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INFORMATION DOCUMENT ON BFF BANKING GROUP'S INCENTIVE PLAN "INCENTIVE PLAN  
2025"

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*(drawn up pursuant to Article 84-bis of the Regulation adopted by CONSOB with resolution no. 11971 of 14  
May 1999, as subsequently amended and supplemented)*

## Premise

This information document (the "**Information Document**"), prepared in accordance with the provisions of Article 114-bis of Legislative Decree no. 58 of 24 February 1998 (the "**TUF**"), as well as pursuant to Article 84-bis and Schedule 7 of Annex 3A of the Regulation adopted by CONSOB with resolution no. 11971 of 14 May 1999 and subsequent amendments and additions (the "**Issuers' Regulation**")), relates to the Incentive Plan of the group headed by BFF Bank S.p.A. (the "**Company**" or "**Bank**") called the "*Incentive Plan 2025*" (the "**Plan**") and was prepared in view of the Company's Shareholders' Meeting, convened by the Board of Directors on 12 March 2025, in a single call on 17 April 2025, to resolve, *inter alia*, the approval of the Plan.

This Information Document is intended to provide shareholders with the information necessary to exercise their voting rights at the Shareholders' Meeting in an informed manner.

It should be noted that the Plan is to be considered of "*particular importance*" pursuant to Article 114-bis, paragraph 3, of the TUF and Article 84-bis, paragraph 2, of the Issuers' Regulation, as it is addressed, among other things, to the Chief Executive Officer and managers with strategic responsibilities of the Company and its subsidiaries pursuant to Article 93 of the TUF.

This Information Document is made available to the public at the Company's registered office in Milan, Viale Lodovico Scarampo, 15, as well as on the Company's website [investor.bff.com](http://investor.bff.com), "Governance/Shareholders' Meeting Documentation" section. The Information Document will also be made available on the authorized storage mechanism "1Info".

## Definitions

Capitalized terms shall have the meanings set forth below in this Information Document:

<b><i>Actions Opted:</i></b>	has the meaning given to this term in the formula for calculating the Shares due to the Beneficiary when exercising the A Options pursuant to paragraph 4.5.
<b><i>Actions:</i></b>	means the Bank's ordinary shares.
<b><i>Administrators:</i></b>	means the persons who hold the office of member of the Board of Directors or, in any case, of the administrative body of the Bank or of another Group company on the date on which they will be identified as Beneficiaries.
<b><i>Assignment Date:</i></b>	indicates, for each Beneficiary, the date identified in the Letter of Assignment from which the assignment of the Options takes effect.
<b><i>Bank or Company:</i></b>	means BFF Bank S.p.A.
<b><i>Beneficiaries:</i></b>	means the persons identified at the sole discretion of the Management Body of the Plan, within the limits and on the basis of the principles provided for by the applicable regulations and by the Plan, from among the employees and/or directors with executive positions of the Company and/or its subsidiaries, to whom the Options will be granted.
<b><i>Board of Directors:</i></b>	means the Board of Directors of the Bank.
<b><i>Bonus Conversion Date:</i></b>	has the meaning attributed to this term in the formula for calculating the <i>Bonus</i> due to the Beneficiary when exercising Options B.
<b><i>Bonus:</i></b>	means the gross amount of cash disbursed to each Beneficiary as a result of the conversion of the <i>Phantom Shares</i> Opted pursuant to the Regulations, under the conditions, terms and procedures established in the same Regulations.
<b><i>Business day:</i></b>	indicates each calendar day, with the exception of Saturdays, Sundays and days on which ordinary credit banks are not normally open on the Milan stock exchange, for the exercise of their activities.

<b>C/I:</b>	means a KPI represented by the ratio referred to in the following formula " <i>OPEX and D&amp;A / Net Banking Income and Other exercise income</i> ".
<b>Capital Increase:</b>	means the share capital increase <i>pursuant to</i> Article 2349 of the Italian Civil Code approved by the Extraordinary Shareholders' Meeting of 2 April 2020 and/or any further capital increase of the Bank to service the Plan.
<b>Carbon Footprint:</b>	means a KPI represented by the reduction of Direct CO <sub>2</sub> emissions calculated as the ratio between " <i>Direct CO<sub>2</sub> Emissions in the last year of the Performance Period / (Direct CO<sub>2</sub> Emissions Look Back Period – 1%)</i> ", as per the information provided in the Sustainability Report/Non-Financial Statement.
<b>Claw Back Events:</b>	means the <i>claw back</i> conditions set out in <i>the Policy</i> for the return of the Variable Remuneration.
<b>Consolidated Banking Act or TUB:</b>	the Consolidated Law on Banking and Credit referred to in Legislative Decree No. 385 of 1 September 1993, as subsequently amended.
<b>Corporate Governance Code:</b>	means the <i>corporate governance code</i> for listed companies, prepared by the Committee for the <i>Corporate Governance</i> of Listed Companies promoted by Borsa Italiana S.p.A.
<b>Deduction:</b>	has the meaning given to this term in the formula for calculating the Shares due to the Beneficiary when exercising the A Options pursuant to paragraph 4.5.
<b>Deferral Period:</b>	means, considering that all Options are subject to deferral: (a) for non-Risk Taker personnel, the 3-year period following the Option Grant Date; and (b) for Risk Takers, the period of 6 years following the Option Grant Date, as indicated in paragraph 2.1.

***EBTDA Risk Adjusted (EBTDA<sup>RA</sup>):***

.pre-tax profit from continuing operations (item 290) excluding net impairment losses on property, plant and equipment (item 210), net impairment losses on intangible assets (item 220) and income statement items which are offset by corresponding changes in shareholders' equity (e.g., exchange rate losses and costs connected with stock option plans). This accounting caption is also considered to include or exclude any accounting items of an extraordinary nature envisaged in the budget (for example, non-recurring corporate transactions) and/or unexpected items generated by the Bank or the Group that could not be budgeted. This following a specific resolution of the Board of Directors.

***EPS:***

means a KPI represented by adjusted consolidated net profit *divided* by shares outstanding.

***Euronext Milan:***

means the regulated market organized and managed by Borsa Italiana S.p.A. on which the Company's ordinary shares are traded.

***Events:***

means Malus Events and *Claw Back Events*.

***Executive:***

has the meaning set forth in the *Policy*.

***Exercise Date:***

means (i) each date, in the Exercise Period, on which the Beneficiary exercises the Vested Options by sending the Exercise Notice, or (ii) each expiry date of the Exercise Period, in the event that the Vested Options not already exercised within the relevant Exercise Period are to be considered automatically exercised pursuant to paragraph 10.1 (*Exercise Period*). It is understood that if the Exercise Date falls on a day on which the Milan Stock Exchange is not open, the Exercise Date shall be understood to all intents and purposes to be the previous trading day.

***Exercise Notice:***

means the communication by which the Beneficiary exercises the Options.

***Exercise Period:***

means the period of 24 months during which the Options are exercisable pursuant to the Regulations which runs from (i) for Options not subject to further deferral, from the First Deferral Date, and (ii) for Options subject to further deferral, from the end of the Deferral Period or the related annual *pro-rata* as indicated in paragraph 2.1.

***Fifth Year:***

indicates the calendar year following the Fourth Year.

***First Deferral Date:***

means the date 3 years after the Option Grant Date on which the First Exercise Condition referred to in paragraph 2.2.A.(a) will be met.

***First Exercise Condition:***

means the condition to which the vesting of the Options is subject in accordance with the terms set out in paragraph 2.2.A.(a).

***First Year:***

means the first calendar year during which the Revocation of the Bond took place, provided that it occurs before 28 December of that year, it being understood that if the Revocation of the Bond occurs after that date, it will be understood as the calendar year immediately following.

***Fourth Year:***

indicates the calendar year following the Third Year.

***Group:***

means the Bank and its subsidiaries, directly or indirectly, in accordance with the provisions of the law in force.

***Information Document:***

this information document, prepared in accordance with the requirements of Article 114-bis of the TUF.

***Just Cause:***

indicates (i) with reference to the Beneficiaries who are employees, dismissal for disciplinary reasons; (ii) with reference to Beneficiaries who are Directors, (a) any cause that legitimizes the removal from the office of director pursuant to art. 2383, third paragraph, of the Civil Code, without the right to compensation for damages, or (b) the commission by the Beneficiary of a crime or a crime involving moral turpitude or fraud, or (c) the occurrence of a cause of ineligibility or forfeiture pursuant to art. 2382 of the Italian Civil Code. It is understood that the references to the rules of the Civil Code, for the Beneficiaries who are directors of foreign companies of the Group, are intended to be similar or overlapping provisions in the reference system.

