



Banco di Desio e della Brianza SpA

**ANNUAL REPORT
ON THE
REMUNERATION POLICIES
OF THE BANCO DESIO GROUP
(BoD meeting held on 7 February 2019)**

BANCO DI DESIO E DELLA BRIANZA S.p.A.
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Share capital Euro 67,705,040.00 fully paid-up
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and the National Guarantee Fund
Entered in the Bank Register with ABI Code no. 3440/5
Parent Company of the Banco di Desio e della Brianza Banking Group
Entered in the Banking Group Register under no. 3440/5

INTRODUCTION **4**

SECTION I **6**

1. Governance Model **6**

- 1.1. The Company Officers of Banco di Desio e della Brianza SpA 6
- 1.2. Bodies and persons involved in preparing and approving the remuneration policies 6
 - 1.2.1 Senior Bodies 6
 - 1.2.2 Remuneration Committee 10
 - 1.2.2.1 Rules of operation of the Remuneration Committee 12
 - 1.2.3 The Operational Departments of the Parent Company involved in the process 13
 - 1.2.4 The Internal Control Departments 14

2. General Principles of the Remuneration Policies **16**

3. Scope **17**

- 3.1 Identification process of “identified staff” 17
- 3.2 Remuneration Policies for Identified Staff 18
 - 3.2.1 Members of the Board of Directors of the Parent Company 18
 - 3.2.2 Members of the Board of Directors of the Subsidiaries 20
 - 3.2.3 Structure of the remuneration of the General Manager, of Executives with strategic responsibilities and of the other identified staff of the Group companies 20
 - 3.2.4 The variable remuneration of identified staff: The incentive plan for the Management of the Banco Desio Group 23
 - 3.2.5 Remuneration of Identified Staff for the year 2018 34
- 3.3 The Remuneration Policies for remaining staff 37
 - 3.3.1 Structure of the remuneration for remaining staff 37
 - 3.3.2. The Variable Component of the Remuneration Package 38
 - 3.3.3 Network Staff of the Banks of the Group 39
 - 3.3.4 Office Staff of the Banks of the Group 42
 - 3.3.5 Financial Advisors 42
 - 3.3.6 Fides Spa Staff 43
 - 3.3.7 Brokers 43
- 3.4 Malus and Claw back 44
- 3.5 Implementation of remuneration policies for remaining personnel for the year 2018 45

4. Compensation in the event of resignation or termination of employment and individual pension benefits **458**

SECTION II **53**

TABLE 1: Remuneration paid to members of the management and control bodies, general managers and other managers with strategic responsibilities. 54

TABLE 2: Stock-Options assigned to members of the management body, general managers and other managers with strategic responsibilities. 76

TABLE 3A: Incentive plans based upon financial instruments other than stock-options, in favour of members of the management body, general managers and other managers with strategic responsibilities. 77

TABLE 3B: Monetary incentive plans in favour of members of the management body, general managers and other managers with strategic responsibilities. 78

TABLE 1 - Investments in Banco Desio of members of the management and control bodies and the general manager of Banco di Desio e della Brianza SpA. 81

TABLE 2 - Investments of the other executives with strategic responsibilities. 84

Introduction

This Report has been prepared for the purposes of the Disclosure to the public in accordance with the Supervisory Provisions of the Bank of Italy in relation to remuneration and incentive policies and practices in banks and banking groups promulgated on 23 October 2018 with the 25th update to Circular no. 285/2013 and published on the Official Gazette General Series no. 263 of 12 November 2018 (this update was mainly directed at making the Italian regulatory framework consistent with the guidelines of the European Banking Authority on sound remuneration policies).

The regulatory framework further comprises Consob resolution no. 18049 dated 23 December 2011, which amended the Implementation Regulation of Italian Legislative Decree no. 58 dated 24 February 1998 concerning the regulation of issuers (in particular, see Art. 123-*ter* “Remuneration Report”), the provisions originating from the transposition of the MiFID directives aimed at ensuring compliance with rules of correctness and transparency in the conduct of investment services and the management of potential conflicts of interest, the EBA Guidelines on sound remuneration policies, the EBA Guidelines on remuneration policies and practices concerning the retail sale and provision of banking products and the Commission Delegated Regulation (EU) no. 604/2014 to determine who the identified staff are.

The remuneration systems adopted by the Banco Desio Group (hereafter also the “Group”) are, in the interest of all stakeholders and in compliance with the indications of the Supervisory Body, aligned with the long-term corporate strategy and objectives, linked to the corporate results appropriately adjusted to take account of all risks. Those systems are consistent with the levels of capital and liquidity needed to fund the activities undertaken and are designed to avoid any incentives that may give rise to conflicts of interest and lead to excessive risk taking.

In consideration of its dimensional characteristics, of the value of its assets amounting to approximately 14 billion, of the risks and complexities of the activity substantially aimed at the domestic retail sector and of its ownership structure, the Group is positioned among intermediate Banks. As prescribed for intermediate Groups, the Bank applies, in continuity with previous provisions, the full regulations with proportionate methods and in line with its characteristics, in particular with reference to the identified staff, as regards periods of deferral, retention and the use of instruments linked to shares.

The Group's Remuneration Policies contained in this document define the guidelines applicable to all companies falling within the scope of the Banking Group **and** provide detailed information for the company Banco di Desio e della Brianza SpA.

The Group's current structure is represented in the following chart.



-(*) On 11 December 2018, the Boards of Directors of Banco Desio and of Banca Popolare di Spoleto approved the draft merger via incorporation of the latter. For additional information, please refer to the consolidated Report on Operations. For this transaction and for the consequent change to the share capital of Banco Desio, an application was submitted to the Bank of Italy in accordance with Articles 56 and 57 of the Consolidated Banking Law. No other changes have occurred that would make it necessary to submit to the Bank of Italy a revision to the Corporate Governance Project in accordance with Circular no. 285. See also Section 3.2.4.

SECTION I

1. Governance Model

1.1. The Company Officers of Banco di Desio e della Brianza SpA

On 6 April 2017, the ordinary Shareholders' Meeting of Banco di Desio e della Brianza SpA appointed, by the “list voting” procedure, the Board of Directors and the Board of Statutory Auditors. Those Directors and Auditors will remain in office until the date of the Shareholders' Meeting called to approve the financial statements at 31/12/2019.

Those bodies are made up as follows at 31 December 2018.

The managers with strategic responsibilities¹ of the Bank, at the closing date of the financial statements, are the following:

- the General Manager Mr Angelo Antoniazzi;
- the Substitute Vice General Manager Mr Mauro Walter Colombo;
- “Business” Vice General Manager Mr Maurizio Ballabio.

1.2. Bodies and persons involved in preparing and approving the remuneration policies

1.2.1 Senior Bodies

Parent Company

In accordance with the Supervisory Provisions of the Bank of Italy, the Parent Company sets out the remuneration and incentive policies of the entire Group, ensures their overall consistency, provides the necessary guidelines for their implementation and verifies their correct application; therefore, taking into account the Parent Company’s definition and approval activities as described below, for each subsidiary the Board of Directors transposes and the

¹ In accordance with Annex 1 to Consob Regulation no. 17221 dated 12 March 2010.

Shareholders' Meeting approves the present Report for matters under their respective competence.

Ordinary Shareholders' Meeting of the Parent Company

In addition to establishing the fees of the Directors and Auditors in compliance with the Articles of Association, it approves the “Annual Report on the Remuneration Policies of the Banco Desio Group”, any plans based upon financial instruments and the criteria for determining any compensation to be paid in the event of early conclusion of the employment relationship or early termination from the office.

The Shareholders' Meeting is ensured adequate disclosure on the implementation of the remuneration policies. The Shareholders' Meeting resolutions in that regard are made at the end of a process that - depending on the powers granted on the matter - involves, in addition to the Board of Directors, the Remuneration Committee, the Control and Risk Committee, the Board of Statutory Auditors, the Chairman, the Vice Chairman and the AISCI, the General Manager, the Substitute Vice General Manager, the “Business” Vice General Manager, as well as some operational departments and internal control departments as defined below.

Board of Directors of the Parent Company

It approves, at the suggestion of the Chairman, the “Annual Report on the Remuneration Policies of the Banco Desio Group” to be submitted to the Shareholders' Meeting and any updates and reviews of the Remuneration Policies.

It approves, for subsequent submission to the Shareholders' Meeting, any regulations of plans based on financial instruments and resolves upon the respective assignments and powers (subject to verifying the conditions to which the same are subject).

It approves, for subsequent submission to the Shareholders' Meeting the criteria for determining any compensation to be paid in the event of early conclusion of the employment relationship or early termination from the office.

It determines the personnel to whom the “more detailed rules” are to be applied, because they belong to the “identified staff” on the basis of the identification process carried out in accordance with Commission Delegated Regulation (EU) no. 604/2014, including any exclusions.

It resolves upon the economic-capital and risk objectives that form the reference for the incentive system of the Group companies and the Bonus Targets for the “identified staff” expressed in percentage terms of the fixed remuneration.

It resolves upon the assessment forms relating to the achievement of the individual targets assigned to the “identified staff” of the Parent Company (as defined below).

It declares when Group target gates have been passed and determines ex-post the amount of the bonus for Identified Staff of the Parent Company.

At the proposal of the Remuneration Committee, it resolves on extraordinary entries/transactions for the purposes of computing the RORAC.

It resolves upon the guidelines for the payment of bonuses for the remaining staff of the Group Companies and the criteria for defining the maximum amounts of expenditure that may be allocated for that purpose.

It resolves in relation to any maximum amounts of expenditure possibly assigned to the General Managers of the Group companies within which to resolve upon payments to the staff referred to in section 3.3 below.

The aforesaid resolutions are passed with the opinion of the Remuneration Committee and of the Control and Risk Committee for matters under their competence.

Director in Charge of the Internal Control and Risk Management System (AISCI) of the Parent Company

He/she intervenes in the process of upgrading and revising the Group’s remuneration policies concerning, in particular, the remuneration and incentive systems of the internal control departments.

General Manager of the Parent Company

He/she is a member of the top management of the operating structure, for which he/she has management responsibility.

He/she coordinates, in relation to remuneration policies, the operations of the company departments that report to him/her in accordance with the Corporate Organisation Chart.

He/she suggests to the Board of Directors possible updates and revisions of the Group's Remuneration Policies, the economic-capital and risk objectives that constitute the reference

for the incentive system of the companies and the Bonus Targets for the “identified staff” within the various Group companies, coordinating with the AISCI concerning, in particular, to the internal control departments.

He/she provides to the Group companies general instructions in relation to the Remuneration Policies.

He/she suggests to the Board the adjustment criteria to apply to the Bonuses of the identified staff of the Parent Company and of the Subsidiaries, with the input - for the Parent Company - of the AISCI concerning the control departments.

He/she suggests to the Board of Directors the maximum expenditure for implementing the Remuneration Policies for the remaining staff of the Parent Company.

Substitute Vice General Manager of the Parent Company

He/she is involved in the identification of the economic and capital parameters, validates the processes and makes sure that the methods for defining the provisions are correct by coordinating the activities of the Administrative Department and of the Financial Statements and Accounting Control Office pursuant to Law 262.

“Business” Vice General Manager of the Parent Company

In collaboration with the Resources Department, he/she prepares, following the guidelines implemented for the remaining staff in the annual report on the Remuneration Policies and in compliance with current provisions on the matter, the incentive system for the sales network.

He/she disseminates the bonus system among the distribution network.

He/she provides to the Resources Department the quantitative elements to verify the achievement of the assigned targets.

He/she collaborates with the Departments of the Group companies and with the Resources Department to develop incentive systems for the sales network in line with the business model adopted by the Bank.

Subsidiaries

Ordinary Shareholders' Meetings of Subsidiaries

They incorporate and approve, insofar as they are responsible, the Group's Remuneration Policies (taking account of the company peculiarities, as well as the respective national/sectoral legal systems).

The Shareholders' Meetings are provided with adequate information on the implementation of the Remuneration Policies.

Boards of Directors of the Subsidiaries

They incorporate and approve, insofar as they are responsible, the resolutions of the Board of Directors of the Parent Company referred to above (taking account of the company peculiarities, as well as the respective national/sectoral legal systems).

They resolve upon the assessment forms relating to the achievement of the individual targets assigned to any “identified staff” within the Subsidiary.

They identify when Group target gates have been passed and, having verified that the individual gates have been passed, they determine ex-post the amount of the bonuses for the identified staff, applying the criteria established by the Board of Directors of the Parent Company also in regard to extraordinary entries/transactions.

The aforesaid resolutions are passed, for the banking subsidiary, with the opinion of the Remuneration Committee and of the Control and Risk Committee for matters under their competence.

1.2.2 Remuneration Committee

The Remuneration Committee comprises 3 Directors (all non-executive) of which 2 Independent including the Committee Chairman.

The AISCI participates in case of remunerations regarding the internal control departments.

The Managing Director participates in case of remuneration for other persons falling within the scope defined in the Single Text on the Remuneration and Incentive System, including the Appointed Executive and the Head of the Resources Department.

That Committee is an advisory/proactive body with the following main duties:

- to provide to the Board of Directors opinions or suggestions for the remuneration of the Directors vested with particular offices (including any Directors delegated with operational powers) and of the General Management also with respect to the cases of cessation from office or termination of the employment, in accordance with the remuneration policies adopted by the Bank;
- to provide to the Board of Directors opinions or suggestions for the allocation of the overall fee established by the Shareholders' Meeting for the other directors in line with the Articles of Association;
- at the indication of the General Manager (who provides support to the Remuneration Committee, participating in its meetings, excluding those in which the remuneration of the General Manager him/herself is discussed), to provide to the Board of Directors opinions or suggestions in relation to remuneration policies and to the compensation criteria for other persons falling within the scope defined in the Single Text on the Remuneration and Incentive System; concerning, instead, the opinions and proposals relating to the remuneration of the internal control departments, they are formulated at the indication of the AISCI;
- to provide inputs on the outcomes of the identification process of identified staff, including any exclusions;
- to assess periodically the adequacy, overall consistency and actual application of the aforementioned remuneration policies, using, in that regard, information provided by the General Manager and by the AISCI within their respective areas of competence;
- to submit suggestions or express opinions to the Board of Directors on the fixing of performance targets related to the variable component of that remuneration; to monitor the application of the decisions adopted by the Board itself, verifying, in particular, the actual achievement of the performance targets, as well as the existence of all conditions provided for the payment or accrual of the fees;
- to formulate an opinion in case of extraordinary entries or of extraordinary transactions, as provided by the Plan.

The above listed issues also include any stock option plans or allocation of shares.

In compliance with the Supervisory Provisions issued in that regard², the Committee also:

² Circular 285 of the Bank of Italy – 25th update.

