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Engagement with shareholders

The Slate of the Board of Directors and
the Remuneration Framework

March 2024

1. The Board Slate

2. The Remuneration Framework

Annexes

A Board like no other for 'a bank like no other'

The submission of the Slate by the outgoing Board of Directors allows for continuity in pursuing the corporate mission, stability in the governance, and allows add-ons of new skills, best suited to reach the strategic goals.

Slide 3

➤ **Transparent** selection process, aligned with the best corporate governance market practice

Slides 4-5

➤ Highly qualified candidates with a deep knowledge of BFF **core activities**

Slide 6

➤ Alignment with **Quali-Quantitative Composition**

Slide 7

➤ Reinforced strategic **skills, independence** and **international** exposure

Slide 8

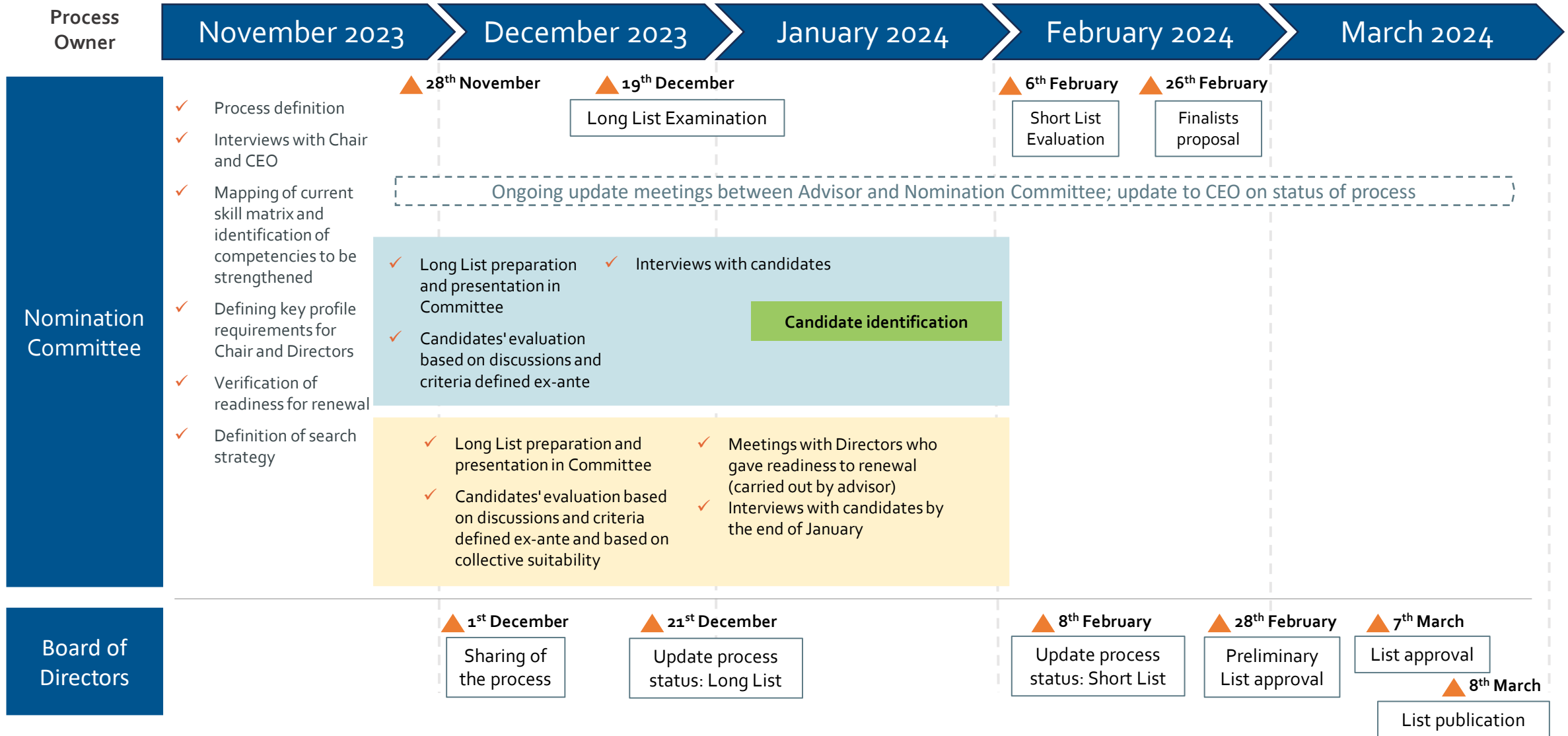
➤ **Best in class** for independence, gender balance and international reach

Board Slate selected after a rigorous process aligned with best corporate governance market practice












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Process for the Chair
Process for Directors



Candidates of the Board Slate: five new candidates, including independent Chairman

Candidate Name	Gender	Year of birth	Nationality	Date of first appointment	Executive Director	Independent Director *	Other executives mandates	Other non executive mandates
 Ranieri De Marchis <i>Chair</i>	M	1961	Italian	NEW		✓	-	1
 Massimiliano Belingheri <i>Chief Executive Officer</i>	M	1974	Italian	19 th December 2006	✓		-	1
 Anna Kunkl	F	1972	Italian	1 st March 2022		✓	-	-
 Domenico Gammaldi	M	1953	Italian	25 th March 2021		✓	-	1
 Piotr Stepniak	M	1963	Polish	25 th March 2021			-	3
 Alexia Ackermann	F	1973	French	NEW		✓	-	-
 Mimi Kung	F	1965	Taiwan, American	NEW		✓	-	-
 George Anagnostopolous	M	1962	Greek	NEW		✓	-	-
 Fabienne Baker	F	1956	Swiss	NEW		✓	-	1

56%
Renewal rate

78%
Independent Directors

44%
Female gender representation

58,9
Average Age**

(*) independence requirements as per Article 2, Recommendation No. 7, of the Governance Code and in Article 148, Paragraph 3, of the TUF, and as referred to in Article 147-ter, Paragraph 4, of the TUF.

(**) as of 6th March 2024

Skill Matrix: highly qualified profiles with a deep knowledge of BFF core activities



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Candidate Name	Business of BFF Group	Financial markets and strategic planning	Corporate finance and acquisition valuation	ESG	AML	Information and communication technology	Organizational and Corporate Governance structures	Management of credit and financial risks	NPL management	Banking accounting	PA dynamics	International markets	(*) Legal and economic-financial skills	(**) Credit, finance, securities or insurance
Ranieri De Marchis	✓	✓	✓	✓	✓	✓	✓	✓		✓		✓	✓	✓
Massimiliano Belingheri	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Anna Kunkl	✓	✓		✓		✓	✓	✓		✓			✓	
Domenico Gammaldi	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓		✓
Piotr Stepniak	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Alexia Ackermann	✓	✓		✓	✓		✓	✓		✓		✓		✓
Mimi Kung	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓
George Anagnostopolous		✓	✓	✓	✓	✓		✓	✓			✓		✓
Fabienne Baker	✓	✓	✓	✓	✓		✓	✓	✓	✓		✓	✓	✓
	89%	100%	78%	100%	89%	78%	89%	100%	56%	89%	33%	89%	67%	89%

(*) Skill required only for the Chair

(**) Skill required only for the CEO

Data source: Spencer Stuart

Board Slate fully aligned with optimal Quali-Quantitative Criteria



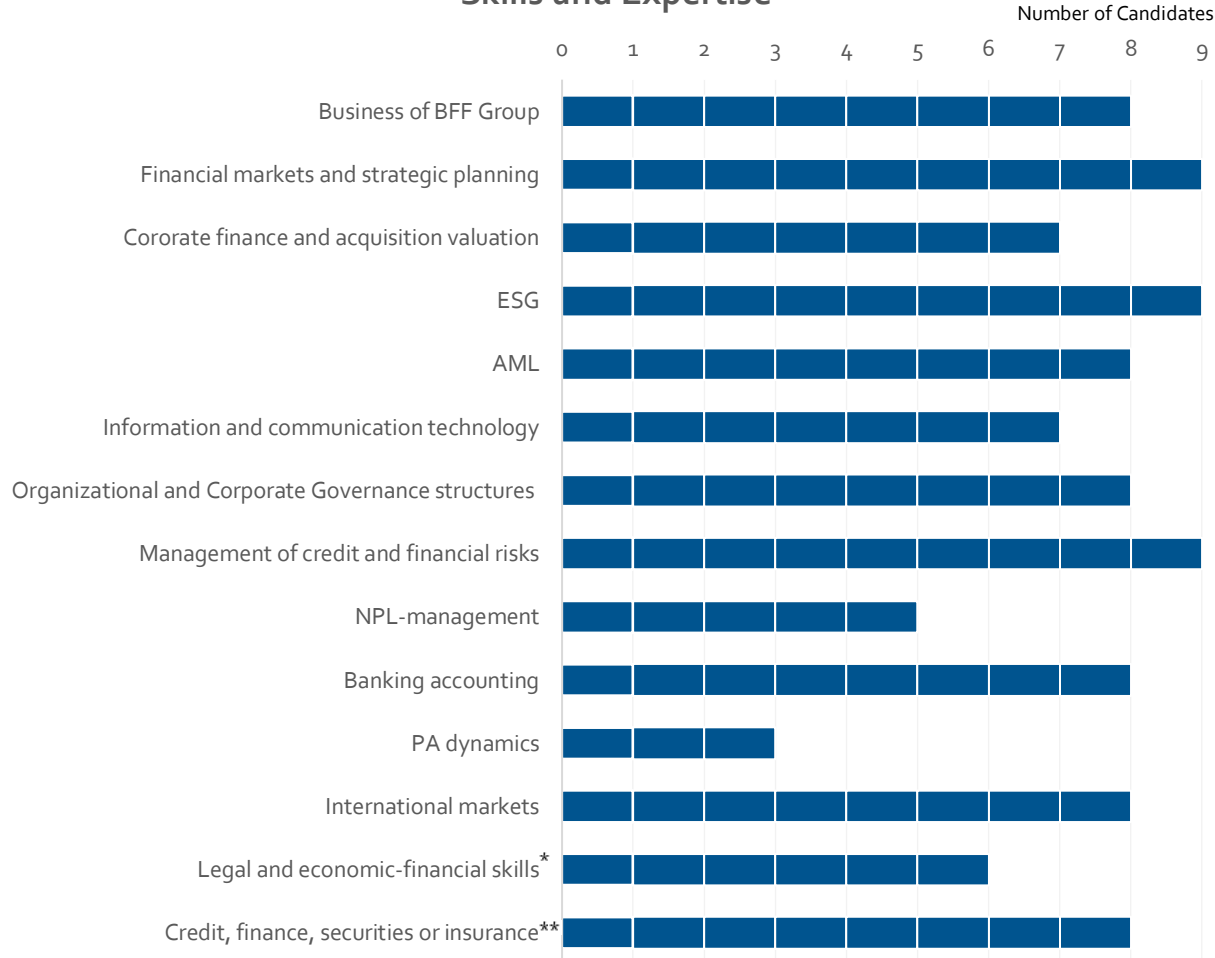
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Quali-quantitative composition	Guidelines on the optimal quantitative and qualitative composition of the Board Slate	Board Slate
Optimal size	N. 9 (nine) members	✓
Independence	At least n. 5 (five) independent directors, excluding the Chair of the Board	✓
Gender diversity	Directors of the least represented gender not less than the number requested by regulations, at least n. 4 (four)	✓
Other mandates	Total number of positions in banks or other business companies MUST NOT exceed one of the following alternative combinations: a. n. 1 executive position and n. 2 non-executive positions; b. n. 4 non-executive positions.	✓
Age	Presence of a combination of different age groups on the Board, to allow for a balanced plurality of managerial and professional perspectives and experiences.	✓
Professional background	Compliance to the diversity guidelines and ensure that the profiles of the identified candidates are complementary in terms of professional background and skills.	✓
International experience	According to the Diversity Policy, ensure the presence of one-third of Directors who have, respectively, either (a) adequate international experience (preferably, with reference to the markets in which the Group operates and, in particular Eastern Europe, i.e., Poland, Czech Republic, Slovakia, Croatia) or (b) in the specific business of depository banking, payment services and ancillary to these.	✓

Reinforced strategic skills, independence and international exposure

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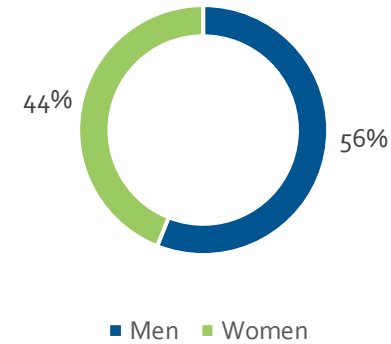
Skills and Expertise



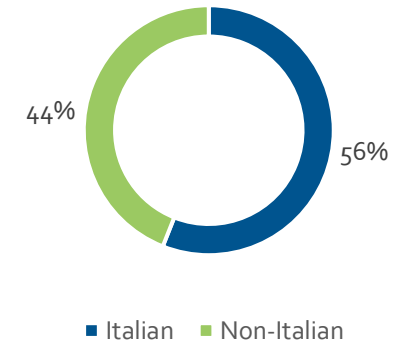
(*) Skill required only for the Chair
 (**) Skill required only for the CEO

Data source: Spencer Stuart

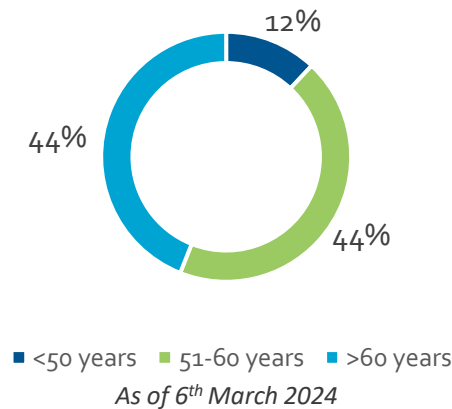
Gender



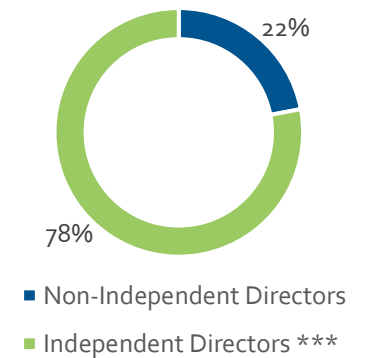
Nationality



Age



Independence



(***) in possession of the independence requirements, as set in Article 2, Recommendation No. 7, of the Governance Code and in Article 148, Paragraph 3, of the TUF, and as referred to in Article 147-ter, Paragraph 4, of the TUF.

