

Nexi Remuneration Policy

Brief presentation

March 2023

About Us: European PayTech

Since its IPO in 2019, the **Nexi Group has evolved profoundly, going from being the largest Italian player in the digital payments market to PayTech leader in Europe**, with significant growth and extending its operations to more than 25 countries.

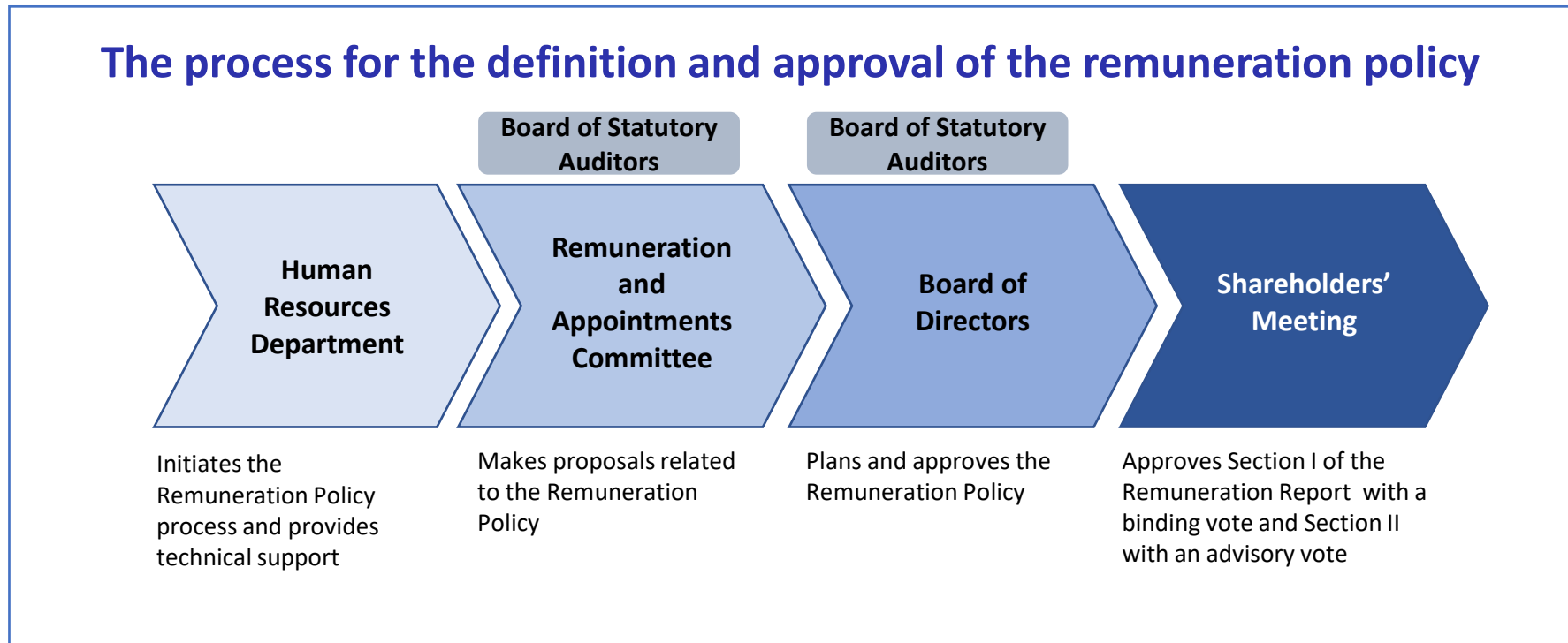
Since 2019, **Nexi has also worked to establish solid ESG foundations with the formal creation of Nexi's Sustainability Policy in 2020, embarking on a path further strengthened in 2022 with the formalisation of the Group-wide ESG Strategy** which is one of the pillars of the strategic plan approved by the Board of Directors and announced during the Capital Market Day in September 2022.

Nexi Group - Strategic Plan and ESG Pillar



Governance: the process for the definition and approval of the remuneration policy

In line with the applicable law on this matter and the guidelines of the Corporate Governance Code, the **process for the definition and approval of the remuneration policy** is developed according to the following phases and involves the following bodies and persons:



Purposes of the Remuneration Policy

The **guidelines** of the remuneration policy are **shaped by Nexi's values and support its business strategy** with the **objective of strengthening the Company's leadership in the management and development of resources** also with respect to the labour market, **with particular reference to the hi-tech and highly innovative sectors.**

PURPOSES

REMUNERATION POLICY

- Create lasting value for shareholders, while respecting the interests of customers and employees;
- Pursue and ensure the sustainable growth of the organisation in the medium-long term, in line with the guidelines of the Company's strategic plan, including the ESG Strategy, which is an integral part of it;
- Attract, motivate and retain people whose skills, experience, aptitudes and passions are a key factor in Nexi's success;
- Develop a culture based on recognising merit, through remuneration systems linked to results achieved in the short and medium term, as well as to conduct.