- directly oversees the correct application of the rules relating to the remuneration of the heads of the internal control departments, in close collaboration with the Board of Statutory Auditors;
- deals with preparing the documentation to be submitted to the Board for decisions relating to the Remuneration Policies;
- works with the Control and Risk Committee for remuneration aspects related to the risk policies;
- ensures the involvement of the relevant company departments in the process of preparing and controlling the remuneration policies with such procedures as to assure an effective contribution and to preserve the independent judgement of the audit functions;
- decides, also using information received from the relevant company departments, upon the achievement of the performance targets with which the incentive plans are linked and on ascertaining the other conditions in place for payment of the fees;
- adequately reports on the activity performed to the Board and to the Shareholders' Meeting.

The Remuneration Committee, in addition, with assistance from the Resources Department, and, where necessary, external consultants, periodically analyses and monitors the market practices and levels of remuneration, with particular reference to executive directors and to managers with strategic responsibilities.

The Committee may also use the support of internal departments, in relation to risk management, capital and liquidity.

1.2.2.1 Rules of operation of the Remuneration Committee

The Committee meets upon convocation by the Chairman or each time a request is made by at least two members jointly between them. In the absence of convocation, the Committee meetings are valid when all members are present.

In order for the decisions of the Committee to be valid, the presence of the majority of the members in office is required and the decisions are made by absolute majority of the votes of the members present. In the case of equal votes, the vote of the person chairing the meeting will prevail. Any Directors with an interest must refrain from participating in decisions of the

Committee relating to them, just as they will leave the committee meetings when the consequent proposals are being made.

The decisions of the Committee are recorded by minutes transcribed in the book, to be signed by the Chairman and by the other members present or by a Secretary, if appointed. Those decisions are communicated, even orally during the next meeting, to the Board of Directors for the decisions under the remit of the latter.

1.2.3 The Operational Departments of the Parent Company involved in the process

The process of forming the Remuneration Policies involves the following structures.

Planning, Management Control and Investments Department

It determines the “gate” targets for activation of the incentive systems of the Group companies to be submitted to the respective Boards of Directors and verifies their achievement. Having received approval, it proceeds to communicate those decisions to the Management bodies of the respective Group Companies, to the Administrative Department of the Parent Company and to the Manager responsible.

It contributes to define and assess the achievement of the individual targets assigned to identified staff for matters under its competence.

It identifies entries potentially definable as extraordinary from the managerial standpoint and it formulates a proposal to the Remuneration Committee.

General and Company Secretarial Office

It is involved in the process of preparing the Remuneration Policies with reference to aspects of corporate governance. It deals with finalising the documents to be submitted to the Board of Directors and to the Shareholders' Meeting, as well as the disclosure obligations to the public, in accordance with legal and regulatory provisions relating to those documents.

It acquires from identified Staff the information about the activation of financial investments included among those that could impact, directly or indirectly, on the risk alignment mechanisms and on the opening of custody and administration accounts with other Institutions.

Administrative Department

On the instructions of the Resources Department of the Parent Company, it registers the actual provisioning to be entered in the financial statements of reference for the Group companies. It provides the economic and capital data for calculating and checking the gates.

Resources Department

It defines and governs the process of formulating proposals concerning the Remuneration Policies for the various Group companies and it manages and guarantees their correct implementation.

It deals with updating and reviewing the Remuneration Policies. It coordinates the process of defining and managing the remuneration and incentive system and, as part of this, it contributes - in concert with the Departments of the individual Companies - to defining the bonus system for the remaining staff (sales network and headquarters).

It collects, for the Parent Company, with the technical support of the competent Departments, the results achieved and the assessments made by the superiors for the purposes of determining and paying the bonuses, having verified compliance with the maximum amount payable for each beneficiary resource.

1.2.4 The Internal Control Departments

The process of forming the Remuneration Policies also involves the following Internal Control Departments.

Chief Risk Officer

It participates in the process of defining the Remuneration Policies in order to ensure their consistency with the Group's risk strategy.

It participates in the process of identifying the identified staff, providing the necessary assessments for the identification of the significant operating Units and of the professionals who can have a significant impact on risks, consistently with the Risk Appetite Framework. It also verifies the consistency of the system of targets and conditions underlying the remuneration and incentive policies with the Risk Appetite Framework, verifying their achievement *ex post*. It performs similar functions as “outsourcer” of the Subsidiaries.

It contributes, for matters under its competence, to define and assess the achievement of the individual targets assigned to identified staff.

Compliance Department

It collaborates with the other departments involved in the process of defining the Group's Remuneration Policies and verifies *ex ante* that these comply, by their contents and processes, with the relevant regulatory context, the articles of association, along with any codes of ethics or other applicable standards of conduct. It performs similar functions as “outsourcer” of the Subsidiaries.

Chief Auditing Officer

It prepares annually a report on the controls performed in relation to the correct application of the Remuneration Policies adopted, with a special attention to checking the conditions underlying the achievement of targets and the correct recording of provisions and payments, by pointing out any anomalies so that the corrective measures can be adopted. It performs similar functions as “outsourcer” of the Subsidiaries.

It carries out periodic sampling audits on the internal custody and administration accounts of identified staff.

It communicates to the Resources Department the outcomes of its own inspections that may constitute the prerequisite to apply bonus and claw back provisions.

Appointed Executive

He/she validates the accounting process for recognising the bonuses and deals with the correct representation in the Financial Statements of the corporate events.

When necessary, it certifies the correctness of the identification and quantification from the viewpoint of accounting or of the estimation of extraordinary entries, useful for the purpose of determining the bonus proposed by the Planning, Management Control and Investments Department to the Remuneration Committee;

2. General Principles of the Remuneration Policies

In order to develop mechanisms of remuneration and incentives able to encourage the competitiveness of the Group in the medium to long-term, this year the Remuneration Policies, as they did in previous years, continue to be based upon the following principles:

- incentive measures and maintenance within the Group of persons with professionalisms and skills adequate to business requirements, in particular, of those who cover identified roles within the business organisation;
- alignment of the remuneration systems to company targets and values, to the long-term strategies and to policies of prudent risk management of companies belonging to the Group;
- incentives of short and medium to long-term aligned with the risks assumed and the capital required to cover the activities undertaken and structured in such a way as to avoid the onset of potential conflicts of interest.

Personnel are not allowed to employ personal hedging or insurance strategies on remuneration that can alter or affect the effects of alignment to risk implicit in the remuneration mechanisms regulated by the present Policy. The Internet Audit department carries out periodic sampling audits on any internal custody and administration accounts of identified staff. In accordance with the provisions introduced by the 2^{5th} update to Circular 285, Title IV, Chapter 2, Section I, Paragraph 5, Banco Desio requires identified staff to communicate any financial investments carried out that could affect risk alignment mechanisms and, more in general, on the pursuit of prudent risk management, in order to take them into account in devising the risk alignment mechanisms of the incentive systems, in addition to the existence or the opening of custody and administration accounts with other intermediaries.

Commencing from 1 May 2015, any fees received by employees of the Group for assignments accepted on behalf of the Company holding the employment relationship, at companies or

entities belonging or external to the Group itself, have been entirely paid into the company holding the employment relationship.

3. Scope

This document illustrates the Remuneration Policies with reference to the following categories of persons:

- Identified Staff;
- Remaining staff.

The process followed by the Banco Desio Group for the identification of the “identified staff” is described below.

3.1 Identification process of “identified staff”

The process for the identification of “identified staff” is outlined according to the Regulatory Technical Standards (RTS) defined by the European Banking Authority and set out in Commission Delegated Regulation (EU) no. 604, in force since 26 June 2014, and according to Decision (EU) 2015/2218 of the European Central Bank of 20 November 2015 on the procedure to exclude staff members.

The Parent Company applies the aforesaid Regulation to identify the “identified staff” for the Group, with regard to all Group companies: in particular, the identification process of staff to whom to apply the more detailed rules was conducted individually by the banking subsidiary under the supervision and with the coordination of the Resources Department of the Parent Company. The Group companies have actively participated in the identification process that was carried out by the Parent Company itself.

The key criterion underlying the process consists of the assessment of the significance of each person in terms of substantial assumption of risks, on the basis of the individual position (qualitative criteria: responsibility, hierarchical levels, decision-making level, etc.) or of the remuneration (quantitative criteria), with the exception of any cases of exclusion prescribed by the regulations.

All those who are in a position identified among material risk takers for a period of at least 3 months shall be defined Material Risk Takers.

The process was coordinated by the Resources Department, which involved the Chief Risk Officer of the Parent Company for the valuations under his competence.

The “identified staff”, defined according to the RTS criteria, comprise:

1. “identified staff” who are not included in the corporate control departments;
2. “identified staff” who are included in the corporate control departments.

The outcomes of the identification process were represented to the Remuneration Committee, which expressed its positive opinion on the matter, and subsequently to the Board of Directors of the Parent Company, at the meeting on 7 February 2019, which acknowledged the process performed that led to identifying **at Group level** the following positions:

Note: The Substitute Vice General Manager of the Parent Company is included in the DG VDG section, although he also serves as Appointed Executive (deemed as akin to the control departments)

With specific reference to **Banco di Desio e della Brianza Spa**, the identified staff are as follows:

The identification process of “identified staff” was tracked and documented in specific documentation.

At the Group level, it was not necessary to activate any procedure to exclude identified staff, based on the quantitative criterion per Article 4, Paragraph 1 of the RTS.

3.2 . Remuneration Policies for Identified Staff

3.2.1 Members of the Board of Directors of the Parent Company

In the current composition of the Board of Directors of Banco di Desio e della Brianza SpA, it is possible to identify the following:

- Executive Directors, as members of the Executive Committee, Messrs.: Agostino Gavazzi, Chairman of the Executive Committee, as well as Directors Egidio Gavazzi, Paolo Gavazzi, Tito Gavazzi and Graziella Bologna: (taking account of the activity of that Executive Committee in terms of frequency of meetings and extent of responsibilities);
- Non-Executive Directors, the Chairman Mr. Stefano Lado, the Vice Chairman-AISCI Mr. Tommaso Cartone, the Directors, Cristina Finocchi Mahne, Gerolamo Pellicanò, Nicolò Dubini, Marina Brogi and Gigliola Zecchi Balsamo.

The Shareholders' Meeting established at 1,000,000 Euros the gross annual fee due to the entire Board of Directors of Banco Desio, excluding the Chairman and the Vice Chairman and the Managing Director, broken down as follows:

- 70,000 Euros to each Director;
- 30,000 Euros to each member of the Executive Committee (50,000 Euros to the Chairman);
- 10,000 Euros to each member of the other Committees (15,000 Euros to the Chairman) (Control and Risk Committee, Appointments Committee, Remuneration Committee, Committee for Transactions with Related Parties);
- residual 10,000 Euros unassigned.

The all-inclusive fees of the Chairman, Vice Chairman and AISCI amount respectively to:

- 660,000 Euros to the Chairman;
- 350,000 Euros to the Vice Chairman and AISCI.

For the Executive Directors, in view of the low remuneration received for participating in the Executive Committee (30,000 Euros per annum), there is no provision for variable fees.

For the non-Executive Directors and for the members of the Board of Statutory Auditors there is no provision for variable fees.

The members of the Board of Directors and the members of the Executive Committee are, in addition, entitled to the reimbursement of costs incurred for reasons of their office, as well as the payment of attendance fees, the amount of which is determined by the ordinary Shareholders' Meeting.

In addition, a D&O insurance policy is provided for Directors and Statutory Auditors.

The fees of the Chairman, the Vice Chairman/Chairmen, as well as any additional fees in favour of other Directors with operational delegations, are determined by the Board of Directors, having heard the opinion of the Board of Statutory Auditors.

Chairman

The Chairman's remuneration package is determined in a unitary amount for all roles performed in the Parent Company (including special offices held in the Board of Directors).

Vice Chairman and AISCI

The Vice Chairman's and the AISCI's remuneration package consists of:

- Fee determined in a unitary amount for all roles performed in the Parent Company (including special offices held in the Board of Directors and participation on Committees internal to the same);
- Fees linked to offices held in subsidiary and/or associated companies.

3.2.2 Members of the Board of Directors of the Subsidiaries

Members of the corporate Bodies of the subsidiaries receive fixed remuneration, differentiated according to the respective offices held within each body, plus reimbursement of out of pocket expenses and attendance fees, as resolved by the respective Shareholders' Meetings. For members of the Board of Directors and of the Board of Statutory Auditors of the subsidiaries, these fees are approved by the respective ordinary Shareholders' Meeting in accordance with the company's Articles of Association. For members of the Board of Directors (Executive Directors, in view of the low fee received, and non-executive Directors), there is no variable remuneration. In compliance with the Bank of Italy's Supervisory Provisions, the members of the Board of Statutory Auditors receive no variable remuneration.

3.2.3 Structure of the remuneration of the General Manager, of Executives with strategic responsibilities and of the other identified staff of the Group companies

The main elements constituting the remuneration package of the Group's "identified staff", as defined in section 3.1 above, and specifically as follows:

- Senior Staff of the Parent Company (General Manager and Substitute Vice General Manager - Business Vice General Manager)
- Senior Staff of Banca Popolare di Spoleto (General Manager and Vice General Manager)
- Senior Staff of Fides (General Manager and Vice General Manager)
- Risk Takers

- Control and similar departments

are:

- **Fixed annual remuneration**

That component reflects and is commensurate to the technical, professional and managerial skills of the employee and/or collaborator. It is constantly monitored and verified with respect to the market context, taking into consideration the level of experience and professional skills required for each position.

Indemnities may also be assigned in connection with specific positions, functionally connected to the covered *role*, related to the fixed component of remuneration.

To complete the remuneration offer, employees, on the basis of a general policy defined at the Company level, are offered a package of additional benefits, such as, by way of example, a supplementary pension plan, supplementary forms of insurance and medical cover, as well as the granting of special favourable conditions as regards services provided by the Bank; a company car is allocated to the most senior management profiles.

- **Variable remuneration**

The variable remuneration consists of two elements: the Company Bonus provided by the National Collective Labour Agreement (Art. 48 19/1/2012, as renewed by agreement of 31/3/2015) linked to the economic performance of the Company and intended for the entire company population and an individual incentive system that rewards the annual “performances” in relation to the assigned targets and the results achieved. That second component is determined based upon parameters that include the presence of risk weighting systems, the adequacy of liquidity levels and the link to actual and lasting results. The remuneration coming from the individual incentive system is paid partly in the year after that on which the “performance” is measured and partly in deferred form up until the third year from that in which it accrued, subject to the occurrence of additional conditions, in order to reward the creation of value in a medium to long-term perspective and to align the interests of management with those of the shareholders.