***KPIs:***

means the company's *performance* indicators for the assessment of the Second Exercise Condition referred to in paragraph 2.2.A.(b).

***Letter of Assignment:***

means the letter with which the Bank notifies the Beneficiary of the assignment of Options.

	means, for <i>Risk Takers</i> only, the period of 1 year, starting from the First Deferral Date, or, for Options subject to further deferral, from the end of the Deferral Period or the related annual <i>pro-rata</i> as indicated in paragraph 2.1, during which:
<b>Lock-up:</b>	<ul style="list-style-type: none"><li>(i) the Risk Taker Beneficiary who has exercised A Options may not dispose of the Shares received in exchange for the exercise of such A Options; and</li><li>(ii) for the Risk Taker Beneficiary who has exercised B Options, the value of the Opted Phantom Shares due following the exercise of these B Options cannot be converted into a Bonus.</li></ul>
<b>Look Back Period:</b>	means, in relation to the grant of each <i>Tranche</i> of Options, the <i>accrual period</i> corresponding to the year prior to the Grant Date (e.g. the calendar year prior to the First Year, for the first <i>Tranche</i> of Options to be granted in the First Year) against which the individual <i>performance</i> of the Beneficiary and the Bank is assessed, as indicated in paragraph 2.3.
<b>Malus Events:</b>	indicates, for <i>Risk Takers</i> , the failure to comply with the conditions set for the start of the Exercise Period of the Vested Options subject to further deferral, as indicated in paragraph 2.2.B.
<b>Management Body of the Plan:</b>	<p>Indicates:</p> <ul style="list-style-type: none"><li>(a) with reference to the Personnel of the Board of Directors, the Board of Directors; or</li><li>(b) with reference to other employees and/or executive directors of the Group whose remuneration falls within his or her responsibilities, the Chief Executive Officer of the Bank.</li></ul>
<b>Market Unit Value:</b>	has the meaning attributed to this term in the formulas for calculating the Shares when exercising Options A.
<b>Market Value:</b>	has the meaning given to this term in the formulas for calculating the Shares and the <i>Bonus</i> due to the Beneficiary when exercising the Options.

<b>Maximum limit:</b>	has the meaning given to this term in the formula for calculating the Shares due to the Beneficiary when exercising the Options pursuant to paragraph 4.5.
<b>Exercise Conditions:</b>	means the conditions to which the vesting of the Options is subject as set out in paragraphs 2.2.A.(a) and 2.2.A.(b).
<b>Options A:</b>	means the free and non-transferable options, each of which will entitle you to receive a number of Shares determined pursuant to the Regulations, under the conditions, terms and in the manner established in the Regulations and described in paragraph o.
<b>Options B:</b>	means the free and non-transferable options, each of which will entitle you to receive a number of <i>Phantom Shares</i> , which will be converted into <i>Bonus</i> pursuant to the Regulations, under the conditions, terms and procedures established in the same Regulations and described in paragraph o.
<b>Options:</b>	means either Options A or Options B.
<b>Performance Period:</b>	means, in relation to the vesting of each <i>Tranche</i> of Options granted, the three years starting from the year of the Grant Date (and therefore, if the first <i>Tranche</i> of Options were granted in 2025, the years 2025-2027, if the second <i>Tranche</i> of Options was granted in 2026, the years 2026-2028, if the third <i>Tranche</i> of Options would be granted in 2027, the years 2027-2029) with respect to which the fulfilment of the Exercise Conditions will be verified.
<b>Personnel of the Board of Directors:</b>	<p>means the personnel whose remuneration and incentive systems, annual objectives and related evaluation are defined by the Board of Directors, namely:</p> <ul style="list-style-type: none"><li>(i) the Chief Executive Officer;</li><li>(ii) the Directors vested with special offices;</li><li>(iii) the Senior Executives of the Group;</li><li>(iv) the Executives who report directly to the Chief Executive Officer;</li></ul> <p>the Heads of the Corporate Control Functions.</p>



<b><i>Phantom Share:</i></b>	means a unit representing the value of a Share, non-transferable, which, pursuant to the Regulations, under the conditions, terms and conditions established in the same Regulations, will be converted into a <i>Bonus</i> .
<b><i>Phantom Shares Optate:</i></b>	has the meaning given to this term in the formula for calculating the <i>Bonus</i> due to the Beneficiary when exercising the B Options pursuant to paragraph 4.5.
<b><i>Plan:</i></b>	means the incentive plan referred to in this Information Document.
<b><i>Policy:</i></b>	means the remuneration and incentive policy in favour of the members of the strategic supervision, management and control bodies, and the staff of the BFF Banking Group valid from time to time.
<b><i>Procedura Internal Dealing:</i></b>	means the "Internal <i>Dealing Procedure</i> " adopted by the Bank from time to time in force.
<b><i>Regulation:</i></b>	means the regulations governing the terms and conditions of the Plan.
<b><i>Remuneration Committee:</i></b>	means the committee established by the Board of Directors of the Bank pursuant to and for the purposes of paragraph 2.3.1 of Section IV, Chapter 1 (" <i>Corporate Governance</i> "), Title IV, Part One of the Supervisory Provisions, and art. 3 and 5 of the Corporate Governance Code.
<b><i>Revocation of the <u>Constraint</u>:</i></b>	means the revocation of the obligation imposed by the Bank of Italy on the Company to temporarily refrain from resolving or making the payment of the variable part of the remuneration.
<b><i>Risk Taker:</i></b>	means the persons whose professional activity has or may have a significant impact on the Group's risk profile, as identified according to the criteria set out in the <i>Policy</i> .
<b><i>ROTE:</i></b>	$\text{Adj. Net Profit} / (\text{Year end Equity book value} - \text{Reported Net Income} + \text{Interim dividend} - \text{AT1} - \text{Year End Intangibles})$
<b><i>Second Exercise Condition:</i></b>	means the condition to which the vesting of the Options is subject in the terms indicated in paragraph 2.2.A.(b).

<b>Second Year:</b>	indicates the calendar year following the First Year.
<b>Senior Executive:</b>	has the meaning set forth in the <i>Policy</i> .
<b>Sixth Year:</b>	indicates the calendar year following the Fifth Year.
<b>Strike Price:</b>	has the meaning given to this term in the formulas for calculating the Shares and the <i>Bonus</i> due to the Beneficiary when exercising the Options pursuant to paragraph 4.5.
<b>Supervisory Provisions:</b>	Bank of Italy Circular No. 285 of 17 December 2013, as subsequently amended.
<b>Target ESG:</b>	indicates, in relation to the "ESG – Carbon Footprint" KPI, the percentage of the <i>performance</i> target established annually by the Board of Directors in the <i>Performance Period</i> .
<b>Target:</b>	indicates in relation to each KPI the average of the values of the <i>performance</i> objectives established annually by the Board of Directors in the <i>Performance Period</i> , with the exception of the KPI "ESG – Carbon Footprint".
<b>Third Year:</b>	indicates the calendar year following the Second Year.
<b>Tranche:</b>	means each of the three <i>tranches</i> ( <b>First Tranche</b> , <b>Second Tranche</b> and <b>Third Tranche</b> ) into which the maximum number of Options that can be assigned under the Plan for the First Year, the Second Year and the Third Year respectively is divided.
<b>Variable Remuneration:</b>	means (i) any form of payment or benefit whose recognition or disbursement depends on performance, however measured (income targets, volumes, etc.), or on other parameters (e.g. period of stay), excluding the severance pay established by the general legislation on employment relationships and compensation for lack of notice; (ii) discretionary pension benefits and compensation agreements relating to the early termination of the employment relationship or office (so-called "Pension Benefits"). <i>golden parachute</i> ; (iii) the so-called <i>carried interest</i> ; and (iv) any other form that cannot be unequivocally qualified as fixed remuneration.

***Vested Options:***

means the number of Options, of type (A) or (B), which will actually be exercisable by the Beneficiary, and which will be determined on the basis of the achievement of the *performance* indicated in paragraph 2.2.A.(b).

## 1. Recipients

The Plan is reserved for the Beneficiaries who will be identified among employees and directors with executive positions of the Company and/or its subsidiaries identified at the sole discretion of the Management Body of the Plan, taking into account the *Policy* and having consulted – for the Personnel of the Board of Directors – the Remuneration Committee.

The Plan consists of three *Tranche* and provides for the assignment of a maximum number of Options equal to 12,000,000. Options can be of two types: Options A, which give the right to receive Shares in the quantity, terms and conditions set out in the Rules, and Options B, which give the right to receive *Phantom Shares* in the amount, terms and conditions set out in the Rules; these *Phantom Shares* will then be converted into Bonuses.