Principles of the Remuneration Policy

The guidelines of the remuneration policy are based on the following **principles that guide the remuneration plans and consequent actions**:

1

Alignment with values and the business strategy

- This approach - which provides a **remuneration package of well-balanced fixed and variable components** - is considered to be a **key driver** in terms of alignment with Nexi's objectives and conduct.
- In particular, **variable incentive systems** are a fundamental tool in guiding **performance in a manner consistent with the strategy**.
- The systems are structured so that the **targets and measurement metrics** reflect the short and long-term **business objectives**, in line with the **Group's ESG strategy** and with the guidance disclosed to the markets.

2

Performance

- **Remuneration policies** are directly linked to performance and people's contribution to **sustainable business results** according to an approach **based on merit**, rewarding top performers.
- The **performance of our employees** is evaluated according to specific and well-defined criteria:
 - **WHAT**: clear and measurable individual and corporate, qualitative and quantitative objectives.
 - **HOW**: conduct in line with corporate values.
- At least **1 feedback session** is offered to encourage the alignment with the expected targets and apply corrective actions if necessary.

3

Competitiveness and equity

- The remuneration package is consistent with the **role held and the responsibilities assigned**, at all levels of the company.
- **Company roles** are weighed in terms of **impact and responsibility** according to a codified and internationally-recognised **banding** system to ensure a **uniform and fair approach** to the role
- **External benchmarks** - including benefits - are established with peer groups, in terms of **pay mix and remuneration levels**, with the support of independent external firms, to ensure **competitiveness** so as to **attract and retain key skills**.

4

Transparency and communication

- The **remuneration criteria** for our resources are **clear** to everyone and are **communicated** in a **transparent** manner to:
- Shareholders
 - Employees
 - External persons

Key remuneration elements: overview

Gross Annual Salary (RAL)

- It is the **fixed component** of the total remuneration which recognises the services provided even if the variable components are not paid.
- It is defined in **line** with the **responsibilities** and **impact** of the **role** and taking into account the relevant **benchmarks**.

Short-Term Variable Incentive Plan (MBO)

- The **MBO** or Management By Objectives is the **plan** based on the **short-term** results achieved over a period of 1 year against measurable specific and complementary objectives.
- The **achievement** of the **objectives** is linked to **economic/monetary incentives**, paid within the first half of the financial year after the financial year in question.

Long-Term Variable Incentive Plan (LTI)

- The LTI is a **long-term incentive plan** that grants rights to receive **ordinary Nexi shares** free of charge to a selected panel of Company employees (according to banding* and performance** criteria), over a medium-long (three-year) period which vest upon achievement of specific objectives.

Welfare & Benefits

- **Benefits** represent an important part of the remuneration package as a **supplementary element** of the other remuneration elements, in a broader logic of **sustainable welfare**.
- They are differentiated by category of recipients and type; they are in line with market practices, and are consistent with applicable laws and the provisions of collective bargaining agreements.

Other Instruments

- **Post-employment benefits** and **non-compete agreements** are instruments used to protect the Company from potential litigation and/or competitive risks in the case of termination of the employment relationship.
- They are consistent with the remuneration received, **in line with the provisions of the law and applicable collective bargaining agreements**.
- There is also a **Directors & Officers (D&O) policy**, covering the Civil Liability of the Company's Management and Control bodies.