If new staff are hired from outside the Group, and only for the first year of employment, entry bonuses may be provided to make the company’s proposal more attractive, in compliance with the terms and conditions prescribed by current regulations.

It is also possible to provide “retention” policies, for certain professionals, that may be expressed by way of non-competition agreements (known as “NCA”), stability pacts and agreements for extending the advance notice period, with payment of a specific fee assigned after verifying the exceedance of the regulatory capital levels in force at the time.

In case of moves within the Group, the General Manager of the Parent Company may recognise one-off or exception bonuses (e.g. on the occasion of a change in duties), duly justified and paid after verifying that the access conditions have been met, and with the payment procedures of the variable remuneration system.

The Group establishes *ex-ante* the limits to the incidence of the variable part on the fixed element for the various categories of beneficiaries as summarised in the following table.

| | |
|---|-----|
| Directors with executive offices when they are the recipients of an incentive system, General Managers and Vice General Managers of Group companies | 90% |
| Other Risk Takers | 60% |
| Heads of control departments, Appointed Executive and Head of Resources Department | 25% |

The above maximum values refer to the corporate bonus prescribed by the National Collective Labour Agreement and to any one-off or exception bonuses on the occasion of the inter-company move described above.

In addition, the variable remuneration may not exceed the maximum limits of the incidence ceilings of the variable component on the fixed element established by existing regulations (100% for risk takers and one-third for control departments), since the Bank decided not to take the option of requesting the Shareholders’ Meeting to raise the limit of the variable remuneration over the fixed remuneration.

3.2.4 The variable remuneration of identified staff: The incentive plan for the Management of the Banco Desio Group

The system, subordinate in its activation to achievement by the Group of certain consolidated goals (“gate” targets of liquidity, capital and profitability), weighs up the bonuses in line with the percentages of achievement of the targets ratio between the target Adjusted Net Income and Allocated Risk Capital³ (RORAC) and develops largely in a deferred manner along a medium-term timeframe. That mechanism ensures that the incentive system for identified staff is consistent with the business results, appropriately adjusted to take account of all risks assumed in a long-term perspective. The appropriate balancing of the variable remuneration between the portion paid in cash and the portion paid in financial instruments is ensured by the correlation envisaged by the system between setting the sums deferred and the performance of the ordinary share, in accordance with the provisions of the 25th update of Circular 285 which confirm the possibility of using synthetic instruments representing stock performance also for listed companies.

Correlation between risks and remuneration

The variable component of the remuneration is benchmarked to performance indicators measured net of the risks in a long-term perspective (known as ex ante risk adjustment) and it takes account of the level of capital resources and liquidity required to cover the activities undertaken. In addition, the incentive system for management of the Group involves the accrual and quantification of the bonus, along with the verification for payment of the deferred shares, being linked to the achievement of the target RORAC. The use of the mentioned parameter, consistent with the measurements used for management purposes by the risk management department, assessed at consolidated level and, for the subsidiary companies, also at individual level, further strengthens the correlation between results, risks assumed and remuneration.

³ The “allocated capital” is calculated according to the methodologies and criteria developed in the ICAAP document.

Gate targets

The Board of Directors of the Parent Company, on the suggestion of the General Manager, subject to the opinion/proposal of the Remuneration Committee, establishes the “gate” targets (Group gates) of liquidity, capital and profitability to access the Bonuses as described below:

| | | |
|-----------------------|---|--------|
| Capital Gate | | LIMITS |
| | CET1 (for 1 st and 2 nd pillar risks) | 11.78% |
| > = Limits | TCR (for 1 st and 2 nd pillar risks) | 12.45% |
| Liquidity Gate | Mean of the 4 quarterly measurements | LIMITS |
| | LCR - Liquidity Coverage Requirement | 130% |
| | NSFR - Structural liquidity | 120% |

For the definition of the Capital Gates, the Planning, Management Control and Investments Department specified in its Report that the above limits, on the basis of the simulations made, are sufficient for the capital adequacy of the Group consolidated under Brianza Unione.

- **Profitability target:** Adjusted current profit of the Group before taxes:
Adjusted consolidated profit of current operations before taxes⁴ ≥75% Adjusted profit of current operations before taxes of the consolidated budget.

For staff belonging to the control departments identified at the Parent Company, in order to further separate their bonuses from the economic/financial variables, **the gate indicator of profitability** is represented by the **adjusted consolidated Profit of current operations gross of tax profit**.

For staff belonging to the control departments identified at the subsidiaries⁵, the opening of the profitability gate is subject to the simultaneous occurrence of the following two conditions:

⁵ For the Subsidiary Banca Popolare di Spoleto, in consideration of the aforesaid draft merger (see note in the Introduction), for the 2019 specific profitability gates were defined (see below).

adjusted consolidated profit of current operations before taxes and adjusted individual profit of current operations before taxes.

The failure to achieve even just one of the targets precludes the activation of the incentive system for the year of accrual.

Definition of targets and incentives

The Board of Directors of the Parent Company, subject to the opinion/proposal of the Remuneration Committee, approves annually:

- the ratio between the adjusted Consolidated Net Profit and Allocated Risk Capital (RORAC) target;
- the ratio between the adjusted Individual Net Profit and Allocated Risk Capital (individual RORAC) target for the individual subsidiaries;
- the individual profitability target of the subsidiaries in terms of ratio between individual adjusted profit of current operations before taxes $\geq 75\%$ adjusted profit of current operations before taxes of the individual budget;
- the Bonus Targets expressed in percentage terms of the fixed remuneration associated to the different levels of achievement of the RORAC (consolidated and/or individual) target for each category of resources.

The bonus targets decided formally for the 2019 financial year for the various categories of identified staff, within the maximum limits of incidence of the variable component on the fixed element defined for the individual categories set out in section 3.2.3 in the following table:

| | Directors with executive offices when they are the recipients of an incentive system, General Managers and Vice General Managers of Group companies | Other Risk Takers |
|---|--|--------------------------|
| <i>Bracket 1</i> <i>RORAC consolidated final balance < 80%</i> <i>RORAC of the consolidated Budget</i> | <i>no bonus</i> | <i>no bonus</i> |
| <i>Bracket 2</i> <i>80% ≤ RORAC consolidated final balance</i> <i><95% of the RORAC of the consolidated Budget</i> | 25% RAL | 15% RAL |
| <i>Bracket 3</i> <i>95% ≤ RORAC consolidated final balance</i> <i><125% RORAC of the consolidated Budget</i> | 40% RAL | 25% RAL |

| | | |
|---|---------|---------|
| <u>Bracket 4</u> RORAC consolidated final balance $\geq 125\%$ RORAC of the consolidated Budget | 50% RAL | 35% RAL |
|---|---------|---------|

- the assessment forms for the heads of the main company departments of the Parent Company - Risk Takers and Heads of the control departments - relating to the achievement of the targets identified on the basis of the mission and the functions attributed to each position by the corporate organisation chart;
- one or more qualitative/quantitative targets assigned to Senior staff (excluding the Substitute Vice General Manager - Appointed Executive) and the adjustment percentage of the associated bonus in the event of failure to reach the target.

The Board of Directors of the Subsidiary companies, subject to the opinion/proposal of the Remuneration Committee, if established, transposes and approves:

- the Group's gate targets;
- the ratio between the adjusted Consolidated Net Profit and Allocated Risk Capital (consolidated RORAC) target;
- the ratio between the adjusted Individual Net Profit and the Allocated Risk Capital (individual RORAC) target;
- the individual profitability target of the subsidiaries in terms of ratio between individual adjusted profit of current operations before taxes $\geq 75\%$ adjusted profit of current operations before taxes of the individual budget;
- the Bonus Targets expressed in percentage terms of the fixed remuneration associated with the various levels of achievement of the individual RORAC target for each category of resources;
- the assessment forms for the heads of the main company departments of the Subsidiaries - Risk Takers and Heads of the control departments - relating to the achievement of the individual targets defined on the basis of the mission and the functions attributed to each position by the corporate organisation chart;
- one or more qualitative/quantitative targets assigned to Senior staff and the adjustment percentage of the associated bonus in the event of failure to reach the target.

Calculation of the Bonus value

Having achieved the Group's gate targets, the determination of the actual Bonus to be paid to the **“non-control” beneficiary Resources identified at the Parent Company** is done by applying the bonus target provided in relation to the ratio between the consolidated final balance RORAC and the target final balance RORAC.

As regards the determination of the Bonus for **identified staff not belonging to the control departments identified at the subsidiaries**, the payment of the Bonus is subject to achieving at least 80% of the consolidated RORAC target and exceeding 75% of the individual adjusted profit of current operations before taxes of the Budget. Having passed these additional gates, the bonus is defined in connection with the achievement of the individual RORAC target⁶.

The determination of the actual Bonus to be paid to the **heads of the control departments** is made by applying to the Bonus Target, expressed in percentage terms of the fixed remuneration resolved by the BoD for the financial year in question, the correction (0%-125%) calculated on the basis of the score achieved from the assessment forms of the assigned individual targets.

The bonus may be reduced, down to zero (malus), in case of disciplinary actions or evidence of non-compliance due to excess risk assumption, failure to comply with the code of ethics, of conduct or violation of internal and/or external regulations, including the prohibition to apply personal hedging or insurance strategies on remuneration or on other aspects that may alter or compromise risk alignment. The related decisions are made

- by the BoD, with the input of the Remuneration Committee, with reference to the General Manager, Deputy Managers and the heads of the Corporate Control Departments, Appointed Executive and Head of the Resources Department;
- by the General Manager, with the support of the Head of Resources Department, for the remaining Risk Takers;
- by the Resources Department with reference to the remaining staff.

Payment of Bonuses

⁶ For the Subsidiary Banca Popolare di Spoleto, in consideration of the draft merger per the note in the Introduction, specific criteria were defined (see below).

The Board of Directors resolves upon the bonuses calculated in accordance with the methods described above and adjusted in line with the findings of the individual assessment forms. The payment of the bonuses occurs by the methods expressed below.

Risk Takers

System of deferral of Bonuses accrued in financial year “t”

- 40% of the Bonus in financial year “t+1” paid by the month after the date of approval of the Consolidated Financial Statements of financial year “t”;
- 30% in financial year “t+2”, having verified the liquidity and capital gates of financial year “t+1” and having verified that the consolidated RORAC of financial year “t+1” was at least 80% of the consolidated RORAC of financial year “t”, paid by the month after the date of approval of the financial statements of financial year “t+1”, if upon approval of the budget for financial year “t+1” by the BoD the forecast adjusted consolidated RORAC is less than 80% of the adjusted consolidated RORAC of financial year “t”, in lieu of verifying the attainment of 80% of the adjusted consolidated RORAC as stated above, it will be necessary to verify the attainment of a adjusted consolidated RORAC level of financial year “t+1” to which corresponds a bonus of at least “bracket 3”;
- 30% in financial year “t+3”, having verified the liquidity and capital gates of financial year “t+2” and having verified that the consolidated RORAC of financial year “t+2” was at least 80% of the consolidated RORAC of financial year “t+1”, paid by the month after the date of approval of the financial statements of financial year “t+2”; if upon approval of the budget for financial year “t+2” by the BoD the forecast adjusted consolidated RORAC is less than 80% of the adjusted consolidated RORAC of financial year “t+1”, in lieu of verifying the attainment of 80% of the adjusted consolidated RORAC as stated above, it will be necessary to verify the attainment of a adjusted consolidated RORAC level of financial year “t+2” to which corresponds a bonus of at least “bracket 3”.

The sums deferred to financial year “t+2” and “t+3” are adjusted for the price variation of the BDB ordinary shares between financial year “t+1” and the payment date, with a corridor of +/- 20%.

With reference to the information required by Article 114-bis of Italian Legislative Decree no. 58/1998, it is hereby specified that the amount of the deferred bonus may therefore increase or reduce, up to a maximum of +/- 20%, based upon the stock exchange performance of the

ordinary share of Banco Desio in the timeframe between the accrual of the bonus and the deferral time.

The price reference, for the purposes of this Incentive Plan for Banco Desio Management, is constituted, for each financial year, by the average of the Stock Exchange price of the ordinary share of Banco Desio e della Brianza Spa of the 30 days prior to the date of approval of the financial statements of the previous financial year.

| T | t+1 | t+2 | t+3 |
|-----------------------------------|---|---|---|
| Year of economic accrual of bonus | <p>40%</p> <p><u>Payment of bonus</u></p> | <p>30%</p> <p><u>Subject to verification of gates for financial year t+1:</u> -Capital -Liquidity Consolidated RORAC t+1 ≥ 80% of the consolidated RORAC t or alternative clauses as stated above</p> <p><u>Payment of bonus</u> <i>adjusted for variation of the share price between t+1 and t+2 with a corridor of +/- 20%.</i></p> | <p>30%</p> <p><u>Subject to verification of gates for financial year t+2:</u> -Capital -Liquidity Consolidated RORAC t+2 ≥ 80% of the consolidated RORAC t+1 or alternative clause as stated above</p> <p><u>Payment of bonus</u> <i>adjusted for variation of the share price between t+1 and t+3 with a corridor of +/- 20%</i></p> |

For identified staff at the subsidiaries, the payment of the deferred portions is subject to verification of the following conditions:

- 40% of the Bonus in financial year “t+1”, paid by the month after the date of approval of the Financial Statements of financial year “t”;
- 30% in financial year “t+2”: verification of the liquidity and capital gates of financial year “t+1”, adjusted individual RORAC of financial year “t+1” at least 80% of the adjusted individual RORAC of financial year “t”, if upon approval of the budget for financial year “t+1” by the BoD the forecast adjusted individual RORAC is less than 80% of the adjusted individual RORAC of financial year “t”, in lieu of verifying the attainment of 80% of the adjusted individual RORAC as stated above, it will be necessary to verify the attainment of an adjusted

individual RORAC level of financial year “t+1” to which corresponds a bonus of at least “bracket 3”,

- 30% in financial year “t+3”: verification of the liquidity and capital gates of financial year “t+2”, adjusted individual RORAC of financial year “t+2” at least 80% of the adjusted individual RORAC of financial year “t+1”, if upon approval of the budget for financial year “t+2” by the BoD the forecast adjusted individual RORAC is less than 80% of the adjusted individual RORAC of financial year “t+1”, in lieu of verifying the attainment of 80% of the adjusted individual RORAC as stated above, it will be necessary to verify the attainment of an adjusted individual RORAC level of financial year “t+2” to which corresponds a bonus of at least “bracket 3”.

The amount of the deferred bonus may therefore increase or reduce, up to a maximum of +/- 20%, based upon the stock exchange performance of the ordinary share of Banco Desio in the timeframe between the accrual of the bonus and the deferral time.