Beneficiaries may receive, alternatively, Options A or Options B, it being understood that a Beneficiary who has received a type of Options (e.g., Options A) may continue to receive only that type of Options for the entire duration of the Plan (and therefore also in subsequent *Tranche* of assignment).

By accepting the Options, each Beneficiary agrees (i) that any greater value of the Shares received from the exercise of the Options, the *Bonus*, and more generally any benefit received from the Plan shall not be considered as an integral part of the normal remuneration and (ii) that the grant of Options of one or more *Tranches*:

- a) will not determine any right of the Beneficiaries to receive Options under other *Tranche*;
- b) it may not be considered as an integral part of the normal remuneration for any reason;
- c) it may not constitute a prerequisite for the recognition of similar or additional benefits, under the Plan, or otherwise;
- d) it will not give the Beneficiaries the right, at the end of the Plan, to participate in any additional incentive systems implemented, or in remuneration of any kind.

### **1.1. Indication of the names of the recipients who are members of the board of directors or of the management board of the issuer of financial instruments, of the parent companies of the issuer and of the companies directly or indirectly controlled by the issuer**

As of the date of this Information Document, the information relating to the names of the members of the Board of Directors of the Bank and of the companies directly or indirectly controlled by the Bank that benefit from the Plan is not available, as it will be the Management Body of the Plan that will proceed, at its sole discretion, to identify the Beneficiaries of each *Tranche*.

Therefore, the information provided for in paragraph 1 of Schedule 7 of Annex 3A to the Issuers' Regulations will be provided in the manner and within the terms set out in art. 84-bis, paragraph 5, of the Issuers' Regulation.

It should be noted that the Executive Directors of the Company or its subsidiaries, including the Chief Executive Officer of the Company, may also be among the Beneficiaries of the Plan.

### **1.2. Categories of employees or collaborators of the issuer of financial instruments and of the parent companies or subsidiaries of that issuer**

In addition to the Executive Directors of the Company and/or its subsidiaries, the Plan is aimed at Group employees identified at the sole discretion of the Plan's Management Body.

### **1.3. Indication of the names of the persons benefiting from the Plan belonging to the following groups indicated in point 1.3, letters a), b) and c) of Annex 3A, Schedule 7 of the Issuers' Regulations**

- a) *General Managers of the Company:*

Not applicable, as the Company has not appointed General Managers.

- b) Other executives with strategic responsibilities of the Company that are not "smaller", pursuant to Article 3, paragraph 1, letter f) of the *Related Parties Regulation*, in the event that they received during the year total compensation (obtained by adding monetary compensation and compensation based on financial instruments) greater than the compensation highest overall among those attributed to the members of the Board of Directors, or the Management Board, and to the General Managers of the Company;

It should be noted that, at the date of preparation of the Information Document, the information relating to the names of the other executives with strategic responsibilities benefiting from the Plan is not available as it will be the Management Body of the Plan that will proceed, at its sole discretion, to identify the names of the Beneficiaries.

Therefore, such information will be communicated subsequently pursuant to Article 84-bis, paragraph 5, of the Issuers' Regulation.

- c) *Natural persons controlling the Company, who are employees or who work with the Company*  
Not applicable.

#### **1.4. Description and numerical indication of the beneficiaries, separated for the categories indicated in point 1.4, letters a), b), c) and d) of Annex 3A, Schedule 7 of the Issuers' Regulation**

- a) *Managers with strategic responsibilities other than those indicated in letter b) of paragraph o;*

It should be noted that, as of the date of the Information Document, the information relating to the name of the other executives with strategic responsibilities other than those indicated in letter b) of paragraph 1.3 who benefit from the Plan is not available as it will be the Management Body of the Plan that will proceed, at its sole discretion, to identify the names of the Beneficiaries.

Therefore, such information will be communicated subsequently pursuant to Article 84-bis, paragraph 5, of the Issuers' Regulation.

- b) *In the case of "smaller" companies pursuant to Article 3, paragraph 1, letter f) of the Related Parties Regulation, the indication by aggregate of all the managers with strategic responsibilities of the Company;*

Not applicable, as the Company is not a "smaller" company.

- c) *Any other categories of employees or collaborators for whom differentiated characteristics of the Plan have been provided (e.g., managers, middle managers, white-collar workers, etc.);*

There are no categories of employees or collaborators for whom the Plan has differentiated characteristics.

## **2. Reasons for the adoption of the plan**

### **2.1. Objectives to be achieved through the allocation of the Plan**

The aims of the Plan are as follows:

- a) encourage the integration of staff, making them participants in the company's results;
- b) raise staff awareness of the creation of value for the Bank and shareholders;
- c) increase the *retention* capacity (retention of key resources) of staff by reducing the propensity of valuable professionals to resign from the Group;
- d) improve the competitiveness and good governance of the Group on the labour market, making it more attractive to the best talents on the market, with professionalism and skills suited to the needs of the Bank and the Group; and
- e) promote the Bank's sustainability in the medium to long term and ensure that remuneration is based on the results actually achieved.

The Plan is developed over a long-term time horizon with the assignment of Options in three *Tranches*, as better illustrated in section 4 below. The Options granted are subject to a Deferral Period, equal to (i) 3 years from each Grant Date for personnel other than *Risk Takers* (i.e., First Deferral Date) and (ii) 6 years from each Grant Date for *Risk Takers*.

The Options may be exercised by the Beneficiaries, in arrears, within a period of 24 months starting (i) for Vested Options not subject to further deferral, from the First Deferral Date and (ii) for Options subject to further deferral, from the end of the Deferral Period or the related annual *pro-rata*. In particular, it should be noted that the Options assigned to *Risk Takers* may be exercised:

- 70% starting from the First Deferral Date, in the Exercise Period communicated to the Beneficiaries; and
- 30% in three separate Exercise Periods, for an identical number of Options (each equal to 10% of the total), starting, respectively, from one year from the First Deferral Date (for the 1st annual *pro-rata*), two years from the First Deferral Date (for the 2nd annual *pro-rata*) and three years from the First Deferral Date (for the 3rd *pro-rata* annual report), subject to verification by the Board of Directors of the absence of *Malus Events*.

It is considered that the aforementioned terms are suitable for facilitating the achievement of the Plan's objectives of incentive and staff retention.

## **2.2. Key variables, also in the form of performance indicators, considered for the purposes of awarding the Plan**

It should be noted that decisions on the assignment of *the Option Tranche by the Plan Management Body may only be adopted upon notification by the Bank of Italy of the Revocation of the Constraint*.

The key variables considered for the purposes of allocating the Plan are as follows:

### At. Vested Options

The Options granted under each *Tranche* vest 3 years after the relevant Grant Date.

The vesting of the Options at the end of the Performance Period is subject to the existence of the Exercise Conditions.

#### **(a) First Exercise Condition**

The First Exercise Condition is the continuation of an employment relationship between the Beneficiaries and the Bank or other Group companies, and/or a position on the Board of Directors of the Bank or other Group company until the First Deferral Date. On the First Deferral Date, the Beneficiaries must also not be in a notice period due to resignation or dismissal.

In any event of termination of the employment relationship or the office of director before the First Deferral Date, the Beneficiary – unless otherwise determined by the Management Body of the Plan (which, in the event of termination of the employment relationship or the office of director for any reason other than dismissal for Just Cause or revocation for Just Cause, will have the right to determine as verified the First Condition of Exercise in relation to Options assigned not yet accrued on the date of termination of the relationship or office) – forfeits all rights. In this case, the assignment of all the Options granted to it under the Plan, and not yet accrued on the date of termination of the employment relationship and/or the directorship, will be considered immediately revoked, without any right to compensation or compensation of any kind in favour of the Beneficiary.

#### **(b) Second Exercise Condition**

In addition to the satisfaction of the First Exercise Condition, the right to exercise the Options is also conditional on the achievement of the KPIs relating to the Performance Period, which will also determine the number of Vested Options.

For each KPI, the Vested Options will depend on the level of *performance* achieved with respect to the relevant *Target*. In particular, when the "minimum" level is reached, a percentage of Vested Options equal to 50% of the total Options linked to the individual KPI is envisaged and then, with linear growth, it will be possible to reach the vesting of all the Options linked to this KPI upon reaching the

"reference" level until finally, again with linear growth, the vesting of 150% of the Options linked to the single KPI upon reaching the "*maximum*" performance level.

If the *performance* on a single KPI is below the "minimum" level, no Options will accrue, while in the event of *performance* above the "maximum" level, only the percentage of Options provided for the "maximum" level will accrue in any case.

Failure to achieve the "minimum" level of *performance* in relation to a KPI does not affect the possibility of accruing Options linked to other KPIs.

In any case, after evaluating the *performance* obtained in relation to all KPIs, the Vested Options may never exceed the number of Options assigned to the individual Beneficiary.

