on remuneration*

	in 2024 revised the Report on the Remuneration Policy of the institution and started the preliminary investigation for the activation of an incentive system in 2025. For details of the changes introduced in the 2025 policies, see Section I paragraph 1 - Purpose of the remuneration policy and main changes for 2025, 4.4.2 "Core" components, 4.5.2 - Focus on the remuneration policy of the Chief Executive Officer/General Manager and 4.5.3 - The "2025 Incentive System".
	• *information of how the institution ensures that staff in internal control functions are remunerated independently of the businesses they oversee* see Section I, paragraphs 4.3.1 - Fixed Remuneration and indemnities, 4.5.1 - Basic rules of variable remuneration, 4.5.3 - "2025 Incentive System".
	• *policies and criteria applied for the award of guaranteed variable remuneration and severance payments* see Section I, paragraphs 4.4 - Variable remuneration, 4.4.1 - Definition, 4.6 - Compensation for early termination of the employment.
c)	*Description of the ways in which current and future risks are taken into account in the remuneration processes. Disclosures shall include an overview of the key risks, their measurement and how these measures affect remuneration.* The Risk and Sustainability Committee has the task of assisting the Board of Directors in defining the guidelines of the internal control and risk governance system and in assessing the adequacy and effectiveness of that system, and to ensure that the incentives underlying the Group's remuneration and incentive system are consistent with the *Risk Appetite Framework* ('RAF'), the objectives of which are described in Section I paragraph 4.4.1 - Definition.
d)	*The ratios between fixed and variable remuneration set in accordance with point (g) of Article 94(1) CRD.* There is a limitation of the ratio between variable and fixed remuneration to a value not exceeding 100% (1:1 ratio), as indicated in Section I under paragraphs 4.4 - Variable Remuneration, 4.4.1 - Definition and 4.5.1 - Basic rules of variable remuneration. In addition, for Widiba's Financial Advisors, see also the Focus within paragraph 4.7.3 on the "Limit of Variable and Fixed Ratio for Financial Advisors included in the Identified Staff perimeter".
Description of the ways in which the institution seeks to link performance during a performance measurement period with levels of remuneration. Disclosures shall include:	
e)	• *an overview of main performance criteria and metrics for institution, business lines and individuals* the characteristics of the 2025 Incentive System are given in the Section I paragraphs 4.4.2 - "Core" components, 4.5.2 - Focus on the remuneration of the Chief Executive Officer/General Manager, 4.5.3 - "2025 Incentive System".
	• *an overview of how amounts of individual variable remuneration are linked to institution-wide and individual performance* see Section I, paragraphs 4.4.2 - "Core" components, 4.5.2 - Focus on the remuneration of the Chief Executive Officer/General Manager, 4.5.3 - "2025 Incentive System".
	• *information on the criteria used to determine the balance between different types of instruments awarded including shares, equivalent ownership interest, options and other instruments* see Section I, paragraphs 4.5.1 - Basic rules of variable remuneration, 4.5.2 - Focus on the remuneration of the Chief Executive Officer/General Manager, 4.5.3 - "2025 Incentive System".
	• *information of the measures the institution will implement to adjust variable remuneration in the event that performance metrics are weak, including the institution's criteria for determining "weak" performance metrics* see Section I, paragraphs 4.4.2 - "Core" components, 4.5.2 - Focus on the remuneration of the Chief Executive Officer/General Manager, 4.5.3 - "2025 Incentive System".