The deferred portions may be reduced, down to zero, in case of disciplinary actions or evidence of non-compliance observed in the year immediately preceding the payment of the deferred portion, due to excess risk assumption, failure to comply with the code of ethics or of conduct or violation of internal and/or external regulations, including the prohibition to apply personal hedging or insurance strategies on remuneration or on other aspects that may alter or compromise the effects of alignment to the corporate risk inherent in the remuneration schemes.

The bank proceeds through repayment (claw back) actions, in full or in part, for the variable remuneration already paid and the interruption of the deferred components in case of evidence within 5 years from accrual of the variable remuneration or from payment thereof, of behaviours of the staff who determined or contributed to determine:

- violation of codes of ethics or of conduct, and/or internal or external regulations which led to a significant loss for the Bank and for its clients;
- violations of the obligations imposed in accordance with Article 26 or, when the person is an involved party, with Article 53, Paragraphs 4 et seq., of the Consolidated Banking Law or of the remuneration and incentive obligations;
- violations of the rules of the Consolidated Finance Act pertaining to remuneration and incentive obligations;
- fraudulent or grossly negligent behaviours to the detriment of the Bank;

as well as behaviours which led to disciplinary penalties (from suspension of employment to dismissal for just cause or justified subjective reason).

These provisions are independent with respect to any compensatory or disciplinary profiles and they are activated taking also into account the contribution and tax profiles relating to these matters.

Control Departments

System of deferral of Bonuses accrued in financial year “t”:

- 40% of the Bonus in financial year “t+1”, paid by the month after the date of approval of the Consolidated Financial Statements of financial year “t”;
- 30% in financial year “t+2”, having verified the liquidity and capital gates of financial year “t+1” and having verified that the adjusted consolidated profit of current operations before taxes of financial year “t+1” is positive, paid by the month after the date of approval of the financial statements of financial year “t+1”;
- 30% in financial year “t+3”, having verified the liquidity and capital gates of financial year “t+2” and having verified that the adjusted consolidated profit of current operations before taxes of financial year “t+2” is positive, paid by the month after the date of approval of the financial statements of financial year “t+2”.

| t | t+1 | t+2 | t+3 |
|-----------------------------------|---|--|--|
| Year of economic accrual of bonus | 40% Payment of bonus | 30% <u>Subject to verification of gates for financial year t+1:</u> -Capital -Liquidity Consolidated adjusted profit of current operations before taxes of financial year t+1 | 30% <u>Subject to verification of gates for financial year t+2:</u> -Capital -Liquidity Consolidated adjusted profit of current operations before taxes of financial year t+2 |

For staff belonging to the control departments identified at the subsidiaries, the payment of the deferred bonus is subject to the occurrence of the following conditions:

- 40% of the Bonus in financial year “t+1”, paid by the month after the date of approval of the Financial Statements of financial year “t”;
- 30% in financial year “t+2”: having verified the liquidity and capital gates of financial year “t+1”, that the adjusted individual profit of current operations before taxes of financial year “t+1” is positive;
- 30% in financial year “t+3”: having verified the liquidity and capital gates of financial year “t+2”, that the adjusted individual profit of current operations before taxes of financial year “t+2” is positive.

The deferred portions may be reduced, down to zero, in case of disciplinary actions or evidence of non-compliance observed in the year immediately preceding the payment of the deferred portion, due to excess risk assumption, failure to comply with the code of ethics or of conduct or violation of internal and/or external regulations, including the prohibition to apply personal hedging or insurance strategies on remuneration or on other aspects that may alter or compromise the effects of alignment to the corporate risk inherent in the remuneration schemes.

The bank proceeds through repayment (claw back) actions, in full or in part, for the variable remuneration already paid and the interruption of the deferred components in case of evidence within 5 years from accrual of the variable remuneration or from payment thereof, of behaviours of the staff who determined or contributed to determine:

- violation of codes of ethics or of conduct, and/or internal or external regulations which led to a significant loss for the Bank and for its clients;
 - violations of the obligations imposed in accordance with Article 26 or, when the person is an involved party, with Article 53, Paragraphs 4 et seq., of the Consolidated Banking Law or of the remuneration and incentive obligations;
 - violations of the rules of the Consolidated Finance Act pertaining to remuneration and incentive obligations;
 - fraudulent or grossly negligent behaviours to the detriment of the Bank;
- as well as behaviours which led to disciplinary penalties (from suspension of employment to dismissal for just cause or justified subjective reason).

These provisions are independent with respect to any compensatory or disciplinary profiles and they are activated taking also into account the contribution and tax profiles relating to these matters.

* * * * *

THRESHOLD

If the bonus does not exceed the total amount of 30,000 Euros, to maintain the spirit of the risk alignment rule and avoid needless operating costs for the management of deferred portions of a small amount, the entire amount is paid in cash up front.

“PARTICULARLY HIGH” VARIABLE REMUNERATION

If the amount of the variable remuneration is “particularly high”, i.e. is equal to or higher than 430,000 Euros (i.e. 25% of the total average remuneration of the Italian High Earners, according to the EBA 2016 Report), the ad hoc rules defined with respect to deferral and involved parties by Bank of Italy in Circular 285/2014 are applied proportionately as an intermediate Group.

MERGER VIA INCORPORATION OF BANCA POPOLARE DI SPOLETO IN BANCO DI DESIO E DELLA BRIANZA

In consideration of the draft merger resolved by the Board of Directors of the Parent Company and by the Board of Directors of the Subsidiary Banca Popolare di Spoleto on 11 December 2018, which provides the execution of the merger deed in June 2019 and the effective date of the merger on 1 July 2019, and provided that said draft be approved by the Shareholders’ Meetings of the involved Companies and be executed, for the year 2019 for the definition of the variable remuneration system of the identified staff of the company taken over, the reference parameter for profitability shall consist of the profitability and of the risk-corrected profitability defined for the new destination company, while with regard to the target bonus of the resources distinguished according to role (Senior, Risk takers, control Departments), the effective date of the merger shall be the demarkation line for the personnel of the company taken over, which shall be evaluated *pro rata temporis*:

- before the merger on the basis of the office held in the company taken over

- after the merger on the basis of the office held in the new destination company.

Concerning the situations pertaining to the previous years of the identified staff of the company taken over, the verification of the malus provided by the Plan will be carried out on the surviving company.

3.2.5 Remuneration of Identified Staff for the year 2018

Incentive plan for Banco Desio Group management

The verification of the final balance data expressed by the Group in the financial year 2018 has highlighted

- the achievement of the “gate” targets of liquidity and capital,
- the missed attainment of the “gate” target of profitability,
- the activation of the incentive system for the management of the Banco Desio Group not belonging to the control departments was subordinated to the achievement of all aforesaid “gates”.

Consequently, no bonus was accrued for the identified staff not included in the control departments identified in the Parent Company and the Subsidiaries.

Regarding, instead, the identified staff belonging to the control departments, in consideration of the positive adjusted consolidated profit from current operations before taxes and of the positive adjusted individual profit from current operations before taxes: the profitability condition prescribed by the Plan was positively verified both for the Parent Company and for the Subsidiaries.

Moreover, the conditions laid down in the Plan for the payment of the second deferred portion of the bonus accrued in the 2016 financial year and of the first deferred portion of the bonus accrued in the 2017 financial year occurred with regard to the identified staff not belonging to the control departments of the Parent Company and of the Subsidiaries Banca Popolare di Spoleto and Fides were not satisfied.

Instead, the conditions for the payment of the second deferred portion of the bonus accrued in the 2016 financial year and of the first deferred portion of the bonus accrued in the 2017 financial year of identified staff belonging to the control departments were satisfied.

The calculation of the amounts to be paid will be carried out, in accordance with the Plan, on the basis of the comparison between the average price of the Banco Desio ordinary share in the 30 days prior to the date of approval of the Consolidated Financial Statements by the Shareholders' Meeting and the average price of the Banco Desio ordinary share in the 30 days prior to the year t+1, with a corridor of +/- 20%.

The detailed quantitative representation is set out in the tables below:

Remuneration of Banco Desio Group Identified Staff year 2018

| Category | no. resources | Fixed remuneration | variable remuneration accrued in financial year 2018 | of which correlated to performance of the stock | incidence of variable remuneration on fixed one |
|---------------------|---------------|--------------------|--|---|---|
| Senior | 7 | 1,804,231 | 35,031 | - | 2% |
| Risk Takers | 14 | 1,839,523 | - | - | 0% |
| Control Departments | 7 | 837,459 | 125,619 | 0 | 15% |
| Total | 28 | 4,481,213 | 160,650 | 0 | |

| Differimento remunerazione variabile | | | |
|--------------------------------------|---|---|---|
| Categoria | Retribuzione Variabile Differita maturata nell'esercizio 2018 | Retribuzione variabile differita di competenza di esercizi precedenti erogata nell'anno * | Retribuzione Variabile Differita da verificare in esercizi successivi |
| Apicali | 21.018 | 20.769 | 31.818 |
| Risk Taker | - | - | 321.417 |
| Funzioni di Controllo | 75.371 | 58.099 | 112.051 |
| Totale | 96.390 | 78.868 | 465.287 |

(*) Amounts subject to correction of performances that will be adjusted on the basis of the performance of the ordinary Banco Desio Spa stock with the exception of those referred to the control departments.

| Pay mix | | | | |
|-----------------------|----------------------------------|---|---|---|
| Categorie | Retribuzione Fissa (cash) | Retribuzione Variabile non Differita | Retribuzione Variabile Differita | Incidenza retribuzione variabile |
| Apicali | 98,10% | 0,76% | 1,14% | 1,94% |
| Risk Taker | 100,00% | 0,00% | 0,00% | 0,00% |
| Funzioni di Controllo | 86,96% | 5,22% | 7,83% | 15,00% |

To accompany the above “ex post” information on the implementation of the Remuneration Policies, we note the following:

i. the Remuneration Committee, during 2018, met 10 times (two meetings were held jointly with the Appointments Committee), during which the main issues were discussed related to the implementation and adjustment of the remuneration policies described in the Report in question, as well as the refinement of some provisions of the Plan to regulate extraordinary entries and transactions.

ii. The Chief Auditing Officer conducted an audit in relation to the Remuneration and Incentive Policies adopted in 2018 and in relation to the policies applied with respect to the results of the 2017 financial year.

The Remuneration and Incentive Policies adopted were correctly carried out regarding the matter of identified staff, compliance with the limits of incidence of the variable remuneration in accordance with the categories of beneficiaries, verification of the achievement of the "gate" targets. Based upon the checks conducted, the bonuses paid to staff with reference to the 2017 financial year fall within the parameters defined by the Group's incentive policies. The detailed outcomes of the checks conducted have been brought to the attention of the relevant Bodies and Departments.

iii. The Compliance Department believes that this Report is consistent with the objectives of compliance with the Supervisory Provisions of the Bank of Italy in that regard and with the articles of association.

iiii. The Chief Risk Officer has participated in the process of defining the Remuneration Policies. The gate parameters of liquidity and capital were identified in line with the Group's

risk strategy in accordance with the Risk appetite Policy. The ex post verification of compliance of the levels adopted for the year 2018 gave a positive result.

3.3 The Remuneration Policies for remaining staff

3.3.1 Structure of the remuneration for remaining staff

The elements constituting the remuneration package for remaining staff are the following:

- Fixed annual remuneration: in line with the professional positioning and actual experience, seniority and expertise of the employee, constantly monitored and verified with respect to the market context, taking into consideration the level of experience and professional expertise required for each position.

Indemnities may also be assigned in connection with specific positions, functionally connected to the covered role, related to the fixed component of remuneration.

To complete the remuneration offer, on the basis of a general policy defined at the Company level, employees are offered a package of additional benefits, such as, by way of example, a supplementary pension plan, supplementary forms of insurance and medical cover, as well as the granting of special favourable conditions as regards services provided by the Bank.

- Variable remuneration: constituted by the Company Bonus provided by the National Collective Labour Agreement (Art. 48 19/1/2012 as renewed by agreement of 31/3/2015) and linked to the economic performance of the Company and by a Monetary Incentive Component, which rewards the annual performances in relation to the assigned targets and the results achieved.

If new staff are hired from outside the Group, and only for the first year of employment, entry bonuses may be provided to make the company's proposal more attractive, in compliance with the terms and conditions prescribed by current regulations.

It is also possible to provide, for certain professionals, "retention" policies that may be expressed by way of non-competition agreements (known as "NCA"), stability pacts and agreements for extending the prior notice period, with payment of a specific fee,

assigned after verifying the exceedance of the regulatory capital levels in force at the time.

In addition, at the decision of the General Manager, within a maximum limit of 1% of the budgeted personnel cost, duly adjusted with the variable incentive components (e.g. company bonus, incentive system), specific one-off or exception bonuses (e.g. on the occasion of special projects, excellent behaviours, extraordinary events, severance incentives...), duly justified, paid after verifying that the access conditions have been met.

It is also possible to activate specific sales contests directed at strengthening the pursuit of the sales targets and/or of specific initiatives relating to extraordinary projects. These initiatives, which are exceptional, ancillary and marginal in terms of costs, personal motivation and risk impacts, are a part of the variable component of remuneration and as such they entail dedicated safeguards to ensure compliance with provisions pertaining to conflict of interest and moral hazard behaviour, as well as the preventive tests of the variable remuneration system.

The amount of the Monetary Incentive Component intended for the remaining staff may not individually exceed 20% of the gross annual remuneration and, in any case, also the variable remuneration of the remaining personnel, as a whole, must adhere to the variable/fixed ratio in the limit of 1:1.

3.3.2. The Variable Component of the Remuneration Package

In the Group's Remuneration Policies, the variable component of the remuneration is a performance incentive tool.

The monetary incentive system provided for specific categories of personnel (network and head office) is developed in compliance with a set of guidelines consistent with the general principles on which the Group's remuneration policies are based. In particular, that system:

1. respects the objectives and company values, the long-term strategies and the policies of prudent risk management of the bank. The variable component of the remuneration of network staff does not involve, in fact, the receipt of incentives that may prejudice the

provision of investment services in compliance with the interests of customers or that place the interests of the Group above those of customers;

2. is based upon a methodology of determination of bonuses linked to the achievement of pre-determined targets, assigned through an explicit and shared process;
3. takes into consideration, as regards the remaining staff of the Parent Company, the annual performance of the Group by way of a mechanism that links the amount of maximum expenditure to target levels of adjusted consolidated Profit of current operations before taxes, fixed each year by the Board of Directors;

For the staff of the Subsidiaries, the maximum expenditure is determined for each company, in compliance with the guidelines laid down for the Group, in relation to target levels of the individual adjusted Profit of current operations before taxes. For the Subsidiary Banca Popolare di Spoleto, in consideration of the aforementioned merger, for the year 2019 a summary forecast of contribution to consolidated income and consequently the amount brackets of the Parent Company after the merger were calculated. That mechanism involves the zeroing of the bonus pool in the case of unsatisfactory results and in the case of negative results;

4. subjects the payment of bonuses to the presence of two access conditions (known as “gate” targets) which reflect the level of capital resources and liquidity of the Group in order to make the monetary incentive system sustainable with respect to the Group's financial situation. In particular, those “gate” targets reflect those provided for “identified staff”.