Best in class for independence, gender balance and international reach

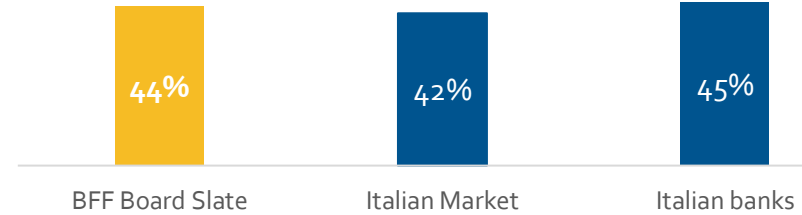
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Foreign Directors



Higher percentage of foreign directors than the average for the Italian market and the Italian banks

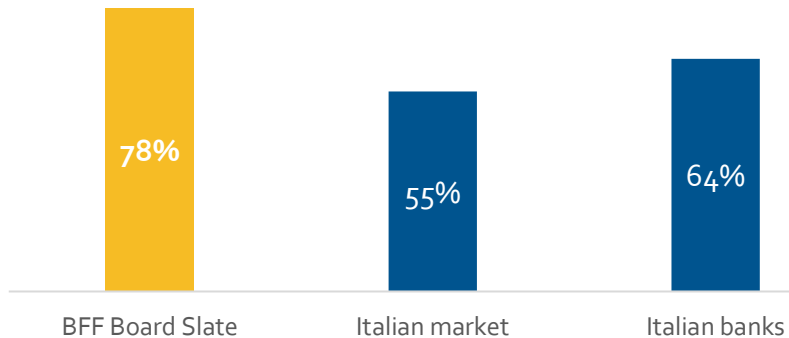
Gender Balance: % female representation



Percentage of gender in line with legal requirements

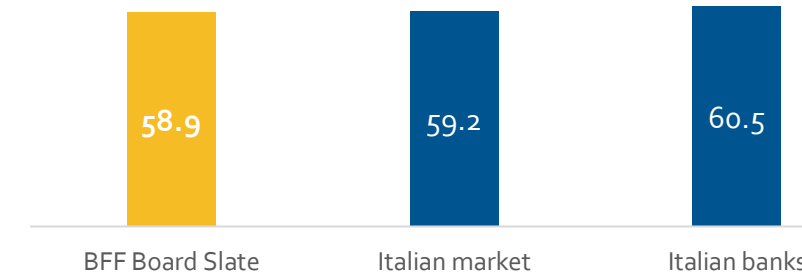
Percentage of women on Board in line with the average for the Italian banks

Independence



Higher percentage of independent directors compared with the Italian market average and with the Italian banks

Age



Average age of directors in line with the Italian market

Average age slightly lower than the average for the Italian banks

1. The Board Slate

2. The Remuneration Framework

Annexes

BFF remuneration framework: pay for performance with challenging target

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All-time high results, combined with pay-for-performance: no STI payout in 2023.

- Slide 11 ➤ BFF constantly engages with shareholders for a transparent dialogue
- Slide 12 ➤ Outstanding performance in recent years
- Slides 13-14 ➤ Remuneration improvements through the years
- Slide 15 ➤ Pay-for-performance truly applied: no STI payout in '23, despite record high profit
- Slide 16 ➤ Introduction of Share Ownership Guidelines to best align shareholders and management interest
- Slide 17 ➤ CEO pay reviewed to close the gap with performance, results and to increase retention
- Slides 18-19 ➤ Increased disclosure with diversified strategic KPIs in CEO's STI for 2024
- Slide 20 ➤ Increased disclosure in LTI
- Slides 21-22 ➤ CEO's termination pay lower than market practice and new non-compete to protect BFF's interests

Ratings and Awards



INSTITUTIONAL INVESTOR
2023 DEVELOPED EUROPE EXECUTIVE TEAM
BFF BANK
BEST ESG PROGRAM - ITALY, SMALL-CAP
Institutional Investor
Best ESG program

SUSTAINALYTICS
Low Risk
17.0

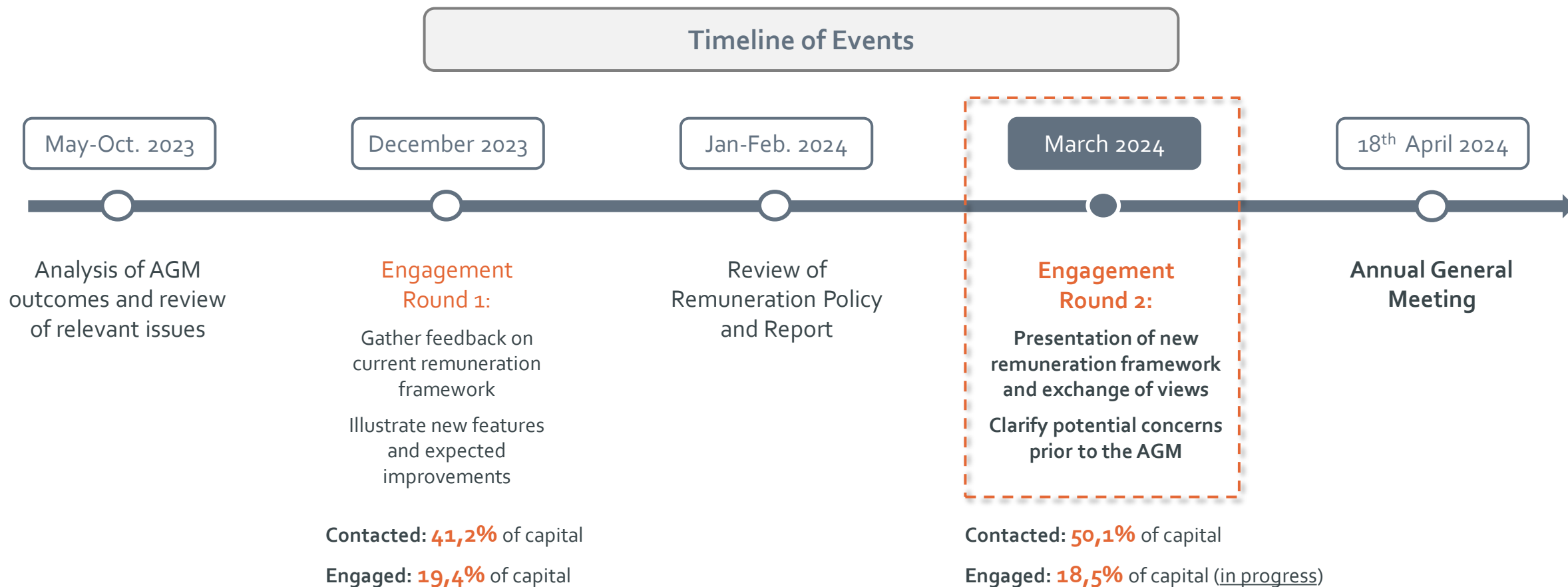
MSCI
AA

Standard Ethics
E+

CDP
C

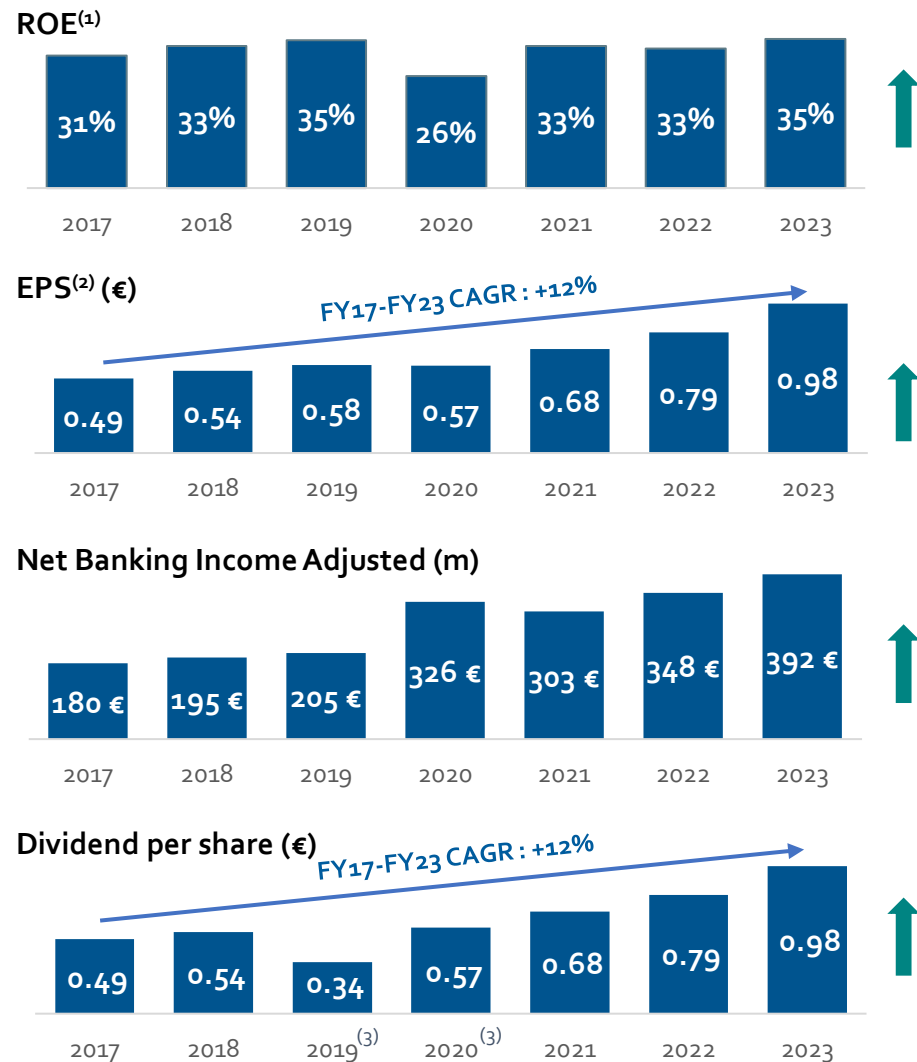
BFF constantly engages in a transparent dialogue with shareholders

- In continuity with previous years, BFF is conducting an extensive engagement with shareholders to obtain relevant advice and illustrate the directions of change of next year's remuneration policy.
- The dialogue with BFF's investors and proxy advisors aims at enhancing awareness on Group's remuneration practices and receiving feedback, a useful input for the continuous internal evaluation and review process.



