Banca Ifis

Report on Remuneration Policy and Remuneration Paid 2023

2023

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Letter from the Chairman to Shareholders

Dear Shareholders,

pursuant to Article 123-*ter* of Italian Legislative Decree no. 58 of 24 February 1998 (Consolidated Law on Finance, or "**TUF**"), you are called to decide for or against Section I of this report.

With this report, Banca IFIS S.p.A.'s Board of Directors aims to comply with the requirements of Article 123-*ter* of the TUF, banking industry regulations and the corporate governance rules contained in the Corporate Governance Code, as specified below.

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

Detailed information is also supplied regarding the contents of the "Information Document on Remuneration Plans based on Financial Instruments" (pursuant to Article 114-*bis* of the TUF and Article 84-*bis* of Consob's [Italian Financial Market Regulatory Authority] Issuers' Regulation). The Report on Remuneration Policy and Remuneration Paid and the Information Document on Remuneration Plans based on Financial Instruments are available at: http://www.bancaIfis.it/Corporate-Governance/Assemblea degli Azionisti.

Information on the requirements of reporting to the public pursuant to the Supervisory Provisions for banks – Bank of Italy Circular no. 285 of 17 December 2013 – on corporate governance, is disclosed in the Report on Corporate Governance and Shareholding Structure which can be found at http://www.bancaIfis.it/Corporate-Governance/Documenti-Societari

Ernesto Furstenberg Fassio

Chairman of Banca Ifis

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Report on Remuneration Policy and Remuneration Paid 2023

Introduction

1.1. Applicable Provisions

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

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

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

The following provisions for the inclusion of ESG parameters in staff remuneration and incentive mechanisms are also considered:

- November 2020 ECB guide on climate and environmental risks;
- EBA Report of June 2021 on Management and Supervision of Environmental, Social and Governance Risks of Credit Institutions;
- Bank of Italy's April 2022 supervisory expectations on climate and environmental risks.

1.2. Report structure

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

- Section I: aimed at illustrating the Group's remuneration policy for management bodies, the General Management, and key managers and, without prejudice to the provisions of Article 2402 of the Italian Civil Code, for the members of the supervisory bodies, as well as for "Risk Takers" and other staff not falling within the scope of Article 123-*ter* of the TUF, and the procedures used to adopt and implement this policy; this section describes the policy envisaged for FY 2023;
- Section II: structured into two parts:
  - the first is aimed at showing each remuneration item with name for the members of the management and control bodies, for the general management and, in aggregate form, for key managers, as well as for "Risk Takers" not included within the scope of Article 123-*ter* of the TUF (in addition to the illustration of how Banca Ifis took into account the vote expressed in 2022 on Section II of the Report on Remuneration Policy and Remuneration Paid in 2022);
  - in the second part there is an analytical report, in tabular form, as indicated in Annex 3, Schedule no. 7 bis of the Issuers' Regulation (updated with the amendments made by resolution no. 21623 of 10 December 2020), of the remuneration paid during the year 2022, for any reason and in any form, by the company and by subsidiaries or associates; the additional information required pursuant to Article 450 of Regulation (EU) of 26 June 2013, no. 575 and in compliance with the models and instructions identified in the Implementing Regulation (EU) of 15 March 2021, no. 637 is also given in tabular form for Banca Ifis and for the other companies of the Group.

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

SECTION I - Remuneration and incentive policies

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

The Parent company, in the exercise of its management and coordination powers, defines this Group remuneration and incentive policy in line with the characteristics of the Group and of each subsidiary and in compliance with the provisions in force.
The remuneration policy shall be in effect for one year.
This policy is defined by the Parent company with the aim of aligning the conduct of management and staff with the interests of all Stakeholders, directing their action towards the achievement of **sustainable medium-to-long term objectives** - including sustainable finance objectives that take into account, inter alia, environmental, social and governance (**ESG**) factors - within the framework of a **prudent assumption of current and prospective risks**, as well as helping to **attract, motivate and retain** people with the professional qualities required to profitably pursue, in accordance with corporate values and according to a **policy of prudent risk management, including strategies for the monitoring and management of impaired loans** (in line with the provisions of the prudential control process), the short and/or medium/long-term objectives correlated with the Group's strategic objectives, thereby contributing to the achievement of results aimed at strengthening the Company's operational, economic and financial solidity in the long term and safeguarding the sustainability of the Banca Ifis Group.
The remuneration and incentive policy was defined taking into account the remuneration and working conditions of its employees, the provisions of collective bargaining (applicable over time); in particular, the policy is based on the principles set out below.
The Banca Ifis Group's remuneration and incentive system aims, in particular, to:

- promote sound and effective risk management by not encouraging risk taking above the tolerated level of risk;
- promote the competitiveness and good governance of the Group;
- attract and retain in the company individuals with professionalism and skills suitable for the Group's needs, especially when they play important roles within the company organisation;
- encourage compliance with all legal and regulatory provisions, as well as transparency and correctness in relations with customers, discouraging any violation and/or unfair commercial practice;
- make corporate objectives consistent with the Group's sustainable growth objectives;
- seek the best alignment between the interests of different stakeholders;
- focus on risk containment policies;
- avoid altering or undermining the risk alignment effects inherent in remuneration arrangements;
- avoid creating situations of conflict of interest.

Focus: gender neutrality

The Bank, which has always been attentive to issues of diversity and inclusion, promotes networks and initiatives for training and empowerment of women and supports flexibility in order to combine the needs of work and family.
Banca Ifis's commitment to gender equality is expressed in an increasingly inclusive culture, which is reflected in work-life balance policies and welfare to support family needs, in particular to support maternity, parental leave and other situations of family difficulties, thanks to the activation of the increasing adoption of flexible working methods.
In this context, since December 2021, Banca Ifis has been the first Italian bank to be certified for gender equality by the Winning Women Institute, a company committed to spreading the principle of gender equality within the world of work. According to the Dynamic Model Gender Rating, which is based on the achievement of quantitative and qualitative KPIs, the levers subject to assessment are: opportunities for growth within the company, pay equity and HR processes, flexibility for maternity protection.
The Bank then intends to adopt internal rules outlining the method by which the Group guarantees that all employees (and collaborators) are treated with no direct or indirect distinction or preference, based on age, gender, sexual orientation, marital status, religion, language, ethnic or national origins, physical or mental disabilities, state of pregnancy, maternity or paternity, including through adoption, personal beliefs, political opinions, affiliation or trade union activities.
In accordance with the values and principles pursued by the Banca Ifis Group, the aforementioned Policy will identify the thematic areas of intervention, which make it possible to frame in the most complete way all the aspects linked to the theme of inclusiveness and embrace the complexity that characterises the Group's project on Gender Diversity and Inclusion: attraction and retention, reward and promotions, development, training, welfare policies, culture and change management.
Within the framework described, as part of the review of policies at least once a year, by the Supervisory Provisions, the Board of Directors analyses, with the support of the Remuneration Committee, the gender neutrality of remuneration policies and verifies any gender pay gap and its evolution over time.
In particular, the reasons for any gender pay gap are properly documented and corrective action taken, where necessary.

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

The establishment of a Sustainability Committee enhances and substantiates the Group's willingness to direct its strategic guidelines on the integration of sustainability risks, in accordance with current regulations.
The Sustainability Committee is chaired by the Bank's Deputy Chairman, further confirming the commitment and value the Group places on ESG issues.
In this context, Banca Ifis was the first Italian challenger bank to join the Net-Zero Banking Alliance (NZBA) (in October 2021), the initiative promoted by the United Nations aiming to speed up the sustainable transition of the international banking segment. The Net-Zero Banking Alliance brings together institutes, which are committed to bringing their loans and investment portfolios into line with the achievement of the zero net emissions goal by 2050, as per the targets set by the Paris Climate Agreement.
As part of this initiative, Banca Ifis has already defined and communicated its targets for the reduction of financed emissions by 2030 on its loan portfolio. This new commitment adds to the many initiatives already undertaken by Banca Ifis to support sustainable mobility and the environmental transition of SMEs. In February 2022, thanks to an agreement with Stellantis, the renewal of the entire company fleet was announced with the aim of adopting more than 50% environmentally friendly vehicles within 4 years. With the “Ifis Green” programme, the Bank is committed to developing products and services that favour sustainable practices, such as the leasing of electric vehicles, in which the Bank is a leader in Italy with a 15% market share. In addition, the Bank only uses energy from 100% renewable sources in all offices and branches in Italy. Lastly, Banca Ifis promotes a culture of business sustainability amongst SMEs, with dedicated periodic research and analyses.

In 2022, the Bank launched Kaleidos, the Social Impact Lab to gather all initiatives, present and future, that put people at the centre. The objective of Kaleidos is to promote high social impact projects in the three areas of inclusive communities, culture and territory, and people's well-being, and to provide people working in the Bank with tools for building a more inclusive and sustainable future.

2. Highlights of the 2023 Remuneration Policy

With regard to the remuneration policy for the financial year 2022, two resolutions were passed at the Shareholders' Meetings, one in April 2022 and one in July 2022; the latter with particular reference to an update to the Long Term Incentive Plan.
The Shareholders' Meeting of April 2022 voted overwhelmingly in favour, with a percentage of 97,589% of the voting rights; the same occurred in July 2022, when the Shareholders' Meeting voted in favour with a percentage of 99,527% of the voting rights.

In light of the positive outcome of the shareholders' meeting vote, Banca Ifis decided to submit to the shareholders' meeting a remuneration policy for the year 2023 substantially in line with that of the previous year.

The changes compared to the remuneration policy resolved by the Shareholders' Meeting on 28 July 2022 include:

- the updating and amendment of certain provisions of the Long Term Incentive Plan, aimed at providing - as more fully illustrated in the explanatory report and the Information Document of such plan and with a view to further strengthening the alignment of long-term interests between management and shareholders - the possibility for the beneficiaries, at the opening of each exercise window of the options (both the up-front and the deferred options) to postpone the exercise of all or part of the options that may have vested and may be exercised already in that window in the subsequent "exercise windows" provided for by the Long Term Incentive Plan, thus also obtaining a greater deferral with reference to such financial instruments, without prejudice to the final deadline after the last retention period (2029 or 2030, in the case of particularly high variable remuneration);
- the modification of certain levels and weights related to the KPIs of the Chief Executive Officer and Joint General Managers.
- for employees falling into the category of "key personnel", it is provided that any interventions on the fixed remuneration (for the same role) exceeding 20% compared to the gross annual remuneration of the previous year may only be carried out upon decision of the Board of Directors after consulting the Remuneration Committee (also on the basis of appropriate evidence in terms of market benchmarking).

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

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

- the Shareholders' Meeting;
- the Board of Directors;
- the Remuneration Committee;
- the Chief Executive Officer;

- the General Management[1]
- the Control Functions;
- the Human Resources Function; and
- the Strategic Planning Department.

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

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

3.1 The Shareholders' Meeting

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

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

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

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

3.2 The Board of Directors

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

- appointing, dismissing and remunerating the General Manager;
- the remuneration and incentive policies to be submitted to the Shareholders' Meeting;

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

- reviewing these policies, at least annually, and being responsible for their correct implementation, with the task of ensuring that the remuneration policy is adequately documented and accessible within the corporate structure.

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

According to the provisions of Article 14 of the Articles of Association, the Board is vested with all the powers of ordinary and extraordinary administration, excluding only those that the law strictly reserves for the Shareholders' Meeting. Furthermore, the Board of Directors is solely responsible for the resolutions concerning, among other things:

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

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

The Board of Directors is also involved in the key personnel self-assessment process and in the possible procedure to exclude personnel, as specified in Annex 1 of this Report ("Policy related to the key personnel identification process") and periodically reviews the relative criteria.

As part of the at least annual review of policies, the Board of Directors analyses, with the support of the Remuneration Committee, the gender neutrality of remuneration policies and reviews the gender pay gap and its evolution over time.[2]

3.3 The Remuneration Committee

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

- advises and formulates proposals to the Parent company's Board of Directors for the remuneration and incentives of corporate officers (including executive Directors and other Directors holding special offices), key managers and the heads of the internal control functions of the Parent company - also taking into account the remuneration practices prevailing in the reference sectors and for companies of a similar size, and considering comparable foreign experiences and availing itself of an independent consultant if necessary -, as well as on the setting of performance targets correlated to the variable component of such remuneration advising on the determination of criteria for the remuneration of the remaining "key" personnel identified within the Parent company in compliance with the applicable supervisory provisions;
- supports the body with strategic supervisory function in analysing the neutrality of remuneration policies with respect to gender and in verifying any gender pay gap and its evolution over time.
- gives its opinion, also using the information received from the competent corporate functions, on the results of the identification process of key personnel, including any exclusions, in compliance with supervisory provisions;
- periodically assesses the adequacy, overall consistency and concrete application of the Group's remuneration policies, using the information provided by the Chief Executive Officer, where appropriate, making proposals on the matter to the Board of Directors;
- directly oversees the correct application of the remuneration rules for managers of the Parent company's and other Group companies' internal control functions, in close collaboration with the Board of Statutory Auditors;
- prepares documentation to be submitted to the Parent company's Board of Directors for its decisions;

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

- collaborates with the other committees within the Board of Directors, in particular with the Control and Risk Committee, when the two committees are not already made up of a large number of the same members guaranteeing ipso facto that collaboration;
- ensures the involvement of the Internal Audit function, the Risk Management function, the Compliance function, the Human Resources department and the Strategic Planning department in the process of developing and monitoring the Group's remuneration policies and practices;
- monitors implementation of the decisions adopted by the Parent company's Board of Directors and those of other Group companies regarding remuneration and, in particular, voicing opinion, using information received from corporate facilities, on reaching performance targets linked to incentive plans and on verifying the other remuneration payment conditions envisaged;
- formulates proposals to the Parent company's Board of Directors regarding the criteria for allocating stock options or shares to directors and Group employees;
- regarding the last point, if possible, provides interpretation on controversial cases and rectifies the allocation conditions of each tranche, as well as regulates the exercise of emerging rights for any transactions of an extraordinary nature on the Parent company's capital (mergers, increases in capital for free or against payment, fractioning or grouping of shares, etc.);
- examines in advance the Annual report on the remuneration policy and remuneration paid to be made available to the public for the annual general meeting;
- provides appropriate feedback on the activities carried out to the corporate bodies, including the Shareholders' Meeting

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

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

As approved by the Board of Directors at its meeting of 28 April 2022, the members of the Committee - who remain in office until the approval of the financial statements at 31 December 2024 - are:

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

The Remuneration Committee is chaired by Director Giovanni Meruzzi[4].

[3] Mr. Meruzzi took over from Ms Malinconico as Chairman of the Remuneration Committee with effect from 28 April 2022.

[4] The chairmanship of the Remuneration Committee lasts eighteen months from the date of appointment, unless the office of director or member of the Remuneration Committee is forfeited, revoked or the person resigns. When the presidency

The term of office of the members of the Remuneration Committee is equivalent to that of the Board of Directors which appointed it, whose early termination, for any reason, determines the simultaneous termination of the Remuneration Committee. The Remuneration Committee meets periodically, including by video link/telephone, whenever the need arises in relation to the tasks assigned to it.
If one or more members of the Committee are no longer in office, the Board of Directors may appoint new ones and/or replace these members.

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

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

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

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

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

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

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

3.4 The Chief Executive Officer

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

Regarding personnel management, the CEO is responsible for:

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expires, the Board of Directors confers the office of Chairman to a different member of the Remuneration Committee holding the aforementioned requirements.

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

3.5 The General Management

With effect from the month of October 2021 (following the resolution of the Shareholders' Meeting of 28 July 2021 which approved certain statutory amendments), in place of the General Manager, two Joint General Managers were appointed, who, pursuant to Art. 17 of the Articles of Association, shall implement the management directives of the CEO, assist him in the implementation of the strategic policies and corporate management and attend, upon invitation, the meetings of the Board of Directors, each with advisory functions according to their respective competences.

3.6 Functions involved in the process of defining remuneration policies

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

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

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

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

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

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

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

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

4.1 Remuneration of the Directors and Auditors of the Parent company

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

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

The Board of Directors, on the proposal of the Remuneration Committee and having heard the opinion of the Board of Statutory Auditors, is responsible for determining further remuneration for directors vested with particular offices (or special duties) pursuant to Article 2389, paragraph 3 of the Italian Civil Code. The Shareholders' Meeting may also delegate the Board of Directors to determine the Honorary Chairman's remuneration (as per the proposal submitted to the approval of the Shareholders' Meeting convened for 20 April 2023 with this policy).