There is no provision for incentive systems based only on commercial targets.

3.3.3 Network Staff of the Banks of the Group

For the remaining staff, the incentive systems provided for network staff of the Banks of the Group meet the dual objective of aligning the performances of the network to the Group's strategic objectives and motivating resources to achieve and maintain excellent performance levels of the activities.

The bonuses of Network Staff, to avoid incorrect commercial practices, are never linked to the offer of specific financial products or policies that condition the obtaining of financing and

require dedicated safeguards, which may lead to the non-payment of the bonus, to ensure compliance with regulations pertaining to anti-money laundering, transparency and correctness in relationships with customers, as well as with the code of ethics and of conduct.

The network staff is made up of the following professional figures:

- Area Managers;
- Branch Managers and Officers;
- Corporate Bankers;
- Private Bankers;
- Affluent Managers
- Other Network Staff.

Area Managers

Having ensured compliance with internal and external regulatory provisions and an adequate level of credit quality, the bonus system for Area Managers involves the assignment of specific targets in order to measure the performance of the Area in relation to a score calculated on the basis of achievement of the assigned budgets for macro aggregates, of which the Income Statement target and the development of business relations are of particular importance. The bonus accrued, having achieved the minimum profit level, is correlated to the score achieved.

Branch Managers and Officers

Having ensured compliance with internal and external regulatory provisions and an adequate level of credit quality, the bonus system for Branch Managers and Officers involves the assignment of specific targets in order to measure the performance of the Branch in relation to a score calculated on the basis of achievement of the assigned budgets for macro aggregates, of which the Income Statement target and the development of business relations are of particular importance. The bonus accrued, having achieved the minimum profit level, is correlated to the score achieved.

Corporate Bankers

Having ensured compliance with internal and external regulatory provisions, an adequate level of credit quality and achieving a minimum commercial development target, the bonus system

for Corporate Bankers involves the assignment of specific targets in order to measure the performance based on a score calculated depending on the achievement of the assigned budgets for macro aggregates and relating to the specific business segment (Corporate credit), among which the Income Statement target is of particular importance. The bonus accrued, having achieved the minimum profit level, is correlated to the score achieved.

Private Bankers

Having ensured compliance with internal and external regulatory provisions, the bonus system for Private Bankers involves the assignment of specific targets in order to measure the performance implemented based upon the achievement of the assigned budgets for macro aggregates and related to the specific business segment, given due compliance with internal and external regulations. For the specific segment, adequate performance of the role is also considered, i.e. the technical-specialistic evaluation, the organisational capabilities and the outcome of customer satisfaction checks.

Affluent Managers

Having ensured compliance with internal and external regulatory provisions, with particular care for the specific mandatory training and the maintenance of functional authorisations to serve in the role (IVASS/ESMA), of a correct management of current operating risks and of “post-sale” assistance activities, the bonus system for Affluent Managers involves the assignment of specific targets in order to measure the performance based on a score calculated depending on the achievement of the assigned budgets for macro aggregates.

Other Network Staff

The attribution of the Monetary Incentive Component to Other Network Staff has as its main objective the attribution of bonuses strictly commensurate to the increase, achieved by the individual peripheral units, of activities deriving from the acquisition of new markets and/or higher market shares, consistently with the Group strategies and it is activated upon achieving the assigned targets. The amount of the bonus accrued is determined in accordance with meritocratic criteria that must respect the principle of proportionality in relation to commercial development, safeguarding of risks and adherence to the performance assessment system and that Branch Managers must propose for their own subordinates.

3.3.4 Office Staff of the Banks of the Group

The Office Staff is constituted by management and clerical staff of the Head Office excluding the “identified staff”. For Office Staff, the methodology of determining bonuses is linked to the achievement of general targets and is aimed at recognising individual performances. As part of the maximum expenditure established for the bonus system for remaining staff (bonus pool), a maximum amount of expenditure available to the Departments, Areas and Head Office is defined annually, for the payment of bonuses to staff of the individual structures. The subdivision of that maximum expenditure is determined on the basis of many factors related to the achievement of individual and team results and the achievement of particular targets assigned during the year, which constitute the basis for formulating the proposals under the remit of each Office/Area/Department Manager in favour of his/her collaborators. The bonus proposals, consistent with the outcome of the individual performance assessment process, are subsequently submitted for approval by the Resources Department.

3.3.5 Financial Advisors

The remuneration of Financial Advisors is regulated in accordance with the provisions envisaged by the agency contract. Two different components can be recognised within this remuneration.

The recurring component, mainly referring to:

- commissions commensurate to the commission returns of the managed portfolio;
- commissions commensurate to the activity of promoting banking products and services.

The non-recurring component, mainly referring to:

- recognitions referred to specific initiatives directed at promoting the development of the activities, of the managed assets and of the banking products or loans;
- recognitions directed at incentivising the referencing of new financial advisors to be included in the Network;
- recognitions in view of the advisor’s commitment to fulfil a predefined minimum period of collaboration with the Bank.

This second component is paid as part of a specific Bonus pool and it is subject to compliance with the liquidity and capital gate targets set annually for all the incentive systems of the Group. A bonus is paid to each resource subject to the verification of the correctness of the relations with customers, compliance with internal and external regulations, and in the absence of operational risks such as to cause reputational damage.

On the occasion of the first inclusion in the Network of Financial Advisors of the Group, Bonuses can be agreed in favour of the Advisors, in proportion to the deposits provided in a pre-determined period and subordinated to the achievement of qualitative targets. The incentive thus accrued is paid to the Advisor in a time interval that comprises a plurality of years and presupposes continuity of employment with the Group.

3.3.6 Fides Spa Staff

The variable incentive system for the remaining staff of Fides Spa envisages a methodology of determining bonuses connected to the achievement of general targets and aimed at recognising individual performances. As part of the maximum expenditure established for the incentive system for remaining staff (bonus pool) the accrual of bonuses for the individual resources is determined on the basis of a number of factors related to the achievement of individual and team results and the achievement of particular targets assigned during the year.

3.3.7 Brokers

The remuneration of Brokers is regulated in accordance with the regulations provided by the agency contract. Two different components can be recognised within this remuneration.

The recurring component, consisting essentially of the commissions indicated in the agency mandate, which represents the natural fee of the activity carried out by the agent and are not related to the achievement of specific results.

The non-recurring component, essentially referred to remuneration with an incentive value subject to achieving target volumes of turnover. This second component is paid as part of a specific Bonus pool that is activated in the presence of a positive economic result of the subsidiary Fides Spa and it is subject to the verification of the capital adequacy of the Group. Taking into account the availability of the Bonus Pool for Brokers in the presence of adequate profitability of the subsidiary, the level of capital adequacy of the Group is identified as the

minimum regulatory requirement CET1 ratio of the Group $\geq 7.25\%$, corresponding to the minimum regulatory requirement of 7% plus the 2018 SREP coefficient on the CET1, equal to 0.25%, since - at present - the Supervisory Authority's 2019 SREP Analysis is not yet available. A bonus is paid subject to the verification of the correctness of the Broker's relations with customers, compliance with internal and external regulations, and in the absence of operational risks such as to cause reputational damage.

3.4 Malus and Claw back

The bonus may be reduced, down to zero (malus), in case of disciplinary actions or evidence of non-compliance due to excess risk assumption, failure to comply with the code of ethics or of conduct or violation of internal and/or external regulations, including the prohibition to apply personal hedging or insurance strategies on remuneration or on other aspects that may alter or compromise risk alignment. The related decisions are made by the Head of the Resources Department.

The bank proceeds through repayment (claw back) actions, in full or in part, for the variable remuneration already paid and the interruption of the deferred components in case of evidence within 5 years from accrual of the variable remuneration or from payment thereof, of behaviours of the staff who determined or contributed to determine:

- violation of codes of ethics or of conduct, and/or internal or external regulations which led to a significant loss for the Bank and for its clients;
 - violations of the rules of the Consolidated Finance Act pertaining to remuneration and incentive obligations;
 - fraudulent or grossly negligent behaviours to the detriment of the Bank;
- as well as behaviours which led to disciplinary penalties (from suspension of employment to dismissal for just cause or justified subjective reason).

These provisions are independent with respect to any compensatory or disciplinary profiles and they are activated taking also into account the contribution and tax profiles relating to these matters.

3.5 Implementation of remuneration policies for remaining personnel for the year 2018

With reference to the financial year 2018, the “gate” targets of capital adequacy and liquidity have been achieved. The bonuses for individual beneficiaries are being defined within the maximum expenditure determined on the basis of Consolidated adjusted profit of current operations before taxes and in scrupulous compliance with the individual limit to the incidence of monetary incentive Component on fixed remuneration of 20% and, in general, in compliance with the established limits.

4. Compensation in the event of resignation or termination of employment and individual pension benefits

The Banco Desio Group adopts the following criteria for determining the compensation to be paid in the case of early conclusion of the employment relationship or early termination from the office:

- **A) for all staff**
 - the limit to the compensation is established at 2 years of fixed remuneration. For staff recruited on a subordinate employment contract, any definition of compensation for termination of the employment relationship determined within the limits mentioned above is understood to supplement the indemnity in lieu of advance notice and to replace the possible additional applications regulated by the National Collective Labour Agreement;
 - the total sum paid to an individual resource may not in any case exceed the limit of 1.5 million Euros, the related amount is subject to claw back;
 - any remuneration paid is subject to the same malus and clawback rules prescribed for variable remuneration, in particular, the Bank shall seek repayment of the amounts paid in case of ascertainment, within 5 years from the payment of the immediate component or of the deferred component, of behaviours on the part of the employees, directors or collaborators benefiting from such behaviours during their employment, in violation of internal or external rules or regulations, which entailed for the Bank a loss considered “significant”, of violation of the conditions and of the limits for the assumption

of risk activities with respect to those who can exercise an influence on the management of the Bank and of the parties connected therewith (in accordance with Article 53 Paragraphs 4 et seq. of the Consolidated Banking Law), of violation of the remuneration and incentive obligations and of fraudulent behaviours and of gross negligence, with reference to Executives with Strategic Responsibility, in case of data pertaining to the Gates or vesting conditions that were subsequently revealed to be manifestly erroneous.

B) for the identified staff, in addition to the criteria indicated in A) above

- the amount is determined taking also into account the individual results of the person and the conditions of liquidity, capital and income of the Bank;
- with reference to professionals with particularly relevant characteristics, such that termination of employment could determine risks, the Bank reserves the right to define, from time to time, non-competition agreements that provide the recognition of an amount commensurate with the duration and breadth of the constraint deriving from the agreement itself after the conclusion of the employment relationship and/or cessation of the office.

In accordance with regulatory provisions, if the related amounts are defined within the limit of one year of fixed remuneration, they are not subject to verification of the alignment with the overall results of the Bank, individual performance or duration of the employment relationship or to the rules pertaining to the specification of the payment, with particular reference to the deferral, malus and composition between cash and financial instruments.

- “Golden Parachutes” are included in the calculation of the proportion of the variable remuneration with respect to the fixed remuneration of the last year of employment or of permanence in office, with the exception of:
 - Amounts agreed and recognised by a non-competition agreement, for the portion that, for each year of duration of the agreement, does not exceed the last year of fixed remuneration;
 - Amounts agreed and recognised within the scope of an agreement between the bank and the staff, however reached, for the settlement of a current or potential dispute defined multiplying

- 2 months of pay for Risk Takers
- 6 months of pay for control departments

of total annual remuneration (gross annual remuneration of the last year with the addition of the average of the amounts recognised by way of annual incentivising system, be it up-front or deferred, in the previous two years) times the number of years of seniority

in any case within the maximum amount defined by the Shareholders' Meeting.

- the amount will be paid by the methods provided for variable remuneration of risk taker staff (deferral, correlation to performance of the stock for staff not belonging to control departments, malus, claw back).

For identified staff recruited on a subordinate employment contract, the payment methods provided for the variable remuneration of identified risk taker staff will apply for the portion of compensation that may exceed the prior notice calculated in accordance with the provisions of the National Collective Labour Agreement and for the amount of the NCA that exceeds the last year of fixed remuneration.

C) for the remaining personnel, in addition to the criteria indicated in A) above:

- the amounts agreed in view or on the occasion of the early conclusion of the employment are included in the calculation of the proportion of the variable remuneration with respect to the fixed remuneration of the last year of employment or of permanence in office, with the exception of:

- Amounts agreed and recognised within the scope of an agreement between the bank and the staff, however reached, for the settlement of a current or potential dispute defined multiplying

- 2 months of the total annual remuneration (gross annual remuneration of the last year with the addition of the average of the amounts recognised by way of monetary incentive component in the previous two years) times the number of years of seniority

in any case within the maximum amount defined by the Shareholders' Meeting.

- With reference to professionals with particularly relevant characteristics, such that termination of employment could determine risks, the Bank reserves the right to define, from time to time, non-competition agreements that provide the recognition of an amount commensurate with the duration and breadth of the constraint deriving from the agreement itself after the conclusion of the employment relationship and/or cessation of the office.
In accordance with regulatory provisions, if the related amounts are defined within the limit of one year of fixed remuneration, they are not subject to the limit to the variable/fixed ratio, as defined by the present provisions.

The provisions of Circular 285 Paragraph 2.2.3 “Derogation” point 1 with regard to severance incentives.

At present, no resource of the Group is provided with additional indemnities to those provided by the employment contract or by the Italian Civil Code in the case of resignation or termination of the relationship. There are no agreements that involve the assignment or maintenance of non-monetary benefits in favour of persons who have ceased their office (known as post-retirement perks).

No discretionary pension benefits are provided.

No indemnities for terminations were paid to identified staff in 2018.

Data transmission obligations

In 2018, the Parent Company assumed the obligation to transmit on an annual basis to the Bank of Italy the remuneration data, as they are established in the Communication of 7 October 2014 promulgated in accordance with Article 75 of CRD IV.

SECTION II

This Section of the report provides a representation of the items that make up the remuneration of the management and control bodies, as well as the general managers and Vice general managers of the Parent Company and of the Subsidiary Banca Popolare di Spoleto, with the aim of highlighting the consistency with the general Policy described in Section I.

Chairman of the Parent Company

The fixed compensation of Mr. Stefano Lado for the office of Chairman and member of the Remuneration Committee amounted to 665,400 Euros (of which 5,400 for attendance fees).

