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Nexi Remuneration Policy

Brief Presentation

March 2024



About Us: European PayTech

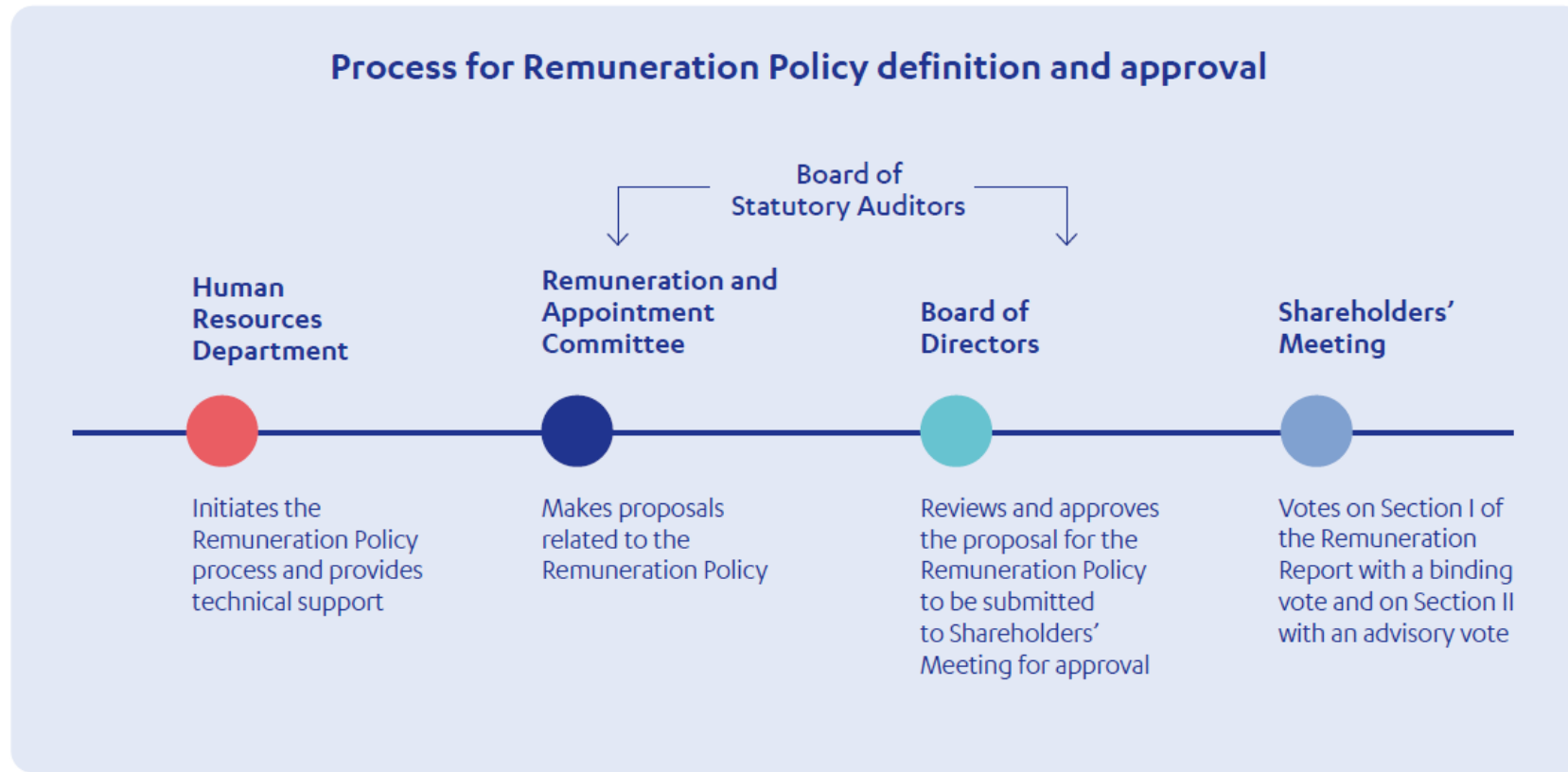
The Nexi Group, operating in more than 25 countries, is the **European PayTech with scale, capabilities and territorial proximity to provide people, companies, financial institutions and public administrations with the simplest, fastest and most secure payment solutions.**

Originating from the merger of Nexi, Nets and SIA, in 2023 the Group implemented a new matrix operating model (Target Operating Model or TOM), organised according to *Business Unit* and *Region*, which guide product strategy and innovation and market strategy respectively, based on governing body guidelines and a single execution model overseen by the Corporate functions supervising Control functions.