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

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

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

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

4.2 Remuneration of the Directors and Auditors of the Subsidiaries

Without prejudice to the principle that the members of the Board of Directors who perform other roles within the Group as employees of the Parent company do not normally receive (and therefore unless otherwise determined by the Board of Directors of the Parent Company) any fee or, if received, it is transferred to the Parent company, the Shareholders' Meeting of the individual subsidiary company determines the remuneration of its directors in respect of an overall maximum limit not exceeding 50% of the total amount of remuneration that can be assigned to the members of the Board of Directors of the Parent company. For the non-executive members of the Board of Directors of the subsidiaries, there are generally no incentive mechanisms.

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

5. Recipients of the remuneration and inventive policies and policy governing the identification process of key personnel

Remuneration and incentive policies are defined for all Group personnel[5], without prejudice to more detailed requirements for members of staff that have a material impact on the Group's risk profile (so-called key personnel, hereinafter also "KP"). These individuals are periodically identified by the Parent company for all companies in the Group, whether or not they are subject to the policy on an individual basis, based on the criteria established in the "**Policy governing the identification process of the key personnel**", which forms an integral part of the remuneration and incentive policy; further information is given in Annex 1 of this Report.

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

Pursuant to the Supervisory Provisions, the Parent company is required to adopt a policy dealing with the process of identifying this staff.

The Policy governing the identification process of the key personnel defines the criteria and procedures used to identify the members of the key personnel, including those for determining the financial year of reference for the calculation of variable remuneration and those for any exclusion, the procedures for assessing personnel; the role played by the corporate bodies and the competent corporate functions in developing, monitoring and reviewing the identification process.

The process of self-assessment of the Group's key personnel, conducted by Human Resources with the support of Compliance and approved - with the favourable opinion of the Remuneration Committee - by the Parent company's Board of Directors, led to the identification, for 2023, of 63 individuals (compared to 63 individuals identified for 2022) who have a substantial impact on the Group's risk profile (KP). It should be noted that no proceedings have been initiated to notify the competent authority of the exclusion of the identified staff.

The Group's key personnel accounts for 3,06% of the total workforce.

6. Remuneration structure

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

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

On this point, please note that:

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

The remuneration offer is completed by various types of **benefits** (which are likewise stable in nature and not dependent on performance), having different gradation in relation to the corporate role and/or to the service reasons. The allocation can be summarised as follows: health insurance policy, professional and extra-professional accident policy, life insurance policy, permanent disability policy, meal vouchers, company contribution to supplementary pension schemes (recognised to all employees with an open-ended employment relationship). In addition to the above, some individuals are assigned a company car, based on internal Policies in force each time. Furthermore, within the Group there is the possibility of assigning short-stay accommodation for service reasons.
All employees can have access to the aforementioned benefits on the basis of internal reference practices and regulations and therefore are not considered as benefits of a discretionary nature.

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

Variable remuneration is intended as:

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

Variable remuneration includes:

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

[6] These awards are in any case paid out when the conditions for access to the variable component (gate) are met, it being understood that, for these "one-off" awards, mentioned above, a prior resolution of the Board of Directors is required, subject to the favourable opinion of the Remuneration Committee in the event of a total amount exceeding the budget allocations.
[7] These acknowledgements are not subject to the conditions set out in paragraph 7 "Variable remuneration system: access conditions" it being understood that the above "one-off" acknowledgements foresee a Board of Directors' resolution, after

Moreover, if there are motivated and documented reasons, remuneration may be linked to key resources staying in the company, and, as such, not linked to performance objectives. Any such sums paid by way of a **stability pact** or **retention bonus** shall comply with the provisions set out in the Supervisory Provisions, shall be recognised no earlier than the end of the period or the occurrence of the event, shall constitute forms of variable remuneration and as such shall be subject to all the rules applicable thereto. The same staff member shall not be awarded multiple retention bonuses, except in exceptional and appropriately justified cases (i.e., payment of retention bonuses occurs at different times and there are specific reasons for awarding them).
Always within the scope of variable remuneration, in exceptional situations the Bank may allocate instruments as an **entry bonus**, only assigned for the first year of employment and only when prudential requirements have been complied with, when the individual is hired and for attraction purposes, not subjected to the variable remuneration rules and not included in the variable/fixed ratio limit of first year remuneration only when paid in a single solution when the person is hired, pursuant to paragraph 2.1 of Section III of the Supervisory Provisions.

Within the Group, there is also the possibility of entering into **non-competition agreements** and **agreements to extend notice period** which, pursuant to the Supervisory Provisions, constitute forms of variable remuneration and as such are subject to all the rules applicable. These agreements are limited in time and, limited to the non-competition agreement, also in space and provide for a fee commensurate with the commitment attributed.

7. Ratio of variable remuneration to fixed remuneration

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

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

In order to achieve the above objectives, the Group establishes *ex ante* maximum and balanced limits to variable remuneration; **the maximum limit to the variable remuneration has been determined as equal to a maximum of 100% of the fixed remuneration with the exception of the Heads of the Corporate Control Functions for whom the variable remuneration cannot exceed 33% of the fixed remuneration**.

favourable opinion by the Remuneration Committee, and will only be allocated if that is compatible with capital levels and with sufficient liquidity to cover Bank activities.

With regard to the Chief Executive Officer of the Parent company, the Shareholders' Meeting recently (on 21 December 2021) approved the definition, with effect from FY 2022 and for subsequent years (the rationale and assumptions for this increase and the related impacts on the Group's capital remain unchanged with respect to the subject of the previous shareholders' resolution), of a ratio between the variable and fixed components of remuneration of a maximum of 150% in compliance with that permitted by Title IV, Chapter 2, Section III of the Supervisory Provisions.

Therefore, in summary, by 2023:

	Maximum ratio of variable to fixed remuneration
CEO of Parent company	150%
Heads of Control functions	33%
Other personnel (including Joint General Managers and KP) (*)	100%

(*) With regard to the Manager charged and the Head of the Human Resources Department, the variable remuneration is contained in line with the 1:1 ratio between the fixed and variable component of remuneration.

8. Variable remuneration: access gates

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

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

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

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

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

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

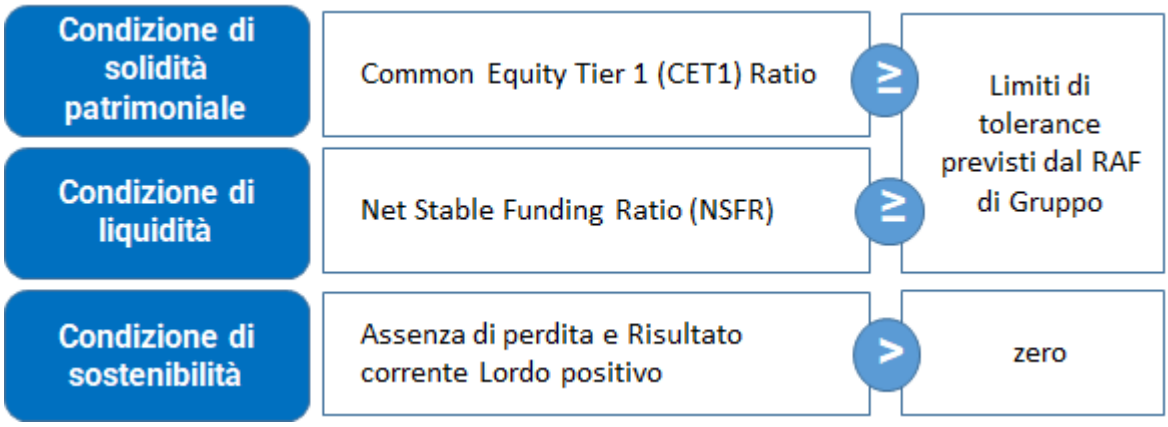
It should also be noted that, in the event of a change of role during the financial year, the variable remuneration will be paid with reference to the entire financial year provided that the beneficiary has held the role for at least 9 months.
In addition, it is provided that, in order to accrue the variable component of remuneration, beneficiaries must have been employed by the company for at least 3 months during the reference financial year.
For interim periods, payment will be made proportionally.

9. Variable remuneration: *ex post* correction mechanisms

9.1. *Malus* clauses

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

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



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

It should be noted that for those Legal Entities that calculate their own capital soundness and liquidity limits, failure to comply with these limits constitutes a condition for non-disbursement of the deferred variable component for which the resources operating in the Legal Entity are intended, even when those of the Banca Ifis Group should be verified positively.

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

- violations of the obligations imposed under article 26, or when the subject is an affected party, of article 53, paragraphs 4 et seq., of the Italian Consolidated Law on Banking ("TUB") or of the obligations regarding remuneration and incentive schemes;
- conduct that does not comply with legal, regulatory, or statutory provisions or any Codes of Ethics or Conduct applicable to the Bank resulting in a significant loss to the Group[8] or customers[9];
- further conduct that does not comply with the provisions of the law, regulations or the Articles of Association, or with any Codes of Ethics or Codes of Conduct applicable to the Bank in the cases envisaged by the latter;
- fraudulent behaviour or serious negligence causing damage to the Group;

or also if,

[8] Loss equal to or greater than 5% of net assets.
[9] The Parent company identifies as a "significant loss" to customers, any loss resulting from conduct that deviates from or otherwise fails to comply with legal, regulatory, statutory or ethical standards applicable to the Group. In particular, reference is made to cases of internal fraud, complaints upheld for improper conduct, and intentional non-compliance with the delegation system, where such cases have an effect on clients. It is understood that if these events are found to have occurred, all the investigations required by the disciplinary procedures provided for by law and by the relevant National Collective Bargaining Agreement applicable to these cases will be carried out and, if the conditions are met, the most appropriate disciplinary measures will be applied depending on the seriousness found and the extent of the loss suffered.

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

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

The above criteria are verified in each of the years in which the deferred variable component is deferred closed following the determination of the variable component (accrual period) and applied when the above conditions are identified. And so, merely by way of example, the *malus* condition with respect to the 2023 variable bonus will be verified in each of the 4/5 years ending after the year the variable component is determined and will be applied upon the occurrence of such conditions, to the portion pertaining to each individual year.

9.2 Claw back clauses

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

- violations of the obligations imposed pursuant to article 26 of the Consolidated Law on Banking or, when the person is an interested party, of article 53, paragraphs 4 and following, of the Consolidated Law on Banking or of the obligations relating to remuneration and incentives;
- conduct that does not comply with legal, regulatory, or statutory provisions or any Codes of Ethics or Conduct applicable to the Bank resulting in a significant loss to the Group[10] or customers[11];
- further conduct that does not comply with the provisions of the law, regulations or the Articles of Association, or with any Codes of Ethics or Codes of Conduct applicable to the Bank in the cases envisaged by the latter;
- fraudulent conduct or gross negligence to the detriment of the Group,

Ex post correction mechanisms may not lead to an increase in the variable compensation initially awarded nor in the variable compensation previously reduced or zeroed out as a result of the application of claw back. These criteria are also verified in each of the three financial years closed after the determination of the variable component (accrual period) and applied when the above conditions occur. For key personnel, this verification must be carried out in each of the subsequent five financial years.

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

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9.3 Prohibition of hedging strategy

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

In particular, the Parent company, in order to ensure that its key personnel are not remunerated or receive payments or other benefits in any way that circumvents the supervisory provisions on remuneration and incentive policies and practices, prepares specific individual agreements through which the recipients undertake to:

- not make use of personal hedging strategies and/or resort to remuneration insurance or any other initiative aimed at altering and/or invalidating the risk alignment effects inherent in remuneration mechanisms;
- communicate the existence or opening of custody and administration accounts with other intermediaries the information relating to the transactions carried out from time to time.

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

10. Methods of payment of variable remuneration.

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

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

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

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

In accordance with the Supervisory Provisions, the Group defines:

Materiality threshold: the variable remuneration of the key personnel that exceeds the amount of 50.000 Euro or represents more than one third of the total annual remuneration.

"Particularly high" variable remuneration amount
"Particularly high" variable remuneration amount means the lowest between:
- 25% of the average total remuneration of Italian high earners, as shown in the most recent report published by the EBA;
- 10 times the average total remuneration of Ifis Group employees.
In light of the above, the particularly high amount of variable remuneration with reference to the Group was identified as 424.260 Euro (equal to 25% of the average total remuneration of Italian high earners[12]).

Structure of the variable component, deferral period and deferred portions
The deferral period is the vesting period to which the variable remuneration is subject, in order to take into account the development of the risks assumed by the Bank over time.
In line with the Supervisory Provisions:
1. where the variable component is higher than the materiality threshold (and not of a particularly high amount), it is paid in the following ways:
    - upfront portion (60% of total variable remuneration): 50% in financial instruments and 50% in cash;
    - deferred portion (40% of total variable remuneration): 50% in financial instruments and 50% in cash. The period of deferral in this case is 4 years;
2. the variable component of a particularly high amount is paid in the following ways:
    - upfront portion (i.e. 40% of the total variable remuneration): 50% in financial instruments and 50% in cash;
    - deferred portion (i.e. 60% of total variable remuneration): 55% in financial instruments and 45% in cash. The period of deferral in this case is 5 years.

There are currently two types of incentive systems:
- Short Term Incentive (STI) System
- Long Term Incentive (LTI) System

The main characteristics of the two systems are defined below

11. INCENTIVE SYSTEMS

11.1. SHORT TERM INCENTIVE SCHEMES

[12] EBA Report on High Earners (EBA/REP/2021/23).

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

If the materiality threshold (as defined above) is exceeded, the Supervisory Provisions require that the variable remuneration both upfront and deferred for key personnel be balanced **at least 50% with financial instruments**, by which is meant, in the Banca Ifis Group, the shares of the Parent Company.

In the case of particularly high amount of variable remuneration, **it is required that more than 50% of the deferred portion be paid in financial instruments,** by which is meant, in the Banca Ifis Group, the shares of the Parent Company.

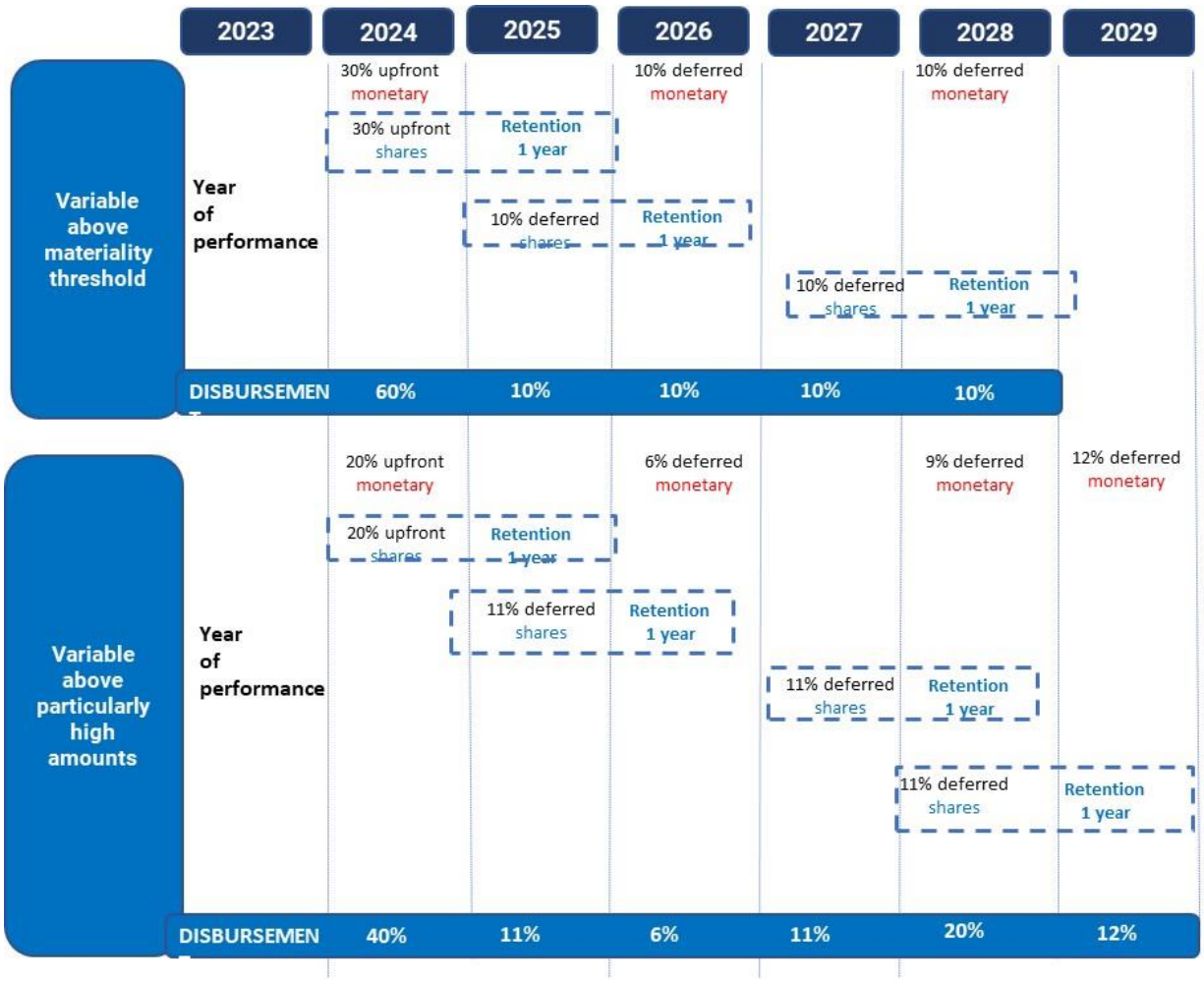
The period during which there is a ban on the sale of shares (so-called retention period) is **set at 1 year**.