There is no provision for compensation at the end of the office due to resignation or termination of the relationship.

Vice Chairman of the Parent Company

The fixed compensation of Mr. Tommaso Cartone for the office of Vice Chairman/AISCI and member of the Risk Control Committee amounted to 355,400 Euros (of which 5,400 Euros for attendance fees).

There is no provision for compensation at the end of the office due to resignation or termination of the relationship.

Executive Directors of the Parent Company

Messrs Agostino Gavazzi, Egidio Gavazzi, Tito Gavazzi, Paolo Gavazzi and Graziella Bologna receive, in addition to the fixed remuneration for the office of Directors, an additional fee in the capacity of members of the Executive Committee, as well as the payment of attendance fees, as provided by the Group's remuneration policy.

There is no provision for compensation at the end of the office due to resignation or termination of the relationship.

Non-Executive Directors of the Parent Company

Messrs Gerolamo Pellicanò, Cristina Finocchi Mahne, Gigliola Zecchi Balsamo, Marina Brogi and Nicolò Dubini receive fixed remuneration for the office of Directors, an additional fee for participating in Committees, as well as the payment of attendance fees, as provided by the Group's remuneration policy.

There is no provision for compensation at the end of the office due to resignation or termination of the relationship.

The following is specified:

- Starting from 22 March 2018, the Control and Risk Committee, the Appointments Committee and the Remuneration Committee ceased to exist as a result of the decisions consequent to the “delisting” of the shares of the Subsidiary Banca Popolare di Spoleto SpA, while the mandate of the Committee for Transactions with Associated Parties is still extant.

General Manager of the Parent Company

Mr Angelo Antoniazzi received total gross compensation of 475,385 Euros. The value of the non-monetary benefits package assigned to the General Manager amounted to 3,842 Euros.

There is no provision for compensation at the end of the office due to resignation or termination of the relationship.

Concerning the offices held by the General Manager of the Parent Company in the Subsidiaries in 2018, the following is specified:

- Starting from 9 May 2018, Mr. Angelo Antoniazzi has also held the office of Director of the Subsidiary Fides SpA. The related gross annual compensation of 10,000 Euros is paid in accordance with current Policies;

Managers with Strategic Responsibilities of the Parent Company

The “Substitute” Vice General Manager Mr Mauro Walter Colombo, received total gross remuneration of 253,846 Euros. The value of the non-monetary benefits package amounted to 3,811 Euros.

With reference to the Incentive plan for management of the Group, Mr Mauro Walter Colombo, due to the office of Manager responsible for drawing up the accounting documents, is the beneficiary of the incentive system for staff belonging to the control departments. As part of the mentioned Plan, he accrued a variable remuneration of 43,788 Euros in the 2018 financial year. The results of the 2018 consolidated financial statements also allow the payment of the second deferred portion of the Bonus accrued in 2016 of 9,969 Euros and of the first deferred portion of the Bonus accrued in 2017 of 10,800 Euros.

There is no provision for compensation at the end of the office due to resignation or termination of the relationship.

The “Business” Vice General Manager, Mr Maurizio Ballabio, received total gross remuneration of 243,846 Euros. The value of the non-monetary benefits package amounted to 3,405 Euros.

There is no provision for compensation at the end of the office due to resignation or termination of the relationship.

Chairman of the Subsidiary

The fixed annual remuneration of Mr Tommaso Cartone for the office of Chairman of the Subsidiary Banca Popolare di Spoleto amounted to 255,400 Euros (of which 5,400 Euros for attendance fees).

In accordance with the remuneration policies of the Group, no additional indemnities are provided in addition to those prescribed by the employment agreement or by the Italian Civil Code in the case of resignation or termination of the employment.

Vice Chairman of the Subsidiary

The fixed annual remuneration of Mr Argante Del Monte, Vice Chairman of the Subsidiary Banca Popolare di Spoleto, non-executive Director (see below) and member of board Committees, amounted to 106,658 Euros in addition to 5,700 Euros for attendance fees.

Executive Directors of the Subsidiary

Messrs Gerolamo Gavazzi, Claudio Broggi, Graziella Bologna and Giorgio Rossin (ceased with the Shareholders' Meeting of 22 March 2018) receive, in addition to the fixed remuneration for the office of Directors, amounting to 50,000 Euros, an additional fee in the capacity of members of the Executive Committee (amounting to 40,000 Euros for the Chairman Mr Gerolamo Gavazzi and amounting to 20,000 Euros for the other members Messrs Broggi, Bologna and Rossin), as well as the payment of attendance fees (amounting to 300 Euros), as provided by the Group's remuneration policy.

The following is specified:

- Mr. Giorgio Rossin left office due to the expiration of his mandate on 22 March 2018

Non-Executive Directors of the Subsidiary

Mr Argante Del Monte (see above), Giada Fantini Maria Rita Mantovani, Marino Marrazza, Francesco Quadraccia, Laura Tulli and Leodino Galli receive the fixed remuneration for the office of Directors amounting to 50,000 Euros, a possible additional fee for participating in each Committee, amounting to 10,000 Euros (15,000 Euros for the office of Chairman of each Committee), as well as the payment of attendance fees (amounting to 300 Euros), as provided by the Group's remuneration policy.

General Manager of the Subsidiary

Mr Ippolito Fabris received, for the office of General Manager of Banca Popolare di Spoleto, compensation of 300,000 Euros. The value of the non-monetary benefits package assigned to the General Manager amounted to 4,245 Euros.

In accordance with the remuneration policies of the Group, no additional indemnities are provided in addition to those prescribed by the employment agreement or by the Italian Civil Code in the case of resignation or termination of the employment.

Manager with strategic responsibilities

The Vice General Manager Mr Massimo Barazzetta, Manager with Strategic Responsibilities, received during the period total gross remuneration of 200,000 Euros, in addition to 4,172 Euros relating to the value of the package of non-monetary benefits.

In accordance with the remuneration policies of the Group, no additional indemnities are provided in addition to those prescribed by the employment agreement or by the Italian Civil Code in the case of resignation or termination of the employment.

Desio, 7 February 2019

On behalf of the Board of Directors

The Chairman

(Mr. Stefano LADO)

TABELLA 1: Compensi corrisposti ai componenti degli organi di amministrazione e di controllo, ai direttori generali e agli altri Dirigenti con responsabilità strategiche.

| Nome e cognome | Carica | Periodo per cui è stata ricoperta la carica | Scadenza della carica | Compensi fissi | Compensi per la partecipazione a comitati | Compensi variabili non equity | | Benefici non monetari | Altri compensi | Totale | Fair Value dei compensi equity | Indennità di fine carica o di cessazione del rapporto di lavoro |
|---|-------------|---|-------------------------------------|---|---|-------------------------------|---------------------------|-----------------------|----------------|---------|--------------------------------|---|
| | | | | | | Bonus e altri incentivi | Partecipazione agli utili | | | | | |
| Agostino Gavazzi | Consigliere | 01/01/18 - 31/12/18 | data approvazione bilancio del 2019 | | | | | | | | | |
| I) Compensi nella società che redige il bilancio | | | | 74.200 | 50.900 | | | | | 125.100 | | |
| (II) Compensi da controllate e collegate | | | | | | | | | | 0 | | |
| (III) Totale | | | | 74.200 | 50.900 | | | | | 125.100 | | |
| <i>Note</i> | | | | I) di cui: - 70.000 euro per la carica di Consigliere - 4.200 euro come gettoni di presenza | I) di cui: - 50.000 euro per la carica di Presidente del Comitato Esecutivo - 900 euro come gettoni di presenza | | | | | | | |

| Nome e cognome | Carica | Periodo per cui è stata ricoperta la carica | Scadenza della carica | Compensi fissi | Compensi per la partecipazione a comitati | Compensi variabili non equity | | Benefici non monetari | Altri compensi | Totale | Fair Value dei compensi equity | Indennità di fine carica o di cessazione del rapporto di lavoro |
|---|-------------------|---|-------------------------------------|---|--|-------------------------------|---------------------------|-----------------------|----------------|---------|--------------------------------|---|
| | | | | | | Bonus e altri incentivi | Partecipazione agli utili | | | | | |
| Stefano Lado | <i>Presidente</i> | 01/01/18 - 31/12/18 | data approvazione bilancio del 2019 | | | | | | | | | |
| I) Compensi nella società che redige il bilancio | | | | 655.400 | 10.000 | | | | | 665.400 | | |
| (II) Compensi da controllate e collegate | | | | | | | | | | | | |
| (III) Totale | | | | 655.400 | 10.000 | | | | | 665.400 | | |
| <i>Note</i> | | | | I) di cui: - 580.000 euro come compenso per la carica di Presidente - 70.000 euro come compenso per la carica di Consigliere - 5.400 euro come gettoni di presenza | I) di cui: - 10.000 euro come membro del Comitato Remunerazione | | | | | | | |

| Nome e cognome | Carica | Periodo per cui è stata ricoperta la carica | Scadenza della carica | Compensi fissi | Compensi per la partecipazione a comitati | Compensi variabili non equity | | Benefici non monetari | Altri compensi | Totale | Fair Value dei compensi equity | Indennità di fine carica o di cessazione del rapporto di lavoro |
|---|--------------------|---|-------------------------------------|---|--|-------------------------------|---------------------------|-----------------------|----------------|---------|--------------------------------|---|
| | | | | | | Bonus e altri incentivi | Partecipazione agli utili | | | | | |
| Tommaso Cartone | Vice Presidente | 01/01/18 - 31/12/18 | data approvazione bilancio del 2019 | | | | | | | | | |
| I) Compensi nella società che redige il bilancio | | | | 345.400 | 10.000 | | | 0 | | 355.400 | | |
| (II) Compensi da controllate e collegate | | | | 255.400 | | | | | | 255.400 | | |
| (III) Totale | | | | 600.800 | 10.000 | | | 0 | | 610.800 | | |
| <i>Note</i> | | | | I) di cui: - 270.000 euro come compenso per la carica di Vice Presidente - 70.000 euro come compenso per la carica di Consigliere - 5.400 euro come gettoni di presenza II) di cui: - 250.000 euro come Presidente della società Banca Popolare di Spoleto oltre a 5.400 euro per gettoni di presenza. | I) 10.000 euro come membro del Comitato Controllo e Rischi | | | | | | | |

| Nome e cognome | Carica | Periodo per cui è stata ricoperta la carica | Scadenza della carica | Compensi fissi | Compensi per la partecipazione a comitati | Compensi variabili non equity | | Benefici non monetari | Altri compensi | Totale | Fair Value dei compensi equity | Indennità di fine carica o di cessazione del rapporto di lavoro |
|---|-------------|---|-------------------------------------|---|---|-------------------------------|---------------------------|-----------------------|----------------|---------|--------------------------------|---|
| | | | | | | Bonus e altri incentivi | Partecipazione agli utili | | | | | |
| Egidio Gavazzi | Consigliere | 01/01/18 31/12/18 | data approvazione bilancio del 2019 | | | | | | | | | |
| I) Compensi nella società che redige il bilancio | | | | 73.900 | 31.200 | | | | | 105.100 | | |
| (II) Compensi da controllate e collegate | | | | | | | | | | | | |
| (III) Totale | | | | 73.900 | 31.200 | | | | | 105.100 | | |
| <i>Note</i> | | | | I) di cui: - 70.000 euro per la carica di Consigliere - 3.900 euro come gettoni di presenza | I) di cui: - 30.000 euro come membro del Comitato Esecutivo - 1.200 euro come gettoni di presenza | | | | | | | |

| Nome e cognome | Carica | Periodo per cui è stata ricoperta la carica | Scadenza della carica | Compensi fissi | Compensi per la partecipazione a comitati | Compensi variabili non equity | | Benefici non monetari | Altri compensi | Totale | Fair Value dei compensi equity | Indennità di fine carica o di cessazione del rapporto di lavoro |
|---|-------------|---|-------------------------------------|---|---|-------------------------------|---------------------------|-----------------------|----------------|---------|--------------------------------|---|
| | | | | | | Bonus e altri incentivi | Partecipazione agli utili | | | | | |
| Paolo Gavazzi | Consigliere | 01/01/18 31/12/18 | data approvazione bilancio del 2019 | | | | | | | | | |
| I) Compensi nella società che redige il bilancio | | | | 74.200 | 30.900 | | | | | 105.100 | | |
| (II) Compensi da controllate e collegate | | | | | | | | | | | | |
| (III) Totale | | | | 74.200 | 30.900 | | | | | 105.100 | | |
| <i>Note</i> | | | | I) di cui: - 70.000 euro per la carica di Consigliere - 4.200 euro come gettoni di presenza | I) di cui: - 30.000 euro come membro del Comitato Esecutivo - 900 euro come gettone di presenza | | | | | | | |

| Nome e cognome | Carica | Periodo per cui è stata ricoperta la carica | Scadenza della carica | Compensi fissi | Compensi per la partecipazione a comitati | Compensi variabili non equity | | Benefici non monetari | Altri compensi | Totale | Fair Value dei compensi equity | Indennità di fine carica o di cessazione del rapporto di lavoro |
|---|-------------|---|-------------------------------------|---|--|-------------------------------|---------------------------|-----------------------|----------------|--------|--------------------------------|---|
| | | | | | | Bonus e altri incentivi | Partecipazione agli utili | | | | | |
| Cristina Finocchi Mahne | Consigliere | 01/01/18 31/12/18 | data approvazione bilancio del 2019 | | | | | | | | | |
| I) Compensi nella società che redige il bilancio | | | | 74.800 | 25.000 | | | | | 99.800 | | |
| (II) Compensi da controllate e collegate | | | | | | | | | | | | |
| (III) Totale | | | | 74.800 | 25.000 | | | | | 99.800 | | |
| <i>Note</i> | | | | I) di cui: - 70.000 euro per la carica di Consigliere - 4.800 euro come gettoni di presenza | I) di cui: - 25.000 euro come membro del Comitato Controllo e Rischi e Presidente del Comitato Nomine | | | | | | | |

| Nome e cognome | Carica | Periodo per cui è stata ricoperta la carica | Scadenza della carica | Compensi fissi | Compensi per la partecipazione a comitati | Compensi variabili non equity | | Benefici non monetari | Altri compensi | Totale | Fair Value dei compensi equity | Indennità di fine carica o di cessazione del rapporto di lavoro |
|---|-------------|---|-------------------------------------|---|---|-------------------------------|---------------------------|-----------------------|----------------|---------|--------------------------------|---|
| | | | | | | Bonus e altri incentivi | Partecipazione agli utili | | | | | |
| Gerolamo Pellicanò | Consigliere | 01/01/18 31/12/18 | data approvazione bilancio del 2019 | | | | | | | | | |
| I) Compensi nella società che redige il bilancio | | | | 75.400 | 25.000 | | | | | 100.400 | | |
| (II) Compensi da controllate e collegate | | | | | | | | | | | | |
| (III) Totale | | | | 75.400 | 25.000 | | | | | 100.400 | | |
| <i>Note</i> | | | | I) di cui: - 70.000 euro per la carica di Consigliere - 5.400 euro come gettoni di presenza | I) di cui: - 25.000 euro come Presidente del Comitato Controllo e Rischi e membro del Comitato Remunerazione | | | | | | | |

