



**ITALMOBILIARE**  
INVESTMENT HOLDING

# Remuneration Report

REPORT ON THE  
REMUNERATION POLICY  
IN 2022  
AND COMPENSATION PAID  
IN 2021

# 2021



# LETTER OF THE CHAIRMAN OF THE REMUNERATION AND NOMINATIONS COMMITTEE

Dear Shareholders,

as Chairman of the Remuneration and Nominations Committee, I am pleased to submit for your review the "Report on the Remuneration Policy in 2022 and Compensation Paid in 2021", prepared in compliance with current legislation and approved by the Board of Directors on March 8, 2022 which, in line with current best practice, represents once again an important moment of open and transparent communication versus shareholders and other stakeholders about the Group's remuneration system.

2021 continued to be marked by a series of extraordinary events that have had a significant impact on the general situation from an economic, environmental and social point of view. The COVID-19 health emergency continued to have serious consequences on the economic and social fabric, both globally and nationally, as well as on the results of the companies owned by Italmobiliare, further confirming the need for more and more attention to sustainability as a tool for resilience and value creation.

In this context, the remuneration policy represents a key element for sustaining results, guiding corporate conduct and helping to strengthen Italmobiliare's values. In carrying out its functions, the Committee has continued to oversee the process, which is designed to ensure alignment with constantly evolving regulatory provisions and with a sustainable strategy on the part of Group, facilitating the achievement of good results.

Despite the persistence of the crisis, the investment decisions made so far, combined with Italmobiliare's management and governance skills, have allowed it and the portfolio companies to cope with the economic and financial challenges of 2021, which is reflected in positive results and continuous growth, always geared to sustainability.

In the current context, we thought it right to draw up a Remuneration Policy for the current year that would help support the pursuit of strategic business objectives, confirming its ability to guide management's action also in the new macroeconomic scenario and in the strategic development path undertaken by the Company, in line with its sustainable mission.

This report continues in the direction of ever greater immediacy and effectiveness in the presentation of the information typically contained in the Remuneration Policy, a choice that has always permeated the work of the Committee. In 2021 it also led to a high level of satisfaction with the remuneration policy, the result of the constant commitment shown by the Remuneration and Nominations Committee in defining and proposing to the Board of Directors a policy in line with the expectations of the main shareholders and stakeholders and with market best practices. In order to ensure greater transparency towards shareholders and the market, as in line with previous years, when drafting this policy, we continued to listen and analyse the suggestions and indications received from all stakeholders, also identifying any areas for improvement suggested by the main proxy advisors with whom we have maintained an open and constructive dialogue.

To complete the changes made to this Report in light of the regulatory changes, a process already begun in previous years, we decided to intervene also in terms of clarity and transparency of the contents, in order to improve disclosure towards all stakeholders and reaffirm the commitment to guarantee a remuneration strategy aligned with market best practices, strengthening the link between the creation of sustainable value for the Group and the satisfaction of the personnel involved in the incentive schemes.

As Chairman of the Remuneration and Nominations Committee and on behalf of its other members, I renew the commitment for 2022, so passing the baton to the next Remuneration and Nominations Committee, to continue making sure that the proposed remuneration initiatives contribute to the realisation and success of the strategic plans and objectives pursued by the Group, also to receive positive feedback from shareholders and stakeholders. We therefore invite you to express yourselves with a binding vote on the 2022 remuneration policy and with an advisory vote on the compensation paid in 2021. Trusting that you will appreciate the important work that we have performed and that you will find the information useful and comprehensive, we submit to you the Group's "Report on the Remuneration Policy in 2022 and on the Compensation paid in 2021". We hope that we will have your support during the Shareholders' Meeting.

**Vittorio Bertazzoni**  
***Chairman of the Remuneration and  
Nominations Committee***

# INTRODUCTION

This Remuneration Report was approved by the Board of Directors of Italmobiliare on March 8, 2022, on the proposal of the Remuneration and Nominations Committee, and will be put to a binding vote on Section I and an advisory vote on Section II at the Shareholders' Meeting on April 21, 2022.

The Report is composed of two sections:

- 1. Section I – Report on the Remuneration Policy** – which explains Italmobiliare's Remuneration Policy for 2022, indicating the objectives pursued, guiding principles, any amendments with respect to the previous year, bodies involved and the procedures used to adopt and implement the Policy;
- 2. Section II – Report on Compensation Paid** – which explains the compensation paid during the year ended December 31, 2021 by Italmobiliare S.p.A., its subsidiaries and related companies, to the Directors, Key Management Personnel and members of the Board of Statutory Auditors; it provides an analytical report on the compensation paid to them during the year in implementation of the current Remuneration Policy (as approved by the Shareholders' Meeting on April 21, 2021).

The text of the Report is made available to the public at the registered office, on the authorised storage platform ([www.emarketstorage.com](http://www.emarketstorage.com)) and on the Company's website, no later than the twenty-first day prior to the date of the Shareholders' Meeting called to approve the 2021 financial statements and requested to vote on a binding resolution on Section I and a non-binding resolution on Section II of this Report, in accordance with governing regulations pursuant to art. 123-ter, paragraph 3-ter of the Consolidated Law on Finance.<sup>1</sup>

Art. 123-ter of Legislative Decree 58 dated February 24, 1998 (the "Consolidated Law on Finance" or CLF, updated on the basis of Legislative Decree 49 of May 10, 2019) provides, in paragraph 3-bis, that "companies submit their remuneration policy to the vote of the shareholders [...] at least once every three years or any time there are changes to the policy". Paragraph 3-ter also says that "the resolution envisaged by paragraph 3-bis is binding" (i.e. on Section I of this document), adding "if the Shareholders' Meeting does not approve the remuneration policy submitted to the vote pursuant to paragraph 3-bis, the company continues to pay remuneration in compliance with the most recent remuneration policy approved by the Shareholders' Meeting or, in the absence thereof, can continue to pay remuneration in accordance with current practices". Lastly, paragraph 6 envisages that "[...] the Meeting [...] resolves for or against the second section of the report provided for by paragraph 4. This resolution is not binding".

## SUMMARY

### Purpose and principles of the Remuneration Policy and how it is linked to strategy

Italmobiliare's 2022 Remuneration Policy, defined in accordance with the Company's governance model and the recommendations made by the Corporate Governance Code to which the Company adheres, has the aim of ensuring the alignment of management's interests with the interests of shareholders and all its stakeholders. In this sense, it constitutes one of the fundamental tools for pursuing the sustainable success of the Italmobiliare Group, through the creation of long-term shared value, thereby contributing to the global challenges and, at the same time, protecting and strengthening its financial performance for the benefit of the shareholders and of all the other stakeholders.

In fact, the Italmobiliare Group is inspired by and promotes values in its own sphere of activity and in that of the other Group companies that are consistent with the most advanced international governance practices. Among these, there is the United Nations Global Compact, the most important strategic initiative of corporate responsibility. The Italmobiliare Group adheres to it through a formal and substantial declaration of commitment to promote a healthy, inclusive and sustainable global economy, respectful of labour and human rights, able to safeguard the environment and actively involved in promoting integrity in every aspect of the business. To this end, Italmobiliare shares, supports and applies the Ten Fundamental Principles of the Global Compact in its sphere of influence and actively contributes to achieving the United Nations Sustainable Development Goals.

By establishing a direct relationship between pay and performance, the Remuneration Policy aims to attract, retain and motivate people with the professional qualities required to manage the Company in line with its mission to play *"an active and continuous role in the process of portfolio growth and enhancement by combining development, internationalisation and innovation with an effective governance and risk management model, and full ESG integration at all stages of investing"*.

	Goals	Characteristics	Amounts currently in place
<b>Fixed Remuneration</b>	<p>To value and acknowledge the managerial and professional skills, experience and contribution required from the role assigned.</p> <p>It is sufficient to remunerate beneficiaries' performance in the event of a significant reduction in the variable component.</p>	<p>It is determined based on assigned role and responsibilities. It is defined according to the market remuneration levels of comparable positions.</p>	<p><b>Chairman:</b> € 340,000 (including the fixed annual salary of € 40,000 set by the Shareholders' Meeting for the office of Director).</p> <p><b>Chief Executive Officer/Chief Operating Officer:</b> € 1,040,000 (including the fixed annual salary of € 40,000 set by the Shareholders' Meeting for the office of Director).</p> <p><b>Key Management Personnel:</b> remuneration consistent with the role held and relevant responsibilities.</p>
<b>Short-term incentives (MBO)</b>	<p>To promote a performance-based culture and encourage management to pursue the expected goals, creating a solid link between remuneration and performance achieved during the year.</p>	<p>Assignment of performance objectives to be achieved during the reference financial year and which are directly linked to the Company's strategic plan.</p> <p>The plan considers three types of objectives:</p> <ol style="list-style-type: none"> <li>1. Economic and financial results of the Group</li> <li>2. Operating indicators/management's running of the Holding Company</li> <li>3. ESG</li> </ol> <p>The value of the incentive accrued is directly proportional to the result achieved.</p> <p>For each goal assigned, a threshold, target and maximum performance level is envisaged. Failure to reach at least the threshold level will mean that the incentive linked to the goal is not accrued.</p>	<p><b>Chief Executive Officer/Chief Operating Officer:</b> 72.5% of the fixed remuneration (target level).</p> <p><b>Key Management Personnel:</b> on average between 40% and 80% of the fixed remuneration (target level).</p>
<b>Long-term incentives (LTI)</b>	<p>To foster a medium/long-term performance-based culture and its sustainability, strengthening the connection between management's remuneration and the creation of value for the shareholders, also through constant monitoring and control of the risks involved in the investment portfolio.</p>	<p>Assignment of a specific number of rights to receive Phantom Stocks linked to a predefined level of Net Asset Value per share at the end of a three-year vesting period.</p> <p>The plan envisages a threshold, target and maximum performance level in relation to the underlying goal. Failure to reach at least the threshold level will mean that the right to receive the bonus is lost.</p>	<p><b>Chief Executive Officer/Chief Operating Officer:</b> 150% of the fixed remuneration (target level).</p> <p><b>Key Management Personnel:</b> on average between 60% and 90% of the fixed remuneration (target level).</p>
<b>Benefits</b>	<p>Benefits consist of forms of welfare, assistance and use of corporate instruments, taking a comprehensive remuneration approach that is consistent with the market.</p>	<p>Benefits are defined in line with reference remuneration market practices and consistent with governing regulations; all managers are assigned benefits, which are essential elements of the remuneration package, taking into consideration roles and/or responsibilities, favouring pension and social security components.</p>	
<b>Severance</b>	<p>To protect the Company from the risk of potential litigation in cases of termination of the employment relationship.</p>	<p>The Company can stipulate individual agreements relating to the economic effects connected with the termination of employment ("severance"). The maximum total value of the indemnities subject to any agreement cannot exceed twice the total remuneration, in addition to the amounts due by law and collective agreement.</p>	