Executive summary for CEO/GM

ELEMENT	CHARACTERISTICS*
RAL	Fixed remuneration for the position of General Manager
SHORT-TERM VARIABLE INCENTIVE PLAN (MBO)	<p>Entry gate from which the payment of the incentive is permitted: Group EBITDA \geq 85% of the target value.</p> <p>Malus and clawback clauses are provided</p> <p>Key Performance Indicators (“KPIs”) and weights:</p> <ul style="list-style-type: none"> • Group EBITDA (40%) • Group Revenues (20%) • Group Operating Free Cash Flow (20%) • Group Total Free Cash Flow (5%) • ESG Objectives: <ul style="list-style-type: none"> - Customer Centricity: Net Promoter Score (5%); - People Value: Engagement Index People Survey (10%).
LONG-TERM VARIABLE INCENTIVE PLAN (LTI)	<p>Granting of rights to receive Nexi ordinary shares (Performance Shares) free of charge, on the basis of performance criteria over a medium-long (three-year) period.</p> <p>Malus and clawback clauses are provided</p> <ul style="list-style-type: none"> • Granting frequency: rolling (3 granting cycles: 2022-2024; 2023-2025; 2024-2026) • Performance period: three years • Entry gate: three-year Operating Cash Flow \geq 80% of the Operating Cash Flow Target • Performance indicators: <ul style="list-style-type: none"> - (50%) Cumulative Operating Cash Flow - (40%) Relative Total Shareholder Return (TSR) - (10%) ESG scorecard (from the 2023-2025 cycle) • Holding Period: 1 year for 50% of the shares vested
BENEFITS	<p>Main types: Complementary social security; Supplementary health care; Insurance coverage (medical expenses, death, permanent disability); Car for personal and business use</p>
OTHER INSTRUMENTS	<p>Payments in the case of cessation from office or termination of the employment relationship; D&O policy. No non-compete agreement is provided</p>

*For more details, please see Section I of the [Report on the remuneration policy and compensation paid](#) approved by the Board of Directors on 6 March 2023.

Executive summary for CEO/GM

The Remuneration Policy was approved by the Company’s Board of Directors on 6 March 2023, upon the proposal of the Remuneration and Appointments Committee.

The **Group’s strategic drivers (people, growth, technology, synergies, excellence, sustainability)** are reflected in the variable incentive systems, through the assignment of result targets consistent with the short (MBO) and medium-long term (LTI) business objectives.

STRATEGIC DRIVERS	SHORT-TERM - MBO					LONG-TERM - LTI		
	EBITDA	REVENUES	OPERATING CASH FLOW	CUSTOMER CENTRICITY: NPS	PEOPLE VALUE: ENGAGEMENT INDEX	RELATIVE TSR	CUMULATIVE OPERATING CASH FLOW	ESG SCORECARD
 GROWTH	●	●	●		●	●	●	
 TECHNOLOGY			●	●	●	●	●	●
 SYNERGY	●	●						
 EXCELLENCE	●		●	●	●	●	●	●
 PEOPLE					●	●	●	●
 SUSTAINABILITY				●	●	●		●

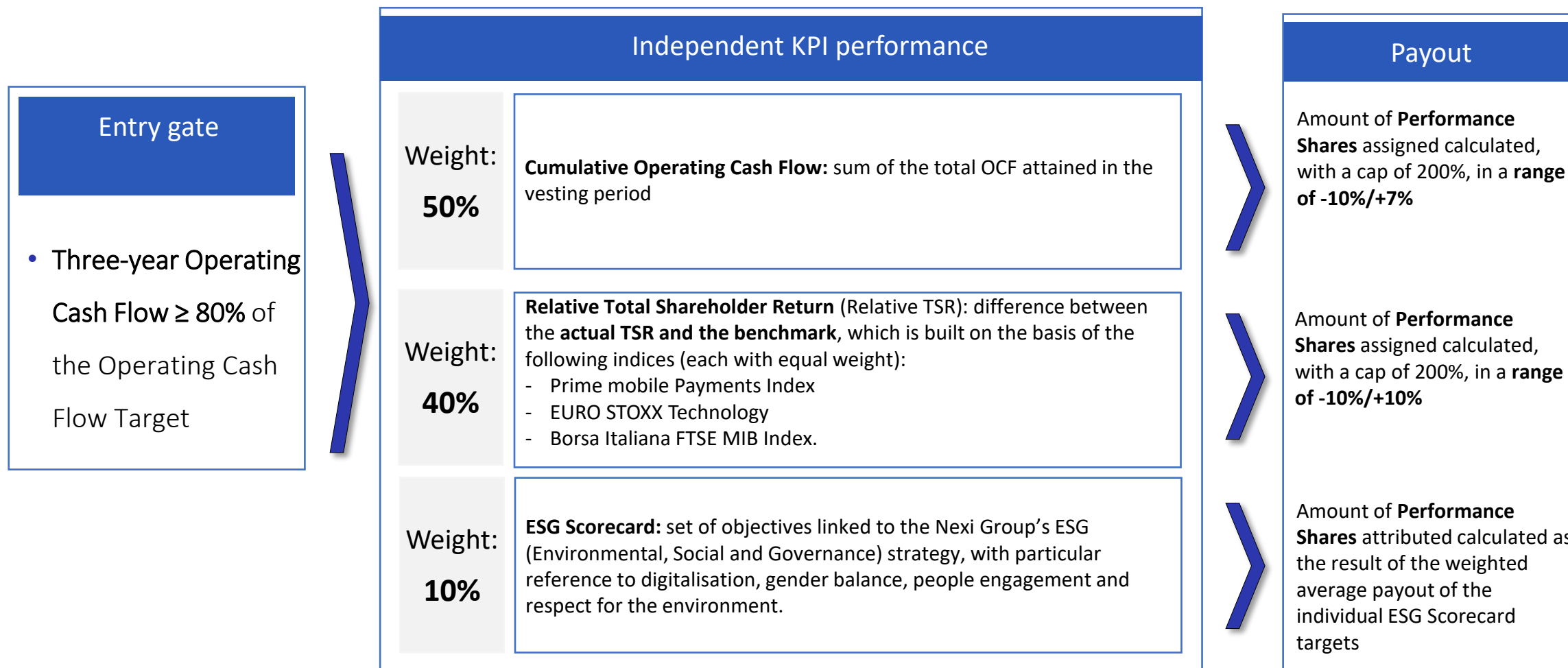
CEO/GM: Short-Term Incentive Plan (MBO)