| Nome e cognome | Carica | Periodo per cui è stata ricoperta la carica | Scadenza della carica | Compensi fissi | Compensi per la partecipazione a comitati | Compensi variabili non equity | | Benefici non monetari | Altri compensi | Totale | Fair Value dei compensi equity | Indennità di fine carica o di cessazione del rapporto di lavoro |
|---|-------------|---|-------------------------------------|---|---|-------------------------------|---------------------------|-----------------------|----------------|--------|--------------------------------|---|
| | | | | | | Bonus e altri incentivi | Partecipazione agli utili | | | | | |
| Gigliola Zecchi Balsamo | Consigliere | 01/01/18 31/12/18 | data approvazione bilancio del 2019 | | | | | | | | | |
| I) Compensi nella società che redige il bilancio | | | | 73.900 | 20.000 | | | | | 93.900 | | |
| (II) Compensi da controllate e collegate | | | | | | | | | | | | |
| (III) Totale | | | | 73.900 | 20.000 | | | | | 93.900 | | |
| <i>Note</i> | | | | I) di cui: - 70.000 euro per la carica di Consigliere - 3.900 euro come gettoni di presenza | I) di cui 20.000 euro come membro del Comitato Nomine, e COPC | | | | | | | |

| Nome e cognome | Carica | Periodo per cui è stata ricoperta la carica | Scadenza della carica | Compensi fissi | Compensi per la partecipazione a comitati | Compensi variabili non equity | | Benefici non monetari | Altri compensi | Totale | Fair Value dei compensi equity | Indennità di fine carica o di cessazione del rapporto di lavoro |
|---|-------------|---|-------------------------------------|---|--|-------------------------------|---------------------------|-----------------------|----------------|--------|--------------------------------|---|
| | | | | | | Bonus e altri incentivi | Partecipazione agli utili | | | | | |
| Marina Brogi | Consigliere | 01/01/18 31/12/18 | data approvazione bilancio del 2019 | | | | | | | | | |
| I) Compensi nella società che redige il bilancio | | | | 74.800 | 25.000 | | | | | 99.800 | | |
| (II) Compensi da controllate e collegate | | | | | | | | | | | | |
| (III) Totale | | | | 74.800 | 25.000 | | | | | 99.800 | | |
| <i>Note</i> | | | | I) di cui: - 70.000 euro per la carica di Consigliere - 4.800 euro come gettoni di presenza | I) di cui - 25.000 euro come Presidente COPC e membro del Comitato Nomine | | | | | | | |

| Nome e cognome | Carica | Periodo per cui è stata ricoperta la carica | Scadenza della carica | Compensi fissi | Compensi per la partecipazione a comitati | Compensi variabili non equity | | Benefici non monetari | Altri compensi | Totale | Fair Value dei compensi equity | Indennità di fine carica o di cessazione del rapporto di lavoro |
|---|-------------|---|-------------------------------------|---|---|-------------------------------|---------------------------|-----------------------|----------------|---------|--------------------------------|---|
| | | | | | | Bonus e altri incentivi | Partecipazione agli utili | | | | | |
| Nicolò Dubini | Consigliere | 01/01/18 31/12/18 | data approvazione bilancio del 2019 | | | | | | | | | |
| I) Compensi nella società che redige il bilancio | | | | 75.400 | 25.000 | | | | | 100.400 | | |
| (II) Compensi da controllate e collegate | | | | | | | | | | | | |
| (III) Totale | | | | 75.400 | 25.000 | | | | | 100.400 | | |
| <i>Note</i> | | | | I) di cui: - 70.000 euro per la carica di Consigliere - 5.400 euro come gettoni di presenza | I) di cui - 25.000 euro come Presidente Comitato Remunerazione e membro del COPC | | | | | | | |

| Nome e cognome | Carica | Periodo per cui è stata ricoperta la carica | Scadenza della carica | Compensi fissi | Compensi per la partecipazione a comitati | Compensi variabili non equity | | Benefici non monetari | Altri compensi | Totale | Fair Value dei compensi equity | Indennità di fine carica o di cessazione del rapporto di lavoro |
|---|-------------|---|-------------------------------------|--|---|-------------------------------|---------------------------|-----------------------|----------------|---------|--------------------------------|---|
| | | | | | | Bonus e altri incentivi | Partecipazione agli utili | | | | | |
| Tito Gavazzi | Consigliere | 01/01/18 31/12/18 | data approvazione bilancio del 2019 | | | | | | | | | |
| I) Compensi nella società che redige il bilancio | | | | 74.350 | 31.050 | | | | | 105.400 | | |
| (II) Compensi da controllate e collegate | | | | 10.000 | | | | | | 10.000 | | |
| (III) Totale | | | | 84.350 | 31.050 | | | | | 115.400 | | |
| <i>Note</i> | | | | I) di cui: - 70.000 euro per la carica di Consigliere - 4.350 euro come gettoni di presenza II) di cui: - 10.000 euro come Consigliere della società Fides | I) - 30.000 euro come membro del Comitato Esecutivo - 1.050 euro come gettoni di presenza | | | | | | | |

| Nome e cognome | Carica | Periodo per cui è stata ricoperta la carica | Scadenza della carica | Compensi fissi | Compensi per la partecipazione a comitati | Compensi variabili non equity | | Benefici non monetari | Altri compensi | Totale | Fair Value dei compensi equity | Indennità di fine carica o di cessazione del rapporto di lavoro |
|---|-------------|---|-------------------------------------|---|---|-------------------------------|---------------------------|-----------------------|----------------|---------|--------------------------------|---|
| | | | | | | Bonus e altri incentivi | Partecipazione agli utili | | | | | |
| Graziella Bologna | Consigliere | 01/01/18 31/12/18 | data approvazione bilancio del 2019 | | | | | | | | | |
| I) Compensi nella società che redige il bilancio | | | | 74.350 | 31.050 | | | | | 105.400 | | |
| (II) Compensi da controllate e collegate | | | | 75.400 | | | | | | 75.400 | | |
| (III) Totale | | | | 149.750 | 31.050 | | | | | 180.800 | | |
| <i>Note</i> | | | | I) di cui: - 70.000 euro per la carica di Consigliere - 4.350 euro come gettoni di presenza II) di cui: - 70.000 euro per la carica di Consigliere di BPS oltre a 5.400 euro per gettoni di presenza. | I) - 30.000 euro come membro del Comitato Esecutivo - 1.050 euro come gettoni di presenza | | | | | | | |

| Nome e cognome | Carica | Periodo per cui è stata ricoperta la carica | Scadenza della carica | Compensi fissi | Compensi per la partecipazione a comitati | Compensi variabili non equity | | Benefici non monetari | Altri compensi | Totale | Fair Value dei compensi equity | Indennità di fine carica o di cessazione del rapporto di lavoro |
|---|--------------------|---|-----------------------|--|---|-------------------------------|---------------------------|-----------------------|----------------|---------|--------------------------------|---|
| | | | | | | Bonus e altri incentivi | Partecipazione agli utili | | | | | |
| Angelo Antoniazzi | Direttore Generale | 1/1/18 – 31/12/18 | | | | | | | | | | |
| I) Compensi nella società che redige il bilancio | | | | 475.385 | | | | 3.842 | | 479.227 | | |
| (II) Compensi da controllate e collegate | | | | 6.493* | | | | | | 6.493 | | |
| (III) Totale | | | | 481.878 | | | | 3.842 | | 485.720 | | |
| <i>Note</i> | | | | I) Euro 475.385 come Retribuzione Annuale Lorda maturata presso BDB II) * Euro 6.493 per la carica di Consigliere dal 9.5.2018 della società Fides, riversati alla Capogruppo | | | | | | | | |

| Nome e cognome | Carica | Periodo per cui è stata ricoperta la carica | Scadenza della carica | Compensi fissi | Compensi per la partecipazione a comitati | Compensi variabili non equity | | Benefici non monetari | Altri compensi | Totale | Fair Value dei compensi equity | Indennità di fine carica o di cessazione del rapporto di lavoro |
|---|---------------------------------|---|-----------------------|-------------------------------|---|-------------------------------|---------------------------|-----------------------|----------------|---------|--------------------------------|---|
| | | | | | | Bonus e altri incentivi | Partecipazione agli utili | | | | | |
| Mauro Walter Colombo | Vice Direttore Generale Vicario | 1/01/18 31/12/18 | | | | | | | | | | |
| I) Compensi nella società che redige il bilancio | | | | 253.846 | | 43.788 | | 3.811 | | 301.445 | | |
| (II) Compensi da controllate e collegate | | | | | | | | | | | | |
| (III) Totale | | | | 253.846 | | 43.788 | | 3.811 | | 301.445 | | |
| Note | | | | I) Retribuzione Annuale Lorda | | | | | | | | |

| Nome e cognome | Carica | Periodo per cui è stata ricoperta la carica | Scadenza della carica | Compensi fissi | Compensi per la partecipazione a comitati | Compensi variabili non equity | | Benefici non monetari | Altri compensi | Totale | Fair Value dei compensi equity | Indennità di fine carica o di cessazione del rapporto di lavoro |
|---|----------------------------------|---|-----------------------|-------------------------------|---|-------------------------------|---------------------------|-----------------------|----------------|---------|--------------------------------|---|
| | | | | | | Bonus e altri incentivi | Partecipazione agli utili | | | | | |
| Maurizio Ballabio | Vice Direttore Generale "Affari" | 01/01/18–31/12/18 | | | | | | | | | | |
| I) Compensi nella società che redige il bilancio | | | | 243.846 | | | | 3.405 | | 247.251 | | |
| (II) Compensi da controllate e collegate | | | | | | | | | | | | |
| (III) Totale | | | | 243.846 | | | | 3.405 | | 247.251 | | |
| Note | | | | I) Retribuzione Annuale Lorda | | | | | | | | |

| Nome e cognome | Carica | Periodo per cui è stata ricoperta la carica | Scadenza della carica | Compensi fissi | Compensi per la partecipazione a comitati | Compensi variabili non equity | | Benefici non monetari | Altri compensi | Totale | Fair Value dei compensi equity | Indennità di fine carica o di cessazione del rapporto di lavoro |
|---|--|---|-------------------------------------|---|---|-------------------------------|---------------------------|-----------------------|----------------|---------|--------------------------------|---|
| | | | | | | Bonus e altri incentivi | Partecipazione agli utili | | | | | |
| Giulia Pusterla | <i>Presidente del Collegio Sindacale</i> | 01/01/18 – 31/12/18 | data approvazione bilancio del 2019 | | | | | | | | | |
| I) Compensi nella società che redige il bilancio | | | | 110.000 | | | | | | 110.000 | | |
| (II) Compensi da controllate e collegate | | | | 60.000 | | | | | | 60.000 | | |
| (III) Totale | | | | 170.000 | | | | | | 170.000 | | |
| <i>Note</i> | | | | I) di cui: - 100.000 euro per la carica di Presidente del Collegio Sindacale - 10.000 euro rimborso spese forfetarie II) di cui: - 60.000 euro come Sindaco effettivo della società BPS | | | | | | | | |

| Nome e cognome | Carica | Periodo per cui è stata ricoperta la carica | Scadenza della carica | Compensi fissi | Compensi per la partecipazione a comitati | Compensi variabili non equity | | Benefici non monetari | Altri compensi | Totale | Fair Value dei compensi equity | Indennità di fine carica o di cessazione del rapporto di lavoro |
|---|----------------|---|-------------------------------------|--|---|-------------------------------|---------------------------|-----------------------|----------------|---------|--------------------------------|---|
| | | | | | | Bonus e altri incentivi | Partecipazione agli utili | | | | | |
| Rodolfo Anghileri | <i>Sindaco</i> | 01/01/18 - 31/12/18 | data approvazione bilancio del 2019 | | | | | | | | | |
| I) Compensi nella società che redige il bilancio | | | | 90.000 | | | | | | 90.000 | | |
| (II) Compensi da controllate e collegate | | | | 15.000 | | | | | | 15.000 | | |
| (III) Totale | | | | 105.000 | | | | | | 105.000 | | |
| <i>Note</i> | | | | I) di cui: - 80.000 euro per la carica di Sindaco - 10.000 euro rimborso spese forfettarie II) 15.000 euro come Sindaco Effettivo della società Fides | | | | | | | | |

| Nome e cognome | Carica | Periodo per cui è stata ricoperta la carica | Scadenza della carica | Compensi fissi | Compensi per la partecipazione a comitati | Compensi variabili non equity | | Benefici non monetari | Altri compensi | Totale | Fair Value dei compensi equity | Indennità di fine carica o di cessazione del rapporto di lavoro |
|---|---------|---|-------------------------------------|--|---|-------------------------------|---------------------------|-----------------------|----------------|--------|--------------------------------|---|
| | | | | | | Bonus e altri incentivi | Partecipazione agli utili | | | | | |
| Franco Fumagalli Romario | Sindaco | 01/01/18 – 31/12/18 | data approvazione bilancio del 2019 | | | | | | | | | |
| I) Compensi nella società che redige il bilancio | | | | 90.000 | | | | | | 90.000 | | |
| (II) Compensi da controllate e collegate | | | | | | | | | | | | |
| (III) Totale | | | | 90.000 | | | | | | 90.000 | | |
| <i>Note</i> | | | | I) di cui: - 80.000 euro per la carica di Sindaco - 10.000 euro per rimborso spese forfettarie | | | | | | | | |

TABELLA 2: Stock-Option assegnate ai componenti dell'organo di amministrazione, ai direttori generali e agli altri dirigenti con responsabilità strategiche.