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# SECTION I - REPORT ON THE REMUNERATION POLICY IN 2022

## CHANGES

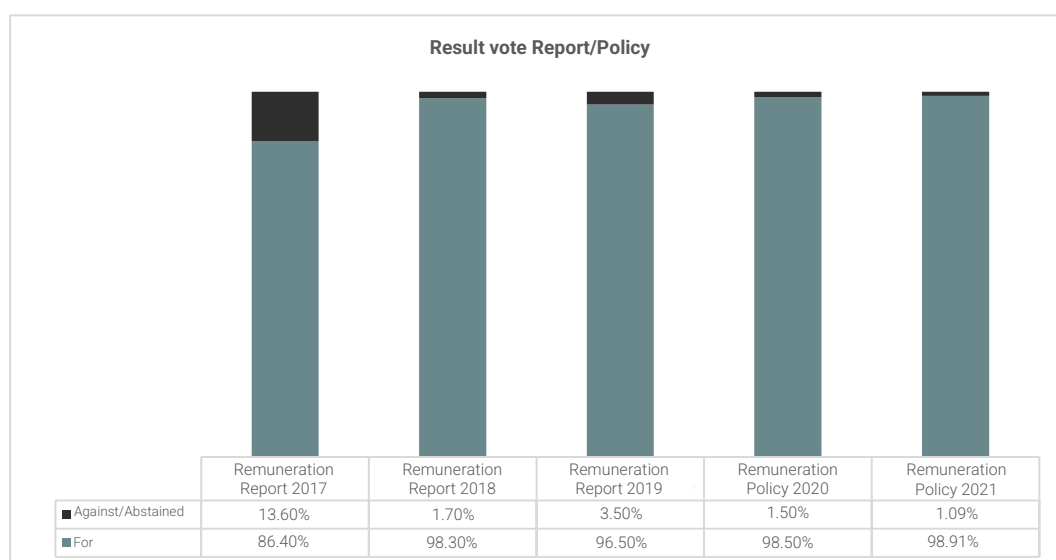
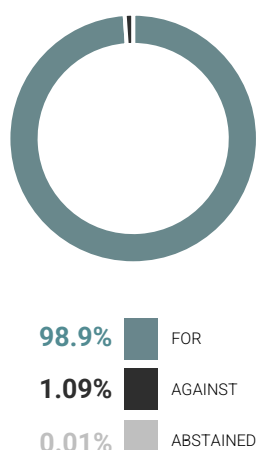
The main changes to Italmobiliare's Remuneration Policy in 2022 include:

- a clearer link between policy and sustainability;
- an explanation of how the policy has taken into consideration the working conditions of all employees;
- an analysis of voting results with adequate historical depth;
- a steadily improving representation of the performance levels achieved in relation to the incentive schemes envisaged;
- completion of the five-year horizon (2017-2020) for the data used to compare the annual change in the remuneration of executive directors with the average remuneration of employees and the Company's performance.

## SHAREHOLDERS ENGAGEMENT RESULT OF THE 2021 VOTE ON SECTION I – REPORT ON THE REMUNERATION POLICY

Italmobiliare recognizes the great importance of constant dialogue and continuous interaction with the main recipients of the Remuneration Policy, aimed at guaranteeing continuous improvement and adoption of market best practices and the implementation of the main areas of improvement indicated by the Shareholders and the Proxy Advisors, as also emerges from the positive trend in the last 5 years.

RESULT OF THE VOTE 2021  
REMUNERATION POLICY



For this reason, Italmobiliare devoted its attention during the year to the indications received at the last Shareholders' Meeting and took them into account in adopting the improvements included in this report. In particular, **better presentation of the information and a greater level of transparency** in relation to the incentive schemes and the elements of the Policy regarding termination of employment or office.

## GOVERNANCE AND PARTIES INVOLVED

The definition of the Remuneration Policy involves multiple parties and corporate bodies, as envisaged by the By-laws, current regulations and the governance model adopted by the Company. In particular, this involves the Remuneration and Nominations Committee, the Board of Directors and the Shareholders' Meeting. The Company's Human Resources Department actively supports the parties involved in the Policy definition.

### THE PROCESS OF DEFINITION AND APPROVAL OF THE REMUNERATION POLICY



The Remuneration and Nominations Committee, the Chief Executive Officer/Chief Operating Officer and the Board of Directors are in charge of implementing the Policy.

The Board of Statutory Auditors monitors application of the Remuneration Policy over time.

## 1. Shareholders' Meeting

In relation to remuneration, the Shareholders' Meeting:

- At the time of appointment and for the term of office, determines the compensation of the members of the Board of Directors and the Board of Statutory Auditors;
- Resolves on financial instrument-based remuneration plans, on the proposal of the Board of Directors;
- On approval of the separate financial statements, will vote for or against Section I of the Remuneration Report in a binding vote and on Section II in a non-binding vote, pursuant to article 123-ter of the Consolidated Law on Finance, as amended by Legislative Decree 49 dated May 10, 2019.

## 2. Board of Directors

Italmobiliare's Board of Directors currently in office (2020-2022 mandate) is made up of 12 Directors. Their mandate will expire on approval of the financial statements at December 31, 2022.

The composition of the Board currently in office for the 2020-2022 mandate is as follows:

Laura Zanetti <sup>(1)</sup>	Chairman Independent director
Livio Strazzerà <sup>(1)</sup>	Deputy Chairman Independent director
Carlo Pesenti	Chief Executive Officer Chief Operating Officer
Vittorio Bertazzoni <sup>(2)</sup>	Independent director
Giorgio Bonomi	
Mirja Cartia d'Asero <sup>(2)</sup>	Independent director
Valentina Casella <sup>(2) (3)</sup>	Independent director
Marco Cipelletti <sup>(2)</sup>	Independent director
Elsa Fornero <sup>(2)</sup>	Independent director
Sebastiano Mazzoleni	
Luca Minoli	
Chiara Palmieri <sup>(2)</sup>	Independent director

(1) Independent director (pursuant to Legislative Decree 58, February 24, 1998).

(2) Independent director (pursuant to Legislative Decree 58, February 24, 1998 and the Corporate Governance Code).

(3) Valentina Casella was co-opted by the Board of Directors on July 29, 2021 after the resignation of Marinella Soldi.

With regard to remuneration, the Board of Directors:

- Defines and approves the Policy, based on the proposal made by the Remuneration and Nominations Committee;
- On the recommendation of the Remuneration and Nominations Committee, and after consulting with the Board of Statutory Auditors, determines the remuneration of Directors holding particular offices;
- With the support of the Control and Risk Committee, appoints and dismisses the Head of the Internal Audit function, defining his/her remuneration in line with Company policies;
- On the recommendation of the Remuneration and Nominations Committee, establishes the performance objectives linked to the variable component of the remuneration of Directors holding particular offices and Key Management Personnel;
- Checks, also making use of information received from the Remuneration and Nominations Committee and the relevant company departments, achievement of the performance objectives to which the incentive plans and short-term variable remuneration are linked;
- In accordance with the Policy, decides on any incentive plans, including those based on financial instruments, to submit to the Shareholders' Meeting for approval.

## EXCEPTIONS TO THE ELEMENTS OF THE 2022 REMUNERATION POLICY

On the proposal of the Remuneration and Nominations Committee and in compliance with the Related Party Transactions Procedure, the Board of Directors may, in exceptional circumstances, temporarily waive the remuneration policy if the requested waiver is consistent with the pursuit of the long-term interests and sustainability of the Company as a whole or to ensure its ability to remain on the market.

The elements of the remuneration policy to which exceptions may apply are the following:

- Fixed remuneration;
- Short-term variable remuneration;
- Long-term variable remuneration;
- Severance indemnity policy.

## 3. Remuneration and Nominations Committee

The Remuneration and Nominations Committee comprises only Directors classed as independent according to the requirements laid down by the Consolidated Law on Finance and the Corporate Governance Code, with suitable knowledge and experience in matters of finance or remuneration policies.