The Group's **Remuneration Policy integrates the business plan, at the service of the company's strategy, with the aim of attracting, retaining and motivating the best resources, nurturing talent and skills and steering conduct based on short and long-term variable incentive systems, towards achieving lasting and sustainable results.**

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 **Remuneration Policy** guidelines are consistent with **Nexi's values** and support its **business strategy**, with the **aim 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 high innovation sectors**.

PURPOSES

Remuneration Policy

- Pursue and ensure the organisation's sustainable growth over the long term, in line with the guidelines of the Company's strategic business plan, including the ESG strategy, which forms an integral part thereof
- 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 conduct

thus contributing to creating lasting value for shareholders, while respecting the interests of employees and customers.

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**:

Alignment with values and the business strategy

- The proposal for a **remuneration package of well-balanced fixed and variable components** is considered a key driver in **aligning conduct with Nexi's objectives**.
- Specifically, **variable incentive systems** represent a fundamental tool in driving performance and the **impact on business results**: they are structured so that targets and measurement metrics are **consistent with short and long-term business and ESG objectives**.

Performance

- Remuneration policies have a **direct link with performance**, rewarding the contribution people make to **achieving sustainable business results over time**, according to a **meritocratic approach** with greater rewards for the top performers.
- Nexi assesses its employees' **performance on the basis of explicit and defined criteria** (WHAT and HOW):
 - ✓ **WHAT**: business and personal, qualitative and quantitative, clear, measurable objectives,
 - ✓ **HOW**: conduct in line with corporate values.

Competitiveness and Equity

- All **aspects of the remuneration package** are **consistent with the role held and with the responsibilities assigned**, at all company levels.
- **Company roles** are **weighted in terms of impact and responsibility according to an internationally recognised and codified system** (global banding) to ensure a **standard and fair approach** in relation to the assigned role.
- With the support of leading independent consulting firms, **external benchmarks** are considered **with regard to reference peer groups**, both in terms of **pay mix and salary levels**.

Transparency and Communication

- The criteria for remunerating our people are **clear and communicated transparently** to:
- Shareholders
 - Employees
 - External third parties.

Key remuneration elements

Gross Annual Salary

- 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 Plan)

- 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 relevant financial year.

Long-Term Variable Incentive Plan (LTI Plan)

- 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 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**.
- The **Directors & Officers (D&O)** policy also provides for the Civil Liability of the Company's Management and Control bodies.

* A codified and internationally-recognised system for weighing company roles in terms of impact and responsibility

** Evaluation of our employees according to explicit and defined criteria (WHAT and HOW)

Link between strategic drivers and incentive systems

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

		STRATEGIC DRIVERS				
		Growth	Technology	Synergies	People	Sustainability
 SHORT TERM - MBO	EBITDA	●		●		
	Revenues	●		●		
	Operating Cash Flow	●		●	●	
	Cash Costs			●		
	Customer Centricity		●			●
	ESG People Value				●	●
 LONG TERM - LTI	Cumulative Operating Cash Flow	●			●	
	Relative TSR	●				●
	Diversity & Inclusion				●	●
	ESG Decarbonisation				●	●
	Digitalisation		●		●	●



Summary for CEO and General Manager (CEO/GM)

ELEMENT	CHARACTERISTICS*
GROSS ANNUAL SALARY	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 related weights:</p> <ul style="list-style-type: none"> • Group EBITDA (40%) • Group Revenues (20%) • Group Operating Cash Flow (15%) • Group Cash Costs (10%) • 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 long (three-year) period.</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: Cumulative Operating Cash Flow actual \geq 80% of the Cumulative 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 • Malus and clawback clauses are provided
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 cessation from office or termination of the employment relationship; D&O policy. No non-compete agreement is provided

*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 2024.

CEO/GM: Short-term incentive plan (MBO Plan)

In line with the Company's strategic drivers focused on profitable growth, innovation and technological/digital transformation, operational excellence, people engagement and sustainable value creation, the **MBO Plan** sets out **predetermined, measurable, complementary economic-financial objectives and non-financial objectives**.