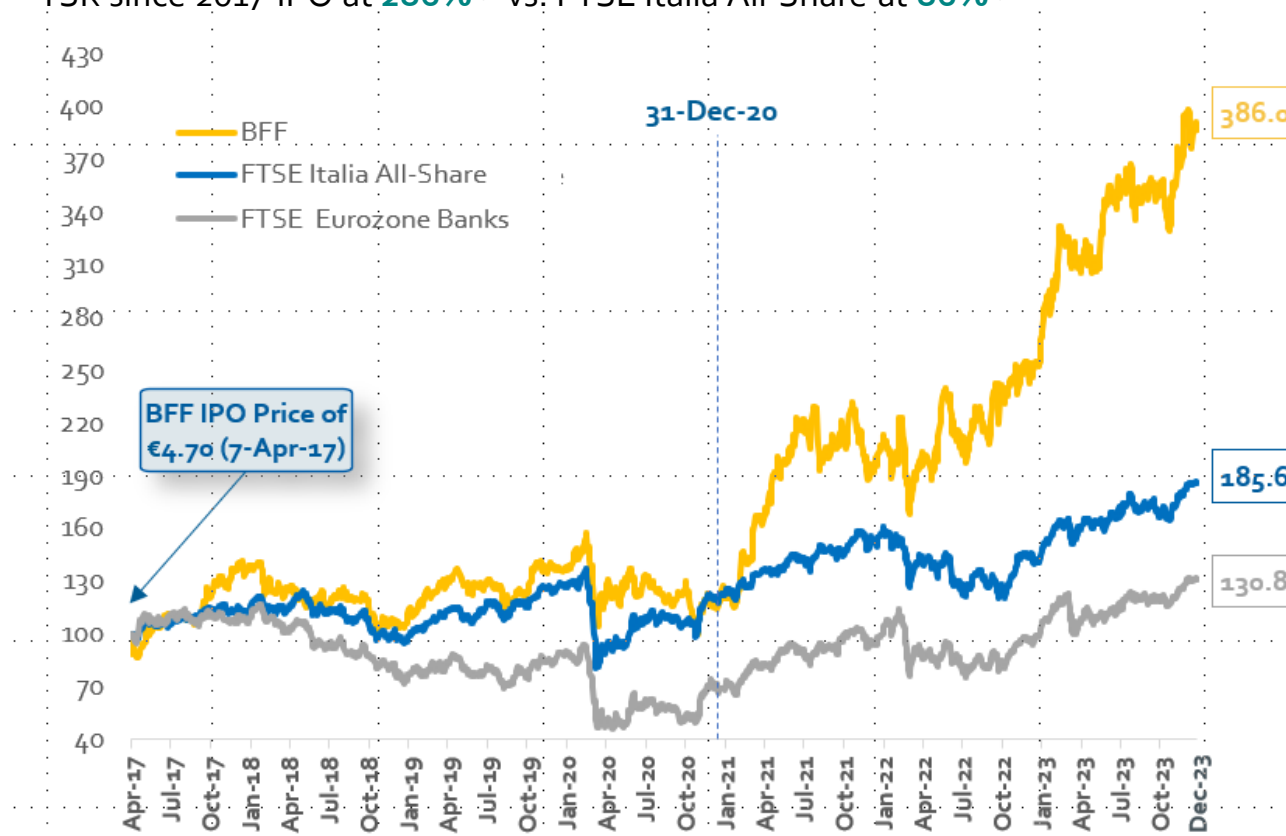
Consistent profitability growth, along with high returns to shareholders (>285% return since IPO)

Evolution of BFF Bank in the period 2017-2023



Total Shareholders' Return ("TSR") since IPO, with reinvested dividends⁽⁵⁾

- €2.1bn market cap as of today⁽⁴⁾
- TSR since 2017-IPO at 286%⁽⁵⁾ vs. FTSE Italia All-Share at 86%⁽⁵⁾



- Cumulative distributions since IPO at c. €800m, equal IPO's market cap

Remuneration Framework: improvements through the years – 1/2



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New ESG KPIs for the STI to avoid double dipping. Introduction of Share Ownership Guidelines. Removal of severance trigger.

Topic		2021	2022	2023	2024
STI	• Multiple performance criteria in addition to EBTDA RA	Single metric	✓	✓	✓
	• ESG performance	×	✓	✓	✓
	• Multiple ESG performance criteria	×	×	✓	✓
	• Minimum, Target and Maximum thresholds available	×	×	✓	✓
	• Deferred component	30%	60%	60%	60%
	• Deferral period	3 years	5 years	5 years	5 years
LTI	• Exercise price setting in line with market practice	×	✓	✓	✓
	• Deferral period	3 years + 18 months	3 years + 3 years	3 years + 3 years	3 years + 3 years
	• Multiple performance criteria	×	✓	✓	✓
	• ESG performance	×	✓	✓	✓
Variable Incentives	• Cap in terms of Fixed Remuneration	200%	200%	200%	200%
	• No overlap of KPIs between STI and LTI	×	×	×	✓ NEW
	• Share Ownership Guidelines	×	×	×	✓ NEW
Other bonuses	• Integration Bonus	Yes	No	No	No
	• Based only on performance for CEO and top management	✓	✓	✓	✓
Severance	• Calculated based on effective performance	×	✓	✓	✓
	• Not triggered in case of change in regulation impacting CEO rem	×	×	✓	✓
	• Not triggered in case of non-renewal of the CEO	×	×	×	✓ NEW

Remuneration Framework: improvements through the years – 2/2

Increased ex-ante disclosure on ESG performance metrics for both STI and LTI components in line with market requests.

Topic		2021	2022	2023	2024
Principles	• Gender Neutrality	×	✓	✓	✓
	• Gender Pay Gap in the CEO STI scorecard and ex-post disclosure	×	×	✓	✓
Disclosure	• Ex-ante disclosure of the targets of the ESG KPIs for STI	×	×	×	✓ NEW
	• Ex-ante disclosure of the targets of the ESG KPIs for LTI	×	×	×	✓ NEW
	• Ex-post disclosure of performance criteria for Integration Bonus	×	✓	✓	✓
	• Ex-post disclosure of performance results for STI	×	✓	✓	✓
	• CEO Pay Mix available	×	×	✓	✓
	• Pay-for-Performance model available	×	×	✓	✓
	• Employees Average Remuneration	×	✓	✓	✓
	• CEO Pay Ratio	×	×	✓	✓
	• Details on exceptional deviations from Policy	×	✓	✓	✓
	• ESG Materiality Matrix	×	✓	✓	✓
	• Double Materiality	×	×	✓	✓

Pay-for-performance truly applied: no STI payout in '23, despite record high profit

No annual bonus payout in 2023 for the CEO and the top management: missed, by just a small margin*, the EBTDA^{RA}, despite record high adjusted net profit. Increased ex-post disclosure on performance achievement.

'23 CEO Gate criteria

KPIs	Minimum Requirements	Result	Achieved
Liquidity Coverage Ratio (LCR)	≥ risk tolerance (as per RAF)	297,74%	✓
Total Capital Ratio (TCR)	≥ risk tolerance (as per RAF)	19,08%	✓
EBTDA ^{RA}	> 0	> 0	✓
Additional gate			
EBTDA ^{RA} / Target EBTDA ^{RA} **	≥ 100%	98,94%	✗

'23 CEO Performance criteria

NEW		Type	KPIs	Weight at target	Target		Result	Achieved	Payout	% base salary
Financial	EBTDA ^{RA}	70%	EBTDA ^{RA} Target** = 100%		98,94%	✗	0%	0%		
					Minimum	Target	Maximum			
ESG	Customer Satisfaction	20%	50%	100%	130%	✓	100%	20%		
ESG	Gender Pay Gap	15%	50%	100%	130%	✓	100%	15%		
ESG	BFF Foundation's Initiatives	15%	50%	100%	130%	✓	50%	7,5%		
Total									0%	

(*) The level of achievement of the EBTDA^{RA} was 98,94% versus the target, an all-time high result in absolute terms. However, EBTDA^{RA} serves as a gate criterion in addition to performance.

(**) Target set at budget level.

Introduction of Share Ownership Guidelines to best align shareholders and management interest

- Introduction of new guidelines following feedbacks from investors during engagement activities.
- Setup aligned with benchmarking activities performed with the assistance of a specialized independent consultant.

NEW

Share Ownership Guidelines

- **Requirement for the CEO and managers with strategic responsibilities** to achieve BFF shares within a period of 5 years and maintain during the term of office in the Group.
- **Introduced to foster the alignment of the interests** of the management with those of the shareholders.

CEO	Managers
150% of fixed annual remuneration	50% of fixed annual remuneration

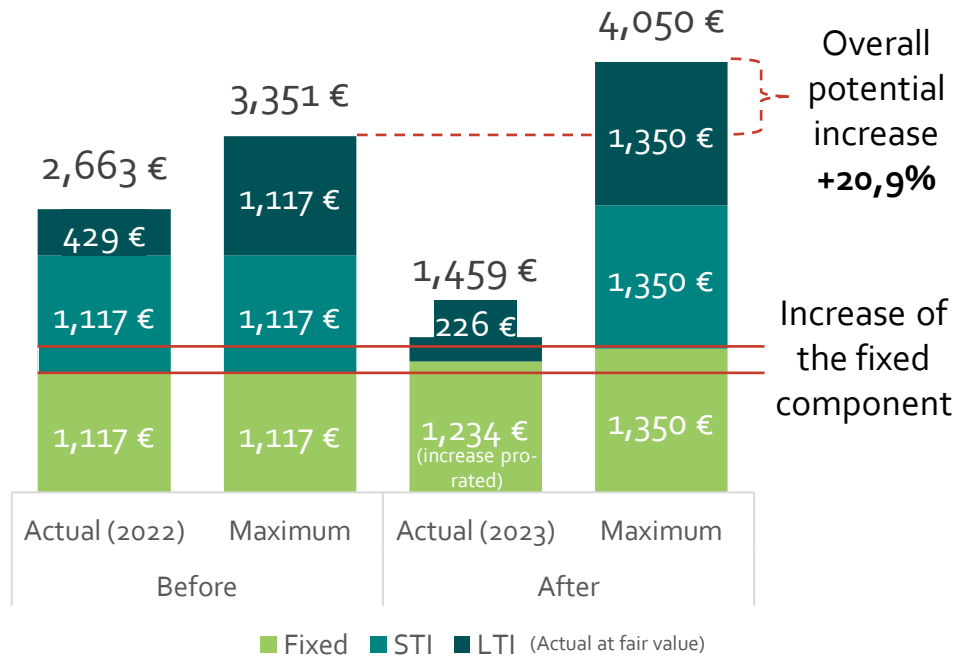
- Hedging is not allowed.

CEO pay reviewed to close the gap with performance

BFF CEO pay increased in 2023 to allow an alignment with performance.

- + 20% increase from 2020 level (CAGR 10%)
- The new pay package represents the commitment of BFF towards the CEO in case of his reappointment at the upcoming Board elections.

CEO Pay – Change by category (thousands)



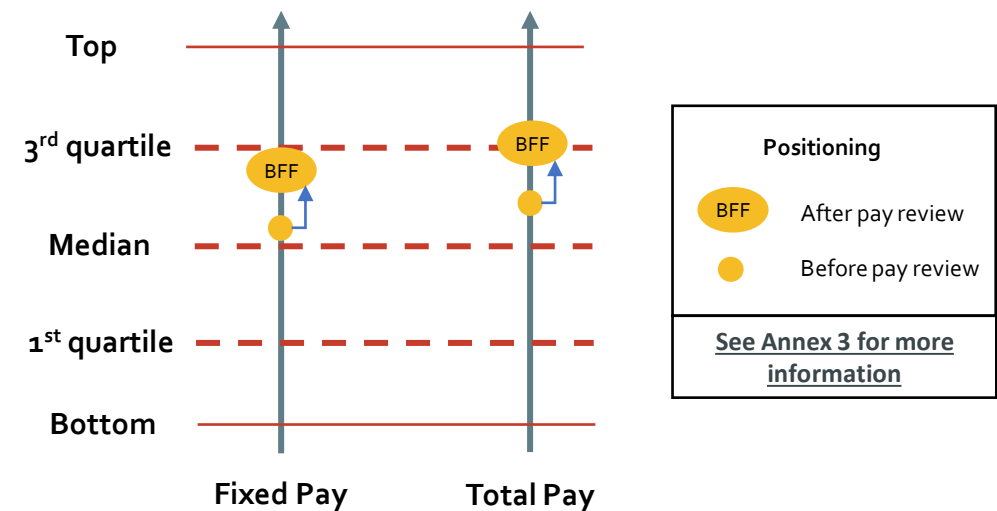
"Truly Variable", subject to challenging gates.
E.g.: no STI payment related to FY2023.

Rationale

- BFF is a top performer (see Annex 3): alignment with 3rd quartile of peer group
- 3 years since last pay increase despite outstanding performance
- Review of pay to drive further performance and retention, in the interests of all

Benchmark

- Based on a peer group composed by *Banca Popolare di Sondrio, Banco BPM, Banco de Sabadell, Bankinter, BPER Banca, Cembra Money Bank, FinecoBank, International Personal Finance, Nexi and Plus 500.*
- During 2023, 50% of peers approved an increase of CEO fixed pay.
- New positioning:



Increased disclosure with diversified strategic KPIs in CEO's STI for 2024

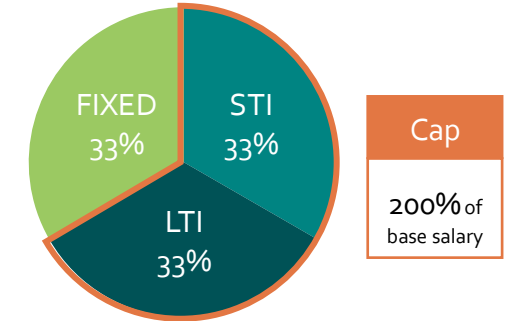
New ESG KPIs for the STI to avoid double dipping with the ongoing LTI. Increased ex-ante disclosure on ESG metrics.