In light of the above, summarised below are **the methods of payment of variable remuneration ("Short Term Incentive") for key personnel adopted by the Banca Ifis Group**:

	Upfront	Deferment
equal to or less than the materiality threshold	100% cash	
higher than the materiality threshold and not of particularly high amount	**60% upfront**, of which: - 50% (i.e. 30% of the total variable remuneration) in Banca Ifis shares, which may be exercised at the end of the retention period of 1 year - 50% (i.e. 30% of the total variable remuneration) paid in cash	**40% deferred over 4 years starting in the year following the year in which the up-front portion accrues**, of which: - 50% (i.e. 20% of the total variable remuneration) in Banca Ifis shares, which may be exercised at the end of the further retention period of 1 year - 50% (i.e. 20% of the total variable remuneration) in cash, subject to annual revaluation at the legal rate in force over time.
of particularly high amount	**40% upfront**, of which: - 50% (i.e. 20% of the total variable remuneration) in Banca Ifis shares, which may be exercised at the end of the retention period of 1 year - 50% (i.e. 20% of the total variable remuneration) paid in cash	**60% deferred over 5 years starting in the year following the year in which the up-front portion accrues**, of which: - 55% (i.e. 33% of the total variable remuneration) in Banca Ifis shares, which may be exercised at the end of the further retention period of 1 year - 45% (i.e. 27% of the total variable remuneration) in cash, subject to annual revaluation at the legal rate in force over time.

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

The transfer of the ownership of the shares, both for the upfront and the deferred portion, and the full availability of the same takes place at the end of the retention period (net of taxes and withholding taxes), without prejudice to the applicability of the *malus* and claw back mechanisms.
Dividends and interest accruing during the deferral period on Banca Ifis shares may not be paid either during or after the deferral period. In the event that, during the retention period, the Bank distributes profits, a number of shares equivalent to the value of the dividends that would have been received if the beneficiary had held the promised shares are also promised. The calculation and transfer of shares equivalent to accrued dividends are scheduled to occur at the end of the retention period and is made by taking the average share price over the thirty days prior to the dividend distribution as the reference price.
Variable cash remuneration subject to time deferral (vesting period) is revalued annually at the legal rate in force at the time.
The following is the deferral schedule in light of the above:



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

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

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

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

11.2. Long Term Incentive Plan (LTI Plan)

Following the resolutions passed in 2021 by the Board of Directors and Shareholders' Meeting - each insofar as competent - the introduction has been envisaged of a "2021-2023 Long Term Incentive Plan" (the "LTI Plan"), which provides for the assignment - to specific beneficiaries[13] identified at the discretion of the Bank with a specific resolution by the Board of Directors - free of charge, of a certain number of "Options" that will give the right to purchase, at a specific strike price, a corresponding number of Banca Ifis S.p.A. shares. These options will become exercisable after a three-year vesting period (2021, 2022 and 2023), subject to the circumstance that, at that date, the relationship between the Bank/Group Companies and the beneficiaries is still in place (and not in notice period), as well as to the achievement of predetermined quantitative and qualitative, financial and non-financial targets, linked to the Bank's long-term strategies.

For further information, please refer to the Information Document of the LTI Plan published at https://www.bancaifis.it/corporate-governance/assemblea-degli-azionisti/ as updated by the Shareholders' Meeting on 20 April 2023.

The following is a summary of the major elements of the LTI Plan:

Summary of the elements of the LTI Plan 2021-2022-2023	
Plan duration	2021-2022-2023
Instrument	Free assignment of Options[14] for the purchase of Banca Ifis shares
Bonus opportunity	With regard to the CEO, please refer to paragraph 12.2 below. To the further beneficiaries: number of Options, for each of the financial years 2022 and 2023, amounting, on average, to 25% of the relevant gross annual remuneration.
Maximum attributable options	The Plan provides for the disbursement of a maximum of 1.044.000 options (without prejudice to the possibility for the Bank to also use phantom stock options)
Strike price	The strike price of the Options is 12,92 Euro.
Maturity date	After the expiry of the plan, i.e. in 2024, with the approval of the financial statements as at 31/12/2023 by the Shareholders' Meeting (subject to verification of the objectives of the Plan and the gates for access to variable remuneration)
Activation conditions	Upon vesting and at the expiry of the subsequent deferral terms, it must be verified whether the gates are exceeded as established from time to time by the Bank's remuneration and incentive policies as set out in the Report on Remuneration Policy and Remuneration Paid in force from time to time.

[13] The beneficiaries include, among others, the two Joint General Managers. For the figure of the Chief Executive Officer of the Parent company, see paragraph 12.2 below.
[14] With regard to the value of the Options, please refer to the detailed provisions in the Information Document of the LTI Plan, available at the above link.

Performance Targets	- For all beneficiaries: 25% market indicator (Relative TSR vs. peer group); 60% economic/financial indicators (Profit Before Tax 25%, Cost/Income Ratio 20%, Gross NPE Ratio 15%); 15% ESG indicators - For the Manager charged: 25% Relative TSR vs. peer group; 30% ESG indicators; 45% qualitative assessment of the contribution made to digital transformation through the effective execution of planned investments - For the HR Manager: 25% Relative TSR vs. peer group; 30% ESG indicators; 45% qualitative assessment of contribution to digital transformation through effective execution of workforce transformation.
***Ex post* correction mechanisms**	The disbursement is subject to the following *ex post* adjustment mechanisms in accordance with the forecasts established from time to time by the remuneration policies: - as regards the upfront fee, the claw back mechanisms; - as regards the deferred fee, the *malus* and claw back mechanisms.
Exercise of Options	**Downstream of the one-year retention period**, for both the up-front and deferred portions; therefore, given that the LTI Plan vesting date is in 2024: **For the upfront portion (60%):** exercise of the options in 2025, after the one-year retention period (approval of the financial statements as at 31/12/2024 by the Shareholders' Meeting) **For deferred portions (40%):** exercise of the options on an annual pro rata basis for 4 years, starting from 2026, after the retention period of one year following approval of the financial statements by the General Meeting of Shareholders[15]. As more fully described in the Plan explanatory report and information document, submitted for approval to the Shareholders' Meeting of 20 April 2023, the Plan also provides - with a view to further strengthening the alignment of long-term interests between management and shareholders - the possibility for beneficiaries, at the opening of each option exercise window (both up front and deferred), to defer the exercise of all or part of any options that may have vested and may already be exercised in that window in the subsequent "exercise windows" provided for by the Plan, thereby also obtaining a greater deferral with reference to such financial instruments, without prejudice to the final deadline after the last retention period (2029 or 2030, in the case of particularly high variable remuneration).
Deferred portion	4 or 5 years, depending on whether the amount is above the materiality threshold or a particularly high amount in line with the Supervisory Provisions on Variable Remuneration of a particularly high amount
Retention period	1 year

[15] It is understood that in the case of particularly high variable remuneration, the following percentages and years of deferral shall apply: **for the upfront portion (40%):** exercise of options in 2025, after the one-year retention period (approval of the financial statements as of 31/12/2024 by the Shareholders' Meeting): for the **deferred portions (60%):** exercise of options annually pro-rata for 5 years, starting in 2026, after the one-year retention period following the approval of the financial statements by the Shareholders' Meeting

Method of allocation of the deferred portion	*Pro rata* annually commencing in 2025, subject to the provisions with reference to the "Exercise of Options".
Plan adjustment procedures	The Plan may be settled by payment of a net balance (including withholding taxes), or by payment of an amount of shares equal to the difference between the market value of the shares on the date of exercise and the option strike price and, according to the following formula: (Market Value* - Strike price** - IRPEF withholding tax) _____ (Unitary Market Value of the Shares***) * Total market value of opted shares ** Total strike price of opted shares *** Unit market value of the shares at the date of exercise of the options

12. Remuneration of the Parent company's CEO

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

- **a fixed remuneration of a stable and irrevocable nature**, which does not create incentives to take risks and does not depend on the Bank's performance, determined on the basis of the responsibilities associated with the position and the commitment required for its performance and verified from time to time and possibly updated on the basis of benchmark analyses carried out with the help of external consultants who are experts in the field of executive compensation;
- **benefits**;
- **a variable remuneration**, linked to achieving specific qualitative-quantitative performance targets:
    - **short-term**, linked to annual goals;
    - **long-term**, i.e. "2021-2023 Long Term Incentive Plan" (the "**LTI Plan**"), approved by Shareholders on 28 July 2021.

The CEO's remuneration package also includes a stability agreement.

There is also a so-called "severance" and a non-competition agreement defined in accordance with the principles set out in this remuneration policy.

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

The objectives assigned to the Chief Executive Officer for 2023 represent a combination of **quantitative and qualitative criteria**, referring to the Group's results, as well as qualitative aspects relating to strategic action.

The performance scorecard includes the declination of the following KPIs:

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

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

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

The performance scorecard assigned to the **Chief Executive Officer** for 2023 is shown below:

Performance scorecard

KPI						
Economic-financial KPIs		**65%**	**Minimum level**	**Medium level**	**Maximum level**	
Profitability	**ROE**: Profit attributable to the Parent company divided by the average of shareholders' equity attributable to the Parent company for the quarters 4Q21 to 4Q22	**25%**	**-5,5%**	**Progression Linear**	**Target level**	
Cost of credit	Net credit risk losses/reversals (excluding those of the Npl Area) divided by the average balance of Group loans (excluding those of the Npl Area)	**20%**	**+11%**		**Target level**	
Efficiency	**Cost/income ratio**: Total Group costs divided by the Group's net banking income	**20%**	**+ 3,5%**		**Target level**	
Strategy and sustainability KPIs		**35%**	**Minimum level**	**Medium level**	**Maximum level**	
ESG (*)	1. Maintenance of the A rating issued by MSCI 2. Maintenance of gender equity commitments 3. Implementation of the first step of the conversion of the company car fleet into a hybrid one	**10%**	**1 out of 3 targets**	**2 out of 3 targets**	**3 out of 3 targets**	
Strategic action	Qualitative assessment of the Chief Executive Officer's achievement of strategic directives by the Board of Directors.	**25%**	**In line with expectations**	**Above expectations**	**Excellent**	

(*) Target at company level for all PPRs
(**) The target level is the 2023 budget
(***) The minimum level represents, depending on the type of indicator, the floor or the cap in relation to the target level

12.2. Long-term incentive system (2021-2023 LTI Plan) of the Chief Executive Officer of the Parent company

The Board of Directors identified the Chief Executive Officer of the Parent company as the beneficiary of the LTI Plan, assigning the right to receive, at the end of the vesting period, up to a maximum of 696.000 Options, calculated in accordance with the ratio between fixed and variable remuneration for the three-year reference period (2021-2023), equal to a ratio of 1:1 for the first year and a ratio of 1,5:1 for the second and third years.

In this regard, it should be noted that the ratio between variable and fixed remuneration for the CEO is 1,5:1 as of 2022.

The following summarises the elements of the Chief Executive Officer's LTI Plan, subject to the application of the provisions outlined in paragraph 11.

For further information (including the effects of termination of the relationship), please refer to the Information Document of the LTI Plan published at https://www.bancaifis.it/corporate-governance/assemblea-degli-azionisti/ as updated by the Shareholders' Meeting on 20 April 2023.

Summary of the elements of the Chief Executive Officer's 2021-2022-2023 LTI Plan	
Plan duration	2021-2022-2023
Instrument	Free assignment of Options[16] for the purchase of Banca Ifis shares
Maximum attributable options	A total of 696.000 options, calculated as indicated above, are attributable to the CEO.
Strike price	The strike price of the Options is 12,92 Euro.
Exercise of Options	**Downstream of the one-year retention period, for both the up-front and deferred portions; therefore, given that the LTI plan vesting date is in 2024:** **For the upfront portion (40%):** exercise of the options in 2025, after the one-year retention period (approval of the financial statements as at 31/12/2024 by the Shareholders' Meeting) **For the deferred portions (60%):** exercise of the options on an annual pro rata basis for 5 years, starting from 2026, after the retention period of one year following approval of the financial statements by the Shareholders' Meeting As more fully described in the Plan explanatory report and information document, submitted for approval to the Shareholders' Meeting of 20 April 2023, the Plan also provides - with a view to further strengthening the alignment of long-term interests between management and shareholders - the possibility for beneficiaries, at the opening of each option exercise window (both up front and deferred), to defer the exercise of all or part of any options that may have vested and may already be exercised in that window in the subsequent "exercise windows" provided for by the Plan, thereby also obtaining a greater deferral with reference to such financial instruments, without prejudice to the final deadline after the last retention period (2029 or 2030, in the case of particularly high variable remuneration).
Deferred portion	5 years, in line with the Supervisory Provisions on variable remuneration of particularly high amounts

[16] With regard to the value of the Options, please refer to the detailed provisions in the Information Document of the LTI Plan, available at the above link.

<table>
<tr><td>Retention period</td><td>1 year</td></tr>
<tr><td>Method of allocation of the deferred portion</td><td>Pro rata annually commencing in 2025, subject to the provisions with reference to the “Exercise of Options”.</td></tr>
<tr><td>2021-2022-2023 LTI Plan Objectives</td><td>
<table>
<tr><th colspan="6">Chief Executive Officer balance score card</th></tr>
<tr><th rowspan="2">Indicator</th><th rowspan="2">Objectives</th><th rowspan="2">% weight</th><th colspan="3">Options vested as a % applied to total goals (100%)</th></tr>
<tr><th>min</th><th>target</th><th>max</th></tr>
<tr><td>Market indicator</td><td>Relative TSR vs Peer Group</td><td>25,00%</td><td>12,50%</td><td>18,75%</td><td>25%</td></tr>
<tr><td rowspan="3">Economic-financial indicators</td><td>Pre-tax profit</td><td>25,00%</td><td>12,50%</td><td>18,75%</td><td>25%</td></tr>
<tr><td>Cost/Income ratio</td><td>20,00%</td><td>10,00%</td><td>15,00%</td><td>20%</td></tr>
<tr><td>Gross NPE Ratio</td><td>15,00%</td><td>7,50%</td><td>11,25%</td><td>15%</td></tr>
<tr><td colspan="2">ESG Indicators related to NZBA, multiculturalism, gender equality, ESG rating.</td><td>15,00%</td><td>7,50%</td><td>11,25%</td><td>15%</td></tr>
</table>
</td></tr>
<tr><td>Plan adjustment procedures</td><td>The Plan may be settled by payment of a net balance (including withholding taxes), or by payment of an amount of shares equal to the difference between the market value of the shares on the date of exercise and the option strike price and, according to the following formula:

(Market Value* - Strike price** - IRPEF withholding tax)
_____
(Unitary Market Value of the Shares***)

* Total market value of opted shares
** Total strike price of opted shares
*** Unit market value of the shares at the date of exercise of the options</td></tr>
</table>

13. Short-term variable remuneration of Joint General Managers[17]

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

The performance scorecard includes the declination of the following KPIs:

[17] For the discipline of the LTI Plan, see paragraph 11.2 above.

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

Strategy and sustainability KPIs with a weight of 35%, which aim to assess the achievement of strategic directives, as well as corporate objectives in the ESG area.