The following table shows the structure of the KPIs, as well as the percentage of Accrued Options in relation to each KPI when the "minimum", "reference" and "maximum" *performance levels are reached*.

KPIs	Minimum level	% Vested Options at minimum level	Reference level	% Vested Options at the reference level	Maximum level	% Vested Options at the maximum level
ROTE	90% of Target	17,5%	100% of the Target	35%	110% of Target	52,5%
Adj. EPS	90% of Target	17,5%	100% of the Target	35%	110% of Target	52,5%
C/I	110% of Target	10%	100% of the Target	20%	90% of Target	30%
ESG (Carbon Footprint)	Target ESG	5%	Target ESG	10%	Target ESG	15%

The Board of Directors will assess the performance and achievement of each of the KPIs for the achievement of the Second Exercise Condition, on the occasion of the approval of the draft financial statements for the year ended 31 December of the Third Year for the Options granted in the First Year, 31 December of the Fourth Year for the Options granted in the Second Year and 31 December of the Fifth Year for the Options granted in the Third year<sup>1</sup>.

#### B. Malus e Claw Back

The Plan provides for *Malus Events* and *Claw Back Events* that determine the revocation of the rights assigned by the Plan.

#### *Claw Back Events*

Without prejudice to the Bank's right to compensation for any damage, the Beneficiary loses the rights provided for in the Plan (which will be revoked) in the presence of individual conduct, held in the context of the Bank's activity or in any case of the latter's professional activity, attributable to one or more of the *claw back conditions* provided for by the *Policy* (i.e., a *Claw Back Event*).

<sup>1</sup> The following table provides an indication of the performance evaluation dates in relation to the initial assignment dates of the different *Tranches*:

Year of assignment	Performance evaluation
First Year	December 31 of the Third Year
Second Year	December 31 of the Fourth Year
Third Year	December 31 of the Fifth Year

In accordance with the procedures set out in *the Policy*, the Board of Directors, making use of the competent corporate functions, ascertains the *Claw Back Events* and resolves on the application of the related *ex-post correction mechanism* with reference to the Personnel of the Board of Directors. For the remaining staff, the Chief Executive Officer will take care of it.

#### *Events in Malus*

For Beneficiaries classified as *Risk Takers*, for whom the exercise of a portion of the Vested Options is still deferred with respect to the First Deferral Date, the start of the Exercise Period of such Vested Options is also subject to verification by the Board of Directors of the following conditions: (i) positive profitability, net of risk; (ii) compliance with the levels of capital *risk tolerance* (TCR) and liquidity (LCR), as defined in the RAF (*Risk Appetite Framework*) in force at the end of the previous year (e.g., for Vested Options subject to further deferral assigned to a *Risk Taker* in the First Year, vested after 31 December of the Third Year, there are three *pro-rata* starting respectively after 31 December of the Fourth Year, after 31 December of the Fifth Year and after 31 December of the Sixth Year, and therefore the verification will be carried out with reference to the results, respectively, of 31 December of the Fourth Year, 31 December of the Fifth Year and 31 December of the Sixth Year).

Failure to comply with any of the above conditions constitutes a Malus Event.

The Board of Directors will review these conditions annually on the basis of the draft financial statements. In accordance with the procedures set out in *the Policy*, the Board of Directors, in the event of a Malus Event, resolves to apply the relevant *ex-post correction mechanism* with reference to the Personnel Responsible for the Board of Directors. For the remaining staff, the Chief Executive Officer will take care of it.

#### C. Delisting

In the event of a public tender and/or exchange offer on the Company's capital ("**Tender Offer**") that may result in the *delisting* of the Bank, the Board of Directors will make such amendments to the Plan as are necessary in order to pay the Beneficiaries, in compliance with the applicable regulations, an economic benefit substantially equivalent to that which would have been due to the Beneficiaries on the basis of the Options not yet exercised if these had been exercised on the date of communication to the market of the results of the takeover bid that determine sell-out / *squeeze out* rights or equivalent (for example, after the completion of a takeover bid following which control of the Bank was acquired and which was followed by an extraordinary transaction that has among the effects the *delisting* of the Bank, the date immediately preceding that of the issuance by Borsa Italiana S.p.A. of the *delisting measure*).

By way of example, amendments to the Plan in the event of a takeover bid that may result in the *delisting* of the Bank as indicated above may concern the cash liquidation of the Options at the last market price of the Shares immediately prior to the date of communication to the market of the results of the aforementioned Offer, the modification or derogation from the conditions or methods of exercising the Vested Options.

### **2.3. Elements underlying the determination of the amount of compensation based on financial instruments, or the criteria for determining it**

On an annual basis, the Board of Directors determines (i) the maximum number of Options that may be granted for each *Tranche* and (ii) within each *Tranche* the number of Options A and Options B that may be granted.

Options not granted in a *Tranche* for any reason (including for the negative evaluation of *performance* in the *Look Back Period*) or returned to the Bank's disposal may be granted by the Plan Management Body until 31 December of the Third Year, it being understood that no Options of a type (e.g. Options A) to Beneficiaries who have already received Options of the other type (e.g. Options B), even if with reference to previous *Tranches*.



The assignment to the Beneficiary of each *Tranche* of Options is subject to the prior verification by the Management Body of the Plan of the positive evaluation of performance (both at the collective level, with reference to the Bank, and at the individual level, for the potential Beneficiary) with regard to the *Look Back Period*, i.e. the year prior to the assignment of the Options.

Performance verification in the *Look Back Period* takes place in the following ways:

- with regard to the Bank's performance, it is verified that, in the *Look Back Period*, with a view to *business* continuity and sustainability of long-term results, the *entry gates* required for all personnel to access the Variable Remuneration defined as "MBO" are met, namely:

INDICATOR	ENTRY GATE
<b>Liquidity Coverage Ratio LCR (LCR)</b>	> <i>risk tolerance</i> approved by the Board of Directors, and defined within the RAF ( <i>Risk Appetite Framework</i> ) in force at the end of the <i>Look Back Period</i>
<b>Total Capital Ratio (TCR)</b>	> <i>risk tolerance</i> approved by the Board of Directors, and defined within the RAF ( <i>Risk Appetite Framework</i> ) in force at the end of the <i>Look Back Period</i>
<b>EBTDA<sup>RA</sup></b>	positive

- with regard to individual *performance*, it is verified that the potential Beneficiary in the *Look Back Period* has achieved the individual objectives for the right to the recognition of the MBO (or other equivalent treatment in foreign jurisdictions), without taking into account for the purposes of this assessment any negative impact on the MBO deriving from the application of the so-called "multipliers" referred to in the *Policy*.

Once the existence of the positive *performance* conditions in the *Look Back Period* has been assessed, in determining the total number of Options that can be assigned to each Beneficiary, the Plan Management Body will act at its discretion in accordance with the *Policy*.

This discretion will, however, be exercised:

- having regard to the interests of the Bank and the Group; and
- with a view to ensuring that the assignment of the Options is consistent with the Bank's overall choices in terms of risk-taking, strategies, long-term objectives, corporate governance structure and internal controls,

taking into account, among other things, the importance of the resource for the results of the Bank and the Group, the strategic importance of the position, the potential of the resource and any other useful element, within the limits established by the laws and regulations in force from time to time.

It is also possible that the Options initially assigned to the Beneficiaries may be subject to reassignment.

Options granted to Beneficiaries whose employment relationship with the Bank or other Group companies and/or office on the Board of Directors of the Bank or other Group company is terminated before the First Deferral Date, as well as Options that have been revoked due to the occurrence of a Malus Event and a *Claw Back* Event, in fact, they are available to the Bank.

The Options that have not been assigned to the Beneficiaries due to the negative evaluation of *performance* in the *Look Back Period* also remain available to the Bank.

The Options thus returned and/or remained available to the Bank, pursuant to the previous paragraph, may be reassigned by the Plan Management Body until 31 December of the Third Year, subject to a positive assessment of performance in the *Look Back Period*. Such Options - even if initially assigned within a *Tranche* and within the maximum limit of that *Tranche* (e.g. First *Tranche*) - can be reassigned within the scope of subsequent *Tranche* without eroding the relative maximum number of Options of such subsequent *Tranche* (e.g. Third *Tranche*).

The Plan Management Body may also reassign the Options to persons who were not yet part of the Beneficiaries (e.g. new hires).

It is understood that the Options originally assigned by the Board of Directors to the Personnel of the Board of Directors may also be reassigned by the Chief Executive Officer to the personnel and Directors falling within his competence.

**2.4. Reasons for any decision to assign compensation plans based on financial instruments not issued by the Company, such as financial instruments issued by subsidiaries or parent companies or companies other than the Group; in the event that the aforementioned instruments are not traded on regulated markets, information on the criteria used to determine the value attributable to them**

Not applicable.