2024 CEO annual bonus scorecard

KPIs	Minimum Requirements
<i>Liquidity Coverage Ratio (LCR)</i>	≥ risk tolerance (as per RAF)
<i>Total Capital Ratio (TCR)</i>	≥ risk tolerance (as per RAF)
EBTDA ^{RA}	> 0
Additional gate	
EBTDA ^{RA} / Target EBTDA ^{RA} **	≥ 100%

'24 Gate criteria

CEO Pay Mix



'24 Performance criteria

Type	KPIs	Weight at target	NEW		NEW		NEW		Cap *	
			Minimum	Payout	Target	Payout	Maximum	Payout		
Financial	EBTDA ^{RA}	70%	<Budget	<u>No MBO payout</u>	=Budget	70% of base salary	110% Budget	90% of base salary	1: Max. 90% of base salary	
ESG	ESG Rating ^{NEW}	20%	Maintain current coverage/rating	50%	Increase coverage by 1 or increase rating	100%	Increase coverage by 2 or increase 2 ratings	130%	1+2 = Max. 100% of base salary	
ESG	Gender Pay Gap	15%	<ul style="list-style-type: none"> Reach the target in 1/3 of the cluster at least 80% of the overall population 	50%	<ul style="list-style-type: none"> Reach the target in 2/3 of the cluster at least 80% of the overall population 	100%	<ul style="list-style-type: none"> Reach the target in the cluster at least 80% of the overall population 	130%		2: Max. 50% of base salary
ESG	Social Bonds ^{NEW}	15%	€ 250 m	50%	€ 300 m	100%	€ 350 m	130%		

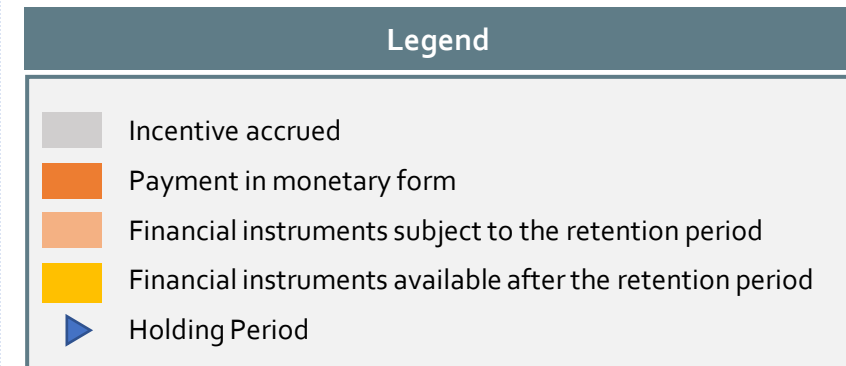
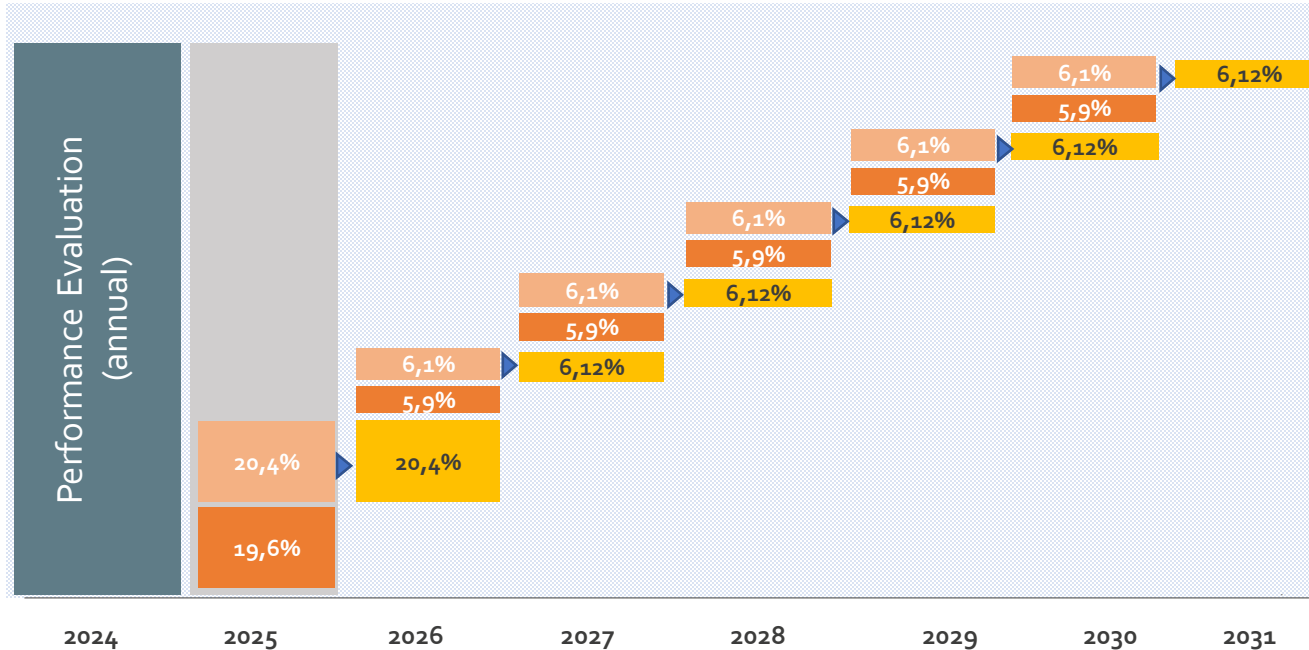
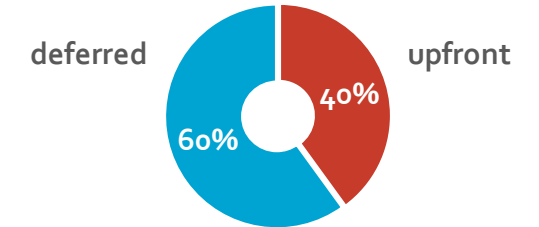
(*) A maximum limit applies to the performance of the STI, capped at 100% of the base salary. In addition, the variable remuneration cannot exceed 200% of the base salary.

(**) Target set at budget level.

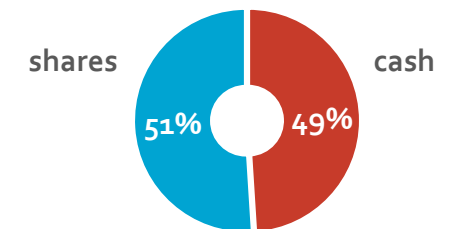
CEO's STI subject to important deferral mechanism

CEO annual bonus is subject to significant deferral, as follows:

- The up-front portion, which is paid following the approval of the Group's financial statements, is 40%, while the remaining 60% is deferred in equal annual instalments over 5 financial years, beginning 12 months after the payment of the up-front portion.



- 51% of both the up-front and deferred portion is paid through financial instruments, subject to a one-year retention period.
- The bonus is subject to malus and claw back clauses.



Increased disclosure in LTI

Introduction of vesting thresholds and increased ex-ante disclosure on ESG metrics for the ongoing LTI (cycle 2023-2025).

2023 LTI scorecard

Gate criteria

KPIs	Minimum Requirement
<i>Liquidity Coverage Ratio (LCR)</i>	≥ risk tolerance (as per RAF)
<i>Total Capital Ratio (TCR)</i>	≥ risk tolerance (as per RAF)
EBTDA ^{RA}	> 0

Performance criteria

Type	KPIs	Weight	NEW		NEW		NEW	
			Minimum	Payout	Target	Payout	Maximum	Payout
Financial	EBTDA ^{RA}	50%	90% Target 2025 *	25%	Target 2025 *	50%	110% Target 2025 *	75%
Financial	EPS	20%	90% Target 2025	10%	Target 2025	20%	110% Target 2025	30%
Financial	C/I	20%	110% Target 2025	10%	Target 2025	20%	90% Target 2025	30%
ESG	Carbon Footprint	5%	46,7% vs. 2022	2,5%	32,4% vs. 2022	5%	18,1% vs. 2022	7,5%
ESG	Customer Satisfaction	5%	90%	2,5%	95%	5%	100%	7,5%

See Annex 4 for more information

(*) Target set at budget level as per the last Industrial Plan.

CEO's termination pay lower than market practice

Removal of a trigger event and enhancement of non-compete agreement in the interests of the company in terms of risk management.
No change as effect of CEO pay review, including the absolute limit.

Severance

Trigger events

Circumstances determining the CEO's right to payment of the severance

⊗	Removed	Failure to renew the office of CEO upon expiry of the mandate.
⊙	Standing	Removal from office as a director before expiry of the mandate (other than on bad leaver grounds).
⊙	Standing	Reduction of the CEO pay package during any term of office (except for legal purposes).

Amount

unchanged

Equal to the lower of:

- 1.8 times the sum of the fixed pay (excluding benefits) and the average variable remuneration of the previous three years
- the amount of €4,500,000 (cap approved by the 2021 AGM)

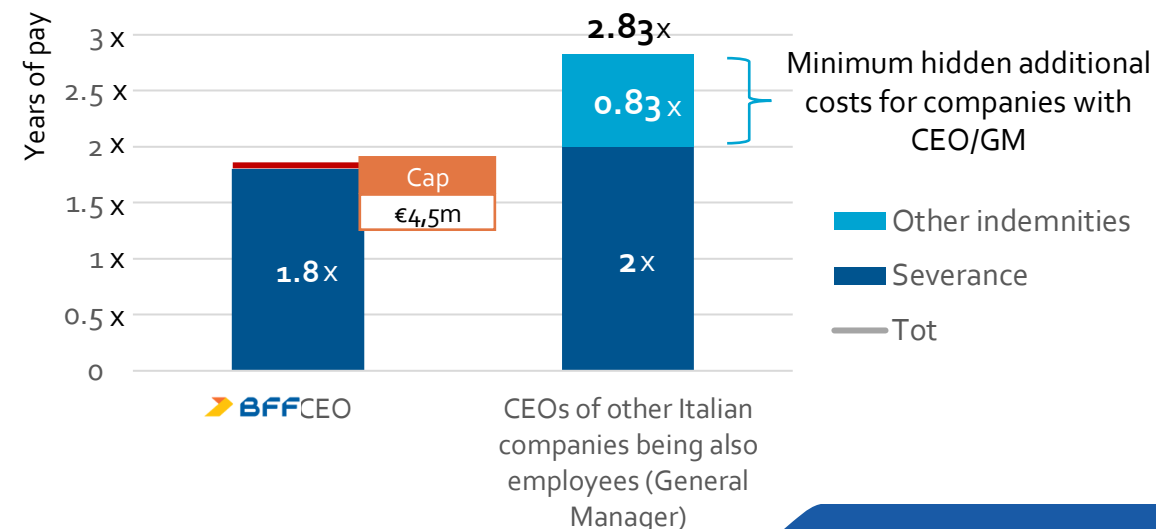
In addition:

- ✓ 51% of severance paid in shares
- ✓ 40% upfront, 60% deferred over a six-year period
- ✓ linked to performance and subject to claw back mechanisms

NB. It should be noted that the CEO is a Director of the Company and not an employee: what is defined in this page is the pre-agreed publicly-disclosed termination package for his position, with **no hidden costs and no further payment due to law and collective bargaining agreements** (e.g. notice period and additional contractual indemnities), contrary to the severance of the majority of Italian CEOs-employees.

Example: in case Group CEO role with General Manager, (hidden) additional indemnities for notice period would amount to at least 10 months' total pay (0,83 years, see graph below for comparison).

Comparison with market practice



New non-compete agreement to protect BFF interests

The updated non-compete agreement is in the interests of the company in terms of risk management and protection from competition.

Non-compete agreement

Highlights

- 1 additional year
- Increased payable amount
- Increased penalty in the event of breach within the 1st year

	Before	After
	Duration	
	2 years	3 years NEW
	Annual Amount	
	35% of the fixed pay	100% of the fixed pay NEW
	Penalty	
	In the event of breach of the non-compete obligation: <ul style="list-style-type: none"> 100% of the fixed pay In the event certain types of conduct: <ul style="list-style-type: none"> 100% of the non-compete amount 	In the event of breach of the non-compete obligation: <ul style="list-style-type: none"> 150% of the fixed pay within the first year/100% after one year In the event certain types of conduct: <ul style="list-style-type: none"> 35% of the fixed pay NEW

- 1. The Board Slate**
- 2. The Remuneration Framework**

Annexes

The appointment of the Board of Directors and the Board of Statutory Auditors

The Board and/or Shareholder(s) \geq 1% share capital can submit a slate of candidates

Director Election Procedure: *Voto di Lista*

In Italy, directors' elections take place through the **voto di lista mechanism** (slate elections). Directors will serve for a three-year term in line with market practice.

BFF Bank

Who can submit a slate?

Outgoing Board of Directors

Shareholder(s) \geq 1% share capital

Slates of candidates may be submitted by:

- the outgoing Board of Directors or
- one or more shareholders who hold in aggregate shares representing a percentage equal to at least 1% of the share capital entitling to voting right at ordinary meetings.

Number of Board members

9 directors

The company is managed by a Board composed of no less than 5 and no more than 13 members who are appointed by the Shareholder Meeting after determining their numbers.

The current Board is composed of 9 directors and the Board intends to confirm such size.

Gender balance

>40% to the least represented gender

The Board of Directors fulfils, in its composition, the gender balance established by the legislation in force.

Independence

At least 50% of directors

More than half of directors shall be independent as per the Company's Bylaws.

How are members appointed?

- a) a number of Directors equal to the **total number of members to be appointed less 1 (one)**, is derived from the slate which obtained the majority of casted votes (so called "majority slate"), following the sequential order with which they are listed in the same slate;
- b) the **residual director is derived from the second slate which obtained the highest number of votes at the meeting (so called "minority slate")**, which is not affiliated in any way, not even indirectly, to those who have submitted or voted for the majority slate.