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

The following are the performance scorecards assigned for 2023 to the Joint General Manager - Chief Operating Officer and the Joint General Manager - Chief Commercial Officer, respectively:

KPI	Performance scorecard		COO	CCO			
	Economic-financial KPIs		65%	65%	Minimum level	Medium level	Maximum level
	Profitability	**ROE**: Profit attributable to the Parent company divided by the average of shareholders' equity attributable to the Parent company for the quarters 4Q21 to 4Q22	20%	25%	-5,5%	Progression Linear	Target level
	Cost of credit	Net credit risk losses/reversals (excluding those of the Npl Area) divided by the average balance of Group loans (excluding those of the Npl Area)	20%	20%	+11%		Target level
	Efficiency	**Cost/income ratio**: Total Group costs divided by the Group's net banking income	25%	20%	+ 3,5%		Target level
	Strategy and sustainability KPIs		65%	65%	Minimum level	Medium level	Maximum level
	ESG (*)	1. Maintenance of the A rating issued by MSCI 2. Maintenance of gender equity commitments 3. Implementation of the first step of the conversion of the company car fleet into a hybrid one	10%	10%	1 out of 3 targets	2 out of 3 targets	3 out of 3 targets
	Strategic action	Qualitative assessment of the achievement of strategic directives, formulated by the CEO	25%	25%	In line with expectations	Above expectations	Excellent

(*) Target at company level for all PPRs
(**) The target level is the 2023 budget
(***) The minimum level represents, depending on the type of indicator, the floor or the cap in relation to the target level

14. Variable remuneration of Heads of control functions

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

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

For the year 2023, the key personnel belonging to the control functions are the recipients of an incentive system based on a performance scorecard containing **structure KPIs, solidarity KPIs and qualitative KPIs.**

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

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

15. Short-term variable remuneration of other staff, including the key personnel[18]

For the year 2023, even the key personnel, as identified in compliance with paragraph 5 and not belonging to the above categories, shall be the recipients of an incentive system based on a performance scorecard containing, as a rule, **economic-financial KPIs/structure KPIs, solidarity KPIs and qualitative KPIs**[19].
The KPIs and their relative weights are defined in a specific company document.
Variable remuneration will accrue on the basis of the degree of achievement of objectives, with variable remuneration as a rule being paid on a linear progression between 60% and 100%.

16. Short-term variable remuneration for sales staff

The sales staff not belonging to the key personnel (referred to in the preceding sections) are the recipients, for 2023, of an incentive system based on a performance scorecard containing, in general, **economic-financial KPIs** based on the specific businesses, **solidarity KPIs and qualitative KPIs**, i.e. the qualitative assessment and verification of complaints received from customers[20].

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

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

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

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[18] Concerning the 2021 - 2023 Long Term Incentive, see paragraph 11.2 above
[19] In any case, incentive mechanisms linked to economic results are excluded for the determination of the remuneration of the Manager charged and the Head of the Human Resources Department.
[20] The incentive systems of the commercial network are subject to correction mechanisms (*malus*/claw back clauses) such as to allow their cancellation. For example, with behaviour that has caused or helped cause significant damage for customers, or a significant breach of codes of ethics or conduct protecting customers applicable to the broker (measurable through any complaints received).

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

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

On this assumption, as required by the regulation, here below please find indication of the number of key personnel and credit brokers[21], forming the Group's sales network to which the remuneration policies described in this Report shall apply.

Personnel belonging to this key personnel category total 181, of which 145 are those offering products to customers and 36[22] are those to whom the former report hierarchically. The internal sales network includes the following products /Business areas:

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

For what concerns credit brokers, the agent network counts a total of about 138[23] agents supporting the Lease and CQS products.

The Bank has 50 agreements with credit brokers for the factoring product, 4 of which also cover the leasing product.

Having said that, for what concerns the remuneration policies and practices for key personnel and credit brokers, they do not cause incentives that can induce the sales network to pursue its own interests or those of the Bank or to cause prejudice for customers in product offer terms. Above all, that is ensured by how the Bank's commercial units are structured. They, in turn, mirror an organisation establishing segregation and separation of the single Bank businesses. For that

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

[22] Of which 3 belonging to the key personnel category.

[23] It should be noted that 75 agents of the 138 indicated have dual mandates performing activities for both Ifis Npl Servicing S.p.A. and Cap.Ital.Fin S.p.A.

purpose, it also foresees structures designed and dedicated to assessing transactions, that guarantee downstream control of the sales process for what concerns the evaluation of creditworthiness and the approval of transactions, consistent with the delegation system for taking on the credit risk.

The variable remuneration system for the sales network is defined, as indicated in the preceding paragraph, by identifying Key Performance Indicators of a quantitative nature (such as, by way of example, among others: net banking income, number of clients started up, volumes of new business, size of the client in terms of turnover, portfolio retention, credit quality in terms of credit impairment adjustments, relationships reported and started up referring to different Business Units) and of a qualitative nature, and is subject to mechanisms for *ex post* correction of the variable (*malus*/claw back clauses). Among the qualitative KPIs, there is a specific objective based on the presence or absence of complaints received.

On the other hand, there are no incentive schemes for credit brokers with whom the Bank enters into agreements with the exception of credit brokers for the CQS product[24]. Please refer to the following paragraph for remuneration policies intended for financial agents.

18. Remuneration of Financial Agents

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

It has been defined that the remuneration of these persons consists of a recurring component and, limited to the leasing and CQS product, of a non-recurring component determined *ex ante*, with an incentive value.

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

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

- the total amount of the "non-recurring" component paid to the Agents is also subordinate to checking the Group's liquidity and financial circumstances identified annually in the Remuneration report (see gate);
- criteria for the *ex post* correction of the "non-recurring" remuneration of each individual have been identified; they are based on indicators that reflect compliance for activities assigned contractually, correct behaviour, especially in relations with customers, contain legal and reputation risks that can affect the Group or Group companies and favour compliance with regulations and protect customers keeping them loyal.

[24] To date, it should be noted that no agreements have been concluded with credit brokers for the CQS product. In this respect, the incentive systems provided for this category are anchored to both quantitative and qualitative criteria, are adequately balanced with respect to the fixed component of remuneration and are subject to *ex post* correction mechanisms.

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

19. Remuneration of non-employee contract workers

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

- consultancy contracts;
- continuous and coordinated collaboration contracts.

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

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

20. Treatment for termination of office or of employment

20.1 Treatment for termination of office or of employment for the key personnel.

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

In no case may the gross total amount to be paid exceed 24 months of *de facto* gross total salary[25] (including fixed remuneration and the average variable remuneration of the last three years - which as such in fact also incorporates the individual's performance, even involving a significant reduction in treatment if the performance is negative), including notice period (if applicable).

[25] In order to satisfy the regulatory provision that requires the indication of a maximum limit to severance also in terms of the number of annuities of fixed remuneration and in absolute value, it should be noted that 24 months of recurring remuneration could correspond to a maximum, of a fully theoretical nature (in the case of personnel who in the three years prior to termination always received a bonus equal to 100% of his fixed remuneration), of 3,2 years of fixed remuneration. The severance value thus determined cannot, in any case, exceed a total of 2.496.000 million Euro.

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

BASIC AMOUNT +/- CORRECTIVE FACTORS

The basic amount[26] calculation is based on company seniority, as follows:

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

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

Solely for the position of Chief Executive Officer, the basic amount is calculated applying the following formula: 24 * (recurrent salary/12) in the case of "good leaver" and 12 * (recurring salary/12) in the case of "neutral leaver"[27].

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

In a specific internal document, the Bank analytically regulates the application criteria of the aforementioned corrective factors, attributing a percentage weight that decreases or increases the basic amount.

The aforementioned payments, subject to the opening of the access gates to the variable remuneration, are paid to the aforementioned title and therefore in compliance with the provisions of the Bank of Italy Provisions in force at the time and are also subject to the malus and claw back condition mentioned above.

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

[27] As noted in paragraph 12 of this Section I and in the First Part of Section II, the management agreement in place with the Chief Executive Officer contains, in compliance with the principles set out in this remuneration policy:
(i) a treatment of c.d. "severance", to be recognized upon signing of a settlement agreement and without prejudice to the application of the corrective and equal factors:
a. in cases of "good leaver" (i.e. revocation without just cause; resignation for just cause; resignation motivated by a substantial and unshared change in the office, unless it depends on circumstances attributable to the manager or provision/indication of the competent authorities) to 24 months of the recurring remuneration ; And
b. in cases of "neutral leaver" (i.e. death, permanent disability that does not allow the continuation of the relationship, illness for a continuous period of 6 calendar months) to 12 months of the recurring salary; And
(ii) a non-competition, non-solicitation and non-reversal agreement with a duration of 12 months, against the recognition of an amount equal to 12 months of fixed remuneration.

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

There are no discretionary pension benefits.

* * *

As a rule, consultancy contracts are not stipulated for a period following the termination of the relationship. However, this possibility is without prejudice, where this meets proven needs to continue to make use, in the interest of the company, for a limited period of time after the termination of the relationship, of the skills and contribution of the director and/or the Key Manager and for the performance of specific and predetermined activities (against a remuneration appropriately parametrised to the object and scope of the requested activity).
Furthermore, no agreements are currently in place - and normally are not stipulated - providing for the assignment or maintenance of monetary benefits for the period following the termination of the relationship (except for the possibility of granting the maintenance of assets such as cars or accommodation for limited periods of time subsequent to termination, and without prejudice to the overall maximum limit indicated above, compliance with which is verified by also calculating the value of any maintenance of these benefits).

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

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

- they respond exclusively to the logic of containment of company costs and rationalisation of the personnel structure;
- they promote adherence to support measures provided for by law or collective bargaining for all employees;
- they do not produce *ex ante* distorting effects on the behaviour of personnel;
- they provide for claw back mechanisms, which at least cover cases of fraudulent behaviour or gross negligence to the detriment of the bank.

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

21. Implementation of Policies in Subsidiaries

This document on the remuneration and incentive policies drawn up by the Parent company is valid for all subsidiaries, which, with the exception of Banca Credifarma S.p.A., are not required to draw

up their own document in this regard. Having said this, it is expected that Banca Credifarma S.p.A. will implement this policy by means of its own shareholders' resolution.

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

22. Exemptions

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

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

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

SECTION II

Section II of the Report is aimed at representing the application of the 2022 remuneration and incentive Policies, approved by the Shareholders' Meeting on 28 April 2022, as required by the reference regulatory framework, in particular:

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

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

Part I	Descriptive in nature, it describes and represents the items that make up the remuneration of the members of the Board of Directors and control bodies, the General Management and the Key Managers, and the procedures used for the adoption and implementation of this policy
Part II	Tabular in nature, concerning (i) the data referring to the year 2022, represented in accordance with the requirements of the Bank of Italy Circular 285/2013 relating to the fixed cost and variable component of the Group's personnel broken down by business remuneration of those who fall within the category of "key personnel" of the Group as at 31 December 2022 and (ii) the data on remuneration referring to the year 2022, represented according to Schedule 7-*bis* of Annex 3A to the Issuers' Regulation, relating to Directors, Auditors and other Key Managers of the Group.

Part One

The Bank carried out and implemented, during the 2022 financial year, Section I of the remuneration policy approved by the Shareholders' Meeting on 28 April 2022 and subsequently by the Shareholders' Meeting on 28 July 2022 with specific reference to the extension of the perimeter of the recipients of the LTI Plan, also in light of the favourable vote expressed by the Shareholders' Meeting on 28 April 2022 on Section II of the 2021 remuneration policy (to the extent corresponding to 74,696 of the voting rights).

In a logic of consistency with the reporting provided to the Shareholders' Meeting of 28 April 2022 regarding the implementation of the remuneration policies approved the previous year (the related documentation is available on the Bank's website in the "Corporate governance" section, path > Shareholders' Meeting > where the minutes of the Shareholders' Meeting of 28 April 2022 and

the minutes of the Shareholders' Meeting of 28 July 2022 can be consulted, pursuant to Article 125-*quater* of the Consolidated Law on Finance), we provide - in addition to what has already been said in other parts of this Report - some additional summary information on the implementation, during 2022, of the remuneration policies (Section I) approved by the Shareholders' Meeting on 28 April 2022 (as no derogation from this policy has been applied), highlighting the ways in which the various components of the remuneration have contributed to the long-term results of the Bank.

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The data shown below refer to all the companies of the Banca Ifis Group as at 31/12/2022 which are the following: Ifis Npl Investing S.p.A., Ifis Npl Servicing S.p.A., Ifis Rental Services Srl, Banca Credifarma S.p.A., Cap.Ital.Fin. S.p.A., IFIS Finance Sp.zo.o, based in Poland, IFIS Finance IFN SA, based in Romania, Ifis NPL 2021-1 SPV, a securitisation vehicle that has no employees.

* * *

For details on quantitative data related to remuneration paid to **Board members and Auditors, and the Chairman of the Supervisory Body of the Subsidiaries** please refer to Table 1 (remuneration paid to members of the administration and control bodies, general managers and other key managers - figures in thousand Euro).

For what concerns **Directors, Auditors, members of the Risks Committee, Appointments Committee, Remuneration Committee and Supervisory Body of the Parent company Banca Ifis** we are providing entries forming remuneration; for financial year 2022, they are summed up in Table 1 below, to be referred to. It also includes the remuneration received by directors leaving and that of new Board members receiving the mandate during the year.

During the 2022 financial year, no severances were recognized to Directors and/or Executives with strategic responsibilities.

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Total Group **Employee** expenses amount to approximately 144,2 million Euro. As part of the periodic remuneration review process, in 2022 merit-based interventions were carried out, with the exclusion of the provisions of the contractual automatisms in force, for approximately 18,67% of the personnel, with an overall impact of approximately 1,24% on the amount of the salaries.
With specific reference to **Financial Advisors** not linked by an employment relationship, the total amount of costs is approximately 10,7 million Euro.

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Activities carried out by the corporate bodies, in particular: Shareholders' Meeting and Remuneration Committee.
In 2022, the Shareholders' Meeting met two times:

- on 28 April 2022 to approve the Group's remuneration and incentive policies for 2022.
- on 28 July 2022, to include in the scope of the recipients of the 2021-2023 LTI Plan 13 members of Top Management, of which 12 key managers. The extension of the perimeter to the aforementioned persons was carried out following the relevant resolution of the

Board of Directors of 9 June 2022 - upon the proposal of the Bank's Remuneration Committee that met on 8 June 2022 - in execution of the resolution of the Shareholders' Meeting of 28 July 2021.

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In 2022, the Remuneration Committee met a total of 10 times.
The meetings were preceded by discussion among the members and/or by prior individual examination of documentation.
The average length of the meetings was approximately one hour and 10 minutes.
In 2022, the members of the Committee took part in all meetings held.
The CEO never attended these meetings. The Committee meetings were always attended by at least one member of the Board of Auditors, with the exception of the Committee's inaugural meeting.
During these meetings, the Committee gave its opinion in relation to the following topics:

- the key personnel self-assessment process;
- identification of the perimeter on the remuneration of key managers;
- incentive schemes applied to various business units of the Bank and the Group;
- remuneration and incentive policies of the Group: Report on Remuneration Policy and Remuneration Paid;
- Information document pursuant to Articles 114-*bis* of the Consolidated law on Finance and 84-*bis* of the Issuers' Regulation;
- implementation of the remuneration policies approved by the Shareholders' Meeting and impacts of Covid-19;
- incentive systems to be used in 2022;
- determination of the variable remuneration deriving from the results of the 2022 financial year for the Chief Executive Officer, Joint General Managers, key managers, the heads of internal control functions and the remaining key personnel.
- verification of the absence of conditions for the application of *ex-post* correction mechanisms (*malus* and claw back);
- report on the application of the 2021 remuneration policies to personnel not included in the category of key personnel;
- Long Term Incentive plan (extension of the scope of beneficiaries); the LTI meetings were also attended by external consultants, who were involved by the company structures for this purpose;
- agreement relating to the Variable Result Bonus;

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

Except as provided in the following paragraph, on the basis of the available evidence, the conditions of access to variable remuneration for all staff (so-called "gate") were met and, following the outcome of the check carried out on the *ex post* correction mechanisms, no *malus*/claw back conditions were found to exist.

In relation to individual conduct envisaged as a case of malus by the Remuneration Policies, in 2022 a malus mechanism was applied to Mr. Giovanni Bossi (Chief Executive Officer of the Bank until

2019) with reference to the deferred portion of the variable remuneration of the 2017 and 2018 incentive plans for Euro 105,000 and for n. 18,000 shares.

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With reference to the **variable remuneration of the Chief Executive Officer and the Joint General Managers** represented in the table below, it should be noted that in both cases the respective objectives have been achieved and consequently:

Role	Number of resources as of 31/12/2022	Achievement of 2022 goals	Variable remuneration theoretically accrued	Variable remuneration in 2022 actually accrued	Fixed remuneration percentage in 2022	Variable remuneration percentage in 2022
CEO	1	100%	630.000	630.000	55%	45%
Joint General Managers	2	100%	300.000	300.000	67%	33%

We omit further details regarding the above for the protection of confidentiality of commercially sensitive information and forward-looking data.