**2.5. Assessments of significant tax and accounting implications that affected the definition of the Plan**

The preparation of the Plan was not influenced by significant tax or accounting assessments.

**2.6. Possible support for the Plan by the Special Fund for the Incentive of Employee Participation in Enterprises, referred to in Article 4, paragraph 112, of Law No. 350 of 24 December 2003**

The Plan does not receive support from the "Special Fund for the Incentive of Worker Participation in Companies", referred to in Law No. 350 of 24 December 2003.

### 3. Approval process and timing of the allocation of shares

**3.1. Scope of powers and functions delegated by the Shareholders' Meeting to the Board of Directors for the purpose of implementing the Plan**

On 12 March 2025, the Board of Directors approved the Regulations and, on the same date, the Board of Directors resolved, *inter alia*, to submit the approval of the Plan to the Shareholders' Meeting of the Company, convened in single call on 17 April 2025.

The Shareholders' Meeting will be asked to grant the Board of Directors, with the right to sub-delegate to one or more of its members, all powers necessary or appropriate to execute the Plan.

It should be noted that decisions on the assignment of the Option *Tranches* by the Plan Management Body may only be adopted upon notification by the Bank of Italy of the Revocation of the Constraint.

**3.2. Indication of the persons in charge of administering the Plan and their function and competence**

The administration of the Plan is entrusted to the Company's Board of Directors, which establishes the management criteria on the proposal of the Remuneration Committee, always within the framework of the *Policy*. In this regard, in addition to having to report to the Shareholders' Meeting on the progress of the Plan within the limits and in the manner provided for by applicable law, with particular reference to the Options assigned or, from time to time, exercised, the Board of Directors is entrusted, *inter alia*, with the following functions:

- a) approve the Regulations for the implementation of the Plan and any amendments thereto;
- b) propose to the Shareholders' Meeting any changes of a substantial nature relating to the Regulations for the implementation of the Plan and/or the Plan itself;
- c) limited to Beneficiaries hired less than one year before each Grant Date, determines any changes and/or exceptions to the performance conditions of the Bank and individual performance of the Beneficiary in *the Look Back Period*, with respect to which the assignment of the Options is conditional;
- d) determine, at the time of assignment of each *Tranche*, the *Targets* for each KPI and the *ESG Targets*, in relation to the relevant Performance Period, making all changes to the ("minimum", "reference" and "maximum") values of the KPIs that are necessary to preserve the purposes of the Plan, even in the face of extraordinary and/or unforeseeable circumstances, maintaining the discretion to derogate, in whole or in part, from the achievement of the values ("minimum", "reference" and "maximum") of the KPIs in order to consider the Second Exercise Condition and the vesting of the Options satisfied;
- e) verify the achievement of the Second Exercise Condition and the absence of *Malus Events*;
- f) establish the maximum number of Options to be granted for each *Tranche*, determining, for each *Tranche*, the number of Options A and Options B;
- g) on the proposal of the *Risk Manager*, approve the model for determining the *fair market value* of the Options, which will also be calculated with reference to the value of the Shares on the date of approval of the Plan on the basis of valuation methodologies and parameters commonly used and recognised by the financial community;
- h) determine the value of the Options at the time of assignment on the basis of the model referred to in point g) above;
- i) regulate the rights of the Beneficiaries and/or amend the conditions of assignment in the cases and in accordance with the provisions of the Regulations (*e.g.*, with reference to *the Delisting* and extraordinary transactions and consequent amendments to the Plan);
- j) provide, also by delegation to the Chief Executive Officer, with the right to sub-delegate to the Bank's structures, all the obligations relating to the execution of the Plan.

The Management Body of the Plan, i.e. (a) with reference to the Personnel of the Board of Directors, the Board of Directors; or (b) with reference to other employees and/or executive directors of the Group whose remuneration falls within his or her responsibilities, the Chief Executive Officer of the Bank:

- a) the terms and conditions set out in the Regulations and the Plan, identifies the Beneficiaries;
- b) verifies that, during *the Look Back Period*, the performance conditions of the Bank and the individual conditions of the Beneficiaries, to whom the assignment of the Options is conditional, have been verified;
- c) determines the Options to which each Beneficiary is entitled and their type (Options A or Options B), as well as assigns them, in compliance with the procedures set out in the Regulations and the Plan itself, it being understood that, for each *Tranche*, the Chief Executive Officer, within the limits of his powers, may assign only the Options that are not reserved by the Board of Directors to the Personnel of the Board of Directors;
- d) ascertains the existence of any *Malus Events* and *Claw Back Events* and resolves on the application of the related *ex-post correction mechanism*;
- e) may assign an extension of up to 6 months of the Exercise Period, to allow any heirs or legatees of the Beneficiary to exercise the Options, in compliance with the procedures provided for by the Regulations and by the Plan itself;
- f) determines the cases in which the exercise of the Options must be carried out with payment of the Withholding Tax;

- g) may grant exceptions to the rules for maintaining the Options in the event of termination of the employment or administration of the Beneficiaries before the First Deferral Date in compliance with the procedures set out in the Regulations and the Plan itself.

**3.3. Any existing procedures for the revision of the Plan, also in relation to any changes to the basic objectives**

Without prejudice to the competence of the Shareholders' Meeting to resolve on any substantial amendments to the Plan, the Board of Directors is the body competent to make amendments to the Plan.

For more information, please refer to paragraph o of this Information Document.

**3.4. Description of the methods used to determine the availability and assignment of the financial instruments on which the Plan is based (e.g.: free assignment of shares, capital increases with exclusion of pre-emption rights, purchase and sale of treasury shares)**

The Plan provides for the free assignment of A Options that entitle you to receive Shares, as well as B Options that entitle you to receive *Phantom Shares (to be converted into Bonuses)*.

The Shares that can be assigned upon the exercise of Option A may be:

- newly issued, under the Capital Increase; or
- already issued and in the Company's portfolio on the Exercise Date of Options A.

**3.5. Role played by each director in determining the characteristics of the Plan; possible recurrence of situations of conflicts of interest for the directors concerned**

The characteristics of the Plan were determined collectively by the Company's Board of Directors, taking note of the opinion of the Remuneration Committee.

With regard to the recurrence of any conflict of interest situations for the directors concerned, it should be noted that in addition to the Chief Executive Officer in office from time to time, the Executive Directors of the Company or of another Group company could potentially be included among the Beneficiaries. In this regard, it should be noted that any decision relating to and/or relating to the assignment of Options to the Chief Executive Officer, to the Directors vested with special offices, to *the Senior Executives of the Group, to the Executives* reporting directly to the Chief Executive Officer, or to the Heads of the Corporate Control Functions (as well as any other decision relating to and/or relating to the management and/or implementation of the plan with regard to them or in relation to the to which the Chief Executive Officer is in conflict of interest) will remain the exclusive responsibility of the Board of Directors.

**3.6. For the purposes of the requirements of Article 84-bis, paragraph 1, of the Issuers' Regulation, the date of the decision taken by the body competent to propose the approval of the plans to the Shareholders' Meeting and of any proposal by the nomination and remuneration committee, if any,**

The Remuneration Committee approved the Plan at its meeting on 10 March 2025 and the Board of Directors approved the Plan at its meeting on 12 March 2025.

**3.7. For the purposes of the requirements of Article 84-bis, paragraph 5, letter a) of the Issuers' Regulation, the date of the decision taken by the competent body on the assignment of the instruments and of any proposal to the aforementioned body made by any nomination and remuneration committee**

On 12 March 2025, the Company's Board of Directors approved the Regulations and resolved, among other things, to submit the approval of the Plan to the Shareholders' Meeting, convened on 17 April 2025 in a single call.

In the event of approval of the Plan, the Board of Directors will meet to take the decisions relevant to the implementation of the Plan, and, in particular, will determine the number of Options that can be assigned for each *Tranche* and, in particular, the number of Options A and Options B that can be assigned for each *Tranche* and, in particular, the number of Options A and Options B that can be assigned for each *Tranche*.

It should be noted that decisions on the assignment of the Option *Tranches* by the Plan Management Body may only be adopted upon notification by the Bank of Italy of the Revocation of the Constraint.

### **3.8. Market price, recorded on those dates, for the financial instruments on which the plans are based, when traded on regulated markets**

On 10 March 2025, when the Remuneration Committee met to define the proposal for the Plan to be submitted to the Board of Directors, the closing price of the Shares on the Stock Exchange was equal to Euro 8,14.

On 12 March 2025, when the Board of Directors met to define the proposal regarding the Plan to be submitted to the Shareholders' Meeting, the closing price of the Stock Exchange was equal to Euro 8,17.