Note: if the majority slate does not contain a sufficient number of candidates to ensure that the number of directors to be elected pursuant to letter (a) above is reached, all the candidates listed therein shall be taken from that slate, in the order in which they are indicated; after having taken the other director from the minority slate pursuant to letter (b), the remaining directors are taken - for the positions not covered by the majority slate - from the minority slate that obtained the highest number of votes among the minority slates, according to the capacity of such slate. In case there is insufficient capacity, the remaining Directors are chosen - according to the same procedure - from the following slate or, if necessary, from subsequent slates, depending on the number of votes and the capacity of these slates.

The appointment of the Board of Statutory Auditors – Overview

2024 AGM will be called to appoint the Board of Statutory Auditors and its Chair for the three-year term 2024-2026.

Statutory Auditors Election Procedure: *Voto di Lista*

In Italy, statutory auditors' elections take place through the **voto di lista mechanism** (slate elections). BFF's Board of Directors is not entitled to submit its own slate of candidates.

BFF Bank

Who can submit a slate?

Shareholder(s) \geq 1% share capital

Slates of candidates may be submitted by a shareholder or a group of shareholders representing at least 1% of the of the ordinary share capital with voting rights at the Ordinary Shareholders' Meetings.

Number of members

3 statutory and 2 alternate

The Board of Statutory Auditors is composed of 3 statutory members, in addition to 2 alternate in case a replacement is needed.

Gender balance

1/3rd to the least represented gender

The Board of Statutory Auditors fulfils, in its composition, the gender balance established by the legislation in force (at least 2/5th of seats to the least represented gender: but at least 1/3rd of seats, in case of a Board of Statutory Auditors made up of 3 permanent members).

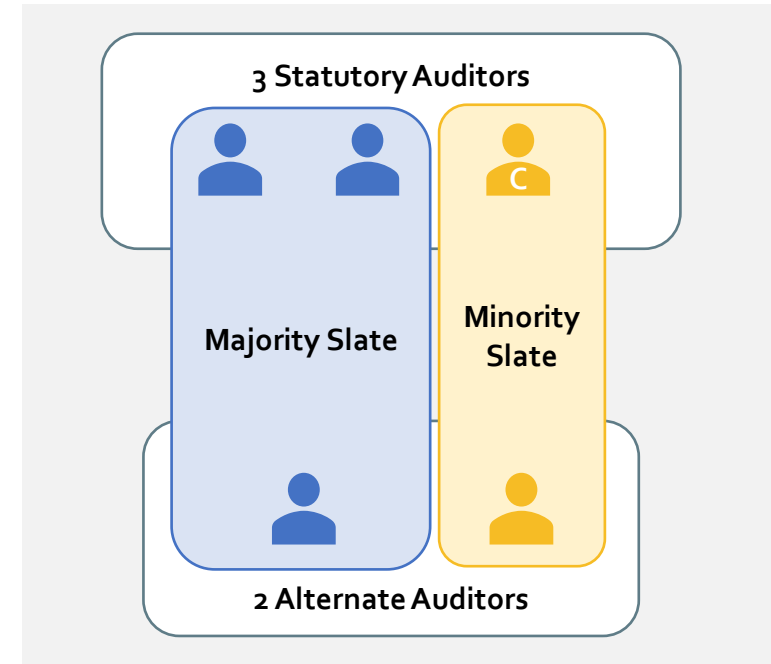
Term for the presentation of a slate

- **Filing:** no later than the 25th day prior to the AGM as it will be specified in the notice of call;
- **Disclosing:** at least 21 days prior to the AGM in the modalities established by current provisions.

The appointment of the Board of Statutory Auditors – Procedure

The following charts illustrate the procedure for the appointment of the Board of Statutory Auditors, as per art. 22 of BFF Bylaws.

ELECTION IN CASE OF MULTIPLE SLATES*	Majority Slate ⁽¹⁾	Minority Slate ⁽²⁾
Statutory Auditors	the first 2 statutory auditors' candidates of the first most voted slate	the first statutory auditors' candidate of the second most voted slate, to be appointed as Chair
Alternate Auditors	the first alternate candidate of the most voted slate	the first alternate candidate of the second most voted slate
Chair of the Board of Statutory Auditors	×	✓



*If only one slate is submitted, all the statutory auditors to be elected shall be drawn from that slate.

(1) Majority Slate: the Slate obtaining the majority of votes

(2) Minority Slate: the Slate which came in second by number of votes

Note: Should the application of the slate vote mechanism not ensure, separately considering statutory auditors and alternate auditors, the minimum number of auditors belonging to the less-represented gender provided for by the law, the candidate belonging to the more-represented gender and appointed, indicated as last in sequential order in each section of the majority slate, is replaced by the candidate belonging to the less-represented gender and not appointed, derived from the same section of the same slate according to the sequential order of presentation.

Board Slate: profiles of the new candidates

Chair candidate: Ranieri de Marchis



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Italian
former Group Operation Officer
UniCredit Group
Milan

Education

INSEAD, MBA, 1990

LUISS Business School, Bachelors, Economics, 1985

Languages

Italian - Native Language

Spanish - Fluent

English - Fluent

French - Intermediate

Professional Experience

- 2023-Pres. Deloitte**
Senior Advisor
- 2023-Pres. Bain & Company**
External Advisor
- 2003-2022 UniCredit Group**
2021-2022 Group Chief Operating Officer
2021-2022 Deputy General Manager
2016-2021 Group Co-Chief Operating Officer
2009-2016 Senior Executive Vice President and Head of Internal Audit
2005-2009 Deputy General Manager and Chief Financial Officer, Unicredito Italiano
2003-2005 Chief Financial Officer, Unicredito Italiano
- 1990-2003 GE Group**
2001-2003 Chief Financial Officer, GE Oil & Gas
1997-2001 General Manager, Nuovo Pignone
1996-1997 Chief Financial Planning, Power Systems Division (USA)
1995-1996 Head of Finance and Commercial Development, Power Systems Europe
1994-1995 Chief Auditor, Europe Area, Corporate Audit Staff GE (London)
1990-1993 Corporate Auditor, Corporate Audit Staff GE (Madrid)
- 1988-1989 Procter & Gamble – Frankfurt**
Financial Analyst

Current Board Affiliations

- Singular Bank (2023-Pres.), Non-Executive Director, Chair of Audit & Risk Committee

Former Board Affiliations

- UniCredit Services (2016-2022), Chair
- UniCredit Austria (2016-2022), Chair
- Fondo Italiano Tutela dei Depositi (2020-2022), Non-Executive Director
- Cordusio SIM (2020-2022), Chair
- Alitalia (2014-2015), Non-Executive Director
- Fondiaria SAI (2011-2012), Non-Executive Director
- gRen Group (2009-2015), Advisory Board Member

Non-executive director candidate: Alexia Ackermann



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French
Chief Operating Officer and Chief Compliance Officer
Portland Hill Asset Management Ltd
London

Education

Chartered Accountant Analyst, 2007
Harvard Business School, MBA, 2001
Hautes Etudes Commerciales, Masters, Finance, 1997

Languages

French - Native Language
English - Fluent

Professional Experience

- 2017-2023** **Portland Hill Asset Management Ltd**
Chief Operating Officer and Chief Compliance Officer
- 2004-2017** **Société Générale Group**
2016-2017 Chief Risk Officer, Prime Clearing Services division
2010-2016 Global Chief Operating Officer, Prime Brokerage
2007-2009 Global Chief Operating Officer, Asset Management
2004-2007 Inspecteur Principal
- 1997-2004** **McKinsey & Company (US, Germany, France)**
2003-2004 Engagement Manager, Financial Services
2001-2003 Consultant, Financial Services
1997-1999 Business Analyst, Financial Services
- 1994-1995** **Banque Indosuez (Singapore)**
Financial Controller

Current Board Affiliations

-

Former Board Affiliations

- Action Against Hunger (2015-2020), Non Executive Director;
(2015-2016) Chair of Audit & Risk Committee; (2016-2019) Chair of Finance Committee

Non-executive director candidate: Mimi Kung



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American
Professional Board Member
London

Education

Oxford University, Finance Executive Management Program, 2003
Boston University, Bachelors, Business Administration, Finance, 1988

Languages

English - Native Language
Mandarin - Fluent
Italian - Intermediate

Professional Experience

- 1995-2015 American Express**
2013-2015 Senior Vice President, Country Manager Italy and Head of Card Services Central Europe
2010-2013 Senior Vice President, Italy Country Manager, American Express (Italy)
2007-2010 Vice President and General Manager, Global Commercial Payments, UK, Netherlands, EMEA
2004-2007 Vice President and Chief Financial Officer, Europe
2000-2003 Vice President, Head of Investment Planning and Financial Analysis for International, USA
1998-2000 Director, Business Travel Marketing and Pricing, USA
1995-1998 Director, Business Planning and Financial Analysis, USA
- 1991-1995 GE Capital Corporation**
Investment Analyst, Corporate Finance Group
Collateral Analyst, Corporate Finance Group
- 1988-1990 Grand Hyatt Taipei**
Assistant Controller

Current Board Affiliations

- Prysman (2018-Pres.), Non-Executive Director, Member of Sustainability Committee

Former Board Affiliations

- Poste Italiane (2016-2023), Non-Executive Director, Member of Nomination and Corporate Governance Committee, Member of Related Parties Committee
- Bank of Ireland (2017-2020), Non-Executive Director, Member of Risk Committee, Member of Nomination and Remuneration Committee

Non-executive director candidate: George Anagnostopolous



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Greek
former Group Chief Risk Officer
Danske Bank
Copenhagen

Education

University of Georgia, MBA, International Business and Banking, 1985
Fairleigh Dickinson University, Bachelors, Economics and Finance, 1984

Languages

Greek - Native Language
English - Fluent
Italian - Fluent
German - Working Knowledge

Professional Experience

2023-Pres.	McKinsey & Company External Advisor to the European Risk & Resilience practice	2002-2005	Deutsche Bank Italia Country Chief Credit and Risk Officer
2016-2022	Danske Bank 2021 Group Chief Risk Officer (interim) 2018-2022 Group Head of Retail Credit Risk Management and Chief Risk Officer Nordics 2016-2022 Group Risk Management, Copenhagen	1991-2002	Citibank 1999-2002 Vice President and Country Credit and Risk Director, Consumer Banking Italy 1998-1999 Vice President, Consumer Bank and Regional Director EMEA Business Risk Review, Citibank International Plc
2013-2016	Barclays (Africa) Chief Risk Officer, Retail and Business Bank	1995-1998	Vice President, Bank Cards, Credit and Risk Director, Germany
2011-2013	Standard Chartered 2011-2013 Chief Risk Officer, Consumer Bank, West Region 2010-2011 Chief Credit Officer, Retail Lending, Singapore	1991-1995	up to Credit and Risk Director, Bankcards, Greece
2005-2010	GE Capital 2009-2010 Vice President, Risk Operations, Joint Venture Leader, Global Banking 2008-2008 Vice President, Banking Risk Leader, Chief Credit Officer, Global Banking 2006-2007 Global Risk Leader, Vice President, Auto Loans and Sales, GE Money 2005-2006 Vice President, Mortgage Risk Leader, EMEA, GE Money Europe		

Current Board Affiliations

-

Former Board Affiliations

- Danske Bank International SA (2021-2022), Chair
- Fire Group (2019-2022), Non-Executive Director
- Nordania Leasing (2019-2022), Non-Executive Director
- Woolworths Financial Services (WFS) (2013-2016), Non-Executive Director

Non-executive director candidate: Fabienne Baker



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Swiss
former Chief Financial Officer
State Street Bank GmbH

Education

INSEAD, MBA, 1987

Ecole des hautes études commerciales Lausanne, Business and Economics

Languages

English - Native Language
French - Native Language
German - Working Knowledge

Professional Experience

- 2017-2021** **State Street Bank GmbH**
Chief Financial Officer
- 2006-2017** **Citigroup**
2015-2017 Director, Financial Planning and Analysis
2013-2015 Chief Financial Officer, Switzerland and Treasurer Private Bank EMEA and Managing Director, Citibank Switzerland
2015 Interim Chief Executive Officer, Switzerland
2006-2013 Chief Financial Officer, Switzerland and Jersey and Managing Director, Citibank
2002-2006 Chief Financial Officer, East and South Africa
2000-2002 Chief Financial Officer, Hungary
1988-1999 up to Deputy Chief Financial Officer EMEA Private Bank
- 1982-1986** **Arthur Andersen**
Senior Auditor and Consultant

Current Board Affiliations

- Bank of Africa (UK) (2022-Pres.), Non-Executive Director, Chair of Audit Committee, Member of the Risk Committee, member of Governance & Remuneration Committee
- Kwanele South Africa (2021-Pres.), Non-Executive Director and Treasurer

Former Board Affiliations

- State Street Luxembourg (2017-2019), Non-Executive Director, Member of Risk Committee
- Fortuite Foundation (2021-2022), Non-Executive Director