The Remuneration and Nominations Committee has the following composition at the date of this Report:

### Members of the Remuneration and Nominations Committee

<b>Chairman</b>	<b>Vittorio Bertazzoni <sup>(1)</sup></b>
<b>Member</b>	<b>Chiara Palmieri</b>
<b>Member</b>	<b>Valentina Casella <sup>(2)</sup></b>

(1) In office as Chairman from 29 July 2021, following Marinella Soldi's resignation from the Board of Directors on July 27, 2021.

(2) In office as a member from July 29, 2021 when she was co-opted onto the Board.

The Board of Statutory Auditors and Human Resources Director are also regularly invited to attend the Committee meetings. No Director is present at the part of meetings when their remuneration is discussed. Minutes are taken of the meetings and the Chairman informs the Board of the meetings held at the first opportunity.

The Remuneration and Nominations Committee has the aim of **guaranteeing that the remuneration policies established for Directors**, including those who have been delegated powers or appointed to particular positions, **and for Key Management Personnel are formulated by a body that does not have any interest in them**, in compliance with recommendation 26 of the Corporate Governance Code, to which the Company adheres. The Committee only plays an advisory role; the power to determine the remuneration of Executive Directors and Directors holding particular offices lies with the Board of Directors, which consults with the Board of Statutory Auditors in accordance with art. 2389, third subsection of the Italian Civil Code.

#### Tasks of the Remuneration and Nominations Committee (in the remuneration area)



It makes proposals to the Board on updates to the remuneration policy; it periodically assesses the overall adequacy and consistency of the remuneration policy, monitoring its application in practice.



It assesses proposals to introduce short- and long-term incentive schemes, cash- and share-based, to be submitted for the approval of the Board of Directors.



It submits proposals to the Board of Directors, or expresses opinions, on the remuneration of Executive Directors and other Directors holding particular offices, as well as on setting performance objectives.



It proposes performance objectives to the Board related to the variable component of the remuneration of Executive Directors, Directors holding particular offices and Key Management Personnel.



It checks, also making use of information received from the relevant company departments, achievement of the performance objectives to which the long-term incentive plans and variable remuneration are linked.



It expresses opinions on the indemnities to be paid to key management personnel in the event of their early termination; it evaluates the possible effects of termination on the rights assigned as part of incentive plans based on financial instruments.



Proposes to the Board temporary exceptions to the Remuneration Policy in the presence of exceptional circumstances and in compliance with the Related Party Transactions Procedure.

In going about its duties, the Committee can use corporate departments and resources as necessary each time to ensure the best possible fulfilment of its tasks, or independent third party experts. The duties of the Committee and how it is meant to function are governed by the Regulation of the Board of Directors adopted on April 21, 2021, which can be found in the 'Governance/Documents and Procedures' section of the Company's website.

The Committee met three times during 2021 with the participation of all of its members and those of the Board of Statutory Auditors; meetings lasted approximately one hour on average. The Committee was assisted in preparing the remuneration policy by Willis Tower Watson, an independent consultancy.

In 2021, the Committee carried out the following activities concerning remuneration: it reviewed the regulatory changes introduced by the new provisions of the Issuers' Regulation relating to remuneration policy; it examined the Company's remuneration policy for 2021 to be submitted to the Board of Directors and the subsequent binding vote of the Shareholders' Meeting; it verified achievement of the performance objectives for the purpose of determining the short-term variable remuneration to be assigned to the Chief Executive Officer-Chief Operating Officer and to key management personnel (MBO 2020); it made a proposal to the Board of Directors for the variable

remuneration of the Chief Executive Officer-Chief Operating Officer and key management personnel for 2021 (MBO 2021).

As regards its functions as the Nominations Committee, in 2021 the Committee examined the results of the self-assessment process, which were then submitted to the Board of Directors; it also agreed not to adopt a formal succession plan for the Chief Executive Officer and key management personnel, having ascertained that, in the event of an extraordinary situation, all the safeguards were in place, in the form of an Emergency Plan, to ensure that the Company would continue to be managed, while starting the selection of a new management team.

The Committee has met twice in 2022 up to the date of approval of this Report, carrying out the following activities concerning remuneration: it examined the Company's remuneration policy for 2022 to be submitted to the Board of Directors and the subsequent binding vote of the Shareholders' Meeting; it verified achievement of the performance objectives for the purpose of determining the short-term variable remuneration to be assigned to the Chief Executive Officer-Chief Operating Officer and to key management personnel (MBO 2021); and made a proposal to the Board of Directors on the variable remuneration of the Chief Executive Officer-Chief Operating Officer and of key management personnel for the current year (MBO 2022).

It also examined the results of the 2021 self-assessment process, which were then submitted to the Board of Directors.

At its meeting held on March 2, 2022 and in line with the recommendations of the Corporate Governance Code, the Committee defined the structure and contents of the Remuneration Policy for the purpose of preparing this Report.

Italmobiliare's 2022 Remuneration Policy was approved by the Board of Directors upon proposal by the Remuneration and Nominations Committee, in the meeting held on March 8, 2022, concurrently with its approval of this Report.

## 4. Board of Statutory Auditors

With regard to remuneration, the Board of Statutory Auditors expresses opinions required by governing regulations in reference to, in particular, the remuneration of Directors holding particular offices, pursuant to Art. 2389 of the Italian Civil Code, verifying their consistency with the Company's Remuneration Policy. The Board of Statutory Auditors regularly attends the meetings of the Remuneration and Nominations Committee.

## PURPOSE AND PRINCIPLES OF THE REMUNERATION POLICY AND HOW IT IS LINKED TO ITALMOBILIARE'S STRATEGY

Italmobiliare's 2022 Remuneration Policy, explained in this Report, is defined in accordance with the Company's governance model and the recommendations made by the Corporate Governance Code, to which the Company adheres, and has the aim of **ensuring the alignment of management's interests with the interests of shareholders and all its stakeholders**.

By establishing a **direct relationship between pay and performance**, the Remuneration Policy aims to **attract, retain and motivate people with the professional qualities** required to manage the Company **in line with its Mission** to play "an active and continuous role in the process of portfolio growth and enhancement by combining development, internationalisation and innovation with an effective governance and risk management model, and full ESG integration at all stages of investing".

The Remuneration Policy is also defined taking into account the best market practices adopted by listed companies and a continuous monitoring and control of risk. To this end, each of the components of the remuneration offered to the Company's management team responds to a precise purpose in pursuit of this strategic vision and, thanks to a **suitable balance of fixed and variable components**, helps structure a compensation package that guarantees effective alignment between management's remuneration and shareholders' interests, expressed first and foremost by the proportional nature of the variable components accrued and the results achieved in the short and long term.

In its long history as a holding company of diversified interests in the industrial and financial sector, Italmobiliare was one of the **first in Italy to adopt a modern approach to sustainability**. Already in the 1990s it had launched ambitious sustainability programmes at its main industrial subsidiaries, fully integrated into the strategic development priorities and coordinated by dedicated functions. Thanks to this experience, the Company has developed a full-time commitment to best practices, from principles to policies, from processes to products, from local and global initiatives to reporting tools.

Today, through the flow of investments and disposals and the management over time of the investments held in its portfolio, Italmobiliare Investment Holding wants to achieve sustainable success for the entire Group, assigning priorities and mobilizing financial resources in a targeted and selective manner. The aim is to contribute to global challenges and, at the same time, protect and strengthen financial performance for the benefit of the shareholders and all other stakeholders. The sustainability of the portfolio companies' development is the metric for evaluating the creation of shared value over time.

Confirming its commitment, in 2020 the Italmobiliare Group joined the **United Nations Global Compact**, with a view to integrating ESG even more deeply into the holding company's business strategy with increasingly effective supervision of subsidiaries and associates:

1. assessment of the ESG profile of the companies subject to potential investment, applying the principles and criteria defined by the Responsible Investment Policy;
2. active ownership during the management of portfolio companies, through active dialogue and continuous support towards the integration of environmental, social and governance success levers into the business strategy;
3. transparency and reporting of ESG performance in all management phases up to disposal, also with a view to ensuring that the path undertaken will continue.



In June 2021, taking inspiration from the highest global points of reference, Italmobiliare's Board of Directors approved a profound review of the Group's own points of reference in terms of identity and governance: a **Code of Ethics, Sustainability Policies** and a **Responsible Investment Policy**, three interdependent and coordinated documents that trace the path consistently and effectively from a commitment to certain values to day-to-day operations.

Together, they apply in all of the Group's activities, in relations with all its companies or counterparties and in the active involvement of all stakeholders in its sphere of influence, supporting Italmobiliare in best expressing the ultimate role of the investor: transformative capacity, expertise, management skills and capital for a healthy, inclusive and sustainable global economy, respectful of labour and human rights, able to safeguard the environment and actively involved in promoting integrity in all aspects of the business.

For this reason, specific short-term objectives have been adopted within the incentive plan scorecard for 2022, aimed particularly at creating, refining and rationalising the essential elements to consolidate the path, just begun, to integrate ESGs with the Group's internal processes.