Description of the ways in which the institution seeks to adjust remuneration to take account of longterm performance. Disclosures shall include:	
f)	• *an overview of the institution's policy on deferral, payout in instrument, retention periods and vesting of variable remuneration including where it is different among staff or categories of staff* see Section I, paragraphs 4.5 - 2025 Identified Staff and more specifically, 4.5.1 - Basic rules of variable remuneration, 4.5.2 - Focus on the remuneration of the Chief Executive Officer/General Manager, 4.5.3 - "2025 Incentive System".
	• *information of the institution' criteria for ex post adjustments (malus during deferral and clawback after vesting, if permitted by national law)* see Section I, paragraph 5.2 - Compliance breach management process.
	• *where applicable, shareholding requirements that may be imposed on identified staff* nothing to report.
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. Disclosures shall include:	
g)	• *information on the specific performance indicators used to determine the variable components of remuneration and the criteria used to determine the balance between different types of instruments awarded, including shares, equivalent ownership interests, share-linked instruments, equivalent non-cash-instruments, options and other instruments.* See Section I paragraphs 4.5.1 - Basic rules of variable remuneration 4.7 - Remuneration of financial advisors, 4.9 - Financial instruments to service variable remuneration payment.
Upon demand from the relevant Member State or competent authority, the total remuneration for each member of the management body or senior management.	
h)	See Table 1 - Remuneration paid to the members of the board, statutory auditors, general managers, deputy general managers and other managers with strategic responsibilities. The table shows the disclosure on members of the BoD, CEO, GM and at an aggregate level for the other managers with strategic responsibilities, in section II.
Information on whether the institution benefits from a derogation laid down in Article 94(3) CRD in accordance with point (k) of Article 450(1) CRR.	
i)	• *For the purposes of this point, institutions that benefit from such a derogation shall indicate whether this is on the basis of point (a) and/or point (b) of Article 94(3) CRD. They shall also indicate for which of the remuneration principles they apply the derogation(s), the number of staff members that benefit from the derogation(s) and their total remuneration, split into fixed and variable remuneration.* Exemption based on letter b) (Bonus Significance Threshold) - Number of staff members benefiting from the exemption: No. 113. Total remuneration: Euro 31.454.651, of which fixed Euro 28.351.886, of which variable Euro 3.102.765.
Large institutions shall disclose the quantitative information on the remuneration of their collective management body, differentiating between executive and non-executive members in accordance with Article 450(2) CRR.	
j)	The information is contained in EU Form Table REM1 - Remuneration awarded for the financial year.

Table EU REM1: Remuneration awarded for the financial year

			a	b	c	d
			Management body Supervisory function	Management body Management function	Other senior management	Other identified staff
1	Fixed remuneration	Number of identified staff	14	1	13	134
2		Total fixed remuneration	1.461.861	474.823	4.012.938	19.343.560
3		Of which: cash-based	1.461.861	473.700 (1)	3.937.261	19.005.137
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		1.123	75.677	338.423
8		(Not applicable in the EU)				
9	Variable remuneration	Number of identified staff		1	13	120
10		Total variable remuneration		1.000.000 (2)	2.158.000	4.802.995
11		Of which: cash-based		400.000	875.200	4.095.084
12		Of which: deferred		280.000	519.120	407.222
EU-13a		Of which: shares or equivalent ownership interests				
EU-14a		Of which: deferred				
EU-13b		Of which: share-linked instruments or equivalent non-cash instruments		600.000	1.282.800	707.911
EU-14b		Of which: deferred		420.000	763.680	368.270
EU-14x		Of which: other instruments				
EU-14y		Of which: deferred				
15		Of which: other forms				3.177
16		Of which: deferred				
17	Total remuneration (2 + 10)		1.461.861	1.474.823	6.170.937	24.146.555

(1) Remuneration actually paid in 2024 during the term of the Commitment (contractual remuneration € 1.000.000); this remuneration does not take into account the higher amounts due to him following the termination of the Commitment

(2) The reference value of the variable part is the fixed remuneration contractualised at the beginning of the mandate, amounting to €1.000.000, no longer subject to the limitations defined by the Commitment

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

		a	b	c	d
		Management body Supervisory function	Management body Management function	Other senior management	Other identified staff
	Guaranteed variable remuneration awards				
1	Guaranteed variable remuneration awards - Number of identified staff				
2	Guaranteed variable remuneration awards -Total amount				
3	Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap				
	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				3
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount				269.395
	Severance payments awarded during the financial year				
6	Severance payments awarded during the financial year - Number of identified staff				4
7	Severance payments awarded during the financial year - Total amount				607.968
8	Of which paid during the financial year				354.293
9	Of which deferred				253.675
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				

Table 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	Management body 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	Management body Management function	331.590		331.590			171.474		
8	Cash-based	132.636		132.636					
9	Shares or equivalent ownership interests								
10	Share-linked instruments or equivalent non-cash instruments	198.954		198.954			171.474		
11	Other instruments								
12	Other forms								

Table 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
13	Other senior management	1.019.819		1.019.819			511.747		
14	Cash-based	426.060		426.060					
15	Shares or equivalent ownership interests								
16	Share-linked instruments or equivalent non-cash instruments	593.759		593.759			511.747		
17	Other instruments								
18	Other forms								
19	Other identified staff	1.148.157	392.982	755.175			352.381	519.870	51.114
20	Cash-based	674.072	295.293	378.779				295.293	
21	Shares or equivalent ownership interests								
22	Share-linked instruments or equivalent non-cash instruments	474.085	97.689	376.396			352.381	224.576	51.114
23	Other instruments								
24	Other forms								
25	**Total amount**	**2.499.566**	**392.982**	**2.106.583**			**1.035.602**	**519.870**	**51.114**