CEO pay reviewed to close the gap with performance

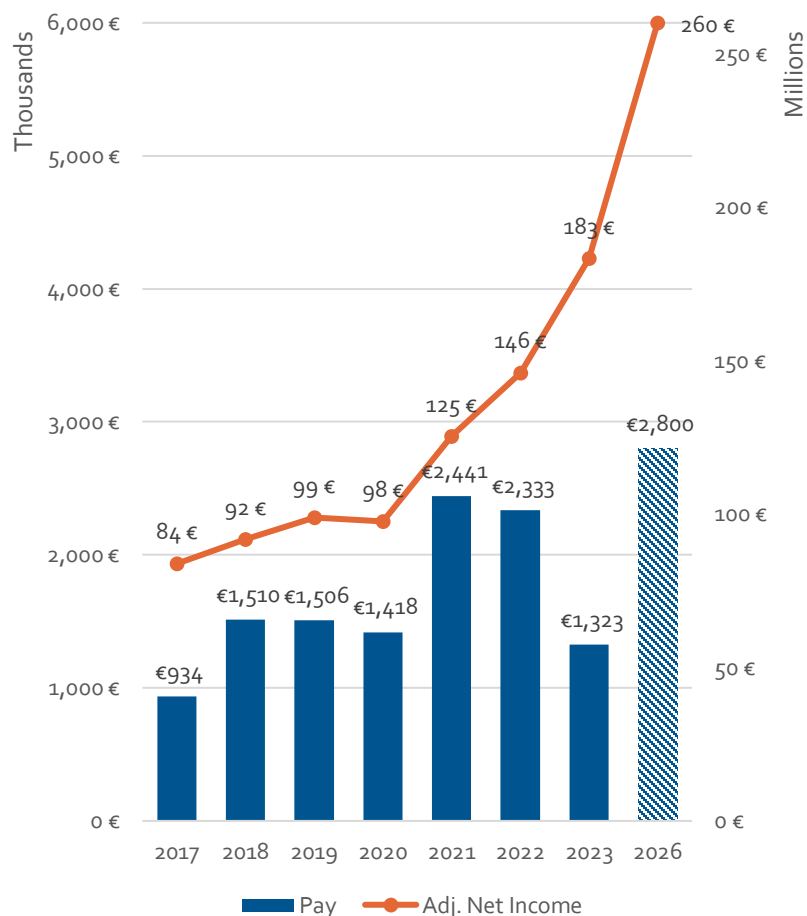
CEO's total pay lags behind outstanding Company's performance

Evolution of BFF CEO's realized pay vs. Adj. Net Income (2017-2023 period). Adjusted Net Income targets disclosed to the market (Strategy Update to 2028 of 29th June 2023): €260m for 2026.

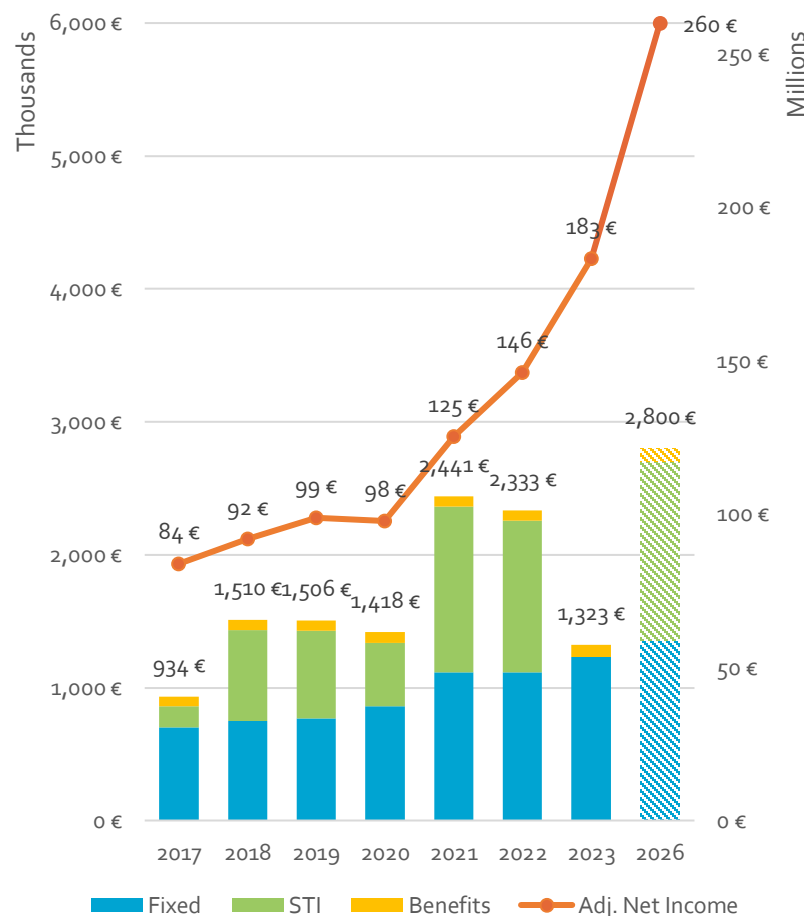
Updated slide from
Dic-23 «[BFF – Off season Engagement with Shareholders](#)»



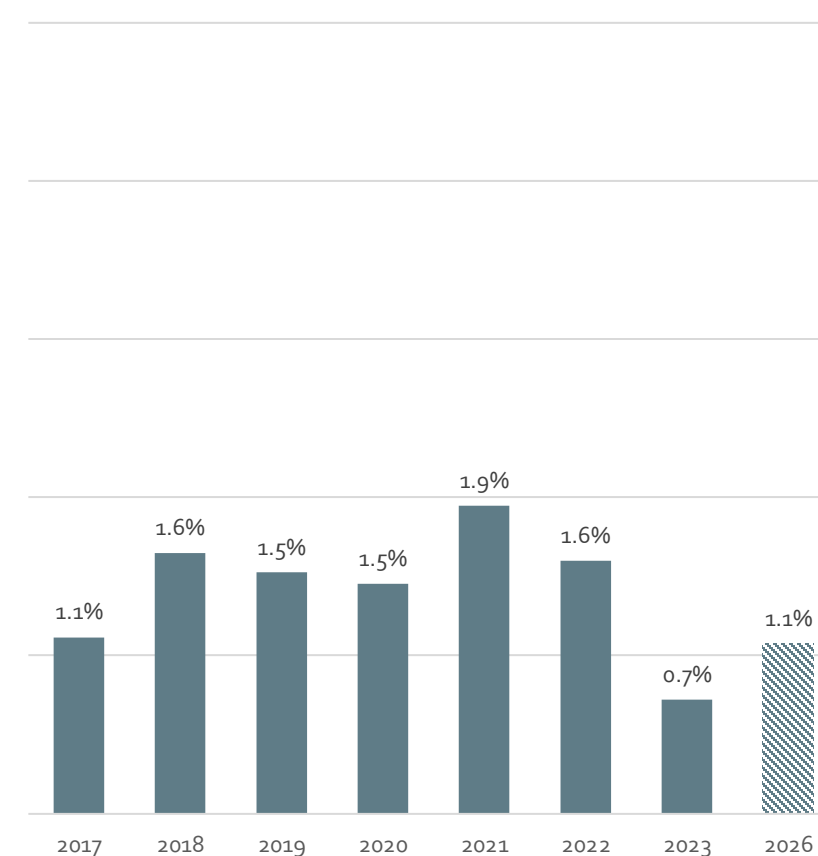
CEO Pay vs. Adj. Net Income



CEO Pay vs. Adj. Net Income - by category



CEO Pay/Adj. Net Income Ratio



Notes: CEO Pay does not take into account the LTI component (Stock Options) and a retention bonus paid in FY2020 (€1,61m), related on agreements due to changes in ownership (resulting 2020 Total Pay/Adj. Net income Ratio = 3,1%). 2023 and 2026 CEO Pay at maximum based on the new fixed pay (pro-rated in 2023).
Sources: Morrow Sodali and BFF Financial Statements.

CEO pay is in the 3rd quartile post review, while BFF ranks 1st for performance in the Peer Group

Peer group used for pay setting and new positioning of BFF following the pay review.

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Dic-23 «[BFF – Off season Engagement with Shareholders](#)»



Peers: selection based on industry, size, complexity and governance factors.

Peer	Country	2019-2022 TSR*	2019-2023 TSR
BFF Bank	Italy	140,2%	266,8%
Fineco Bank	Italy	92,8%	75,5%
Banco BPM	Italy	85,0%	180,2%
Plus500	UK	73,5%	70,5%
Banca Popolare di Sondrio	Italy	57,3%	161,7%
Bankinter	Spain	46,3%	47,3%
Cembra Money Bank	Switzerland	17,0%	5,2%
Banco De Sabadell	Spain	0,3%	33,9%
BPER Banca	Italy	-8,2%	51,5%
Nexi	Italy	-12,7%	-17,7%
International Personal Finance	UK	-57,3%	-19,7%

(*) TSR in the period 1/1/2019-31/12/2022 preceding the pay review occurred in mid 2023.

Source: Refinitiv.

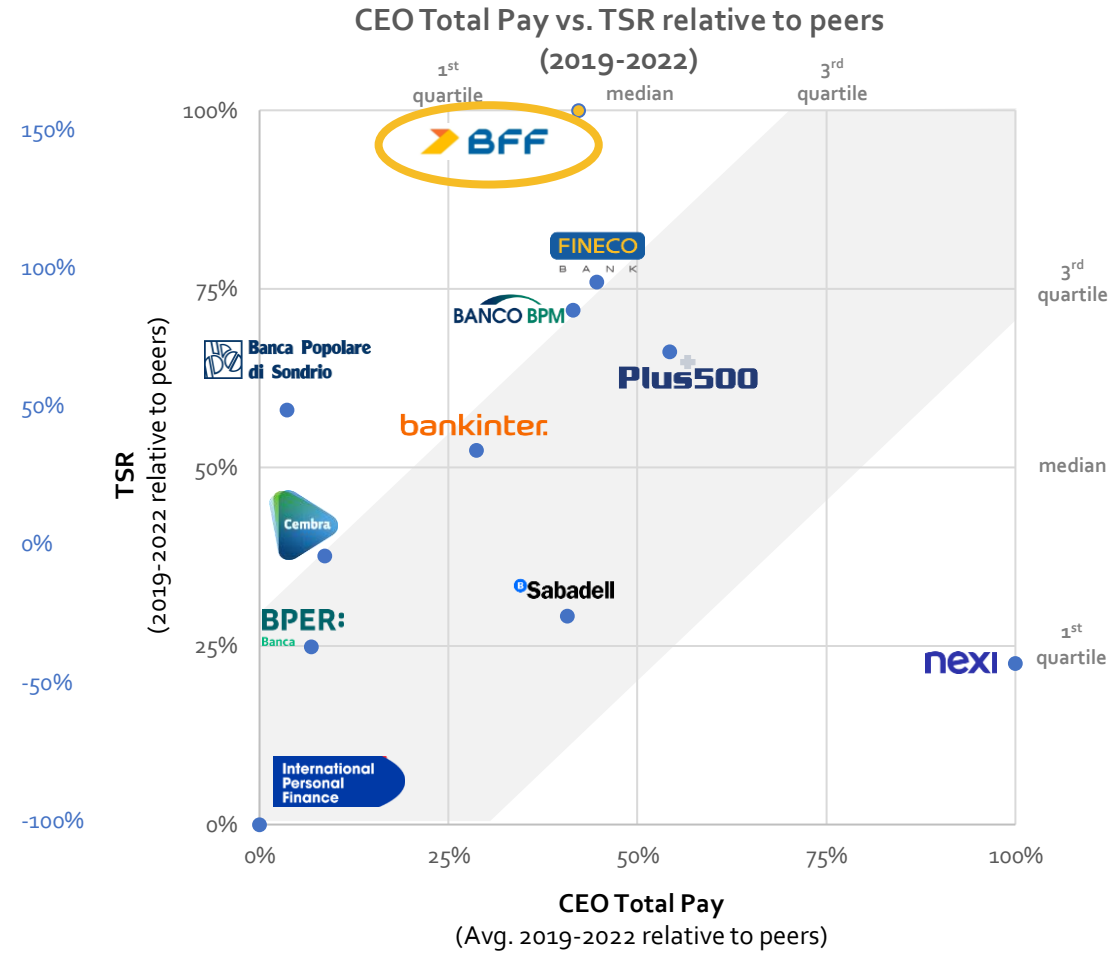
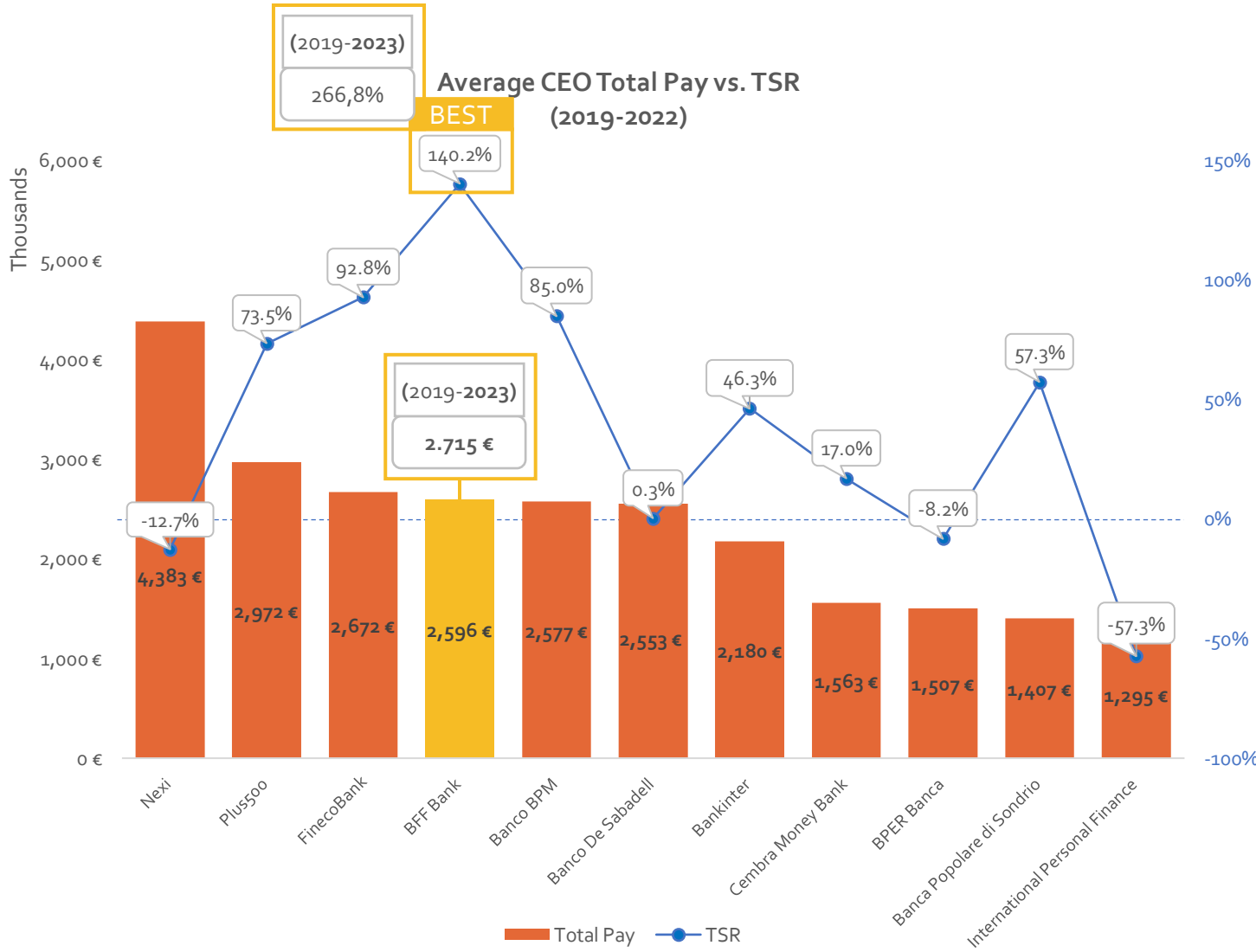
Fixed Pay		Total Pay	
Peer 1	2,20 € m	Peer 2	8,40 € m
Peer 2	1,50 € m	Peer 8	4,30 € m
Peer 3	1,45 € m	Peer 3	4,10 € m
<i>3rd quartile</i>	<i>1,43 € m</i>	BFF Bank	4,05 € m
Peer 4	1,38 € m	<i>3rd quartile</i>	<i>4,03 € m</i>
BFF Bank	1,35 € m	Peer 1	3,80 € m
Peer 5	1,01 € m	Peer 4	3,18 € m
<i>Median</i>	<i>1,01 € m</i>	<i>Median</i>	<i>3,09 € m</i>
Peer 6	1,00 € m	Peer 6	3,00 € m
Peer 7	0,94 € m	Peer 7	2,36 € m
Peer 8	0,88 € m	Peer 5	2,10 € m
Peer 9	0,78 € m	Peer 9	1,78 € m
Peer 10	0,53 € m	Peer 10	1,47 € m