Components of remuneration	Characteristics and Purpose
<b>Fixed Remuneration</b>	<ul style="list-style-type: none"> <li>Includes all fixed annual remuneration (i.e. gross annual pay from employment, directors' fees, compensation for specific offices, etc, ...);</li> <li>It is defined in such a way as to adequately remunerate the role, i.e. the nature of the activity carried out and the responsibilities assigned to it, even in the event of a reduction or absence of variable components.</li> </ul>
<b>MBO</b> <i>(Short-term variable incentives)</i>	<ul style="list-style-type: none"> <li>This is commensurate with the role held, i.e. the nature of the impact on the Company's overall performance in the short term;</li> <li>It is connected with the achievement of annual quantitative and/or qualitative performance objectives, which can be objectively measured and are consistent with the goals set out in the Company's strategic plan and sustainability policy;</li> <li>It is designed in such a way as to reduce or increase proportionally with the degree of performance generated in respect of the goals assigned.</li> </ul>
<b>LTI</b> <i>(Long-term variable incentives)</i>	<ul style="list-style-type: none"> <li>This is commensurate with the role held, i.e. the nature of the impact on the Company's overall performance in the medium/long term;</li> <li>It is connected with the achievement of multi-year quantitative and/or qualitative performance objectives, which can be objectively measured and are consistent with the goals set out in the strategic plan and with the primary goal of creating value for shareholders;</li> <li>It is designed in such a way as to reduce or increase proportionally with the degree to which the goals assigned are achieved and value is generated.</li> </ul>

The Italmobiliare Remuneration Policy, with reference to the type of components of remuneration to be paid to the various categories of policy beneficiaries, is defined in such a way as to be consistent with the indications given in the Corporate Governance Code and the guidelines issued by the main proxy advisors, as well as with market practice. Specifically:

- The remuneration of Non-Executive Directors consists only of **fixed compensation**, so it is not linked to the Company's results;
- The remuneration of the Chief Executive Officer/Chief Operating Officer and Key Management Personnel consists of **a fixed part and a variable part**, with the latter in turn consisting of a short-term and a medium/long-term component and representing significant part of total remuneration;
- The remuneration of the Financial Reporting Officer and the Head of Internal Audit consists of a **fixed part which is predominant with respect to the variable part**. The short-term variable component is primarily linked to goals relating to the role and responsibilities.

#### FOCUS ON VARIABLE REMUNERATION LINKED TO RESULTS

MBO	<p><b>KPIs Chief Executive Officer/Chief Operating Officer:</b></p> <ul style="list-style-type: none"> <li>■ Annual growth in NAV per share compared with expected target growth for 2021</li> <li>■ Growth in adjusted EBITDA of subsidiaries/investee companies compared with expected target growth in 2021</li> <li>■ Specific ESG objectives</li> </ul> <p><b>KPIs Key Management Personnel:</b></p> <ul style="list-style-type: none"> <li>■ Annual growth in NAV per share compared with the expected growth in the target in 2021</li> <li>■ EBIT/EBITDA of specific controlled companies</li> <li>■ Individual objectives consistent with the role held and project milestones</li> <li>■ Specific ESG objectives</li> </ul> <p><b>CAP:</b> YES</p> <p><b>Clawback and/or Malus:</b> YES</p>	<ul style="list-style-type: none"> <li>✓ Suitable balance of fixed / variable</li> <li>✓ Limit to variable remuneration (CAP)</li> <li>✓ Predetermined, measurable objectives</li> <li>✓ Clawback/Malus</li> <li>✓ Specific incentive to Internal Audit and Financial Reporting Officer</li> <li>✓ Link to ESG factors</li> </ul>
LTI	<p><b>Type of plan:</b> Phantom Stock</p> <p><b>Vesting:</b> 3 years</p> <p><b>KPIs:</b></p> <ul style="list-style-type: none"> <li>■ Net Asset Value per share - condition for the accrual of the bonus</li> </ul> <p><b>CAP:</b> YES</p> <p><b>Clawback and/or Malus:</b> YES</p>	<ul style="list-style-type: none"> <li>✓ Suitable balance of fixed / variable</li> <li>✓ Vesting of 3 years</li> <li>✓ Part of the remuneration in financial instruments / phantom equity</li> <li>✓ Limit to variable remuneration (CAP)</li> <li>✓ Predetermined, measurable objectives linked to the creation of value</li> </ul>

## EMPLOYEES' REMUNERATION AND WORKING CONDITIONS

The Company monitors working conditions and remuneration on an annual basis in order to promote a consistent remuneration policy for all employees, at the level of both the Parent Company and the Subsidiaries, in line with the Principles of the Sustainability Policy, the latest version of which was released in 2021. The greatest efforts in the Human Resources area include initiatives in the following areas:

- Health & Safety
- Training
- Engagement
- Diversity & Inclusion, also with a focus on the gender gap and gender representation in portfolio companies
- Benefits and Welfare Policies

### 1. Pay Mix

The Remuneration Policy, i.e. each of the components of remuneration planned, is defined in such a way as to **guarantee a suitable balance of fixed and variable components** and, of the latter, between short-term (annual) and medium/long-term (multi-year) variable components. The method by which the adequacy of said balance has been defined is connected with the nature of the role, its impact on the pursuit of corporate objectives and market practice for similar roles.

The current pay mix is shown below:



The “target” pay mix refers to the potential full achievement of the performance objectives linked to the annual variable component (MBO) and the long-term variable component (LTI) (100% achievement of objectives). Similarly, the “maximum” pay mix refers to the scenario whereby there is an

overperformance of all objectives linked to the annual variable component (MBO) and the long-term variable component (LTI) (maximum score of objective achievement).

Monetary disbursements may also be envisaged that from time to time, through bonuses and one-off discretionary payments, reward certain results or performance that are not already included in the short and medium/long-term variable components of remuneration. The disbursement of one-off cash bonuses to particularly strategic management figures who have stood out by making exceptional individual contributions, is an important mechanism by which to differentiate and ensure meritocratic selection and, therefore, to retain excellent resources. These forms of remuneration are assigned by the Board of Directors on the recommendation of the Remuneration and Nominations Committee, after hearing the opinion of the Board of Statutory Auditors pursuant to art. 2389 of the Italian Civil Code, if appropriate.

## MARKET PRACTICE

The Company regularly monitors the main national and international market practices, also by carrying out specific benchmarking remuneration analyses, carried out by the independent international consultancy firm Willis Towers Watson, in order to verify the competitiveness of its remuneration offer.

For the purposes of the market analyses carried out for the positions of Chief Executive Officer/Chief Operating Officer, Chairman of the Board of Directors, Non-Executive Directors and members of the Board of Statutory Auditors, the following peer groups of companies were identified. They are considered comparable based on their size in financial terms and type of business:

ROLE	CRITERIA	PEER GROUP
<b>Chief Executive Officer/Chief Operating Officer</b>	Listed Italian and international holding companies, comparable by type of business and economic-financial size	Atlantia, CIR, IMMSI, Intek, Tamburi Investment Partners, Corp Financiera Alba, Eurazeo, Exor, ICG Group, Indus Holding, KKR & Co., Melrose Industries, Sofina, Wendel
<b>Chairman of the Board of Directors</b>	Listed Italian companies belonging to the FTSE Mib and FTSE Mid Cap index	Aeroporto di Bologna, Amplifon, Anima Holding, Astm, Italgas, Prysmian, Safilo Group, Webuild
<b>Non-Executive Directors Board of Statutory Auditors</b>	Italian listed companies belonging to the FTSE Mid Cap index	Anima Holding, ASTM, Autogrill, Carel Industries, Cementir Holding, CIR, Danieli & Co, Datalogic, De Longhi, Dea Capital, IMA, Interpump Group, Maire Tecnimont, OVS, Tamburi Investment Partners, Webuild, Zignago Vetro

## REMUNERATION OF THE BOARD OF DIRECTORS AND BOARD OF STATUTORY AUDITORS

At the date of this Report, Italmobiliare's Board of Directors consists of an Executive Director, i.e. the Chief Executive Officer/Chief Operating Officer, and Non-Executive Directors. The remuneration of the Chief Executive Officer/Chief Operating Officer is described in the next section. The other Directors who hold particular offices (Chairman, Deputy Chairman) receive an additional remuneration approved by the Board of Directors, which took office after the April 2020 Shareholders' Meeting called to approve the 2019 financial statements, on the proposal of the Remuneration and Nominations Committee, having heard the opinion of the Board of Statutory Auditors, pursuant to art. 2389 paragraph 3 of the Italian Civil Code. Non-Executive Directors only receive a fixed remuneration linked to the office and an attendance fee to be paid on the basis of participation at meetings of the Board Committees, in accordance with the resolutions of the Shareholders' Meeting. Non-Executive Directors do not receive variable components of remuneration. The composition of this remuneration is based on the complexity of the positions held and the time commitment required, in line with market benchmarks.

The Directors are also entitled to reimbursement of the expenses incurred for their office and a D&O (Directors & Officers) Liability insurance policy, which covers third-party liability of the corporate bodies in going about their duties. The Chairman may also be assigned specific illness and injury policies.

### COMPENSATION OF THE BOARD OF DIRECTORS CURRENTLY IN OFFICE

Chairman	<b>340,000 € *</b>
Deputy Chairman	<b>60,000 € *</b>
Non-Executive Directors	<b>40,000 €</b>
Attendance fee for the meetings of the Board Committees	<b>3,000 € /meeting</b>

\* Including the director's compensation of € 40,000

The Board of Statutory Auditors' compensation is established by the Shareholders' Meeting at the time of their appointment.

The compensation of the Board of Statutory Auditors decided by the Shareholders' Meeting in April 2020 is adequate to the competence, professionalism and commitment required, as shown by the benchmark analysis carried out most recently in early 2020 with the help of Willis Towers Watson as advisor.