The **objectives of the MBO** are **closely related to the Company’s strategic drivers** that focus on **profitable growth**, innovation and technological/digital transformation, **operational excellence**, **people**, and the **creation of value and sustainability**, and are also **in line with the strategy, budget and guidance announced to the markets at the beginning of the year** and the Company’s annual economic-financial plans.

For more details, please see **Section I** of the **Report on the remuneration policy and compensation paid** approved by the Board of Directors on 6 March 2023.

TYPE OF OBJECTIVES	KPIs	ACHIEVEMENT RANGE	PAYOUT
ECONOMIC AND FINANCIAL	<ul style="list-style-type: none"> Group EBITDA (40%) Group REVENUES (20%) Group OPERATING FREE CASH FLOW (20%) Group TOTAL FREE CASH FLOW (5%) 	<p style="text-align: center;">90% - 105%</p>	<p>If the level of achievement of the objective is equal to or under the minimum value, the payout (amount of the incentive paid against the target) is equal to zero; if the level of achievement of the objective is equal to the target, the payout is equal to 100% of the target incentive; if the level of achievement is equal to or higher than the maximum value, the payout is equal to 200% of the target incentive.</p>
ESG (Environmental, Social, Governance)	<ul style="list-style-type: none"> ESG/ CUSTOMER CENTRICITY: Perceived customer experience through the Net Promoter Score (5%) ESG/PEOPLE VALUE: Employee satisfaction level as measured by the Engagement Index of the People Survey (10%) 	<p style="text-align: center;">range defined consistently with the KPI considered</p>	

CEO/GM: Long-Term Incentive Plan (LTI)



For more details, please see [Section I](#) of the [Report on the remuneration policy and compensation paid](#) approved by the Board of Directors on 6 March 2023.

Executive summary for Executives with Strategic Responsibilities

ELEMENT	CHARACTERISTICS*
RAL	Proportionate to the role held and the responsibilities assigned.
SHORT-TERM VARIABLE INCENTIVE PLAN (MBO)	<p>Entry gate from which the payment of the incentive is permitted: Group EBITDA \geq 85% of the target value.</p> <p>Malus and clawback clauses are provided</p> <p>Key Performance Indicators (KPIs):</p> <ul style="list-style-type: none"> • Group EBITDA • Economic and financial objectives related to the specific responsibilities of the BU/Area • Other Objectives defined in line with the Role • ESG: People Value and Customer Centricity
LONG-TERM VARIABLE INCENTIVE PLAN (LTI)	<p>Granting of rights to receive Nexi ordinary shares (Performance Shares) free of charge, on the basis of performance criteria over a medium-long (three-year) period.</p> <p>Malus and clawback clauses are provided</p> <ul style="list-style-type: none"> • Granting frequency: rolling (3 granting cycles: 2022-2024; 2023-2025; 2024-2026) • Performance period: three years • Entry gate: three-year Operating Cash Flow \geq 80% of the Operating Cash Flow Target • Performance indicators: <ul style="list-style-type: none"> - (50%) Cumulative Operating Cash Flow - (40%) Relative Total Shareholder Return (TSR) - (10%) ESG scorecard (from the 2023-2025 cycle) • Holding Period: 1 year for 50% of the shares vested
BENEFITS	Main types: Complementary social security; Supplementary health care; Insurance coverage (medical expenses, death, permanent disability); Car for personal and business use.
OTHER INSTRUMENTS	Payments in the case of termination of the employment relationship; non-compete agreements; D&O policy

*For more details, please see [Section I](#) of the [Report on the remuneration policy and compensation paid](#) approved by the Board of Directors on 6 March 2023.