Change in ranking after pay review.

BFF ranks first in the Peer Group for TSR

Average CEO Realized Total Pay* vs. TSR of BFF and companies included in the Peer Group (2019-2022, 2019-2023 for BFF only).

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Dic-23 «[BFF – Off season Engagement with Shareholders](#)»



Sources: Morrow Sodali and Refinitiv.

(* This includes stock options vesting during the year (or potentially exercised). Options are valued using intrinsic value (exercise price minus market price).

BFF CEO total pay over net income consistently below other Italian listed specialty finance companies' average

CEO Realized Total Pay* / Net Income Ratio of BFF vs. companies operating in adjacent business (evolution 2019-2022 period, 2023 for BFF only).

Updated slide from
Dic-23 «[BFF – Off season Engagement with Shareholders](#)»

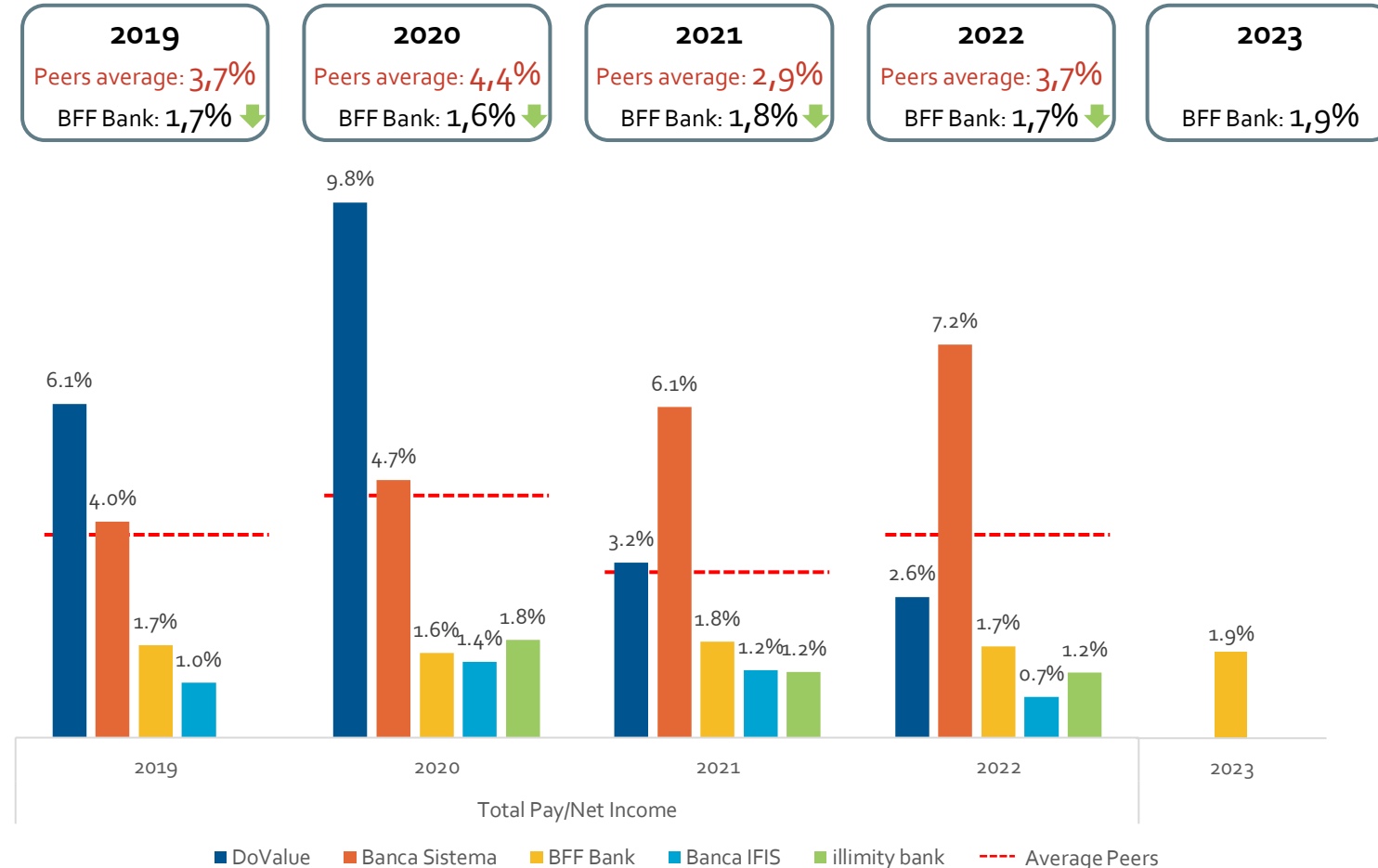


Other Italian listed specialty finance companies: Italian companies which are comparable and similar to BFF in terms of business model and services provided.

Peer	Country	Industry	Market Cap*
Banca Ifis	Italy	Specialty Finance	824 € m
Banca Sistema	Italy	Specialty Finance	97 € m
DoValue	Italy	Specialty Finance	274 € m
Illimity bank	Italy	Specialty Finance	456 € m
BFF Bank	Italy	Specialty Finance	1.929 € m

*As of 31-Dec-23

CEO Total Pay / Net Income ratio of selected peers



Sources: Morrow Sodali and Morningstar.

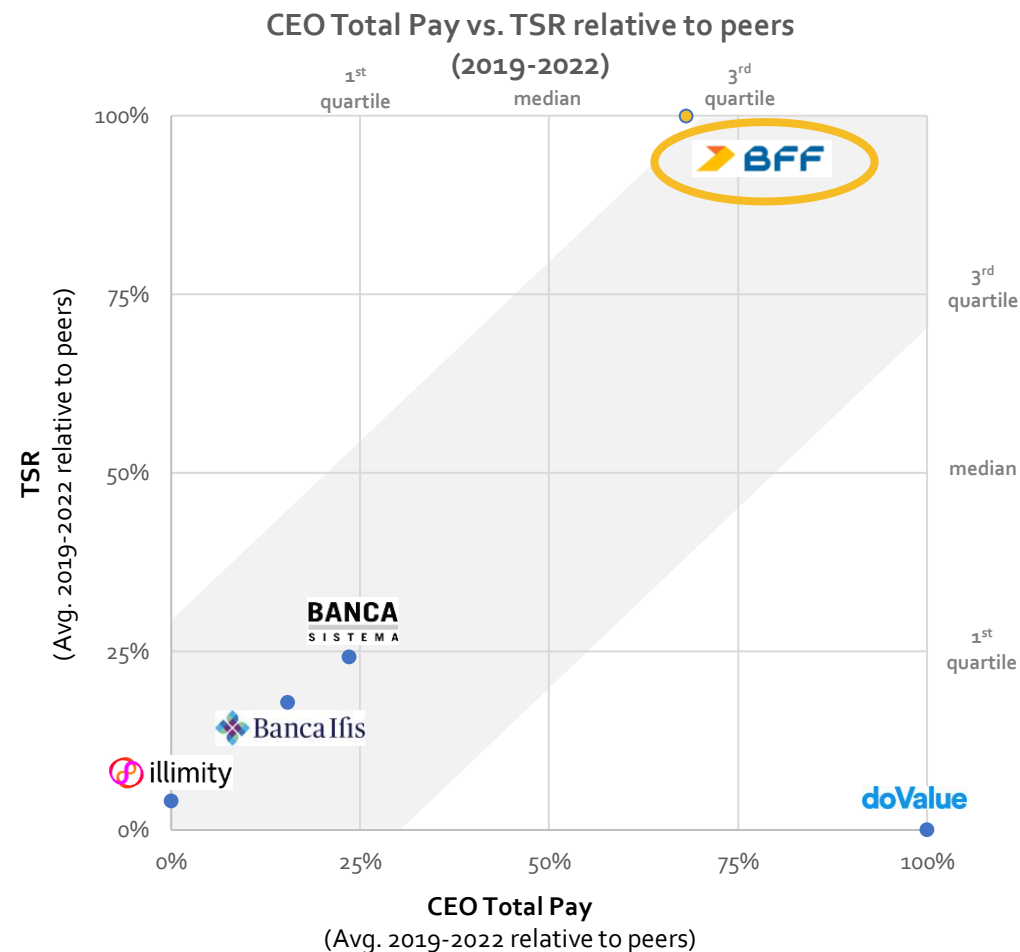
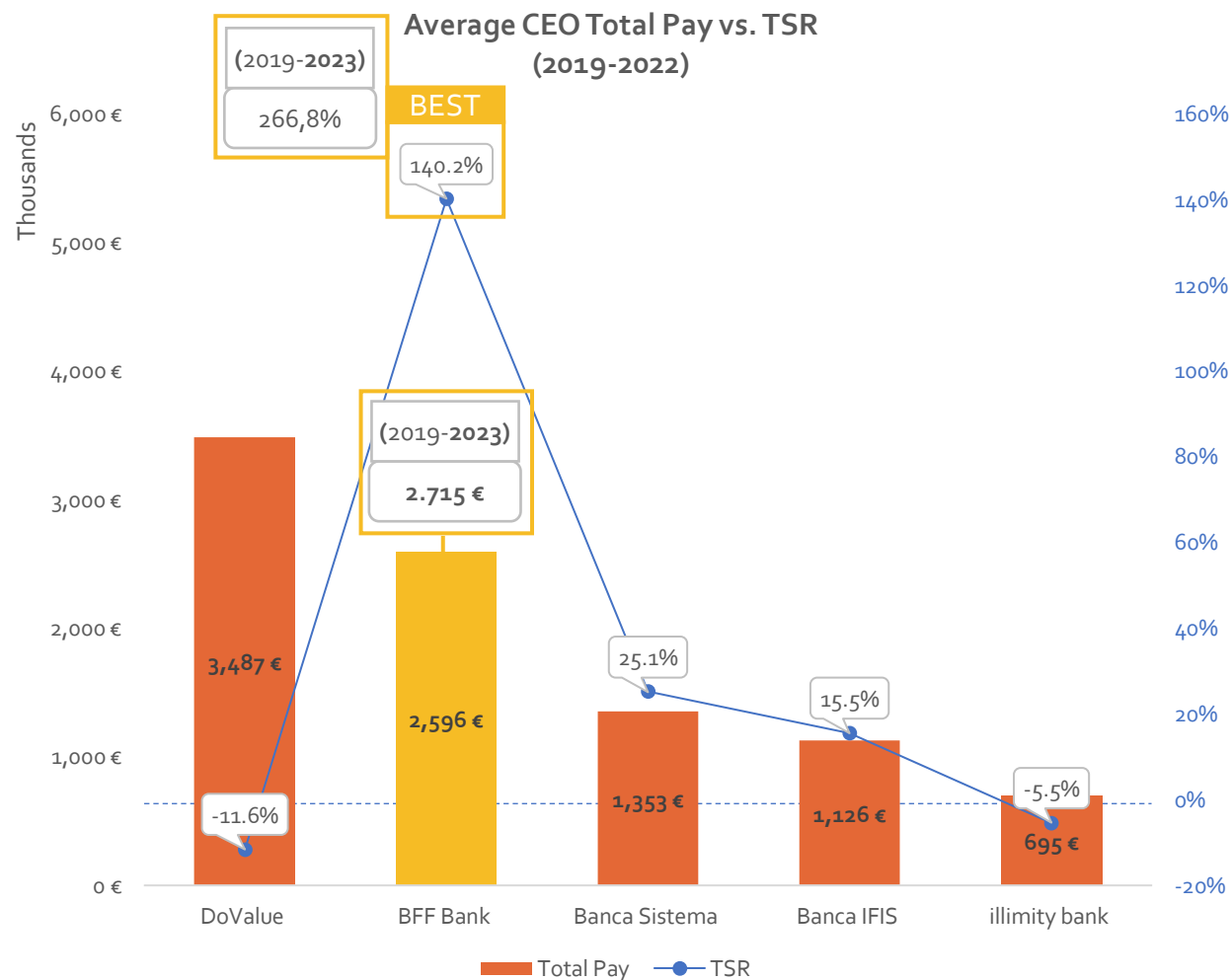
(*) This includes stock options vesting during the year (or potentially exercised). Options are valued using intrinsic value (exercise price minus market price).