### COMPENSATION OF THE BOARD OF STATUTORY AUDITORS

Chairman	<b>75,000 €</b>
Auditors	<b>50,000 €</b>

## REMUNERATION OF THE CHIEF EXECUTIVE OFFICER/CHIEF OPERATING OFFICER

Remuneration of the Chief Executive Officer/Chief Operating Officer is defined in line with the powers conferred and the principles and purpose of the Company's Remuneration Policy, as well as in line with market benchmarks for similar positions in comparable companies.

The remuneration package of the Chief Executive Officer/Chief Operating Officer is structured into its various components in such a way as to guarantee:

- Consistency between the results achieved and the variable remuneration schemes implemented by establishing performance objectives that involve a reasonable amount of challenge for the person concerned;
- Alignment with the best market practices in terms of remuneration pay mix (fixed and variable components of remuneration);
- A link between the short- and long-term Company results, in terms of creating value;
- The correct remuneration according to role, powers and responsibilities;
- Long-term loyalty and retention.

The remuneration of the Chief Executive Officer/Chief Operating Officer is defined according to criteria that assure a suitable balance of fixed and variable components of remuneration and, with regard to the latter component, of short- and long-term variable components. This structure promotes a solid alignment between the remuneration disbursed and/or accrued and the creation of value in the long-term.

The policy for the remuneration of the Chief Executive Officer/Chief Operating Officer is made up as follows:

<b>Fixed Remuneration</b>	Fixed remuneration as Chief Executive Officer/Chief Operating Officer
<b>Variable remuneration</b>	MBO plan (Short-term variable) LTI plan (Long-term variable)
<b>Other components</b>	Benefits envisaged by the Collective Employment Agreement and company practice

## 1. Fixed Remuneration

For the 2020-2022 mandate, the fixed component of remuneration of the Chief Executive Officer/ Chief Operating Officer established by the Board of Directors on the proposal of the Remuneration and Nominations Committee was considered commensurate with the powers and responsibilities assigned to him. It was confirmed at Euro 1,000,000 per year.

In total, the fixed component is determined in such a way as to ensure an adequate and sustainable remuneration, even if the variable component should decline. This is in accordance with the objectives of this policy. The Remuneration and Nominations Committee conducts regular analyses of the external competitiveness of the fixed remuneration, so as to assess the consistency of the remuneration of the Chief Executive Officer/Chief Operating Officer with respect to the same roles held in comparable companies. This analysis was carried out most recently in early 2020 with the help of Willis Towers Watson as advisor.

The compensation for the roles held in subsidiary companies and/or associates are repaid in full to Italmobiliare.

## 2. Short-term variable remuneration (MBO)

The Chief Executive Officer/Chief Operating Officer, as well as other Key Managers of the Company, are recipients of an annual incentive scheme (the MBO plan), which entitles them to receive a cash bonus when specific performance objectives are achieved, measured over a time frame of one year and consistent with the Company's strategic objectives, set annually.

The MBO plan envisages the assignment of **objectives that are challenging, feasible, measurable, able to be influenced by the person to whom they are assigned and which are consistent with their responsibilities**. The objectives are a combination of Group economic-financial metrics, strategic and operational objectives that are under the influence of each manager and specific objectives related to ESG factors.

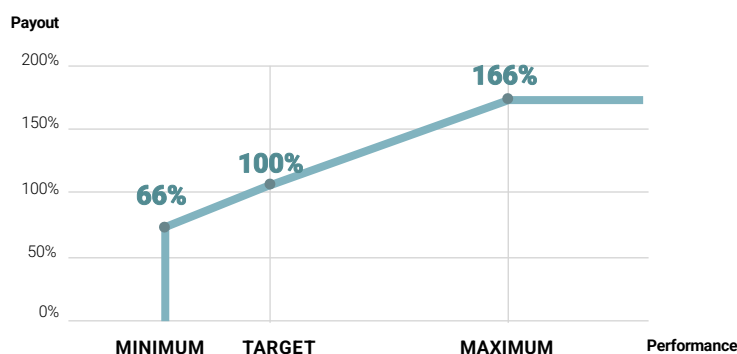
As a rule, the MBO plan's annual performance scorecard includes between two and five objectives. For each objective, a minimum level is defined, below which it is considered that the objective has not been attained, a target level at which the objective is deemed to have been achieved 100% and a maximum level, set as a for the maximum achievement. The target performance level, achievement of which gives entitlement to receive 100% of the incentive assigned, is normally defined in line with the Company's budget.

The level of achievement of the MBO card as a whole is defined as the weighted sum of the level of achievement of each objective for the weight assigned.

If objectives are achieved at target level, i.e. 100% of performance, the Chief Executive Officer/Chief Operating Officer accrues the right to receive a monetary bonus equal to 100% of the MBO target.

The MBO plan envisages payment of a bonus in the event that the minimum level of results is achieved, at which point the bonus accrued is 66% of the MBO target. Achievement of the maximum level of results entails the accrual of a bonus equal to 166% of the MBO target.

### PERFORMANCE CURVE / PAYOUT



Below are the objectives that make up the scorecard of the MBO plan, **attributable to profitability, value creation and sustainability requirements**, and which favour the orientation of the main corporate priorities in the short term. These objectives were considered in line with the strategic management priorities in terms of both development and cost control, as well as being in line with best practices as emerged from the analyses carried out with the support of external consultants.

### MBO SCORECARD FOR THE CHIEF EXECUTIVE OFFICER/CHIEF OPERATING OFFICER

Type	Objectives	Weight
<b>Economic and financial objectives</b>  <b>80%</b>	Annual growth in NAV per share compared with the expected growth in the target per year	<b>40%</b>
	Growth in adjusted EBITDA of subsidiaries/investee companies compared with expected target growth in 2021	<b>40%</b>
<b>Sustainability goals</b>  <b>20%</b>	Specific ESG objectives	<b>20%</b>

The Company has decided to **apply claw back clauses** in connection with any bonuses accrued and paid out under the MBO plan. In accordance with the provisions of the Corporate Governance Code, the adoption of such clauses gives the Company the right to request the return of all or part of the variable components of remuneration paid in connection with the MBO plan if any of the following circumstances should arise: (i) the economic-financial data and information on which basis the performance objectives were assessed prove to be clearly incorrect or falsified, and/or (ii) the beneficiary is liable for misconduct or negligence that was key to the disbursement of the bonus. The obligation to return the money remains effective for up to 36 months from payment of the bonus.



### 3. Long-term variable remuneration

A significant component of the Italmobiliare Remuneration Policy is focused on a medium/long-term time frame, so as to **strengthen the link with the shareholders' interest in creating value**. The Chief Executive Officer/Chief Operating Officer, Key Management Personnel and some key managers of the Company selected by the Chief Executive Officer are recipients of the "2020-2022 Phantom Stock Grant Plan" (LTI Plan), whose main characteristics are described below. For more details, please refer to the Disclosure Document available on the Company's website in the section on Governance/Shareholders' Meeting.

The LTI plan's main aim is to link a significant portion of the remuneration of the Chief Executive Officer/Chief Operating Officer as well as of the other beneficiary managers, to the achievement of economic-financial performance that can be sustained over time and is consistent with the primary goal of creating value for shareholders. The LTI plan also strengthens management retention and commitment towards achieving strategic company objectives.

The LTI plan aims to remunerate long-term performance measured by achieving **a target in the form of a certain net asset value (NAV) per share**; this objective, in addition to being in line with best practices as emerged from the analyses carried out with the support of external consultants, was considered in line with the business priorities in terms of both development and cost control, as well as being in line with the short-term goals.

The Plan provides for the assignment of a specific number of Rights to receive **Phantom Stocks linked to the value of the Company's shares** at the end of the Performance Period, **providing the target NAV per share is achieved** in the three-year period of reference.

Thanks to the structure that creates a direct link between the remuneration to be paid, the performance of Italmobiliare's share price and the Company's results, this type of Plan aims to ensure a correlation between the creation of value for the shareholders and for the managers who perform key functions in the achievement of strategically important results.

#### OBJECTIVE OF THE 2020-2022 PHANTOM STOCK GRANT PLAN

Type	Objectives	Weight
Economic-financial objective	Growth in NAV per share compared with the target growth expected in the 3-year reference period	100%

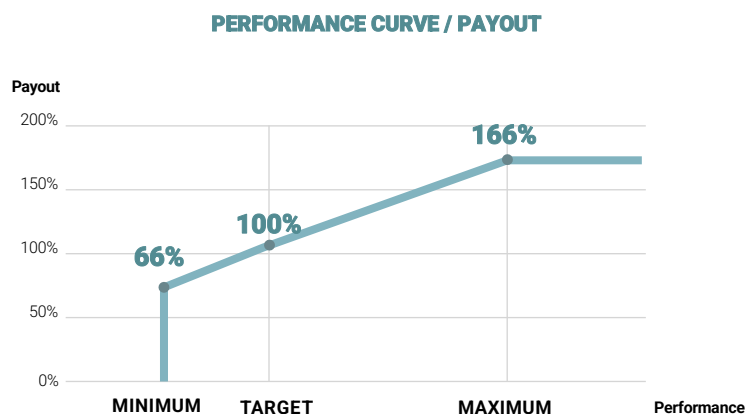
The final bonus therefore depends on:

- the number of Phantom Stocks accrued (based on Group performance);
- the value of the Shares, based on stock market performance.