The official price of the Shares that will be recorded at the time of approval by the Shareholders' Meeting will be communicated pursuant to Article 84-bis, paragraph 5, of the Issuers' Regulation.

The official price of the Shares that will be recorded at the time of the Assignment of the Options by the Board of Directors will be communicated pursuant to Article 84-bis, paragraph 5, of the Issuers' Regulation.

### **3.9. In the case of plans based on financial instruments traded on regulated markets, in what terms and in what manner does the Company take into account, in identifying the timing of the allocation of the instruments in implementation of the Plan, the possible coincidence of time between: (i) such assignment or any decisions taken in this regard by the nomination and remuneration committee, and (ii) the dissemination of any material information within the meaning of Article 17 of Regulation (EU) No 596/2014; for example, in the event that such information is: a. not already public and likely to positively influence market prices, or b. already published and likely to negatively influence market quotations**

The structure of the Plan, the conditions, duration and methods of assignment of the Options, at present do not suggest that the assignment can be significantly influenced by the possible dissemination of relevant information pursuant to Article 17 of Regulation (EU) No. 596/2014.

The Directors and executives will in any case be required to comply with the applicable regulatory provisions, with particular reference to the regulations on market abuse and in relation to the exercise of the Options and the disposal of the Shares resulting from the exercise of the Options granted against participation in the Plan.

## **4. Characteristics of the instruments allocated**

**4.1. Description of the forms in which the Plan is structured; for example, indicate whether the plan is based on the assignment of: financial instruments (so-called *restricted stock*); the increase in value of such instruments (so-called *phantom stock*); of option rights that allow the subsequent purchase of financial instruments (so-called "phantom stocks"). *option grant*) with settlement for physical delivery (so-called "Physical Grant"). *stock options*) or for cash on the basis of a differential (so-called stock exchange). *stock appreciation right*);**

The Plan provides for the assignment to the Beneficiaries of:

- Option A, the exercise of which, under the terms and conditions set out in the Plan, determines the right for the Beneficiary to receive Shares and
- Options B, which entitle you to receive *Phantom Shares* (to be converted into *Bonuses*), to the extent that can be determined on the basis of the formulas described in paragraph 4.5 below. The Shares purchased in exercise of the A Options have regular dividend rights and, therefore, the rights related to them belong to each Beneficiary from the moment the Beneficiary becomes the holder of the Shares.

#### **4.2. Indication of the period of effective implementation of the plan with reference also to any different cycles envisaged**

The Plan provides for the Options to be assigned in three *tranches* in the First Year, the Second Year and the Third Year.

- A. The Options relating to the First *Tranche*, assigned during the First Year:
  - (i) will accrue in the Fourth Year (upon reaching the First Deferral Date); and
  - (ii) may be exercised (a) if not subject to further deferral, within 24 months following the First Deferral Date (and, therefore, within the Sixth Year), or (b) where subject to further deferral, within 24 months following the end of each of the three annual *pro-rata* following the First Deferral Date (and, therefore, within the first, second and third year after the Sixth Year).
- B. The Options relating to the Second *Tranche*, granted during the Second Year:
  - (i) will accrue in the Fifth Year (upon reaching the First Deferral Date); and
  - (ii) may be exercised (a) if not subject to further deferral, within 24 months following the First Deferral Date (and, therefore, within the year following the Sixth Year), or (b) if subject to further deferral, within 24 months following the end of each of the three annual *pro-rata* following the First Deferral Date (and, therefore, within the second, third and fourth year after the Sixth Year).
- C. The Options relating to the Third *Tranche*, granted during the Third Year:
  - (i) they will mature in the Sixth Year; and
  - (ii) may be exercised (a) if not subject to deferral, within 24 months following the First Deferral Date (and, therefore, within the second year following the Sixth Year), or (b) where subject to further deferral, within 24 months following the end of each of the three annual *pro-rata* following the First Deferral Date (and, therefore within the third, fourth and fifth years respectively after the Sixth Year).

#### **4.3. Termination of the Plan**

Notwithstanding the provisions of paragraph o above and taking into account the provisions of the Plan regarding the Deferral Period provided for the *Risk Taker* (equal to 6 years) and the Exercise Period (equal to 24 months), the Options may be exercised by the Beneficiaries, under the terms and conditions of the Plan, until the ninth year following the First Year, the last date foreseeable for the exercise of the Options that can be granted until 31 December of the Third Year (for example, if the first *Tranche* of Options is granted in 2025, the Beneficiaries will be able to exercise them until 2035, the deadline for exercising the Options granted by 31 December of the Third Year, which in this case would correspond to 2027).

#### **4.4. Maximum number of financial instruments, including in the form of options, assigned in each fiscal year in relation to the persons identified by name or to the indicated categories**

The Plan consists of three *Tranche* and provides for the free assignment of Options. In respect of the total number of Options that can be assigned (*i.e.*, 12,000,000), it is represented that:



- as part of the First *Tranche*, up to 9,000,000 Options may be assigned from the date of the Bank of Italy's communication of the Revocation of the Bond to 31 December of the First Year;
- under the Second *Tranche*, up to 5,000,000 Options may be granted from 1 January to 31 December of the Second Year; and
- as part of the Third *Tranche*, up to 5,000,000 Options may be assigned by 1 January to 31 December of the Third Year.

The Options not assigned in a *Tranche* may be assigned by the Plan Management Body in compliance with the provisions of the Regulations until 31 December of the Third Year, without eroding the relative maximum number of Options of subsequent *Tranches*.

The Options will be granted to the Beneficiaries on a personal basis, and may not be transferred by deed between living persons for any reason.

For each *Option Tranche*, the number of A Options that entitle you to receive Shares, as well as the number of B Options that entitle you to receive *Phantom Shares* (to be converted into *Bonuses*), always in the quantities and in the manner indicated pursuant to paragraph 4.5, are determined by the Board of Directors at its sole discretion.

#### **4.5. Methods and clauses for the implementation of the Plan, specifying whether the actual allocation of the instruments is subject to the occurrence of conditions or to the achievement of certain results, including performance; Descriptions of these conditions and results**

##### ***Letter of Assignment***

Each Beneficiary will be given written notice of its inclusion in the Plan, by sending a Letter of Assignment in which it will be specified, *inter alia*:

- (i) the number of Options granted and their type (Option A or Option B);
- (ii) the KPIs, the relative "minimum", "reference" and "maximum" *performance* values, the percentage of Options that can vest upon reaching these values, as well as the indication that the Vested Options may not in any case exceed the Options assigned;
- (iii) the Exercise Period provided for the Options granted;
- (iv) the content of the Regulations by attaching a copy of the same.

##### ***Period of Exercise***

Without prejudice to the provisions of paragraph o above with regard to the Conditions for the Exercise of Options, the Events of *Malus* and Events of *Claw Back*, the Vested Options may be exercised on the terms and conditions described below.

After the First Deferral Date, the Bank will communicate, also via the platform, to each Beneficiary, the start of the Exercise Period as well as the number of Options Vested and exercisable by the individual Beneficiary, it being understood that the exercise of the Options may be carried out:

- by Beneficiaries not qualified as *Risk Takers*, after the First Deferral Date within the Exercise Period relating to each *Tranche* of Options granted;
- by Beneficiaries qualified as *Risk Takers*:
  - o 70% starting from the First Deferral Date and, in the Exercise Period communicated to the Beneficiaries; and
  - o 30% in three separate Exercise Periods, for an identical number of Options (each equal to 10% of the total), starting, respectively, from one year from the First Deferral Date (for the 1st annual *pro-rata*), two years from the First Deferral Date (for the 2nd annual *pro-rata*) and three years from the First Deferral Date (for the 3rd *pro-rata* annual report), subject to verification by the Board of Directors of the absence of *Malus Events*.

Each Exercise Period will have a duration of 24 months from the date on which the Vested Options may be exercised, as indicated above.

During the Exercise Period, the Vested Options may be exercised, by sending the Exercise Notice, as described in more detail below, throughout the year, subject to compliance with the *Internal Dealing Procedure* and the obligations and prohibitions established by the regulations on market abuse.

The Accrued Options not exercised within the relevant Exercise Period (as may be extended pursuant to the Regulations), are extinguished and, consequently, no longer confer any rights on the Beneficiary. However, if the Beneficiary has not yet exercised the Vested Options and the expiry date of the relevant Exercise Period (as extended pursuant to the Regulations) falls during a *black-out period*, as defined pursuant to Article 11 of the *Internal Dealing Procedure*, such Vested Options shall be deemed to have been automatically exercised on the expiry date of the Exercise Period, in accordance with the provisions of the remainder of this paragraph regarding the methods of exercise, it being understood that on that date the Exercise Price is lower than the Market Unit Value.