BFF ranks first among other Italian listed specialty finance companies for TSR

Updated slide from
Dic-23 «[BFF – Off season Engagement with Shareholders](#)»



Average CEO Realized Total Pay* vs. TSR of BFF and other Italian listed specialty finance companies in terms of business (2019-2022 period, 2019-2023 for BFF only).



Sources: Morrow Sodali and Refinitiv.

(*) This includes stock options vesting during the year (or potentially exercised). Options are valued using intrinsic value (exercise price minus market price).

LTI and Other Employees' Remuneration

- **Max Award:** 200% of fixed remuneration in aggregate with other variable remuneration.
- **Recipients:** The Plan is reserved for employees and executive directors of the Company, GCEO included.
- **Dilution:** The Plan consists of three tranches and provides for the allocation of options, up to a maximum of 9,700,000. Potential maximum dilution stemming from the plan corresponds to 2.29% of share capital, determined thanks to the cash-less formula⁽¹⁾ and assuming that 100% of the assignable options of the plan are Options A (equity-settled). Considering all outstanding options from past plans, dilution corresponds to maximum 4.9% of share capital.

The plan provides for two types of options:

- **Options A.** “Equity-settled”, upon exercise the Beneficiary receives a number of ordinary shares of BFF determined in accordance with the following formula:

$$(Total\ Market\ Value\ of\ the\ Opted\ Shares - Total\ Exercise\ Price\ of\ the\ Opted\ Shares - Withholding\ Tax) / Unit\ Market\ Value$$

- **Options B.** “Cash-settled”, upon exercise the Beneficiary is entitled to receive a bonus equal to the value of the phantom shares corresponding to the number of the accrued options convertible in cash in accordance with the following formula:

$$Total\ Market\ Value\ of\ the\ Opted\ Phantom\ Shares - Total\ Exercise\ Price\ of\ the\ Opted\ Phantom\ Shares$$

- **Exercise Price:** calculated on the basis of the average share price during the 30 days preceding the Grant Date, adjusted to take into account the dividends paid during the same 30 days.
- **Recovery Provision:** Malus and clawback clauses, potentially resulting in the withdrawal of the rights granted by the Plan.

(1) All three tranches envisage the cashless formula as the only mode to exercise the options; hence, the option-share ratio is always less than 1 and, in any case, the formula provides for a maximum limit (maximum theoretical market value) determined by the board, which, in fact, constitutes an additional cap to the number of issuable shares.

- **Gate criteria:** based on the Look Back Period⁽¹⁾ (i) individual performance criteria as per STI (MBO) and (ii) BFF's performance as follows:

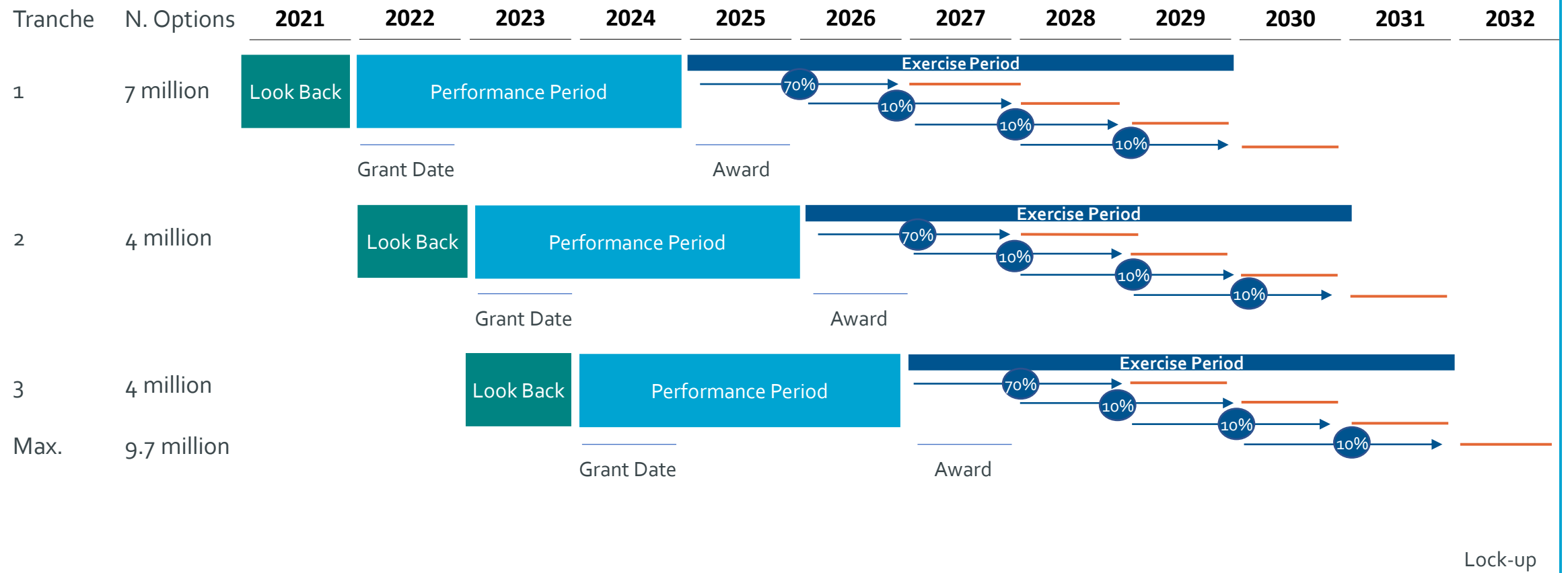
KPI	DESCRIPTION
Liquidity Coverage Ratio (LCR)	> <i>risk tolerance</i> approved by the Board of Directors, and defined within the RAF (Risk Appetite Framework) in place at the closing date of the Look Back Period
Total Capital Ratio (TCR)	> <i>risk tolerance</i> approved by the Board of Directors, and defined within the RAF (Risk Appetite Framework) in place at the closing date of the Look Back Period
EBTDA^{RA}	positive

- **Option exercise and accrual conditions:** (i) permanence of employment and (ii) performance criteria, which serve as accrual conditions, set by the Board and weighted as follows:

TYPE	KPI	WEIGHT	DESCRIPTION
Financial	EBTDA RA	50%	$EBTDA\ RA = EBTDA - (RWA\ M * TCR\ Target * Ke)$
	EPS	20%	Adjusted consolidated net income divided by share outstanding
	C/I	20%	OPEX and D&A / Net Banking Income and Other operating income
ESG	Carbon Footprint	5%	Direct CO ₂ Emissions in the last year of the Performance Period / (Direct CO ₂ Emissions Look Back Period - 1%)
	Customer Satisfaction	5%	Survey's result on the "Degree of Satisfaction" of the Bank's customers

(1) The Look Back Period corresponds to the year before the Grant Date (e.g., 2021, for the first Tranche to be allocated in 2022) in relation to which the individual performance of the Beneficiary and the Bank is assessed.

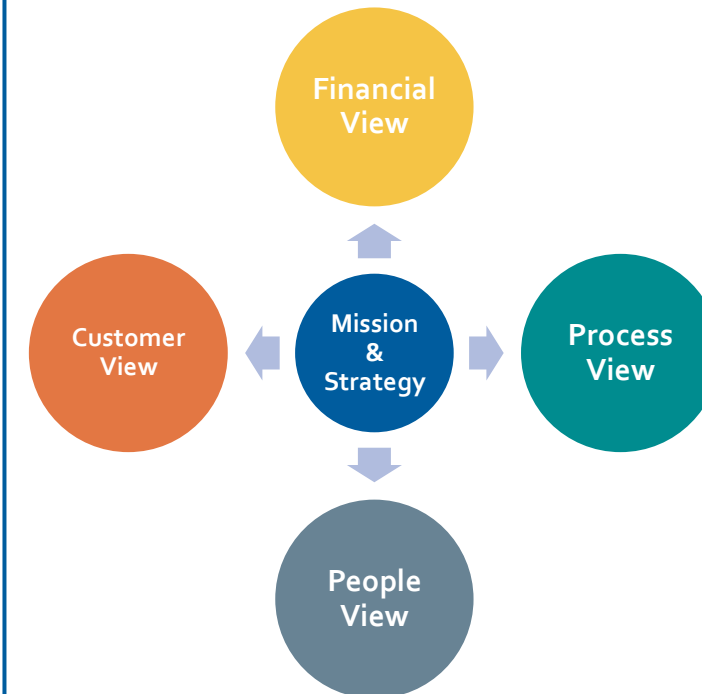
- **Vesting conditions:** 3 years of vesting, overall 6-year deferral period for Risk Takers (3 years for Non-Risk Takers) running from the date of granting of the Options, 1-year lock-up period running from the end of the deferral period.



Other Employees' Remuneration

COMPONENT	DESCRIPTION
FIXED	Fixed Remuneration is related to the experience and professional skills of the people working in the company and is also based on the roles held. Principles: Fairness, Competitiveness, Market benchmarks, Meritocracy and Consistency over time.
MBO	<ul style="list-style-type: none"> ▪ Max Award: 100% of the Fixed Remuneration (excluding benefits), with different levels for seniority. ▪ Gate criteria: (i) LCR compliant with RAF; (ii) TCR compliant with RAF; (iii) EBTDA Risk Adjusted = Target (> 0 for deferred portion) ▪ Performance criteria (Senior Executives or Executives): <ul style="list-style-type: none"> ➢ individual scorecard (quantitative 70% and qualitative 30%) ▪ Multiplier: <ul style="list-style-type: none"> ➢ EBTDA RA - Guarantees economic sustainability paying attention to risk and cost of capital; ➢ Customer Satisfaction - as long-term element of business sustainability.
LTI	2022-24 Stock Option Plan as previously illustrated. Max Award: 100% of the Fixed Remuneration

Model of Group Performance Management



Termination Payments

Severance does not exceed the limit of 24 months of the Overall Remuneration. In any event, these amounts may not exceed:

a) for Employees, €1,100,000

b) for Personnel other than employees, €4,500,000

The amounts recognised in compliance with legal obligations (e.g. severance pay, indemnity in lieu of notice) or for court settlements are excluded from the calculation of the aforementioned limits.

Non-compete agreement can be signed depending on the employee profile.

(1) Except for the Heads of Corporate Control Functions (33%) and Human Resources and Organisational Development Function and the Chief Financial Officer (50%).

CONTACTS

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