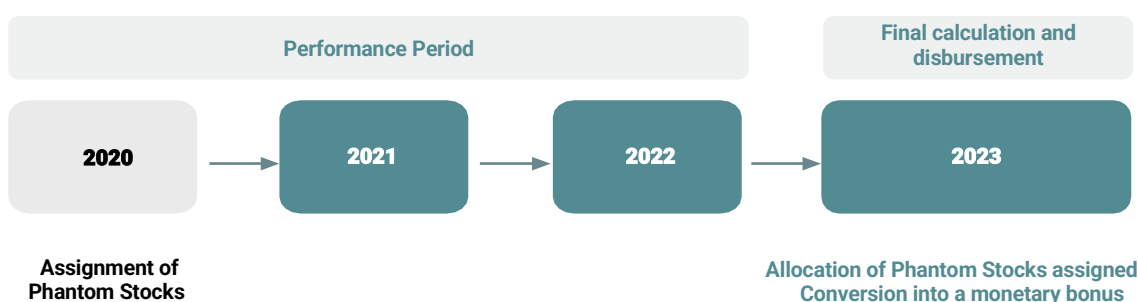
Performance objectives linked to the target NAV per share are set by the Board of Directors in accordance with the Company's strategic objectives.

A threshold level is envisaged, below which the right to receive the incentive is not accrued, and a maximum limit, upon achievement of which the maximum incentive is accrued.

In relation to the NAV indicator for the number of Phantom Stock attributable, it will be defined according to the following incentive curve:



- on reaching a minimum level of performance, a number of Phantom Stocks equal to 66% of the rights to receive the assigned Phantom Stocks will be attributed. No Phantom Stock will be attributed below this minimum level;
- on reaching the target performance level (100%), a number of Phantom Stocks equivalent to the number of rights to receive the assigned Phantom Stocks (100%) will be attributed;
- on reaching a maximum level of performance, a number of Phantom Stocks equal to 166% of the rights to receive the assigned Phantom Stocks will be attributed. No additional Phantom Stock will be attributed on reaching a performance level above this cap;
- for intermediate performances between the minimum level and the target, and between the target and the maximum, a calculation by linear interpolation will be applied.



Given the direct connection between the bonus and the value of the share, the impact of any distribution of dividends during the 3-year vesting period has to be taken into account. So, in order to maintain the plan's incentive effect unchanged, at the end of the vesting period a number of additional Phantom Stocks equal to the value of any dividends paid out during the performance period will be assigned.

The 2020-2022 Phantom Stock Grant Plan envisages clawback clauses for bonuses that may have accrued and been paid under the Plan. In accordance with the provisions of the Corporate Governance Code, the adoption of such clauses gives the Company the right to request the return of all or part of the variable components of remuneration paid if any of the following circumstances should arise: (i) the economic-financial data and information on which basis the performance objectives were assessed prove to be clearly incorrect or falsified, and/or (ii) the beneficiary is liable for misconduct or negligence that was key to the disbursement of the bonus. The obligation to return the money remains effective for up to 36 months from payment of the incentive.

## 4. Benefits

Non-monetary benefits may be granted, such as company car for both personal and business use. There are also supplementary pension plans, health insurance and life insurance policies to integrate those provided for by the National Collective Labour Agreement for Managers of companies producing goods and services, in line with market practices.

As with other Directors, the Chief Executive Officer/Chief Operating Officer benefits from a third-party liability insurance policy that has been taken out for events related to the exercise of their functions, in compliance with the provisions set forth with regard to their offices, except in cases of wilful misconduct and fraud.

Italmobiliare already has welfare plans in place for Company employees which can also be extended to managers.

## REMUNERATION POLICY FOR KEY MANAGEMENT PERSONNEL

Italmobiliare promotes a remuneration policy for Key Management Personnel that is consistent with that described in the previous section for the Chief Executive Officer/Chief Operating Officer. This policy takes into account:

- recognition of the role and responsibilities in terms of their strategic nature;
- competitiveness with market remunerations;
- internal fairness for figures of similar or comparable level;
- retention and loyalty.

The remuneration policy applicable to Key Management Personnel is structured as follows:

<b>Fixed Remuneration</b>	Gross annual pay as managers
<b>Variable remuneration</b>	MBO plan (Short-term variable) LTI plan (Long-term variable)
<b>Other components</b>	Benefits envisaged by the Collective Employment Agreement and company practice

The compensation package is structured in such a way as to assure a suitable balance of fixed and variable components of remuneration and, with regard to the latter component, of short- and long-term variable components. This structure promotes a solid alignment between the remuneration disbursed, the results achieved during the year and the creation of value in the long term.

Italmobiliare has currently chosen the Head of Investment Management, the Administrative Director/Financial Reporting Officer and two managers from the Development & Investment Department, as Key Management Personnel.

## 1. Fixed Remuneration

The fixed component of the remuneration of Key Management Personnel is the remuneration from employment as Company managers. Fixed remuneration is determined in such a way as to remunerate the role even if the variable remuneration should decline. The Company regularly monitors the consistency of the fixed remuneration with market rates in respect of similar roles in companies comparable with Italmobiliare.

Any compensation received by Key Management Personnel for roles held in subsidiary companies and/or associates are repaid in full to Italmobiliare.

## 2. Short-term variable remuneration (MBO)

The Key Management Personnel benefit from an annual incentive system (the MBO Plan), which entitles them to receive a cash bonus where specific performance objectives are achieved, measured over a time frame of one year.

The MBO Plan envisages the assignment of **objectives that are challenging, feasible, measurable, able to be influenced by the person to whom they are assigned and which are consistent with their responsibilities**. The objectives are a combination of economic-financial metrics and strategic and operational objectives coming under the influence and purview of each manager.

The scorecard of MBO plan objectives for 2022 is structured as follows:

**MBO SCORECARD KEY MANAGEMENT PERSONNEL\***

Type	Objectives	Weight
<b>Economic and financial objectives</b> <b>80%</b>	Annual growth in NAV per share compared with the expected growth in the target per year	<b>30%</b>
	EBIT/EBITDA of specific "controlled companies" Specific function objectives Project milestones	<b>50%</b>
<b>Sustainability objectives</b> <b>20%</b>	Specific ESG objectives	<b>20%</b>

(\*) excluding the Financial Reporting Officer and the Head of Internal Audit for whom a significant portion of the goals (70% or more) are objectives relating to the adoption of the best governance and control standards and monitoring of regulatory and legal compliance for the Financial Reporting Officer and objectives linked to the activities of the internal control department for the Head of Internal Audit. It is specified that the definition and assessment of objectives for the Head of Internal Audit is carried out by the Control and Risk Committee, in order to guarantee complete independence and avoid onset of potential conflicts of interests.

In this case too, the objectives that make up the MBO scorecard are linked to profitability, value creation and sustainability requirements.

As a rule, the annual MBO scorecard comprises between two and five objectives. For each objective, a minimum level is defined, below which it is considered that the objective has not been attained, a target

level at which the objective is deemed to have been achieved 100% and a maximum level, set as a cap for the maximum achievement. The target performance level, achievement of which gives entitlement to receive 100% of the incentive assigned, is, as a rule, defined in line with the Company's budget.

The level of achievement of the MBO card as a whole is defined as the weighted sum of the level of achievement of each objective for the weight assigned.

The incentive for Key Management Personnel if they achieve the target performance level averages out at between 40% and 80% of fixed remuneration.

The target incentive is lower for the Financial Reporting Officer and the Head of Internal Audit and stands at 21% of fixed remuneration.

The Company has decided to **apply claw back clauses** in connection with any bonuses accrued and disbursed in connection with the MBO plan. In accordance with the provisions of the Corporate Governance Code, the adoption of such clauses gives the Company the right to request the return of all or part of the variable components of remuneration paid in connection with the MBO Plan if any of the following circumstances should arise: (i) the economic-financial data and information on which basis the performance objectives were assessed prove to be clearly incorrect or falsified and/or (ii) the beneficiary is liable for misconduct or negligence that was key to the disbursement of the bonus. The obligation to return shall remain effective for up to 36 months from payment of the incentive.

### 3. Long-term variable remuneration

Similarly to that envisaged for the Chief Executive Officer/Chief Operating Officer, a significant portion of the variable remuneration of the Italmobiliare Key Management Personnel is focused on a medium/long-term time frame, so as to **strengthen the link with the shareholders' interest in creating value**. The Key Management Personnel are recipients of the **"2020-2022 Phantom Stock Grant Plan"** (LTI Plan), the main characteristics of which are described in the section which explains the remuneration of the Chief Executive Officer/Chief Operating Officer.

With the introduction of the new "2020-2022 Phantom Stock Grant Plan", the Company has decided to adopt clawback clauses for bonuses that may have accrued and been paid under the Plan. In accordance with the provisions of the Corporate Governance Code, the adoption of such clauses gives the Company the right to request the return of all or part of the variable components of remuneration paid if any of the following circumstances should arise: (i) the economic-financial data and information on which basis the performance objectives were assessed prove to be clearly incorrect or falsified and/or (ii) the beneficiary is liable for misconduct or negligence that was key to the disbursement of the bonus. The obligation to return shall remain effective for up to 36 months from payment of the incentive.

### 4. Benefits

Non-monetary benefits may be granted (such as a company car for both personal and business use) as well as other supplementary benefits, over and above those on the National Collective Labour Agreement, such as pension plans, health insurance and life insurance policies, in line with market practice for similar managerial positions.

Italmobiliare already has Welfare Plans in place for Company employees which can also be extended to managers.