TYPE OF OBJECTIVES	KPIs	WEIGHT	PAYOUT RANGE
 Economic Financial	Group EBITDA	40%	0% - 200%
	Group REVENUES	20%	
	Group OPERATING CASH FLOW	15%	
	Group CASH COSTS	10%	
 ESG (Environmental, Social, Governance)	CUSTOMER CENTRICITY Perceived customer experience measured through the Net Promoter Score (5%)	5%	
	PEOPLE VALUE Employee satisfaction level measured through the Engagement Index (10%)	10%	

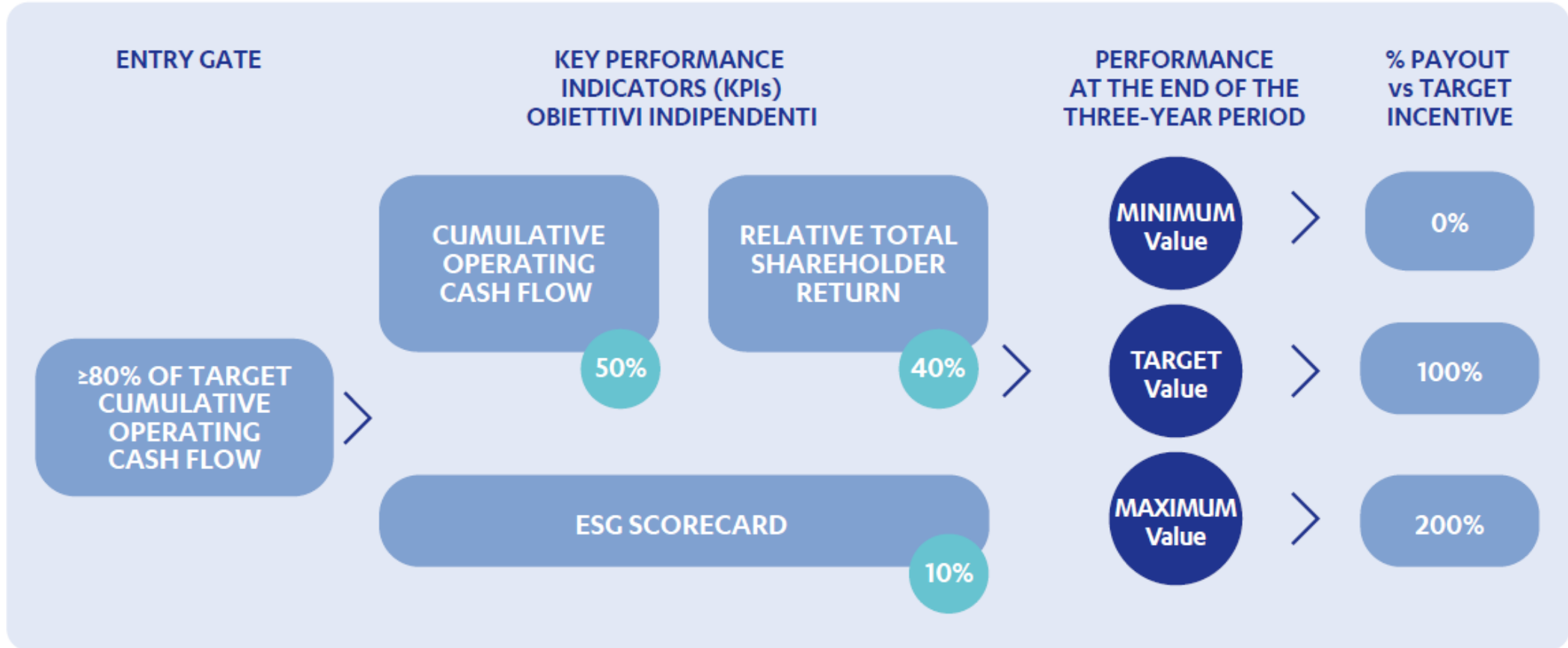
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Summary for Executives with Strategic Responsibilities (ESRs)

ELEMENT	CHARACTERISTICS*
GROSS ANNUAL SALARY	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 (40%) • Economic and financial objectives related to the specific responsibilities of the Business Unit/Area • Strategic objectives defined in line with the role • ESG: People Value and Customer Centricity (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 long (three-year) period.</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 Cumulative Operating Cash Flow actual \geq 80% of the Cumulative 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 • Malus and clawback clauses are provided
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 2024.

CEO/GM and ESRs: Long-term incentive plan (LTI Plan) - Performance indicators and payout



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