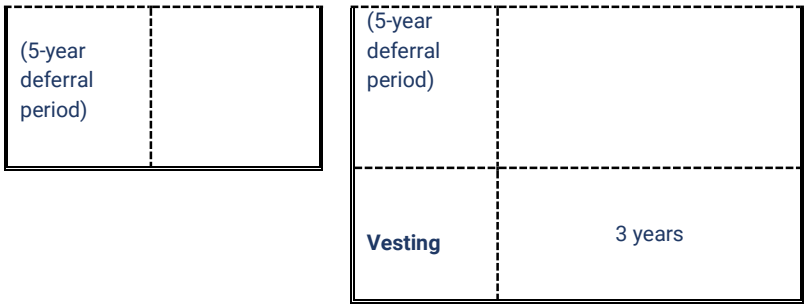
For the sake of completeness, an Executive Summary is given below as a tabular representation of the Chief Executive Officer's total remuneration in 2022 and the related pay-mix:

Fixed remuneration (€)	**Short-term variable remuneration** (€)	**Long-term variable remuneration (Options)** 2021/2023 LTI Plan	**Total remuneration** (€) (2022)
780.000 (55% of total remuneration)	**630.000** (45% of total remuneration) [28]	**696.000**	**1.410.000**[29] (100%)

Up front - of which 50% in shares	252.000 (40%)	**Up front**	40%
Deferred - of which 55% in shares	378.000 (60%)	**Deferred**	60%

[28] Ref. note 26

[29] Other non-monetary benefits are not included



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The remuneration package for the Chief Executive Officer was completed by the stability pact (equal to Euro 162,000 on an annual basis) and fringe benefits (for a counter-value, in 2022, equal to Euro 23,700).

The management agreement in place with the Chief Executive Officer then contains, in compliance with the principles set out in this remuneration policy: (i) a "severance", to be recognized upon signing of a settlement agreement and without prejudice to the application of corrective and equal factors: (a) in cases of "good leaver" (i.e. revocation without just cause; resignation for just cause; resignation motivated by a substantial and unshared change in the office, unless it depends on circumstances attributable to the manager or provision/indication of the competent authorities) to 24 months of the recurring remuneration ; and (b) in cases of "neutral leaver" (i.e. death, permanent disability that does not allow the continuation of the relationship, illness for a continuous period of 6 calendar months) to 12 months of the recurring salary; and (ii) a non-competition, non-solicitation and non-reversal agreement with a duration of 12 months, against the payment of an amount equal to 12 months of fixed remuneration.

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Also with reference to FY 2022, a **Variable Result Bonus** (to be paid in the course of FY 2023 with reference to the results of FY 2022) has been envisaged for employees who are not already recipients of other incentive systems (by way of example, but not limited to, commercial staff and the key personnel) and a Welfare Plan (to be paid in the course of FY 2023 with reference to FY 2022). Both Plans have been defined by means of a Trade Union Agreement that governs their terms and conditions, including the possibility of converting 20% of the VRB into Welfare (which would thus be added to the Standard Welfare Credit provided for in the same agreement).

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

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

Remunerazione totale di ciascuno dei membri dell'organo di amministrazione e dell'organo di controllo della Banca									
	2019	2020	Variazione %	2020	2021	Variazione %	2021	2022	Variazione %
Furstenberg Fassio Ernesto	210,00	469,10	123,38%	469,10	435,00	-7,27%	435,0	632,5	45,40%
Furstenberg Sebastien Egon	692,5	700,0	1,08%	700,00	700,00	0,00%	700,0	700,0	0,00%
Geertman Frederik Herman	-	-	nd	-	1.483,40	nd	1.483,4	1.433,7	-3,35%
Colombini Luciano	993,8	834,2	-16,06%	-	-	nd	-	-	nd
Arduini Simona	93,7	125,8	34,26%	125,80	126,80	0,79%	126,8	142,8	12,62%
Gronchi Divo	68,4	81,6	19,30%	81,60	3,70	-95,47%	-	-	nd
Malinconico Antonella	111,8	108,0	-3,40%	108,00	118,00	9,26%	118,0	124,0	5,08%
Santosuosso Daniele	144,3	140,7	-2,49%	140,70	113,50	-19,33%	113,5	36,6	-67,75%
Billio Monica	83,3	105,8	27,01%	105,80	116,20	9,83%	116,2	112,6	-3,10%
Lo Giudice Luca	57,8	72,0	24,57%	72,00	70,30	-2,36%	70,3	71,8	2,13%
Colleoni Beatrice	65,8	82,8	25,84%	82,80	93,70	13,16%	93,7	83,5	-10,89%
Csillaghy de Pacser Alessandro	210,8	220,8	4,74%	220,80	-	nd	-	-	nd
Diacetti Roberto	71,3	117,4	64,66%	117,40	118,50	0,94%	118,5	117,0	-1,27%
Preve Riccardo	16,8	39,9	137,50%	39,90	60,80	52,38%	60,8	19,6	-67,76%
Regazzi Monica	-	-	nd	-	42,40	nd	42,4	74,6	75,94%
Paoloni Paola	-	-	nd	-	-	nd	-	75,7	nd
Meruzzi Giovanni	-	-	nd	-	-	nd	-	61,0	nd
Gobbi Roberta	-	-	nd	-	-	nd	-	44,6	nd
Balelli Andrea	-	-	nd	-	-	nd	-	83,2	nd
Bugna Giacomo	125,0	118,0	-5,60%	118,00	122,30	3,64%	122,3	38,1	-68,85%
Olivetti Franco	64,0	82,0	28,13%	82,00	84,80	3,41%	84,8	84,0	-0,94%
Melaccio Annunziata	-	-	nd	-	-	nd	-	65,6	nd
Monterumisi Marinella	69,5	90,0	29,50%	90,00	90,30	0,33%	90,3	24,4	-72,98%

(*) For the offices that took effect during the year, the remuneration is re-proportioned to the period

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

figures in thousands of Euro	Group results (reclassified figures[1])		Change
Contents	2021	2022	%
Net banking income[1]	€ 599.938	€ 680.547	13,44%
Net profit (loss) from financial activities[1]	€ 522.727	€ 603.032	15,36%
Net profit attributable to the Parent company	€ 100.582	€ 141.086	40,27%

"[1] The reclassifications concern the following:
• net impairment losses/reversals of the Npl Segment are reclassified to Interest receivable and similar income (and therefore to the "Net banking income") to the extent to which they represent the operations of this business and are an integral part of the return on the investment;

• the following are reclassified under the item "Net credit risk losses/reversals" (and therefore under the item "Net profit from financial activities"):
- net credit risk losses/reversals relating to financial assets measured at amortised cost (with the exception of those relating to the Npl Segment mentioned above) and to financial assets measured at fair value through other comprehensive income;
- net provisions for risks and charges for credit risk relating to commitments and guarantees granted;
- profits (losses) from the sale/repurchase of loans at amortised cost other than those of the Npl Segment (which therefore do not contribute to the item "Net banking income")."

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

Average annual gross remuneration based on full-time employees					
2020	2021	Change	2021	2022	Change
		%			%
€ 44.332	€ 45.748	3,19%	€ 45.748	€ 46.981	2,70%

For the year 2022, the analysis of the ratio between the basic salary of women compared to that of men shows, with respect to the previous year, a reduction in the average salary gap between men and women, with particular emphasis in the category of Managers. Instead, as regards the category of employee, there is substantial parity. The analysis also includes foreign employees included in the employee category.

Part two: fees paid in 2022

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

Name and surname	Office	Period for which the office was held	End of term	Fixed remuneration						Variable remuneration (non equity)						
				Remuneration of office decided by the Shareholders' Meeting	Attendance fees	Remuneration for special offices pursuant to art. 2389 of the Italian Civil Code	Fixed remuneration as employee	Remuneration of the Supervisory Body	Remuneration for participating in committees	Bonuses and other incentives	Profit sharing	Non-monetary benefits	Other remuneration	Total	Fair Value of equity remuneration	Severance indemnity or indemnity for termination of employment
Ernesto Fürstenberg Fassio	Deputy Chairman of the Board of Directors	from 01/01/2022 to 10/11/2022	End of office 10/11/2022	42,9		214,6							237,6	495,1		
	Chairman of the Board of Directors	from 10/11/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024	7,1		92,1							38,2	137,4		
	Remuneration in Banca Ifis S.p.A.			**50,0**	-	**306,7**	-	-	-	-	-	-	**275,8**	**632,5**		-
Ernesto Fürstenberg Fassio	Chairman of the Board of Directors Ifis NPL Servicing S.p.A.	from 01/01/2022 to 14/12/2022	End of office 14/12/2022	47,7										47,7		
	Director of Ifis Npl Investing S.p.A.	from 26/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024	13,6										13,6		
	Remuneration from subsidiaries of Banca Ifis S.p.A.			**61,3**	-	-	-	-	-	-	-	-	-	**61,3**		-
	Total			**111,3**	-	**306,7**	-	-	-	-	-	-	**275,8**	**693,8**		-
Sebastien Egon Fürstenberg	Chairman of the Board of Directors	from 01/01/2022 to 10/11/2022	End of office 10/11/2022	42,9		559,7								602,6		
	Director designated as Honorary Chairman	from 10/11/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024	7,1		90,3								97,4		
	Remuneration in Banca Ifis S.p.A.			**50,0**	-	**650,0**	-	-	-	-	-	-	-	**700,0**		-
	Remuneration from subsidiaries of Banca Ifis S.p.A.			-	-	-	-	-	-	-	-	-	-	-		-
	Total			**50,0**	-	**650,0**	-	-	-	-	-	-	-	**700,0**		-
Frederik Herman Geertman	Chief Executive Officer	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024			780,0						23,7	630,0	1.433,7		
	Remuneration in Banca Ifis S.p.A.			-	-	**780,0**	-	-	-	-	-	**23,7**	**630,0**	**1.433,7**		-
Frederik Herman Geertman	Director of Ifis Npl Investing S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024											-		
	Remuneration from subsidiaries of Banca Ifis S.p.A.			-	-	-	-	-	-	-	-	-	-	-		-
	Total			-	-	**780,0**	-	-	-	-	-	**23,7**	**630,0**	**1.433,7**		-
Simona Arduini	Director	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024	50,0	17,8									67,8		
	Chairman of the Control and Risk Committee	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024						75,0					75,0		
	Lead Independent Director	from 01/01/2022 to 28/04/2022	End of office 28/04/2022											-		
	Remuneration in Banca Ifis S.p.A.			**50,0**	**17,8**	-	-	-	**75,0**	-	-	-	-	**142,8**		-
Simona Arduini	Director of Ifis Npl Investing S.p.A.	from 10/05/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024	20,0	2,5									22,5		
	Director of Ifis Npl Servicing S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2022	20,0										20,0		
	Remuneration from subsidiaries of Banca Ifis S.p.A.			**40,0**	**2,5**	-	-	-	-	-	-	-	-	**42,5**		-
	Total			**90,0**	**20,3**	-	-	-	**75,0**	-	-	-	-	**185,3**		-
Monica Billio	Director	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024	50,0	14,3									64,3		
	Member of the Control and Risk Committee	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024						45,0					45,0		
	Member of the Appointments Committee	from 01/01/2022 to 28/04/2022	End of office 28/04/2022						3,3					3,3		
	Remuneration in Banca Ifis S.p.A.			**50,0**	**14,3**	-	-	-	**48,3**	-	-	-	-	**112,6**		-
Monica Billio	Director of Ifis Npl Investing S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024	20,0	2,5									22,5		
	Director of Farbanca S.p.A.***	from 01/01/2022 to 10/04/2022	End of office 10/04/2022	5,6										5,6		
	Director of Banca Credifarma S.p.A.	from 11/04/2022 to 16/06/2022	End of office 16/06/2022	3,6										3,6		
	Remuneration from subsidiaries of Banca Ifis S.p.A.			**29,2**	**2,5**	-	-	-	-	-	-	-	-	**31,7**		-
	Total			**79,2**	**16,8**	-	-	-	**48,3**	-	-	-	-	**144,3**		-
Beatrice Colleoni	Director	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024	50,0	17,0									67,0		
	Member of the Appointments Committee	from 01/01/2022 to 28/04/2022	End of office 28/04/2022						3,3					3,3		
	Member of the Remuneration Committee	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024						10,0					10,0		
	Member of the Supervisory Body	from 01/01/2022 to 28/04/2022	End of office 28/04/2022					3,2						3,2		
	Remuneration in Banca Ifis S.p.A.			**50,0**	**17,0**	-	-	**3,2**	**13,3**	-	-	-	-	**83,5**		-
	Remuneration from subsidiaries of Banca Ifis S.p.A.			-	-	-	-	-	-	-	-	-	-	-		-
	Total			**50,0**	**17,0**	-	-	**3,2**	**13,3**	-	-	-	-	**83,5**		-
Roberto Diacetti	Director	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024	50,0	11,3									61,3		
	Member of the Control and Risk Committee	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024						45,0					45,0		
	Chairman of the Appointments Committee	from 01/01/2022 to 28/04/2022	End of office 28/04/2022						3,9					3,9		
	Member of the Appointments Committee	from 28/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024						6,8					6,8		
	Remuneration in Banca Ifis S.p.A.			**50,0**	**11,3**	-	-	-	**55,7**	-	-	-	-	**117,0**		-
	Remuneration from subsidiaries of Banca Ifis S.p.A.			-	-	-	-	-	-	-	-	-	-	-		-
	Total			**50,0**	**11,3**	-	-	-	**55,7**	-	-	-	-	**117,0**		-
Roberta Gobbi	Director	from 28/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024	33,8	10,8									44,6		
	Remuneration in Banca Ifis S.p.A.			**33,8**	**10,8**	-	-	-	-	-	-	-	-	**44,6**		-
	Remuneration from subsidiaries of Banca Ifis S.p.A.			-	-	-	-	-	-	-	-	-	-	-		-
	Total			**33,8**	**10,8**	-	-	-	-	-	-	-	-	**44,6**		-
Luca Lo Giudice	Director	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024	50,0	11,8									61,8		
	Member of the Remuneration Committee	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024						10,0					10,0		
	Remuneration in Banca Ifis S.p.A.			**50,0**	**11,8**	-	-	-	**10,0**	-	-	-	-	**71,8**		-
Luca Lo Giudice	Chairman of the Board of Directors of Ifis Npl Investing S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024	50,0	2,5									52,5		
	Director of Ifis Npl Servicing S.p.A.	from 01/01/2022 to 14/12/2022	End of office 14/12/2022	19,0										19,0		
	Chairman of the Board of Directors Ifis NPL Servicing S.p.A.	from 14/12/2022 to 31/12/2022	Approval of the financial statements at 31/12/2022	2,3										2,3		
	Chairman of the Board of Directors of Ifis Real Estate S.p.A.****	from 01/01/2022 to 11/05/2022	End of office 11/05/2022	7,3										7,3		
	Remuneration from subsidiaries of Banca Ifis S.p.A.			**78,6**	**2,5**	-	-	-	-	-	-	-	-	**81,1**		-
	Total			**128,6**	**14,3**	-	-	-	**10,0**	-	-	-	-	**152,9**		-
Antonella Malinconico	Director	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024	50,0	17,0									67,0		
	Member of the Control and Risk Committee	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024						45,0					45,0		
	Chairman of the Appointments Committee	from 28/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024						8,1					8,1		
	Chairman of the Remuneration Committee	from 01/01/2022 to 28/04/2022	End of office 28/04/2022						3,9					3,9		
	Lead Independent Director	from 28/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024											-		
	Remuneration in Banca Ifis S.p.A.			**50,0**	**17,0**	-	-	-	**57,0**	-	-	-	-	**124,0**		-
	Remuneration from subsidiaries of Banca Ifis S.p.A.			-	-	-	-	-	-	-	-	-	-	-		-
	Total			**50,0**	**17,0**	-	-	-	**57,0**	-	-	-	-	**124,0**		-
Giovanni Meruzzi	Director	from 28/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024	33,8	12,3									46,1		
	Chairman of the Remuneration Committee	from 28/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024						8,1					8,1		
	Chairman of the Supervisory Body	from 28/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024					6,8						6,8		
	Remuneration in Banca Ifis S.p.A.			**33,8**	**12,3**	-	-	**6,8**	**8,1**	-	-	-	-	**61,0**		-
	Remuneration from subsidiaries of Banca Ifis S.p.A.			-	-	-	-	-	-	-	-	-	-	-		-
	Total			**33,8**	**12,3**	-	-	**6,8**	**8,1**	-	-	-	-	**61,0**		-
Paola Paoloni	Director	from 28/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024	33,8	11,5									45,3		
	Member of the Control and Risk Committee	from 28/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024						30,4					30,4		
	Remuneration in Banca Ifis S.p.A.			**33,8**	**11,5**	-	-	-	**30,4**	-	-	-	-	**75,7**		-
	Remuneration from subsidiaries of Banca Ifis S.p.A.			-	-	-	-	-	-	-	-	-	-	-		-
	Total			**33,8**	**11,5**	-	-	-	**30,4**	-	-	-	-	**75,7**		-
Monica Regazzi	Director	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024	50,0	11,0									61,0		
	Member of the Appointments Committee	from 28/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024						6,8					6,8		
	Member of the Supervisory Body	from 28/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024					6,8						6,8		
	Remuneration in Banca Ifis S.p.A.			**50,0**	**11,0**	-	-	**6,8**	**6,8**	-	-	-	-	**74,6**		-
	Remuneration from subsidiaries of Banca Ifis S.p.A.			-	-	-	-	-	-	-	-	-	-	-		-
	Total			**50,0**	**11,0**	-	-	**6,8**	**6,8**	-	-	-	-	**74,6**		-
Riccardo Preve	Director	from 01/01/2022 to 28/04/2022	End of office 28/04/2022	16,3	3,3									19,6		
	Remuneration in Banca Ifis S.p.A.			**16,3**	**3,3**	-	-	-	-	-	-	-	-	**19,6**		-
Riccardo Preve	Chairman of the Board of Directors of Ifis Rental Services S.r.l.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024	50,0										50,0		
	Remuneration from subsidiaries of Banca Ifis S.p.A.			**50,0**	-	-	-	-	-	-	-	-	-	**50,0**		-
	Total			**66,3**	**3,3**	-	-	-	-	-	-	-	-	**69,6**		-