## SEVERANCE INDEMNITY POLICY

The Company does not envisage any ex-ante indemnity in the event of resignation, dismissal or termination of employment and/or mandate of Directors and Key Management Personnel. The Company may agree specific treatment in connection with the termination of an office or employment, which may even be better than the provisions of the National Collective Labour Agreement, for parties with a contract of employment in place. Such agreements shall be defined in compliance with the benchmarks and within the limits defined by case-law and standard practice. In particular, in addition to what is provided by way of notice, the indemnity is equal to a maximum of 2 times the total annual remuneration including the fixed remuneration, the value of the benefits received in the 12 months prior to the date of termination, the average variable remuneration received in the last three calendar years of service prior to the aforementioned date, the amount of any compensation received in relation to the corporate offices held in the last 12 months (with the exception of compensation that is paid over to the Holding Company).

The effects of the termination of the contract of employment and/or mandate on the rights deriving from the LTI Plan are regulated by the specific company regulation with the aim of avoiding any penalisation of beneficiaries terminating their employment as “good leavers”. In the event of termination of the Relationship before payment of the Bonus for reasons other than:

- disciplinary dismissal;
- resignation not for just cause;
- revocation of a director for just cause;
- resignation of a director not for just cause;

the right (for the beneficiary or for their heirs or assignees) to receive a portion of the bonus will be maintained by applying the “pro-rata temporis” criterion and on the basis of an assessment of the performance results as of the date of termination.

In the event of:

- transfer of the work relationship, collaboration or mandate by the Company to another Group company;
- termination with simultaneous establishment of a new work relationship, collaboration or mandate within the Group;

the beneficiary will retain ownership of the Rights at the same terms and conditions.

There is no provision for the assignment or maintenance of non-monetary benefits in favour of individuals or for the stipulation of consultancy contracts for a period subsequent to termination of the relationship.

The Company does not have any non-competition agreements in place for Directors and Key Management Personnel. However, the remuneration policy does include the possibility of stipulating agreements with certain managers, including Executive Directors and/or Key Management Personnel who hold particularly critical professional roles, insofar as they are subject to greater risks of attraction on the market. Any such agreements in the favour of Executive Directors and/or Key Management Personnel will be introduced with the approval of the Board of Directors and on the recommendation of the Remuneration and Nominations Committee.

In addition, the Company does not provide for the assignment or maintenance of non-monetary benefits in favour of Directors and Key Management Personnel or the stipulation of consultancy contracts for a period subsequent to termination of the relationship.

# SECTION II - REPORT ON COMPENSATION PAID IN 2021

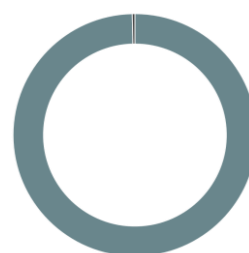
## PART I

### Result of the 2021 vote on Section II - Report on the Compensation Paid

Recognizing the importance of constant dialogue and continuous interaction with its main stakeholders, Italmobiliare has dedicated its attention to the information received at the last Shareholders' Meeting regarding Section II of the Report on the Remuneration Policy and Compensation Paid.

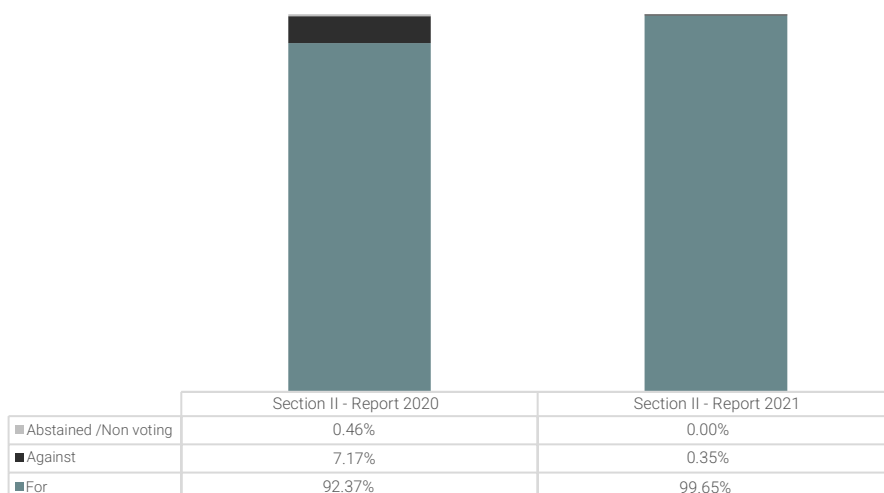
With a view to assessing and implementing the main areas for improvement indicated by the Shareholders and Proxy Advisors in particular, **better presentation of the information** was sought in relation to the components of variable remuneration and the performances achieved, in line with current regulations.

RESULT OF THE VOTE 2021  
COMPENSATION PAID



99.65% FOR  
0.35% AGAINST  
0.00% ABSTAINED

Consultation on the compensation paid



### Activities of the Remuneration and Nominations Committee in 2021

During 2021, the Committee met **3 times** in the presence of the Board of Statutory Auditors and the average duration of the meetings was about one hour.

## **Main activities carried out in relation to remuneration during 2021 and up to the review of this report**



During 2021, the Committee carried out the following activities involving remuneration matters: it examined the regulatory changes introduced by the new provisions of the Issuers' Regulation on remuneration policy; it examined the Company's report on the remuneration policy for 2021 and on the compensation paid in 2020 to be submitted to the Board of Directors and subsequently to the Shareholders' Meeting; it checked whether the performance objectives had been achieved in order to determine the short-term variable remuneration to be assigned to the Chief Executive Officer-Chief Operating Officer and key management personnel (2020 MBO); it made a proposal to the Board of Directors on the variable remuneration of the Chief Executive Officer-Chief Operating Officer and of key management personnel for 2021 (2021 MBO).



As regards the functions of the Nominations Committee, in 2021 it: reviewed the results of the 2020 self-assessment process, which were then submitted to the Board of Directors; reviewed the questionnaire to be used for the 2021 self-assessment process, after agreeing not to use an independent consultant; agreed not to adopt a formal succession plan for the Chief Executive Officer and key management personnel, having ascertained that, in the event of an extraordinary situation, all the safeguards were in place, in the form of an Emergency Plan, to ensure that the Company would continue to be managed, while starting the selection of a new management team.



In 2022, up to the date of approval of the Report, the Committee has met twice and among its activities involving remuneration, it has examined the Company's report on the remuneration policy for 2022 and on the compensation paid in 2021 to be submitted to the Board of Directors and subsequently to the Shareholders' Meeting; checked whether the performance objectives had been achieved in order to determine the short-term variable remuneration to be assigned to the Chief Executive Officer-Chief Operating Officer and key management personnel (2021 MBO); and made a proposal to the Board of Directors on the variable remuneration of the Chief Executive Officer-Chief Operating Officer and of key management personnel for 2022 (2022 MBO).



It also examined the results of the 2021 self-assessment process, which were then submitted to the Board of Directors.



## Business results for 2021

After the sharp economic slowdown brought on by the pandemic, 2021 was characterized by a significant economic recovery that affected most business sectors with relative geographic homogeneity. In this context, also thanks to selective process innovations, greater flexibility and proactive risk management, and increased use of digital sales channels introduced as response to the pandemic, Italmobiliare's portfolio recorded excellent performance, far exceeding 2020 and even 2019 both in terms of turnover and profitability.

At December 31, 2021 the NAV per share of Italmobiliare was equal to 49.24 euro, with an increase of approximately 13.1% compared to the previous year (43.52 per share) after the payment of dividends totalling 0.65 euro per share, which entails an additional yield of 1.5% compared with the NAV at the end of 2020.

Please refer to the annual financial report at December 31, 2021 for an explanation of the main factors that characterised the results of operations in 2021.

## Description of the compensation paid to Directors, Statutory Auditors and Key Management Personnel

The following is a description of the items comprising the remuneration paid in 2021 to the Chairman, Deputy Chairman, Chief Executive Officer/Chief Operating Officer, Non-Executive Directors, Key Management Personnel and the Head of Internal Audit.

During 2021, 4 managers of Italmobiliare were considered Key Management Personnel.

The compensation paid in 2021 is in line with the Remuneration Policy approved by the Shareholders' Meeting on April 21, 2021.

## CHAIRMAN





<b>Remuneration for office</b>	<p>The gross annual remuneration of the Chairman of the Board of Directors is Euro 300,000 in addition to the gross ordinary remuneration of Euro 40,000 for the office of Director for the 2020-2022 period. Moreover, any charges, expenses, or costs incurred that are directly connected to the exercise of the mandate are also reimbursed.</p> <p>The Chairman does not receive variable remuneration linked to performance objectives.</p> <p>Given the nature of the office, there are no agreements on end-of-service benefits and indemnities.</p> <p>The Chairman also receives compensation of Euro 30,000 (gross) for the position held in the subsidiary Officina Profumo-Farmaceutica di Santa Maria Novella S.p.A.</p>
<b>Benefits</b>	Non-monetary benefits of a social security and welfare nature are envisaged, as well as other benefits such as a company car in line with market practice.