In the event of the death of the Beneficiary during the Exercise Period, the heirs and legatees retain the right to exercise the Accrued Options, subject to the fulfilment by the heirs of the obligation to submit the declaration of succession and the fulfilment of the tax provisions in force, as applicable. The Plan Management Body may assign an extension of up to 6 months of the Exercise Period, to allow any heirs or legatees to exercise the Accrued Options and to carry out the related obligations. The Beneficiary who intends to proceed with the exercise, in whole or in part, of the Accrued Options must give written and irrevocable notice to the Bank.

Within three Business Days from the Exercise Date, the Bank will notify the Beneficiary of the Exercise Price.

Within each *Tranche*, each Beneficiary may exercise even a smaller number of Options than the number of Accrued Options.

#### **How to Exercise Options A**

All costs relating to the issue and transfer of the Shares to the Beneficiaries deriving from the exercise of Vested Options (A) will be borne exclusively by the Bank, which will also act as a withholding agent for the Beneficiaries who are employees or directors.

Without prejudice to the provisions of point (b) below, the Plan provides that the Beneficiaries may exercise the Options, by sending a Notice of Exercise, in *cashless mode* (i.e. without payment of the Exercise Price) and without payment of the Withholding Tax by the Beneficiary. In this case, the Options will entitle you to receive the Shares in accordance with the formula described in paragraph (a) below.

In the interest of the Bank, the Plan Management Body may determine, at its sole discretion, with reference to individual cases or to a generality of situations, that the Vested Options (A) can be exercised in *cash-less mode* with payment of the Withholding Tax by the Beneficiary; in this case, the Exercised Options will entitle the holder to receive Shares according to the formula and conditions set out in paragraph (b) below.

##### **(a) Cash-less *without* payment of the Withholding Tax by the Beneficiary (normal mode):**

the Beneficiary, in return for the exercise of Options A, will receive, without having to pay the Exercise Price or the amount of the Withholding Tax, a number of Shares, in any case not exceeding the Maximum Limit, determined according to the following formula:

*(Total Market Value of the Opted Shares – Total Exercise Price of the Opted Shares – Withholding / Market Unit Value.*

Within five Business Days from the Exercise Date, the Shares are delivered to the Beneficiary.

##### **(b) Cash-less *with* payment of the Withholding Tax by the Beneficiary (alternative option upon determination by the Plan Management Body):**

the Beneficiary, in return for the exercise of the Options, will receive, without having to pay the Exercise Price but with an advance of the Withholding Tax, a number of Shares in any case not exceeding the Maximum Limit, determined according to the following formula:

*(Total Market Value of the Opted Shares – Total Exercise Price of the Opted Shares) / Market Unit Value.*



The Shares are delivered to the Beneficiary after the payment of the Withholding Tax by the Beneficiary himself, and in any case with a deadline in favour of the Bank to make the delivery in five Working Days.

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For the purposes of the previous formulas:

- *Opted Shares* means the Shares that would be due to the Beneficiary against the payment of the Exercise Price, if the Plan could be exercised in ordinary mode (i.e., with payment of the Exercise Price) on the basis of the ratio of 1 Share for each Vested Option (A) exercised;
- *Exercise Price* means the exercise price of the Vested Options (A) determined according to the following formula:

*Reference Price – D distributed from the Grant Date until the Exercise Date*

Where:

- a. *D* is the amount of the dividend per share approved by the Bank's Shareholders' Meeting in relation to the financial year;
  - b. *Reference Price* is the average price of the Shares recorded on Euronext Milan (or other regulated market on which the Shares were traded at that time) in the 30 days prior to the Grant Date net of any dividends paid during the same 30 days (i.e., subtracting the amount of dividends from the stock market value of the Shares for the days prior to the payment of such dividends).
- *Withholding tax* is the amount of IRPEF withholding tax determined on the basis of the Normal Value of the Opted Shares.
  - *Market Value* is the price of the Shares Opted at the close of the trading day prior to the Exercise Date;
  - *Normal Value* of the Opted Shares is the value established pursuant to Article 9 of Presidential Decree no. 917 of 22 December 1986 (TUIR);
  - *Market Unit Value* is the official price of a Share at the close of the trading day prior to the Exercise Date;
  - *Maximum Limit* means the maximum number of Shares that can be assigned for each financial year, calculated on the basis of a theoretical market value of the BFF share determined by the Bank's Board of Directors and communicated to the Beneficiaries at the time of assignment.

Any decimals resulting from the application of the aforementioned formulas will not determine the right to adjustments in favour of the Beneficiary.

In the case of exercise by Beneficiaries not resident in Italy, the previous formulas will be modified to take into account the differences in the specific tax discipline of the country of residence of the beneficiary in order to allow substantial equality of treatment with resident Beneficiaries, in accordance with the applicable legislation.

#### **How to Exercise Options B**

Following the exercise of the Vested Options (B), the Beneficiary will be entitled to receive a number of *Phantom Shares* corresponding to the Vested Options (B) that it has actually exercised (*Phantom Shares Opted*).

The *Opted Phantom Shares are converted into Bonuses, without having to pay the Strike Price, with effect from the Bonus Conversion Date*, for a monetary amount calculated on the basis of the following formula:

*Bonus = Total Market Value of the Phantom Shares Opted – Total Strike Price of the Phantom Shares Opted*

The *Bonus*, subject to the application of applicable tax and contribution withholdings, will be paid with the first payslip following the Bonus Conversion Date.

\*\*\*

For the purposes of the previous formula:

- *Phantom Shares Opted* means the *Phantom Shares* that would be due on the basis of the ratio of 1 *Phantom Share* for each Vested Option (B) exercised;

- *Exercise Price* means the exercise price of the Vested Options determined according to the following formula:

*Reference Price – D distributed from the Grant Date until the Bonus Conversion Date*

Where:

- a. *D* is the amount of the dividend per share approved by the Bank's Shareholders' Meeting in relation to the financial year;
- b. *Reference Price* is the average price of the Shares recorded on Euronext Milan (or other regulated market on which the shares were traded at that time) in the 30 days prior to the Grant Date net of any dividends paid during the same 30 days (i.e., subtracting the amount of dividends from the stock market value of the Shares for the days prior to the payment of such dividends).

- *Market Value* is the value of the *Phantom Shares Opted*, which is identical to the value of a number of Shares equal to the *Phantom Shares Opted*, in the 30 days prior to the close of the trading day prior to the Bonus Conversion Date.

- *Bonus Conversion Date* corresponds, alternatively, to (i) the Exercise Date of the Vested Options (B) if the same transformed into *Opted Phantom Shares* are not subject to Lock-Up or if the relevant Lock-Up period has already expired, or (ii) to the expiry of the Lock-Up period if it is still in progress when the Vested Options (B) have been exercised and transformed into *Opted Phantom Shares*.

Any decimals resulting from the application of the aforementioned formula will not determine the right to adjustments in favour of the Beneficiary.

Without prejudice to the provisions of the Exercise Conditions, *Malus Events*, and *Claw Back* and *Delisting Events*, the Beneficiaries may exercise the Vested Options under the following conditions:

- (a) *Bad leaver*: if, on the Exercise Date, the employment relationship has been terminated or the office of Director has been revoked for Just Cause, all Accrued Options are considered immediately revoked, without any right to compensation or compensation in favor of the Beneficiary.
- (b) *Good leaver*: in the event of termination of the employment relationship or the office of Director for any reason other than, respectively, dismissal or revocation from office for Just Cause (including, by way of example, cases of death and permanent disability), occurring after the First Deferral Date, the Beneficiary will have the right to exercise, in whole or in part, the Vested Options, without prejudice to the other conditions set out in the Plan.

#### **4.6. Indication of any restrictions on the availability of the instruments assigned or on the instruments resulting from the exercise of the Options, with particular reference to the terms within which the subsequent transfer to the same company or to third parties is permitted or prohibited**

The Options are granted to the Beneficiaries on a personal basis, and may not be transferred by deed inter vivos or subject to constraints or be the subject of other acts of disposal for any reason.

In addition, it should be noted that the Options, once vested, are exercisable during the Exercise Period, and therefore in the 24 months starting (i) for Vested Options not subject to further deferral, from the First Deferral Date and (ii) for Vested Options assigned to *Risk Taker* subject to further deferral, from the end of the Deferral Period or the related annual *pro-rata* as indicated in paragraph 4.5.

Without prejudice to the provisions of the following paragraph, with particular reference to Option A, each Beneficiary shall have the right to sell, at any time, in whole or in part, the Shares resulting from the exercise of the same.