Name and surname	Office	Period for which the office was held	End of term	Fixed remuneration						Variable remuneration (non equity)					Fair Value of equity remuneration	Severance indemnity or indemnity for termination of employment
				Remuneration of office decided by the Shareholders' Meeting	Attendance fees	Remuneration for special offices pursuant to art. 2389 of the Italian Civil Code	Fixed remuneration as employee	Remuneration of the Supervisory Body	Remuneration for participating in committees	Bonuses and other incentives	Profit sharing	Non-monetary benefits	Other remuneration	Total		
Daniele Santosuosso	Director	from 01/01/2022 to 28/04/2022	End of office 28/04/2022	16,3	2,5									18,8		
	Member of the Control and Risk Committee	from 01/01/2022 to 28/04/2022	End of office 28/04/2022						14,6					14,6		
	Chairman of the Supervisory Body	from 01/01/2022 to 28/04/2022	End of office 28/04/2022					3,2						3,2		
Remuneration in Banca Ifis S.p.A.				**16,3**	**2,5**	-	-	**3,2**	**14,6**	-	-	-	-	**36,6**		-
Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	-	-	-	-	-	-		-
Total				**16,3**	**2,5**	-	-	**3,2**	**14,6**	-	-	-	-	**36,6**		-
Andrea Balelli	Chairman of the Board of Statutory Auditors	from 28/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024	70,9	12,3									83,2		
Remuneration in Banca Ifis S.p.A.				**70,9**	**12,3**	-	-	-	-	-	-	-	-	**83,2**		-
Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	-	-	-	-	-	-		-
Total				**70,9**	**12,3**	-	-	-	-	-	-	-	-	**83,2**		-
Giacomo Bugna	Chairman of the Board of Statutory Auditors	from 01/01/2022 to 28/04/2022	End of office 28/04/2022	34,1	4,0									38,1		
Remuneration in Banca Ifis S.p.A.				**34,1**	**4,0**	-	-	-	-	-	-	-	-	**38,1**		-
Giacomo Bugna	Chairman of the Board of Statutory Auditors of Ifis Rental Services S.r.l.	from 01/01/2022 to 22/04/2022	End of office 22/04/2022	9,3										9,3		
	Standing Auditor of Ifis Real Estate S.p.A.****	from 01/01/2022 to 11/05/2022	End of office 11/05/2022	1,3										1,3		
Remuneration from subsidiaries of Banca Ifis S.p.A.				**10,6**	-	-	-	-	-	-	-	-	-	**10,6**		-
Total				**44,7**	**4,0**	-	-	-	-	-	-	-	-	**48,7**		-
Annunziata Melaccio	Standing Auditor	from 28/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024	47,3	11,5									58,8		
	Member of the Supervisory Body	from 28/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024					6,8						6,8		
Remuneration in Banca Ifis S.p.A.				**47,3**	**11,5**	-	-	**6,8**	-	-	-	-	-	**65,6**		-
Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	-	-	-	-	-	-		-
Total				**47,3**	**11,5**	-	-	**6,8**	-	-	-	-	-	**65,6**		-
Marinella Monterumisi	Standing Auditor	from 01/01/2022 to 28/04/2022	End of office 28/04/2022	22,7	2,5									25,2		
	Member of the Supervisory Body	from 01/01/2022 to 28/04/2022	End of office 28/04/2022					3,2						3,2		
Remuneration in Banca Ifis S.p.A.				**22,7**	**2,5**	-	-	**3,2**	-	-	-	-	-	**28,4**		-
Marinella Monterumisi	Standing Auditor of Ifis Npl Investing S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2022	20,0	2,5									22,5		
	Standing Auditor of Ifis Npl Servicing S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023	20,0										20,0		
	Standing Auditor of Farbanca S.p.A.***	from 01/01/2022 to 10/04/2022	End of office 10/04/2022	2,8										2,8		
	Standing Auditor of Banca Credifarma S.p.A.	from 11/04/2022 to 16/06/2022	End of office 16/06/2022	1,8										1,8		
	Chairman of the Board of Statutory Auditors of Banca Credifarma S.p.A.	from 16/06/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023	16,3										16,3		
Remuneration from subsidiaries of Banca Ifis S.p.A.				**60,9**	**2,5**	-	-	-	-	-	-	-	-	**63,4**		-
Total				**83,6**	**5,0**	-	-	**3,2**	-	-	-	-	-	**91,8**		-
Franco Olivetti	Standing Auditor	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024	70,0	14,0									84,0		
Remuneration in Banca Ifis S.p.A.				**70,0**	**14,0**	-	-	-	-	-	-	-	-	**84,0**		-
Franco Olivetti	Chairman of the Board of Statutory Auditors of Ifis Rental Services S.r.l.	from 22/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024	20,7										20,7		
	Standing Auditor of Farbanca S.p.A.***	from 01/01/2022 to 10/04/2022	End of office 10/04/2022	2,8										2,8		
	Standing Auditor of Banca Credifarma S.p.A.	from 11/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023	12,6										12,6		
	Chairman of the Supervisory Body of Farbanca S.p.A.***	from 01/01/2022 to 10/04/2022	End of office 10/04/2022					1,4						1,4		
	Chairman of the Supervisory Body of Banca Credifarma S.p.A.	from 11/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023					3,6						3,6		
	Standing Auditor of Ifis Real Estate S.p.A.****	from 01/01/2022 to 11/05/2022	End of office 11/05/2022	1,3										1,3		
	Standing Auditor of Credifarma S.p.A.**	from 01/01/2022 to 10/04/2022	End of office 10/04/2022	4,2										4,2		
Remuneration from subsidiaries of Banca Ifis S.p.A.				**41,6**	-	-	-	**5,0**	-	-	-	-	-	**46,6**		-
Total				**111,6**	**14,0**	-	-	**5,0**	-	-	-	-	-	**130,6**		-
Andrea Bellon	Director of Credifarma S.p.A.**	from 01/01/2022 to 10/04/2022	End of office 10/04/2022	1,8										1,8		
	Director of Banca Credifarma S.p.A.	from 16/06/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023	10,8										10,8		
Remuneration from subsidiaries of Banca Ifis S.p.A.				**12,6**	-	-	-	-	-	-	-	-	-	**12,6**		-
Paolo Giosue' Bifulco	Chairman of the Board of Statutory Auditors of Ifis Npl Investing S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023	30,0	2,5									32,5		
	Chairman of the Supervisory Body of Ifis Npl Investing S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023					5,0						5,0		
Remuneration from subsidiaries of Banca Ifis S.p.A.				**30,0**	**2,5**	-	-	**5,0**	-	-	-	-	-	**37,5**		-
Federica Cantagalli	Director of Farbanca S.p.A.***	from 01/01/2022 to 10/04/2022	End of office 10/04/2022	5,6										5,6		
	Director of Banca Credifarma S.p.A.	from 11/04/2022 to 16/06/2022	End of office 16/06/2022	3,6										3,6		
Remuneration from subsidiaries of Banca Ifis S.p.A.				**9,2**	-	-	-	-	-	-	-	-	-	**9,2**		-
Paolo Ciccarelli	Director of Farbanca S.p.A.***	from 01/01/2022 to 10/04/2022	End of office 10/04/2022	5,6										5,6		
	Director of Banca Credifarma S.p.A.	from 11/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023	14,4										14,4		
Remuneration from subsidiaries of Banca Ifis S.p.A.				**20,0**	-	-	-	-	-	-	-	-	-	**20,0**		-
Filippo Contadini	Chief Executive Officer of Ifis Real Estate S.p.A.****	from 01/01/2022 to 11/05/2022	End of office 11/05/2022	25,4										25,4		
Remuneration from subsidiaries of Banca Ifis S.p.A.				**25,4**	-	-	-	-	-	-	-	-	-	**25,4**		-
Alessandro Csillaghy De Pacser	Chairman of the Board of Directors of Ifis Finance Sp z.o.o.	from 01/01/2022 to 18/09/2022	End of office 18/09/2022	197,1										197,1		
	Chairman of the Board of Directors of Ifis Finance I.F.N. S.A.	from 01/01/2022 to 07/09/2022	End of office 07/09/2022			137,2								137,2		
Remuneration from subsidiaries of Banca Ifis S.p.A.				**197,1**	-	**137,2**	-	-	-	-	-	-	-	**334,3**		-
Ferruccio Di Lenardo	Standing Auditor of Ifis Rental Services S.r.l.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024	20,0										20,0		
	Chairman of the Supervisory Body of Ifis Rental Services S.r.l.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024					5,0						5,0		
	Chairman of the Board of Statutory Auditors of Ifis Real Estate S.p.A.****	from 01/01/2022 to 11/05/2022	End of office 11/05/2022	1,7										1,7		
	Standing Auditor of Cap.Ital.Fin. S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023	15,0										15,0		
Remuneration from subsidiaries of Banca Ifis S.p.A.				**36,7**	-	-	-	**5,0**	-	-	-	-	-	**41,7**		-
Massimo Donati	Standing Auditor of Ifis Npl Investing S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023	20,0	2,5									22,5		
Remuneration from subsidiaries of Banca Ifis S.p.A.				**20,0**	**2,5**	-	-	-	-	-	-	-	-	**22,5**		-
Alfredo Enria	Director of Ifis NPL Servicing S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2022	20,0										20,0		
Remuneration from subsidiaries of Banca Ifis S.p.A.				**20,0**	-	-	-	-	-	-	-	-	-	**20,0**		-
Raffaella Ferrai	Standing Auditor of Ifis Npl Servicing S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2022	20,0										20,0		
Remuneration from subsidiaries of Banca Ifis S.p.A.				**20,0**	-	-	-	-	-	-	-	-	-	**20,0**		-
Nicola Fiorini	Standing Auditor of Cap.Ital.Fin. S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023	15,0										15,0		
Remuneration from subsidiaries of Banca Ifis S.p.A.				**15,0**	-	-	-	-	-	-	-	-	-	**15,0**		-
Andrea Giacomelli	Member of the Development Committee of Credifarma S.p.A.**	from 01/01/2022 to 10/04/2022	End of office 10/04/2022						1,1					1,1		
	Member of the Development Committee of Banca Credifarma S.p.A.	from 11/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023						2,9					2,9		
Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	**4,0**	-	-	-	-	**4,0**		-
Francesco Giammaria	Director of Farbanca S.p.A.***	from 01/01/2022 to 10/04/2022	End of office 10/04/2022	5,6										5,6		
	Director of Banca Credifarma S.p.A.	from 11/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023	14,4										14,4		
Remuneration from subsidiaries of Banca Ifis S.p.A.				**20,0**	-	-	-	-	-	-	-	-	-	**20,0**		-
Francesco Lupo	Member of the Development Committee of Credifarma S.p.A.**	from 01/01/2022 to 10/04/2022	End of office 10/04/2022						1,1					1,1		
	Member of the Development Committee of Banca Credifarma S.p.A.	from 11/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023						2,9					2,9		
Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	**4,0**	-	-	-	-	**4,0**		-
Maurizio Manna	Chairman of the Board of Directors of Credifarma S.p.A.**	from 01/01/2022 to 10/04/2022	End of office 10/04/2022	1,8		8,4								10,2		
	Chairman of the Board of Directors of Banca Credifarma S.p.A.	from 16/06/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023	10,8		16,3								27,1		
Remuneration from subsidiaries of Banca Ifis S.p.A.				**12,6**	-	**24,7**	-	-	-	-	-	-	-	**37,3**		-
Massimo Moncelli	Director of Ifis Real Estate S.p.A.****	from 01/01/2022 to 11/05/2022	End of office 11/05/2022	5,4										5,4		
Remuneration from subsidiaries of Banca Ifis S.p.A.				**5,4**	-	-	-	-	-	-	-	-	-	**5,4**		-
Francesco Natale	Chairman of the Board of Statutory Auditors of Cap.Ital.Fin. S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023	20,0										20,0		
	Chairman of the Supervisory Body of Cap.Ital.Fin. S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023					5,0						5,0		
	Chairman of the Board of Statutory Auditors of Credifarma S.p.A.**	from 01/01/2022 to 10/04/2022	End of office 10/04/2022	5,6										5,6		
	Chairman of the Supervisory Body of Credifarma S.p.A.**	from 01/01/2022 to 10/04/2022	End of office 10/04/2022					1,4						1,4		
Remuneration from subsidiaries of Banca Ifis S.p.A.				**25,6**	-	-	-	**6,4**	-	-	-	-	-	**32,0**		-
Victor Patrusca	Director of Ifis Finance I.F.N. S.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024											-		
	Member of the Audit Committee of Ifis Finance I.F.N. S.A.	from 01/01/2022 to 31/12/2022	n.a.											-		
*** Remuneration from subsidiaries of Banca Ifis S.p.A.**				-	-	-	-	-	-	-	-	-	-	-		-
Antonello Pirri	Standing Auditor of Credifarma S.p.A.**	from 01/01/2022 to 10/04/2022	End of office 10/04/2022	4,2										4,2		
	Standing Auditor of Banca Credifarma S.p.A.	from 16/06/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023	10,8										10,8		
Remuneration from subsidiaries of Banca Ifis S.p.A.				**15,0**	-	-	-	-	-	-	-	-	-	**15,0**		-
Marco Poggi	Chairman of the Board of Statutory Auditors of Farbanca S.p.A.***	from 01/01/2022 to 10/04/2022	End of office 10/04/2022	5,6										5,6		
	Chairman of the Board of Statutory Auditors of Banca Credifarma S.p.A.	from 11/04/2022 to 16/06/2022	End of office 16/06/2022	3,6										3,6		
Remuneration from subsidiaries of Banca Ifis S.p.A.				**9,2**	-	-	-	-	-	-	-	-	-	**9,2**		-
Marilena Segnana	Chairman of the Board of Statutory Auditors of Ifis Npl Servicing S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2022	30,0										30,0		
	Chairman of the Supervisory Body of Ifis NPL Servicing S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2022					5,0						5,0		
	Standing Auditor of Ifis Rental Services S.r.l.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024	20,0										20,0		
Remuneration from subsidiaries of Banca Ifis S.p.A.				**50,0**	-	-	-	**5,0**	-	-	-	-	-	**55,0**		-
Giancarlo Visini	Member of the Development Committee of Credifarma S.p.A.**	from 01/01/2022 to 10/04/2022	End of office 10/04/2022						1,1					1,1		
	Member of the Development Committee of Banca Credifarma S.p.A.	from 11/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023						2,9					2,9		
Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	**4,0**	-	-	-	-	**4,0**		-
Marco Agosto	Director of Ifis Rental Services S.r.l.	from 22/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024											-		
*** Remuneration from subsidiaries of Banca Ifis S.p.A.**				-	-	-	-	-	-	-	-	-	-	-		-
Marco Alessandrini	Chief Executive Officer of Credifarma S.p.A.**	from 01/01/2022 to 10/04/2022	End of office 10/04/2022											-		
	Member of the Development Committee of Credifarma S.p.A.**	from 01/01/2022 to 10/04/2022	End of office 10/04/2022											-		
	Member of the Development Committee of Banca Credifarma S.p.A.	from 11/04/2022 to 30/06/2022	End of office 30/06/2022											-		
*** Remuneration from subsidiaries of Banca Ifis S.p.A.**				-	-	-	-	-	-	-	-	-	-	-		-
Rosalba Benedetto	Director of Ifis NPL Servicing S.p.A.	from 26/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2022											-		
	Director of Credifarma S.p.A.**	from 01/01/2022 to 10/04/2022	End of office 10/04/2022											-		
*** Remuneration from subsidiaries of Banca Ifis S.p.A.**				-	-	-	-	-	-	-	-	-	-	-		-
Andrea Berna	Director of Ifis Rental Services S.r.l.	from 01/01/2022 to 22/04/2022	End of office 22/04/2022											-		
	Director of Cap.Ital.Fin. S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024											-		
	Director of Ifis Finance I.F.N. S.A.	from 08/09/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024											-		
*** Remuneration from subsidiaries of Banca Ifis S.p.A.**				-	-	-	-	-	-	-	-	-	-	-		-
Daniela Bonzanini	Director of Ifis Finance Sp z.o.o.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024											-		
	Director of Ifis Finance I.F.N. S.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2025											-		
*** Remuneration from subsidiaries of Banca Ifis S.p.A.**				-	-	-	-	-	-	-	-	-	-	-		-