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

		a
	EUR	Identified staff that 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	

Table 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						
		Management body Supervisory function	Management body Management function	Total Management body	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	Total
1	Total number of identified staff										162
2	Of which members of the management body	14	1	15							
3	Of which other members of senior management				1	3		7	2		
4	Of which other identified staff				4	79		38	12	1	
5	Total remuneration of identified staff	1.461.861	1.474.823	2.936.684	1.289.615	16.220.853		10.354.319	2.287.723	164.981	
6	Of which variable remuneration		1.000.000 *(1)*	1.000.000	278.000	3.571.673		2.684.338	404.984	22.000	
7	Of which fixed remuneration	1.461.861	474.823 *(2)*	1.936.684	1.011.615	12.649.180		7.669.981	1.882.739	142.981	

(1) The reference value of the variable part is the fixed remuneration contractualised at the beginning of the mandate, amounting to €1.000.000, no longer subject to the limitations defined by the Commitment

(2) Remuneration actually paid in 2024 during the term of the Commitment (contractual remuneration € 1.000.000); this remuneration does not take into account the higher amounts due to him following the termination of the Commitment

1. Resolution proposal

Dear Shareholders,

in relation to the above We invite you to approve the following proposal:

"*The Ordinary Shareholders' Meeting*

- *having examined the "REPORT ON THE REMUNERATION POLICY 2025 AND ON COMPENSATION PAID" prepared by the Board of Directors pursuant to Article 123-ter of the Legislative Decree n. 58 of 24 February 1998 ("**Consolidated Financial Act**"), Article 84-quater of the Consob Issuers Regulation 11971/1999, the provisions of the Bank of Italy Circular n. 285/2013 and Article 13 paragraph 3 lett. e) of the Bank's By-Laws (the "**Report**");*
- *having examined, in particular, the Section 1 of the above Report, prepared pursuant to Article 123-ter, paragraph 3 and 3-bis of the Consolidated Financial Act and related to (i) company policy for 2025 in remuneration matters of all staff (including members of the administrative bodies and without prejudice to the provisions of Article 2402 of the Italian Civil Code, of the members of the control bodies), ("**2025 Policy**"), (ii) the procedures used for the adoption of and implementation of the policy and (iii) the criteria for determining the remuneration to be granted in the event of early termination of employment*;
- *considering that, pursuant to Article 123-ter, paragraph 3-ter, of the Consolidated Financial Act the Shareholders' Meeting is called to express a binding vote on the aforementioned Section 1 of the Report*,

RESOLVES

- *to approve Section 1 of the Report, pursuant to Article 123-ter, paragraph 3-ter, of the Consolidated Financial Act;*
- *to give a mandate to the Chief Executive Officer, with the right to sub delegate, for the implementation of the 2025 Policy.*

In compliance with the obligations arising from the Supervisory Provisions, the Shareholders' Meeting must be periodically informed regarding the implementation of the policies adopted."

2. Resolution proposal

Dear Shareholders,

in relation to the above We invite you to approve the following proposal:

"The Ordinary Shareholders' Meeting,

- *having examined the "REPORT ON THE REMUNERATION POLICY 2025 AND ON COMPENSATION PAID" prepared by the Board of Directors pursuant to Article 123-ter of the Legislative Decree n. 58 of 24 February 1998 ("**Consolidated Financial Act**"), Article 84-quater of the Consob Issuers Regulation 11971/1999, the provisions of the Bank of Italy Circular n. 285/2013 and Article 13 paragraph 3 lett. e) of the Bank's By-Laws (the "**Report**");*
- *having examined, in particular, the Section 2 of the Report, related to the reporting of the remuneration paid in 2024, prepared pursuant to Article 123-ter, paragraph 4 of the Consolidated Financial Act;*
- *considering that pursuant to Article 123-ter, paragraph 6, of the Consolidated Finance Act, the Shareholders' Meeting is called to cast a non-binding vote on the aforementioned Section 2 of the Report,*

RESOLVES

positively the Section 2 of the Report, prepared pursuant to Article 123-ter paragraph 6 of the Consolidated Financial Act."

Siena, 18 March 2025

On behalf of the Board of Directors
Nicola Maione
Chairperson of the Board of Directors