However, only for the Beneficiaries identified as *Risk Takers* and recipients of A Options, it is forbidden to dispose of the Shares received following the exercise of the A Options during the relevant *Lock-up* period, for a duration of 1 year starting from the First Deferral Date or, for Options subject to further deferral, from the end of the relevant Deferral Period or the related *pro-rata* as indicated in paragraph 4.5.

During this Lock-Up period, *Risk Takers*:

- who have exercised A Options, undertake to hold the Shares received against any exercise of any A Options exercised and not to dispose of them in any way. The Beneficiaries will enjoy, during the *Lock-up* period, any dividends that may be distributable and will be able to exercise their voting rights; and
- who have exercised B Options, will not be able to convert *the value of the* Opted Phantom Shares *due following the exercise of these B Options into Bonuses*.

**4.7. Description of any termination conditions in relation to the assignment of plans in the event that the beneficiaries carry out *hedging transactions* that make it possible to neutralize any prohibitions on the sale of the financial instruments granted, including in the form of options, or of the financial instruments resulting from the exercise of such options**

The Beneficiaries are prohibited from carrying out hedging transactions that allow them to alter or affect the alignment with the risk inherent in this Plan. Any violation of this prohibition will result in the forfeiture of the right to the assignment of the Options as well as the application of the provisions of paragraph 2.2 B. above (*Malus* and *Claw Back*).

**4.8. Description of the effects of termination of employment or directorship**

Please refer to paragraphs o and o of this Information Document.

**4.9. Indication of other possible causes for cancellation of the Plan**

Except as indicated in other paragraphs of this Information Document, there are no other grounds for cancellation of the Plan.

It should be noted that decisions on the assignment of the Option *Tranches* by the Plan Management Body may only be adopted upon notification by the Bank of Italy of the Revocation of the Constraint.

**4.10. Reasons relating to the possible provision for a "redemption" by the Company of the financial instruments covered by the Plan, provided for pursuant to Articles 2357 et seq. of the Italian Civil Code; the beneficiaries of the redemption, indicating whether it is intended only for particular categories of employees; the effects of the termination of the employment relationship on said redemption**

The Plan does not include any redemption clauses by the Company. However, the Plan Regulations provide for a clause of *claw back*, for which reference is made to paragraph o B. above.

**4.11. Any loans or other facilities that are intended to be granted for the purchase of shares pursuant to Article 2358 of the Civil Code**

Not applicable.

**4.12. Indication of estimates of the expected expense for the Company at the date of the relevant assignment, as determinable on the basis of terms and conditions already defined, for the total amount and in relation to each instrument of the Plan**

The expected expense for the Company cannot be determined at this stage as it will depend on:

- for Options A, the method of assignment of the Shares following the exercise of the Options by the Beneficiaries, which, as reported per paragraph o, may take place through (i) Capital Increase and (ii) purchase of treasury shares;
- for B Options, by the Market Value of the Shares and the Strike Price of the *Opted Phantom Shares*, as better described in paragraph 4.5 above.

It should be noted that decisions on the assignment of the Option *Tranches* by the Plan Management Body may only be adopted upon notification by the Bank of Italy of the Revocation of the Constraint.

#### **4.13. Indication of any dilutive effects on the capital determined by the Plan**

As of the date of the Information Document, the maximum number of Shares servicing (*i.e.*, assignable pursuant to) the Plan represents 3% of the share capital, assuming the exercise of all the Options in *equity settled mode*.

The total number of Shares servicing the Plan, cumulated with the maximum total number of Shares servicing the Bank's *long-term stock option* and incentive plans called, respectively, "*SOP 2016*", adopted in 2016 (as subsequently amended), "*SOP 2020*", adopted in 2020, and "*Incentive Plan 2022*", adopted in 2022, taking into account the options still exercisable, assigned and assignable, at the date of the Securities Document, corresponds to approximately 4% of the *fully diluted* capital. For more information on the *long-term stock option* and incentive plans called, respectively, "*SOP 2020*" and "*Incentive Plan 2022*", please refer to the Company's website [investor.bff.com](http://investor.bff.com), section "Governance/Shareholders' Meeting Documentation".

#### **4.14. Any limits on the exercise of voting rights and the allocation of property rights**

There is no limit to the exercise of voting rights and the allocation of property rights relating to the Shares received following the exercise of Options A. This point does not apply to Options B.

#### **4.15. In the event that the shares are not traded on regulated markets, any information useful for a complete assessment of the value attributable to them**

Not applicable, as the Shares are traded on Euronext Milan.

#### **4.16. Number of financial instruments underlying each Option**

Each Option granted incorporates the right to receive (i) if Option A, Shares; or (ii) if Option B, *Phantom Shares*, to be converted into *Bonuses*; in both cases in the amount, terms and conditions set out in the Regulations and described in paragraph 4.5 above.

#### **4.17. Expiry of Options**

Please refer to paragraph 4.2 above.

#### **4.18. Modalities (American/European), timing (e.g. periods valid for exercise) and exercise clauses (e.g. *knock in* and *knock out* clauses)**

Without prejudice to the provisions of paragraph 2.2 with regard to the Events, once vested, the Options may be exercised in arrears, during the Exercise Period, and therefore, in the 24 months starting (i) for the Vested Options not subject to further deferral, from the First Deferral Date and (ii) for the Options granted to *Risk Taker*, accrued and subject to deferral, from the end of the three-year Deferral Period or the related *pro-rata* as indicated in paragraph 4.5.

During the Exercise Period, the Options may be exercised by sending an exercise notice throughout the year, subject to compliance with the Internal *Dealing Procedure* and the obligations and prohibitions established by the regulations on market abuse.

The Options granted and not exercised within the Exercise Period are extinguished and, consequently, no longer confer any rights on the Beneficiary. However, if the Beneficiary has not yet

exercised the Vested Options and the expiry date of the relevant Exercise Period (as extended pursuant to the Regulations) falls during a *black-out period*, as defined pursuant to Article 11 of the *Internal Dealing Procedure*, such Vested Options shall be deemed to have been automatically exercised on the expiry date of the Exercise Period, in accordance with the provisions of paragraph 4.2 regarding the exercise procedures, it being understood that at that date the Exercise Price is lower than the Market Unit Value.

In the event of the death of the Beneficiary during the Exercise Period, the heirs and legatees retain the right to exercise the Accrued Options, subject to the fulfilment by the heirs of the obligation to submit the declaration of succession and the fulfilment of the tax provisions in force, as applicable. The Management Body of the Plan may assign an extension of 6 months of the Exercise Period, to allow any heirs or legatees to exercise the Accrued Options and to carry out the related obligations.

**4.19. Exercise Price of the Option or the methods and criteria for its determination, with particular regard to: a) the formula for calculating the exercise price in relation to a given market price (so-called "Exercise Price"). *fair market value* (e.g. exercise price equal to 90%, 100% or 110% of the market price), and b) the methods for determining the market price used as a reference for determining the exercise price (e.g. last price on the day prior to the grant, average of the day, average of the last 30 days, etc.)**

The Strike Price for the Options granted is calculated as better described in paragraph 4.5 above.

**4.20. Reasons for the difference in the strike price from the market price determined as set out in clause 4.19 (*fair market value*)**

Not applicable.

**4.21. Criteria on the basis of which different strike prices are envisaged between different entities or categories of recipients**

Not applicable, as there are no different strike prices between various parties or various categories of recipients.

**4.22. Where the financial instruments underlying the options are not traded on regulated markets, an indication of the value attributable to the underlying instruments or the criteria for determining that value**

Not applicable as the Shares underlying the Options are traded on Euronext Milan.

**4.23. Criteria for adjustments made necessary as a result of extraordinary capital transactions and other transactions involving a change in the number of underlying instruments (capital increases, extraordinary dividends, reverse stock split of the underlying shares, mergers and demergers, conversion into other classes of shares, etc.)**

The Board of Directors, at its sole discretion, will have the right to adjust the KPIs (and the related *performance* levels), the Exercise Conditions and the formulas provided for in the Regulations in such a way as to ensure a situation that is substantially equivalent to the one previously in place in the event of extraordinary transactions or other extraordinary and/or unforeseeable situations or circumstances that may affect significantly on the Bank's results and/or share capital and/or assets, and this for the sole purpose of preserving the purposes of the Plan.

The Board of Directors may make any amendments to the Plan as it deems appropriate, at its sole discretion, in order to align the Plan with laws and regulations, correct any inconsistencies, defects or omissions in the Regulations and/or the Plan.

**4.24. Table no. 1 of Schedule 7 of Annex 3A of the Issuers' Regulations**

Table no. 1 in paragraph 4.24 of Schedule 7 of Annex 3A of the Issuers' Regulation will be provided in the manner and within the terms indicated in Article 84-bis, paragraph 5, letter a) of the Issuers' Regulation.