Name and surname	Office	Period for which the office was held	End of term	Fixed remuneration					Remuneration for participating in committees	Variable remuneration (non equity)		Non-monetary benefits	Other remuneration	Total	Fair Value of equity remuneration	Severance indemnity or indemnity for termination of employment
				Remuneration of office decided by the Shareholders' Meeting	Attendance fees	Remuneration for special offices pursuant to art. 2389 of the Italian Civil Code	Fixed remuneration as employee	Remuneration of the Supervisory Body		Bonuses and other incentives	Profit sharing					
Francesco Borrini	Director of Ifis Finance Sp.z.o.o.	from 19/09/2022 to 31/12/2022	Approval of the financial statements at 31/12/2025											-		
	Director of Ifis Finance I.F.N. S.A.	from 08/09/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024											-		
*** Remuneration from subsidiaries of Banca Ifis S.p.A.**				-	-	-	-	-	-	-	-	-	-	-		-
Massimo Consalvi	Chief Executive Officer of Cap.Ital.Fin. S.p.A.	from 16/02/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024											-		
*** Remuneration from subsidiaries of Banca Ifis S.p.A.**				-	-	-	-	-	-	-	-	-	-	-		-
Massimiliano Fabrizi	Chief Executive Officer of Farbanca S.p.A. ***	from 01/01/2022 to 10/04/2022	End of office 10/04/2022											-		
	Chief Executive Officer of Banca Credifarma S.p.A.	from 11/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023											-		
*** Remuneration from subsidiaries of Banca Ifis S.p.A.**				-	-	-	-	-	-	-	-	-	-	-		-
Angelo Ferracchiati	Member of the Supervisory Body of Banca Ifis S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024											-		
	Member of the Supervisory Body of Ifis Npl Investing S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023											-		
	Member of the Supervisory Body of Ifis Npl Servicing S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2022											-		
	Member of the Supervisory Body of Ifis Rental Services S.r.l.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024											-		
	Member of the Supervisory Body of Cap.Ital.Fin. S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023											-		
	Member of the Supervisory Body of Credifarma S.p.A.**	from 01/01/2022 to 10/04/2022	End of office 10/04/2022											-		
	Member of the Supervisory Body of Banca Credifarma S.p.A.	from 11/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023											-		
*** Remuneration from subsidiaries of Banca Ifis S.p.A.**				-	-	-	-	-	-	-	-	-	-	-		-
Gian Franco Marco Forner	Director of Ifis Finance I.F.N. S.A.	from 01/01/2022 to 07/09/2022	End of office 07/09/2022											-		
*** Remuneration from subsidiaries of Banca Ifis S.p.A.**				-	-	-	-	-	-	-	-	-	-	-		-
Andrea Infriccioli	General Manager of Ifis Finance I.F.N. S.A.	from 01/01/2022 to 29/11/2022	End of office 29/11/2022			66,9								66,9		
*** Remuneration from subsidiaries of Banca Ifis S.p.A.**				-	-	**66,9**	-	-	-	-	-	-	-	**66,9**		-
Fabio Lanza	Director of Ifis Npl Servicing S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2022											-		
*** Remuneration from subsidiaries of Banca Ifis S.p.A.**				-	-	-	-	-	-	-	-	-	-	-		-
Silvia Magliocchetti	Director of Credifarma S.p.A.**	from 01/01/2022 to 10/04/2022	End of office 10/04/2022											-		
*** Remuneration from subsidiaries of Banca Ifis S.p.A.**				-	-	-	-	-	-	-	-	-	-	-		-
Katia Mariotti	Chief Executive Officer of Ifis Npl Investing S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024											-		
	Director of Ifis Npl Servicing S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2022											-		
*** Remuneration from subsidiaries of Banca Ifis S.p.A.**				-	-	-	-	-	-	-	-	-	-	-		-
Lucia Martinoli	Director of Cap.Ital.Fin. S.p.A.	from 26/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024											-		
	Director of Credifarma S.p.A.**	from 01/01/2022 to 10/04/2022	End of office 10/04/2022											-		
*** Remuneration from subsidiaries of Banca Ifis S.p.A.**				-	-	-	-	-	-	-	-	-	-	-		-
Francesco Peluso	Member of the Supervisory Body of Banca Ifis S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024											-		
	Member of the Supervisory Body of Ifis Npl Investing S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023											-		
	Member of the Supervisory Body of Ifis Npl Servicing S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2022											-		
	Member of the Supervisory Body of Ifis Rental Services S.r.l.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024											-		
	Member of the Supervisory Body of Cap.Ital.Fin. S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023											-		
	Member of the Supervisory Body of Credifarma S.p.A.**	from 01/01/2022 to 10/04/2022	End of office 10/04/2022											-		
	Member of the Supervisory Body of Banca Credifarma S.p.A.	from 11/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023											-		
*** Remuneration from subsidiaries of Banca Ifis S.p.A.**				-	-	-	-	-	-	-	-	-	-	-		-
Alberto Staccione	Director of Ifis Npl Investing S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024											-		
	Director of Ifis Rental Services S.r.l.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024											-		
	Director of Credifarma S.p.A.**	from 01/01/2022 to 10/04/2022	End of office 10/04/2022											-		
	Member of the Development Committee of Credifarma S.p.A.**	from 01/01/2022 to 10/04/2022	End of office 10/04/2022											-		
	Chairman of the Board of Directors of Farbanca S.p.A.***	from 01/01/2022 to 10/04/2022	End of office 10/04/2022											-		
	Chairman of the Board of Directors of Banca Credifarma S.p.A.	from 11/04/2022 to 16/06/2022	End of office 16/06/2022											-		
	Member of the Development Committee of Banca Credifarma S.p.A.	from 11/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023											-		
*** Remuneration from subsidiaries of Banca Ifis S.p.A.**				-	-	-	-	-	-	-	-	-	-	-		-
Maria Cristina Taormina	Director of Cap.Ital.Fin. S.p.A.	from 01/01/2022 to 26/04/2022	End of office 26/04/2022											-		
	Director of Banca Credifarma S.p.A.	from 16/06/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023											-		
*** Remuneration from subsidiaries of Banca Ifis S.p.A.**				-	-	-	-	-	-	-	-	-	-	-		-
Amelia Travi	Member of the Audit Committee of Ifis Finance I.F.N. S.A.	from 26/01/2022 to 31/12/2022	n.a.											-		
*** Remuneration from subsidiaries of Banca Ifis S.p.A.**				-	-	-	-	-	-	-	-	-	-	-		-
Nicola Zanirato	General Manager of Cap.Ital.Fin. S.p.A.	from 01/01/2022 to 15/02/2022	End of office 15/02/2022											-		
*** Remuneration from subsidiaries of Banca Ifis S.p.A.**				-	-	-	-	-	-	-	-	-	-	-		-
Raffaele Zingone	Director of Ifis Rental Services S.r.l.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024											-		
	Chairman of the Board of Directors of Cap.Ital.Fin. S.p.A.	from 01/01/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024											-		
	Director of Farbanca S.p.A.***	from 01/01/2022 to 10/04/2022	End of office 10/04/2022											-		
	Deputy Chairman of the Board of Directors of Banca Credifarma S.p.A.	from 11/04/2022 to 31/12/2022	Approval of the financial statements at 31/12/2023											-		
	Director of Ifis Finance I.F.N. S.A.	from 01/01/2022 to 07/09/2022	End of office 07/09/2022											-		
	Chairman of the Board of Directors of Ifis Finance I.F.N. S.A.	from 08/09/2022 to 31/12/2022	Approval of the financial statements at 31/12/2024											-		
	Member of the Audit Committee of Ifis Finance I.F.N. S.A.	from 01/01/2022 to 25/01/2022	End of office 25/01/2022											-		
	Director of Ifis Finance z.o.o.	from 19/09/2022 to 31/12/2022	Approval of the financial statements at 31/12/2025											-		
*** Remuneration from subsidiaries of Banca Ifis S.p.A.**				-	-	-	-	-	-	-	-	-	-	-		-
Fabio Lanza	Joint General Manager Chief Operating Officer	from 01/01/2022 to 31/12/2022	n.a.	-	-	-	300,8	-	-	150,0	-	41,0	-	491,8		-
Raffaele Zingone	Joint General Manager Chief Commercial Officer	from 01/01/2022 to 31/12/2022	n.a.	-	-	-	300,7	-	-	150,0	-	29,0	-	479,7		-
Remuneration in Banca Ifis S.p.A.				-	-	-	601,5	-	-	300,0	-	70,0	-	971,5		-
Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	-	-	-	-	-	-	-	-		-
Total				-	-	-	**601,5**	-	-	**300,0**	-	**70,0**	-	**971,5**		-
Other key managers (14 managers in office at 31/12/2022)				-	-	-	3.089,3	-	-	1.438,0	-	253,5	-	4.780,8		-
Remuneration in Banca Ifis S.p.A.				-	-	-	3.089,3	-	-	1.438,0	-	253,5	-	4.780,8		-
Other key managers (1 manager in office at 31/12/2022)				-	-	-	164,6	-	-	75,0	-	14,2	-	253,8		-
Remuneration from subsidiaries of Banca Ifis S.p.A.				-	-	-	164,6	-	-	75,0	-	14,2	-	**253,8**		-
Total				-	-	-	**3.253,9**	-	-	**1.513,0**	-	**267,7**	-	**5.034,6**		-

* Any remuneration received by members of the Group's corporate bodies who are also employees of the Parent company is reversible.
** Credifarma S.p.A. underwent a corporate operation during 2022: on 11/04/2022, it was merged into Farbanca S.p.A.
*** Farbanca S.p.A. underwent a corporate operation during 2022: on 11/04/2022 was the incorporation of the company Credifarma S.p.A. and the change of company name to Banca Credifarma S.p.A.
**** Ifis Real Estate S.p.A. underwent a corporate operation in 2022: on 11/05/2022, the company was sold to another legal entity

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

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

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

(A)	(B)	(1)	Financial instruments assigned in previous years not vested during the year		Financial instruments assigned during the year					Financial instruments vested during the year and not attributed	Financial instruments vested during the year and attributable		Financial instruments for the year
			(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Name and surname	Office	Plan	Number and type of financial instruments	Vesting period	Number and type of financial instruments	Fair value at date of assignment	Vesting period	Date of assignment	Market price upon assignment	Number and type of financial instruments	Number and type of financial instruments	Value at vesting date	Fair value
Frederik Herman Geertman	Chief Executive Officer of Banca IFIS SpA since 22/04/2021												
Remuneration in Banca Ifis S.p.A.		2021 Plan Resolution of 22/04/2021	5056	3									
		2022 Plan Resolution of 28/04/2022			2.929	18,25221	5	28/04/2022					
Remuneration from subsidiaries of Banca IFIS S.p.A.		2022 Plan	-	-	-	-	-	-	-	-	-	-	-
Total			**5.056**		**2.929**		**-**		**-**	**-**	**-**	**-**	**-**
Zingone Raffaele	Joint General Manager of Banca IFIS SpA since 05/10/2021												
Remuneration in Banca Ifis S.p.A.		2021 Plan Resolution of 22/04/2021	1621	**3**									
		2022 Plan Resolution of 28/04/2022											
Remuneration from subsidiaries of Banca IFIS S.p.A.		2022 Plan	-	-	-	-	-	-	-	-	-	-	-
Total			**1.621**		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Fabio Lanza	Joint General Manager of Banca IFIS SpA since 05/10/2021												
Remuneration in Banca Ifis S.p.A.		2021 Plan Resolution of 22/04/2021	-										
		2022 Plan Resolution of 28/04/2022	-										
Remuneration from subsidiaries of Banca IFIS S.p.A.		2022 Plan	-	-	-	-	-	-	-	-	-	-	-
Total			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other Key managers													
Remuneration in Banca Ifis S.p.A.		2018-2021 Plan	17.865								1.931	29.603	
Remuneration from subsidiaries of Banca IFIS S.p.A.		2022 Plan	-	-	-	-	-	-	-	-	-	-	-
Total			**17.865**		**-**	**-**	**-**	**-**	**-**	**-**	**1.931**	**29.603**	**-**

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

(A)	(B)	(1)	(2)			(3)			(4)
Name and surname	**Office**	**Plan**	**Year bonus**			**Bonus of previous years**			**Other bonuses**
			(A)	**(B)**	**(C)**	**(A)**	**(B)**	**(C)**	
			Payable/paid	Deferred	Deferment period	No longer payable	Payable/Paid	Still deferred	
Frederik Herman Geertman	Chief Executive Officer of Banca IFIS SpA since 22/04/2021								
Remuneration in Banca Ifis S.p.A.		2021 Plan Resolution of 22/04/2021				-		127.620	
		2022 Plan Resolution of 28/04/2022	126.000	189.000	3	-	9.720		
Remuneration from subsidiaries of Banca IFIS S.p.A.		2022 Plan	-	-	-	-			
Total			**126.000**	**189.000**		**-**	**9.720**	**127.620**	**-**
Zingone Raffaele	Joint General Manager of Banca IFIS SpA since 05/10/2021								
Remuneration in Banca Ifis S.p.A.		2021 Plan Resolution of 22/04/2021				-	-	30.000	
		2022 Plan Resolution of 28/04/2022	45.000	30.000	3	-			
Remuneration from subsidiaries of Banca IFIS S.p.A.		2022 Plan	-	-	-	-			
Total			**45.000**	**30.000**		**-**	**-**	**30.000**	**-**
Fabio Lanza	Joint General Manager of Banca IFIS SpA since 05/10/2021								
Remuneration in Banca Ifis S.p.A.		2022 Plan Resolution of 28/04/2022	45.000	30.000	3	-			
Remuneration from subsidiaries of Banca IFIS S.p.A.		2022 Plan	-	-	-	-			
Total			**45.000**	**30.000**		**-**	**-**	**-**	**-**
Other Key managers		2019-2021 Plan			-	-	42.086	232.075	
		2022 Plan Resolution of 28/04/2022	515.512	285.008	3	-			
Total			**515.512**	**285.008**		**-**	**42.086**	**232.075**	**-**

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

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

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

Table 2: holdings of other key managers

Number of Key managers	Investee company	Number of shares held at the end of the previous year	Number of shares purchased	Number of shares sold	Number of shares held at the end of the current year
18* resources as at 31/12/2022	Banca Ifis S.p.A.	-	41.050	-	41.050

** the number of shares refers to 4 Managers*

AGGREGATE QUANTITATIVE INFORMATION REPRESENTING THE "KEY PERSONNEL" (EMPLOYEES ONLY) OF THE BANCA IFIS GROUP								
Banca IFIS Group	**No.**	**Fixed**	**Variable**	**% Average variable on fixed**	**Cash up front**	**Equity up front**	**Deferred cash**	**Deferred equity**
Key personnel	41	6.991.332	3.060.289	39,97%	1.346.762	706.512	471.008	471.008

Table EU REM A: Remuneration policy

Qualitative disclosures

a) Information relating to the bodies that oversee remuneration

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

b) Information relating to the design and structure of the remuneration system for identified staff.

The structure of the variable remuneration component must be compatible with the risk analyses undertaken by the banking group and, in order to be sustainable, must be compatible with the levels of capital and liquidity in the medium and long term.
In line with the Supervisory Provisions, the Banca Ifis Group cannot be classified as a "bank of smaller size or operational complexity" and is therefore required to apply the entire discipline "proportionally", i.e. taking into account the characteristics and size as well as the riskiness and complexity of the activity carried out. However, the Group is not required to apply the above more detailed rules of Section III of the Supervisory Provisions to key personnel whose annual variable remuneration meets the following two conditions:

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

For "particularly high" variable remuneration amount: 25% of the average total remuneration of Italian high earners, as resulting from the most recent report published by the EBA and 10 times the average total remuneration of the Ifis Group's employees. For 2022, the particularly high amount was identified as 435.000 Euro (equal to 25% of the average total remuneration of Italian high earners).
The methods of payment of variable remuneration (short-term incentive scheme) for the key personnel adopted by the Banca Ifis Group are summarised below:

	Upfront	Deferment
equal to or less than the materiality threshold	100% cash	
higher than the materiality threshold and not of particularly high amount	**60% upfront**, of which: - 50% (i.e. 30% of the total variable remuneration) in Banca Ifis shares, which may be exercised at the end of the retention period of 1 year - 50% (i.e. 30% of the total variable remuneration) paid in cash	**40% deferred over 4 years starting in the year following the year in which the up-front portion accrues**, of which: - 50% (i.e. 20% of the total variable remuneration) in Banca Ifis shares, which may be exercised at the end of the further retention period of 1 year - 50% (i.e. 20% of the total variable remuneration) in cash, subject to annual revaluation at the legal rate in force over time.
of particularly high amount	**40% upfront**, of which: - 50% (i.e. 20% of the total variable remuneration) in Banca Ifis shares, which may be exercised at the end of the retention period of 1 year - 50% (i.e. 20% of the total variable remuneration) paid in cash	**60% deferred over 5 years starting in the year following the year in which the up-front portion accrues**, of which: - 55% (i.e. 33% of the total variable remuneration) in Banca Ifis shares, which may be exercised at the end of the further retention period of 1 year - 45% (i.e. 27% of the total variable remuneration) in cash, subject to annual revaluation at the legal rate in force over time.