| A | B | 1 | Opzioni detenute all'inizio dell'esercizio | | | Opzioni assegnate nel corso dell'esercizio | | | | | | Opzioni esercitate nel corso dell'esercizio | | | Opzioni scadute nell'esercizio | Opzioni detenute alla fine dell'esercizio | Opzioni di competenza dell'esercizio |
|---|----------------------------------|-------|--|---------------------|--------------------------------------|--|---------------------|--------------------------------------|--------------------------------------|----------------------|--|---|---------------------|---|--------------------------------|---|--------------------------------------|
| | | | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15=2+5-11-14 | 16 |
| Nome e Cognome | Carica | Piano | Numero opzioni | Prezzo di esercizio | Periodo possibile esercizio (dal-al) | Numero opzioni | Prezzo di esercizio | Periodo possibile esercizio (dal-al) | Fair Value alla data di assegnazione | Data di assegnazione | Prezzo di mercato delle azioni sottostanti all'assegnazione delle azioni | Numero opzioni | Prezzo di esercizio | Prezzo di mercato delle azioni sottostanti alla data di esercizio | Numero opzioni | Numero opzioni | Fair Value |
| | | | | | | | | | | | | | | | | | |
| Compensi nella società che redige il bilancio | Piano A (data relativa delibera) | | | | | | | | | | | | | | | | |
| | Piano B (data relativa delibera) | | | | | | | | | | | | | | | | |
| | Piano C (data relativa delibera) | | | | | | | | | | | | | | | | |
| Compensi da controllate e collegate | Piano A (data relativa delibera) | | | | | | | | | | | | | | | | |
| Totale | | | | | | | | | | | | | | | | | |

Note

Non sono in corso piani di Stock Option

TABELLA 3A: Piani di incentivazione basati su strumenti finanziari diversi dalle stock-option, a favore dei componenti dell'organo di amministrazione, dei direttori generali e degli altri dirigenti con responsabilità strategiche.

| A | B | 1 | Strumenti finanziari assegnati negli esercizi precedenti non vested nel corso dell'esercizio | | Strumenti finanziari assegnati nel corso dell'esercizio | | | | | Strumenti finanziari vested nel corso dell'esercizio e non attribuiti | Strumenti finanziari vested nel corso dell'esercizio ed attribuibili | | Strumenti finanziari di competenza dell'esercizio |
|---|--------|-------|--|--------------------|---|--------------------------------------|--------------------|----------------------|------------------------------------|---|--|---------------------------------|---|
| | | | 2 | 3 | 4 | 5 | 6 | 7 | 8 | | 9 | 10 | |
| Nome e Cognome | Carica | Piano | Numero e tipologia di strumenti finanziari | Periodo di vesting | Numero e tipologia di strumenti finanziari | Fair Value alla data di assegnazione | Periodo di vesting | Data di assegnazione | Prezzo di mercato all'assegnazione | Numero e tipologia di strumenti finanziari | Numero e tipologia di strumenti finanziari | Valore alla data di maturazione | Fair Value |
| | | | | | | | | | | | | | |
| Compensi nella società che redige il bilancio | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| Compensi da controllate e collegate | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| Totale | | | | | | | | | | | | | |

Note

Non sono in corso piani basati su strumenti finanziari diversi dalle stock-option

TABELLA 3B: Piani di incentivazione monetari a favore dei componenti dell'organo di amministrazione, dei direttori generali e degli altri dirigenti con responsabilità strategiche.

| A | B | 1 | 2 | | | 3 | | | 4 |
|---|---|-------|---------------------|-----------|-------------------------|--------------------------|-------------------|------------------|-------------|
| Cognome e Nome | Carica | Piano | Bonus dell'anno | | | Bonus di anni precedenti | | | Altri Bonus |
| Angelo Antoniazzi | Direttore Generale | | (A) | (B) | (C) | (A) | (B) | (C) | |
| | | | Erogabile / Erogato | Differito | Periodo di Differimento | Non più erogabili | Erogabile/Erogati | Ancora Differiti | |
| Compensi nella società che redige il bilancio | Piano di incent. Management del Gruppo 2018 | | | | | 14.175(*) | | 14.175(*) | |
| | Piano B (data relativa delibera) | | | | | | | | |
| | Piano C (data relativa delibera) | | | | | | | | |
| Compensi da controllate e collegate | Piano A (data relativa delibera) | | | | | 51.661(*) | | 13.261(*) | |
| | Piano B (data relativa delibera) | | | | | | | | |
| Totale | | | 0 | 0 | | 65.836(*) | | 27.436(*) | |

(*) L'ammontare del bonus differito effettivamente erogato, secondo quanto previsto dal Piano, potrà incrementarsi o ridursi, sino ad un massimo del +/- 20%, sulla base dell'andamento di borsa del titolo ordinario del Banco Desio e della Brianza Spa nell'arco temporale intercorrente tra la maturazione del bonus e l'epoca di differimento. Il riferimento di prezzo, è costituito, per ciascun esercizio, dalla media del prezzo di Borsa del titolo ordinario nei 30 gg antecedenti la data di approvazione del bilancio.

| A | B | 1 | 2 | | | 3 | | | 4 |
|---|---|-------|---------------------|-----------|-------------------------|--------------------------|-------------------|------------------|-------------|
| Cognome e Nome | Carica | Piano | Bonus dell'anno | | | Bonus di anni precedenti | | | Altri Bonus |
| Mauro Walter Colombo | Vice Direttore Generale Vicario | | (A) | (B) | (C) | (A) | (B) | (C) | |
| | | | Erogabile / Erogato | Differito | Periodo di Differimento | Non più erogabili | Erogabile/Erogati | Ancora Differiti | |
| Compensi nella società che redige il bilancio | Piano di incent. Management del Gruppo 2018 | | 17.515 | 26.273 | 50% 2020 50% 2021 | | 20.769 | 10.800 | |
| | Piano B (data relativa delibera) | | | | | | | | |
| | Piano C (data relativa delibera) | | | | | | | | |
| Compensi da controllate e collegate | Piano A (data relativa delibera) | | | | | | | | |
| | Piano B (data relativa delibera) | | | | | | | | |
| Totale | | | 14.012 | 21.018 | | | 20.769 | 10.800 | |

| A | B | 1 | 2 | | | 3 | | | 4 |
|---|---|-------|---------------------|-----------|-------------------------|--------------------------|-------------------|------------------|-------------|
| Cognome e Nome | Carica | Piano | Bonus dell'anno | | | Bonus di anni precedenti | | | Altri Bonus |
| Maurizio Ballabio | Vice Direttore Generale "Affari" | | (A) | (B) | (C) | (A) | (B) | (C) | |
| | | | Erogabile / Erogato | Differito | Periodo di Differimento | Non più erogabili | Erogabile/Erogati | Ancora Differiti | |
| Compensi nella società che redige il bilancio | Piano di incent. Management del Gruppo 2018 | | | | | 44.438(*) | | 17.250 (*) | |
| | Piano B (data relativa delibera) | | | | | | | | |
| | Piano C (data relativa delibera) | | | | | | | | |
| Compensi da controllate e collegate | Piano A (data relativa delibera) | | | | | | | | |
| | Piano B (data relativa delibera) | | | | | | | | |
| Totale | | | | | | 44.438(*) | | 17.250 (*) | |

(*) L'ammontare del bonus differito effettivamente erogato, secondo quanto previsto dal Piano, potrà incrementarsi o ridursi, sino ad un massimo del +/- 20%, sulla base dell'andamento di borsa del titolo ordinario del Banco Desio e della Brianza Spa nell'arco temporale intercorrente tra la maturazione del bonus e l'epoca di differimento. Il riferimento di prezzo, è costituito, per ciascun esercizio, dalla media del prezzo di Borsa del titolo ordinario nei 30 gg antecedenti la data di approvazione del bilancio.

TABELLA 1 - Partecipazioni in Banco Desio dei componenti degli organi di amministrazione e di controllo e del direttore generale di Banco di Desio e della Brianza SpA.

| Nome e Cognome | Carica ricoperta in Banco Desio | Titolo / Modalità di possesso | azioni ordinarie (al 31.12.2017) | % | Acquisti azioni ordinarie | Vendite azioni ordinarie | Saldo azioni ordinarie (al 31.12.2018) | % | azioni risparmio (al 31.12.2017) | % | Acquisti azioni risparmio | Vendite azioni risparmio | Saldo azioni risparmio (al 31.12.2018) | % |
|-------------------------|---|---|----------------------------------|-------|---------------------------|--------------------------|--|-------|----------------------------------|-------|---------------------------|--------------------------|--|-------|
| Stefano Lado * | Presidente | Proprietà | 2.145.111 | 1,833 | 35.000 | | 2.180.111 | 1,863 | 196.000 | 1,485 | | | 196.000 | 1,485 |
| | | Intestate al coniuge | 6.500 | 0,006 | | | 6.500 | 0,006 | 0 | 0,000 | | | 0 | 0,000 |
| | | Proprietà tramite Vega Finanziaria SpA* | 6.885.730 | 5,885 | | | 6.885.730 | 5,885 | 571.522 | 4,329 | | | 571.522 | 4,329 |
| Tommaso Cartone | Vice Presidente | | 27.500 | 0,024 | | | 27.500 | 0,024 | 0 | 0,000 | | | 0 | 0,000 |
| Graziella Bologna | Consigliere | | 0 | 0,000 | | | 0 | 0,000 | 0 | 0,000 | | | 0 | 0,000 |
| Marina Brogi | Consigliere <i>(nominata dall'Assemblea Ordinaria in data 6 aprile 2017)</i> | | 0 | 0,000 | | | 0 | 0,000 | 0 | 0,000 | | | 0 | 0,000 |
| Nicolò Dubini | Consigliere <i>(nominato dall'Assemblea Ordinaria in data 6 aprile 2017)</i> | | 0 | 0,000 | | | 0 | 0,000 | 0 | 0,000 | | | 0 | 0,000 |
| Cristina Finocchi Mahne | Consigliere | | 0 | 0,000 | | | 0 | 0,000 | 0 | 0,000 | | | 0 | 0,000 |

| Nome e Cognome | Carica ricoperta in Banco Desio | Titolo / Modalità di possesso | azioni ordinarie (al 31.12.2017) | % | Acquisti azioni ordinarie | Vendite azioni ordinarie | Saldo azioni ordinarie (al 31.12.2018) | % | azioni risparmio (al 31.12.2017) | % | Acquisti azioni risparmio | Vendite azioni risparmio | Saldo azioni risparmio (al 31.12.2018) | % |
|-------------------------|--|-------------------------------|----------------------------------|-------|---------------------------|--------------------------|--|-------|----------------------------------|-------|---------------------------|--------------------------|--|-------|
| Agostino Gavazzi | | Proprietà | 78.244 | 0,067 | | | 78.244 | 0,067 | 0 | 0,000 | | | 0 | 0,000 |
| | Consigliere | Nuda Proprietà | 5.500 | 0,005 | | | 5.500 | 0,005 | 0 | 0,000 | | | 0 | 0,000 |
| | | Intestate al coniuge | 2.900 | 0,002 | | | 2.900 | 0,002 | 0 | 0,000 | | | 0 | 0,000 |
| Egidio Gavazzi | Consigliere | Proprietà | 15.000 | 0,013 | | | 15.000 | 0,013 | 0 | 0,000 | | | 0 | 0,000 |
| Paolo Gavazzi | Consigliere | Proprietà | 638.453 | 0,546 | | | 638.453 | 0,546 | 15.004 | 0,114 | | | 15.004 | 0,114 |
| Tito Gavazzi | Consigliere | | 0 | 0,000 | | | 0 | 0,000 | 0 | 0,000 | | | 0 | 0,000 |
| Gerolamo Pellicano' | Consigliere | | 0 | 0,000 | | | 0 | 0,000 | 0 | 0,000 | | | 0 | 0,000 |
| Gigliola Zecchi Balsamo | Consigliere | | 0 | 0,000 | | | 0 | 0,000 | 0 | 0,000 | | | 0 | 0,000 |
| Angelo Antoniazzi | Direttore Generale (nominato dal CdA del 11 luglio 2017 a far data dal 19 luglio 2017) | | 0 | 0,000 | | | 0 | 0,000 | 0 | 0,000 | | | 0 | 0,000 |
| Giulia Pusterla | Presidente del Collegio Sindacale (nominata Presidente del CS dall'Assemblea Ordinaria del 6 aprile 2017) | | 0 | 0,000 | | | 0 | 0,000 | 0 | 0,000 | | | 0 | 0,000 |
| Rodolfo Anghileri | Sindaco Effettivo | | 0 | 0,000 | | | 0 | 0,000 | 20.000 | 0,151 | | | 20.000 | 0,151 |

| Nome e Cognome | Carica ricoperta in Banco Desio | Titolo / Modalità di possesso | azioni ordinarie (al 31.12.2017) | % | Acquisti azioni ordinarie | Vendite azioni ordinarie | Saldo azioni ordinarie (al 31.12.2018) | % | azioni risparmio (al 31.12.2017) | % | Acquisti azioni risparmio | Vendite azioni risparmio | Saldo azioni risparmio (al 31.12.2018) | % |
|--------------------------|--|-------------------------------|----------------------------------|-------|---------------------------|--------------------------|--|-------|----------------------------------|-------|---------------------------|--------------------------|--|-------|
| Franco Fumagalli Romario | Sindaco Effettivo (nominato dall'Assemblea Ordinaria del 6 aprile 2017) | | 5.000 | 0,004 | | 5.000 | 0 | 0,000 | 5.000 | 0,038 | | | 5.000 | 0,038 |
| Erminio Beretta | Sindaco Supplente (nominato dall'Assemblea Ordinaria in data 6 aprile 2017) | | 0 | 0,000 | | | 0 | 0,000 | 0 | 0,000 | | | 0 | 0,000 |
| Massimo Celli | Sindaco Supplente (nominato dall'Assemblea Ordinaria in data 6 aprile 2017) | | 0 | 0,000 | | | 0 | 0,000 | 0 | 0,000 | | | 0 | 0,000 |
| Elena Negonda | Sindaco Supplente | | 0 | 0,000 | | | 0 | 0,000 | 0 | 0,000 | | | 0 | 0,000 |

* Pendente successione Luigi Stefano Lado su una quota pari al 33,33% del capitale di Vega Finanziaria SpA (Stefano Lado è proprietario di un'altra quota pari al 33,33%)

TABELLA 2 - Partecipazioni degli altri Dirigenti con Responsabilità Strategica.

| Nome e Cognome | Carica ricoperta in Banco Desio | Titolo / Modalità di possesso | azioni ordinarie (al 31.12.2017) | % | Acquisti azioni ordinarie | Vendite azioni ordinarie | Saldo azioni ordinarie (al 31.12.2018) | % | azioni risparmio (al 31.12.2017) | % | Acquisti azioni risparmio | Vendite azioni risparmio | Saldo azioni risparmio (al 31.12.2018) | % |
|----------------------|---------------------------------|-------------------------------|----------------------------------|-------|---------------------------|--------------------------|--|-------|----------------------------------|-------|---------------------------|--------------------------|--|-------|
| Mauro Walter Colombo | Vice Direttore Generale Vicario | | 0 | 0,000 | | | 0 | 0,000 | 0 | 0,000 | | | 0 | 0,000 |
| Maurizio Ballabio | Vice Direttore Generale Affari | | 13.000 | 0,011 | | | 13.000 | 0,011 | 0 | 0,000 | | | 0 | 0,000 |