Following the resolutions passed in 2021 by the Board of Directors and Shareholders' Meeting - each insofar as competent - the introduction was envisaged of a **"2021-2023 Long Term Incentive Plan" (the "LTI Plan")**, which sets forth the assignment to the Bank and Group's top managers duly identified to this end by the Board of Directors, free of charge, of a certain number of options that will give the right to purchase, at a specific strike price, a corresponding number of Banca Ifis S.p.A. shares.

c) Description of the ways in which current and future risks are taken into account in the remuneration processes.

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

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

- related to the tolerance level, greater than the regulatory minimum equal 100%, for the medium-long term liquidity indicator - **Net Stable Funding Ratio (NSFR) of the Group**. The tolerance level is established every year in the Banca Ifis Group's Risk Appetite Framework (RAF) at consolidated level, in accordance with prudential supervisory regulations in force.
- The **consolidated Total Own Funds Ratio** greater than the tolerance level set in the RAF in force, therefore, greater than the Overall Capital Requirement communicated by the Supervisory Body as part of the "Decisions on capital" at the conclusion of the supervisory review process (SREP).

Failure to meet one of these conditions will result in variable pay not being awarded.
Without prejudice to the opening of the access gates, in the presence of adverse scenarios, exceptional and unforeseeable situations, as well as in the event of a 20% lower-than-expected Gross Profit figure for the Consolidated Financial Statements, the Board of Directors may assess - on the proposal of the Remuneration Committee, subject to the opinion of the Risk Committee - a redefinition of the amounts of variable remuneration for the various categories of staff, with a consequent pro-rata reduction.

d) The ratios between fixed and variable remuneration set in accordance with point (g) of Article 94(1) CRD.
The remuneration of key personnel is made up of an all-inclusive annual remuneration (RAL) and a variable component defined in advance for each individual, in relation to the role held. The limit on the fixed/variable ratio is 1:1, with the exception of:

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

When determining the remuneration of the key personnel belonging to the control functions, **incentive mechanisms linked to economic results are in any case excluded**
With regard to the Manager charged and the Head of the Human Resources Department, the variable remuneration is contained.

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

The Bank defines an annual Short Term Incentive Plan (STI), the payment of which - subject to the opening of the access gates - is linked to the achievement of specific **qualitative and quantitative performance objectives, assigned to the recipients of the plan.**
Goals are declined within a **performance scorecard**.
The performance scorecard includes a predefined number of indicators; each indicator is given a weight in percentage terms on the total of at least 10% to ensure the significance of the objective and no more than 30% to ensure an adequate weighting of the multiple objectives.
The variable remuneration accrues according to a result curve based on the levels of achievement of the objectives; the result obtained by each KPI determines a weighted score, on a recognition curve varying between a minimum and a maximum achievable; the sum of the weighted scores obtained corresponds to the performance achieved, in proportion to which, only if at least equal to a prefixed minimum score, the amount of the incentive is quantified; the latter cannot, in any case, exceed a prefixed maximum level.

f) Description of the ways in which the institution seeks to adjust remuneration to take account of longterm performance.
With regard to *ex post* correction mechanisms, the following should be noted.
The deferred variable component is subject to the following *malus* mechanisms which reduce, up to zero, the amount previously determined before payment.

The *ex post* correction mechanisms cannot lead to an increase in the initially recognised variable remuneration or to the variable remuneration previously reduced or made null following the application of *malus*.
The criteria envisaged are checked in each of the three financial years closed following calculation of the variable component (accrual period) and applied when the above-mentioned conditions occur, taking the worst result recorded in the reference period into consideration.
As regards the claw back, the related criteria are also checked in each of the three financial years closed after calculation of the variable component (accrual period) and are applied when the envisaged conditions are met, except for key personnel for whom that audit must be carried out
in each of the following five financial years closed.
Finally, it is expressly forbidden for individual employees to engage in personal hedging or insurance strategies on remuneration or other aspects that may alter or affect the effects of alignment with the company risk inherent in the remuneration mechanisms envisaged.

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

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

- the “company productivity bonus” or “variable performance bonus”
- one-off awards.
- other one-off awards and/or contests;
- stability pacts or retention bonuses;
- entrance bonus
- non-competition agreements,
- extended notice agreements
- benefits

h) Upon demand from the relevant Member State or competent authority, the total remuneration for each member of the management body or senior management.

Refer to Table REM 1

Template EU REM1: remuneration awarded for the financial year

			a	b	c	d
			MB - Strategic supervisory function	**MB - Management function**	**Other senior management**	**Other identified staff**
1	Fixed remuneration	Number of identified staff	12	1	6	43
2		Total fixed remuneration	2.306.694	780.000	1.537.154	6.327.095
3		Of which: cash-based	2.306.694	780.000	1.537.154	6.327.095
4		(Not applicable in the EU)				
EU-4a		Of which: shares or equivalent ownership interests				
5		Of which: share-linked instruments or equivalent non-cash instruments				
EU-5x		Of which: other instruments				
6		(Not applicable in the EU)				
7		Of which: other forms				
8		(Not applicable in the EU)				
9	Variable remuneration	Number of identified staff	12	1	6	43
10		Total variable remuneration	133.250	630.000	925.000	2.213.437
11		Of which: cash-based	133.250	126.000	312.500	1.122.706
12		Of which: deferred	0	189.000	175.000	311.637
EU-13a		Of which: shares or equivalent ownership interests	0	126.000	262.500	467.456
EU-14a		Of which: deferred	0	189.000	175.000	311.637
EU-13b		Of which: share-linked instruments or equivalent non-cash instruments				
EU-14b		Of which: deferred				
EU-14x		Of which: other instruments				
EU-14y		Of which: deferred				
15		Of which: other forms				
16		Of which: deferred				
17	Total remuneration (2 + 10)		**2.439.944**	**1.410.000**	**2.462.154**	**8.540.532**

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

		a	b	c	d
		MB - Strategic supervisory function	**MB - 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				
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount				
	Severance payments awarded during the financial year				
6	Severance payments awarded during the financial year - Number of identified staff				
7	Severance payments awarded during the financial year - Total amount				
8	Of which paid during the financial year				
9	Of which deferred				
10	Of which severance payments paid during the financial year, that are not taken into account in the bonus cap				
11	Of which highest payment that has been awarded to a single person				

Template EU REM3: deferred remuneration

	a	b	c	d	e	f	EU-g	EU-h
Deferred and retained remuneration	**Total amount of deferred remuneration awarded for previous performance periods**	**Of which due to vest in the financial year**	**Of which vesting in subsequent financial years**	**Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year**	**Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years**	**Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of instruments)**	**Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year**	**Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods**
MB - Strategic supervisory function								
Cash-base								
Shares or equivalent ownership interests								
Share-linked instruments or equivalent non-cash instruments								
Other instruments								
Other forms								
MB - Management function								
Cash-base	**137.340**	9.720	127.620					93.600
Shares or equivalent ownership interests	**147.059**		147.059					111.420
Share-linked instruments or equivalent non-cash instruments								
Other instruments								
Other forms								
Other senior management								
Cash-base	**123.667**		123.667					123.667
Shares or equivalent ownership interests	**123.667**		123.667					123.667
Share-linked instruments or equivalent non-cash instruments								
Other instruments								
Other forms								
Other identified staff								
Cash-base	**260.734**	53.606	207.128	13.402			29.606	207.128
Shares or equivalent ownership interests	**290.340**	29.606	260.734	7.402	13.402		29.606	260.734
Share-linked instruments or equivalent non-cash instruments								
Other instruments								
Other forms								
Total amount	**1.082.807**	**92.932**	**989.874**	**20.803**	**13.402**	**0**	**59.212**	**920.215**

Template EU REM4: Remuneration of 1 million EUR 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	
x	To be extended as appropriate, if further payment bands are needed.	

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

	a	b	c	d	e	f	g	h	i	j
	Management body remuneration			Business areas						
	MB - Strategic supervisory function	MB - Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	Total
Total number of identified staff										
Of which: members of the MB	12	1	**13**							
Of which: other senior management							17	4	28	
Of which: other identified staff										
Total remuneration of identified staff	2.439.944	1.410.000	**3.849.944**				**4.284.282**	**802.154**	**5.916.250**	**14.852.630**
Of which: variable remuneration	133.250	630.000	**763.250**				1.218.000	195.000	1.725.437	**3.901.687**
Of which: fixed remuneration	2.306.694	780.000	**3.086.694**				3.066.282	607.154	4.190.813	**10.950.943**

Results of the assessment of the Internal Audit

In compliance with the requirements of Bank of Italy Circular 285 and the internal regulations of the Banca Ifis Group, the Internal Audit Function carried out a specific check on the remuneration and incentive policies and practices to assess their effective compliance with the reference legislation in matter.
The control activities concerned, in particular, the following areas:
• the definition of remuneration policies in order to verify compliance with the regulatory framework and the adequacy in favouring balanced mechanisms of governance and development of the Group; in this context, the need was recognized to conclude the internal process for the issue of the legislation aimed at better defining the ways in which the Group intends to pursue complete gender equality among personnel;
• the application of the policies in the remuneration and incentive practices in order to i) evaluate, on the basis of sample checks, the real action of the Group with respect to the reference principles also with regard to the disbursement phase; ii) to guarantee the accuracy of the identification process of the "key personnel" and the correct definition of the related perimeter;
• compliance with the indications of the Supervisory Authorities, as well as the evolutions with respect to previous areas of improvement suggested by the Internal Audit Function, aimed at directing the action of the Banca Ifis Group to the best practices of the sector.

As a result of the checks, Internal Audit expressed a favourable opinion on the remuneration and incentive policies and practices of the Banca Ifis Group.

The results of the audit activities were presented to the Remuneration Committee on 21 March 2023.

Banca Ifis

Policy related to the key personnel identification process

Annex 1 to the 2023 Report on Remuneration Policy and Remuneration Paid

MARCH 2023

1. Version history

Version	Approval date	Brief description of changes
1	7 March 2019	*First issuance*
2	10 March 2022	*Update*
3	8 March 2022	*Update*
4	9 March 2023	*Update*

2. Document objectives and management

2.1. Document objectives

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

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

2.2. Recipients

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

2.3. Document management

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

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

	Parent company			Subsidiaries
Drafting	**Discussion**	**Approval**	**Publication and Archiving**	**Approval**
Manager Human Resources of the Parent company Support Parent company Compliance Parent company's Organisational Office	Chief Executive Officer Remuneration Committee	Board of Directors Shareholders' Meeting	Parent company's Organisational Office	Board of Directors and Shareholders' Meeting (for bank subsidiaries)

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

3. Identification of "key personnel" (or "identified staff")

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

The Provisions of the Bank of Italy that implemented the changes introduced by CRD V (Directive 2019/878/EU) on remuneration policies and practices and the European Banking Authority's Guidelines implementing Directive 2013/36/EU (EBA/GL/2021/04) set out the criteria for **identifying personnel who take significant risks for the bank or the group to which they belong, the so-called key personnel or risk-takers:** in particular, the CRDV identifies the - non-exhaustive - list of staff members who are to be considered risk-takers and gives the EBA the power to clarify certain definitions for the correct identification of these individuals, as well as to define criteria for the identification of additional individuals whose activities have a material impact on the risk profile of the entity[30].

For the purpose of the process of identifying the key personnel, the European legislator established - first with Delegated Regulation (EU) No. 604/2014, then subsequently repealed by Delegated Regulation (EU) 2021/923 (hereinafter the "**Delegated Regulation**") - *regulatory technical standards, which identify the criteria for defining managerial responsibilities, control functions, the relevant business unit/company and the significant impact on the risk profile of the business unit/company in question, and the criteria for identifying staff members or categories of staff whose professional*

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

activities have an impact on the institution's risk profile comparably as material as that of the categories of staff mentioned in Article 92(3) of the CRD.

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

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

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

The **Parent company Compliance** function, as a control function, expresses itself on the compliance with the regulatory framework of the policies for the identification of key personnel.
The **Parent company Risk Management** function, as a control function, supports the Human Resources function, as far as it is concerned, in verifying the existence of the quality requirements referred to in art. 3 of the Delegated Regulation.
The **Parent company Internal Audit** function, as a control function, on the other hand verifies *ex post* the compliance of the identification process of the key personnel with this policy.

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

The identification process of the key personnel is composed of the following sub-processes:

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

3.1. Corporate bodies involved in the approval of policies relating to the identification process of the key personnel

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

It is also specified that the Remuneration Committee:

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

In order to carry out its duties effectively and responsibly, the Remuneration Committee has access to company information relevant to this purpose and has sufficient financial resources to ensure its operational independence.
As regards the activities of the Board of Directors, please refer to what is specified below in paragraph 3.7 of this document.

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

3.2. Identification of the scope of analysis

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

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

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

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

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

For the purposes of the self-assessment process of the key personnel, as provided for in Bank of Italy Circular no. 285/2013, Part One, Title IV, Chapter 2, Section I, par. 6, the analyses carried out in relation to the quantitative criteria are based on the information reported for the financial year preceding the financial year of assessment, approved by the Shareholders' Meeting and recorded as of 31 December (the year preceding the financial year in which the variable remuneration is awarded).

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

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

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

The Bank also identifies criteria in addition to those established in the aforementioned Delegated Regulation, in order to make the attention reserved by the Supervisory Provisions of the Bank of Italy to "*the executive directors; the general managers; the joint general managers; the deputy general managers and similar figures; the heads of the main lines of business, company functions or geographical areas; those who report directly to the bodies with strategic supervision, management and control functions; managers and higher-level personnel of the corporate control functions*" as well

as particular categories of personnel such as "*agents in financial and insurance activities and financial consultants qualified for out-of-office offer employed in external distribution networks*".
In particular, the Human Resources Department identifies the additional personnel who, due to the professional activities carried out and the risks monitored, can have a substantial impact on the Group's risk profile, taking into account the responsibilities entrusted and the activities carried out, the hierarchical levels, the delegations and the ability to affect, individually and/or collectively, the risk profile of the Group. The presence or absence of these requirements is identified based on the analysis of internal regulations.

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

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

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

3.5.1 Exclusion of key personnel

If the Bank considers that the staff identified in implementation of Article 6, paragraph 1, of Delegated Regulation (EU) no. 923/2021 may not be considered as key personnel, the Bank, through Corporate Affairs and on the advice of Human Resources, shall promptly, and in any event within six months of the end of the previous financial year, send the Bank of Italy the application for prior authorisation referred to in Article 6, paragraph 3, of Delegated Regulation (EU) no. 923/2021 (i.e., notification of the exclusions concerning personnel whose total remuneration amount is equal to or greater than 750.000 Euro, or for banks with more than 1.000 employees, personnel who fall within the 0,3% of personnel who are assigned the highest total remuneration in the previous financial year or for the previous financial year).
The request for prior authorisation is accompanied by the information identified in Annex A referred to in Part One, Title IV, Chapter 2, Section I of the Supervisory Provisions.
The exclusion lasts one year and concerns the year following the one in which the notification is made, with the exception of the exclusions notified for the first time, which also extend to the year in which the notification is submitted.
The application for authorisation may cumulatively concern several employees or categories of personnel whose exclusion is based on the same conditions, provided that the staff for which the exclusion is requested are clearly identifiable and the same level of information required under this paragraph is guaranteed.

Applications for authorisation for exclusions concerning staff to whom an amount of total remuneration equal to or greater than 1 million Euro is recognised (see Article 6, paragraph 4 of the

Delegated Regulation) are in any case submitted individually for each employee. In these cases, the Delegated Regulation states that exclusion may only be authorised in exceptional circumstances, by which is meant unusual or infrequent situations that lead to the staff member not being considered a risk-taker. The existence of exceptional circumstances must be demonstrated in the permit application.

3.6 Drafting of the Self-assessment document and related monitoring

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

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

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

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

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

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

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

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