## DEPUTY CHAIRMAN

<b>Remuneration for office</b>	<p>The gross annual remuneration of the Deputy Chairman of the Board of Directors is Euro 20,000, in addition to gross ordinary remuneration of Euro 40,000 for the office of Director for the 2020-2022 period. Moreover, any charges, expenses, or costs incurred that are directly connected to the exercise of the mandate are also reimbursed.</p> <p>The Deputy Chairman does not receive variable remuneration. Given the nature of the</p>
<b>Benefits</b>	None

## CHIEF EXECUTIVE OFFICER / CHIEF OPERATING OFFICER

<b>Proportion of fixed and variable remuneration</b>	<p>The proportion between fixed and variable short and long-term remuneration within the 2021 total remuneration is calculated considering the fixed remuneration, i.e. the remuneration paid for the offices of Chief Executive Officer/Chief Operating Officer and Director, attendance fees and non-monetary benefits, in addition to the short and long-term variable remuneration for 2021:</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;"> <div style="background-color: #4a7c8c; color: white; border-radius: 10px; padding: 10px; width: 150px;">29.66%</div> <div><b>Fixed Remuneration</b></div> </div> <div style="text-align: center;"> <div style="background-color: #2c4e6a; color: white; border-radius: 10px; padding: 10px; width: 150px;">30.98%</div> <div><b>Short-term variable incentive (MBO)</b></div> </div> <div style="text-align: center;"> <div style="background-color: #5b9bd5; color: white; border-radius: 10px; padding: 10px; width: 150px;">39.36%</div> <div><b>Long-term variable incentive (LTI)</b></div> </div> </div>
<b>Fixed Remuneration</b>	<p>The remuneration of the Chief Executive Officer/Chief Operating Officer for the 2020-2022 term of office was approved by the Board of Directors on May 12, 2020, on the proposal of the Remuneration and Nominations Committee of May 7, 2020, after obtaining the favourable opinion of the Board of Statutory Auditors.</p> <p>The Remuneration and Nominations Committee has decided to propose to the Board of Directors a fixed gross annual remuneration for the Chief Executive Officer/Chief Operating Officer of Euro 1,000,000.</p> <p>The Chief Executive Officer also receives the ordinary compensation of Euro 40,000 (gross) for the office of Director, for the three years 2020-2022.</p> <p>As with other Directors, the Chief Executive Officer/Chief Operating Officer benefits from a third-party liability insurance policy that has been taken out for events related to the exercise of their functions, in compliance with the provisions set forth with regard to their offices, except in cases of wilful misconduct and fraud.</p> <p>The gross annual remuneration for the offices held in Clessidra Private Equity SGR S.p.A. amounts to Euro 100,000, in Caffè Borbone S.r.l. to Euro 10,000, in Tecnica Group S.p.A. to Euro 15,000, in Officina Profumo-Farmaceutica di Santa Maria Novella S.p.A. to Euro 30,000, all of which are passed over to Italmobiliare.</p>

	<p>With regard to the 2021 MBO targets assigned to the Chief Executive Officer / Chief Operating Officer, 80% of the incentive was linked to targets focused on the Company's economic and financial performance (Annual NAV growth per share compared with the target growth expected per year and Adjusted EBITDA of subsidiaries/investee companies with respect to the target growth expected for 2020) with the target performance level aligned with the budget figure. The other 20% is linked to sustainability goals, the assessment of which is left to the Board of Directors, on the reasoned opinion of the Committee for Sustainability and Social Responsibility.</p> <p>The bonus accrued in relation to the 2021 MBO Plan is equal to € 1,200,000 against the achievement of a result that is higher than the target.</p>				
Short-term variable incentive	2021 Goal achievement level				
	Goal	Weight	Minimum	Goal	Maximum
	Annual growth in NAV per share compared with the target growth expected per year	40%			
	Growth in adjusted EBITDA of subsidiaries/investee companies compared with target growth expected in 2021	40%			
	Specific ESG objectives	20%			
	Total performance	100%			
	The Company reserves the right not to disclose the value of the targets underlying the indicators, as it considers such information to be sensitive.				
Long-term incentives	The Chief Executive Officer/Chief Operating Officer is the beneficiary of the 2020-2022 Phantom Stock Grant Plan.				
Termination benefits and indemnities	None				
Benefits	Non-monetary benefits of a social security and welfare nature are envisaged, as well as other benefits such as a company car in line with market practice.				
Non-competition agreements	None				

## DIRECTORS

<b>Fixed Remuneration</b>	<p>The Ordinary Shareholders' Meeting of April 21, 2020 resolved to grant annual remuneration of Euro 40,000 to the members of the Board of Directors, until decided otherwise.</p> <p>In compliance with current best practice for Directors not holding particular positions, no variable component of remuneration is provided, but Directors are reimbursed for expenses incurred in carrying out their duties.</p> <p>The remuneration of Executive Directors or Directors holding particular offices is established directly at the time of appointment, or at a subsequent meeting, by the Board of Directors, acting upon the recommendation of the Remuneration and Nominations Committee and based on the opinion of the Board of Statutory Auditors.</p> <p>The Company does not have specific policies for Independent Directors. Given the nature of the office, there are no agreements on end-of-service benefits and indemnities.</p>
<b>Benefits</b>	None
<b>Remuneration for participation in Committees</b>	Directors who are members of the other Board Committees are granted an additional fixed amount of Euro 3,000 for each meeting they attend.

## STATUTORY AUDITORS

<b>Fixed Remuneration</b>	<p>The ordinary Shareholders' Meeting of April 21, 2020 resolved to assign the Chairman of the Board of Statutory Auditors annual compensation of Euro 75,000 and each of the Statutory Auditors annual compensation of Euro 50,000.</p> <p>Reimbursement of expenses incurred in connection with the mandate is envisaged.</p>
<b>Benefits</b>	None

## KEY MANAGEMENT PERSONNEL

In 2021, four managers held Key Management Personnel roles.

<b>Proportion of fixed and variable remuneration</b>	<p>The proportion between short and long-term fixed and variable remuneration within the 2021 total remuneration is calculated considering overall fixed remuneration and non-monetary benefits, in addition to short and long-term variable remuneration and other bonuses for 2021:</p> <div> <div>37.62%</div> <div>33.20%</div> <div>29.17%</div> </div> <div> <div><b>Fixed Remuneration</b></div> <div><b>Short-term variable incentive (MBO)</b></div> <div><b>Long-term variable incentive (LTI)</b></div> </div>
<b>Remuneration</b>	<p>The remuneration components for other Key Management Personnel in 2021 were as follows:</p> <ol style="list-style-type: none"> <li>an annual fixed component of Euro 140,000.</li> <li>an annual variable component linked to the achievement of specific company and individual targets (MBO plan) in 2021 of Euro € 984,667.</li> <li>a long-term variable component (2020-2022 Phantom Stock Grant Plan).</li> </ol> <p>No agreements are envisaged for severance indemnity and benefits.</p> <p>The compensation for roles held in subsidiary companies is reversed to Italmobiliare.</p>
<b>Benefits</b>	Non-monetary benefits may be granted (for example, company car also for personal use) as well as the other benefits in line with market practices.
<b>Non-competition agreements</b>	None

## Annual change in compensation and performance

In line with the regulatory requirement introduced by Consob with resolution 21623 of December 10, 2020, in light of the remuneration levels just highlighted, the following table compares the annual variation, between 2017 and 2021, of:

- Company results (expressed in terms of NAV per share);
- Total remuneration, calculated as the sum of the fixed, variable short and long term remuneration, other remuneration and benefits, of the Chief Executive Officer/Chief Operating Officer and the Chairman of the Board of Directors;
- Average gross annual remuneration, calculated as the sum of fixed, variable, short and long-term remuneration, other remuneration and benefits, based on the full-time employees of Italmobiliare S.p.A. (headcount), with the exception of the Chief Executive Officer/Chief Operating Officer.

### ANNUAL CHANGE IN COMPENSATION AND PERFORMANCE

Board of Directors		2021 vs 2020	2020 vs 2019*	2019* vs 2018	2018 vs 2017	2021 vs 2017
Carlo Pesenti	Chief Executive Officer/ Chief Operating Officer	0.9%	-71.6%	308.5%	-5.0%	11.3%
Laura Zanetti	Chairman of the Board of Directors	10.7%	-27.0%	80.2%	31.3%	91.3%
<b>Group results</b>						
NAV per share		13.1%	5.0%	22.4%	-3.8%	39.8%
<b>Average remuneration of employees</b>						
Employees of the Parent Company		-1.7%	-42.4%	99.5%	32.1%	49.2%

\* The figures considered for 2019 are strongly impacted by the disbursement of the 2017-2019 LTI plan, as explained below.

Moreover, in 2021 no changes were made to the Remuneration Policy with regard to the members of the Board of Directors. For the sake of completeness of analysis, observing the entire period 2017-2021, an increase in their remuneration was approved on the renewal of the Board of Directors by the Shareholders' Meeting called to approve the 2019 financial statements. On this occasion, the meeting approved an increase in the remuneration for 2020 compared with the previous year of 50% for the Chairman of the Board, of 7% for the Deputy Chairman, of 11% for each Director, eliminating the Executive Committee and consequently the fee for attending meetings.

No significant changes were made to the remuneration policy of members of the Board of Statutory Auditors during the period.

With regard to the more significant changes that took place during the period, in addition to the changes made to the remuneration for members of the Board of Directors described above, the following matters are worth mentioning:

- The amount paid for the 2017-2019 LTI Plan was all accounted for in 2019;
- As regards the position of Chairman of the Board of Directors, a one-off bonus was paid in 2019, in order to recognize her immense professional commitment and the role played by the Chairman during the previous three-year term of office. Her fixed remuneration was also revised to bring it into line with market benchmarks. It should also be noted that the Chairman of the Board of Directors has been in office since April 19, 2017; in the months prior to that date she only held the position of Director.

For the sake of completeness, the following shows the evolution of the ratio between the total remuneration of the Chief Executive Officer/Chief Operating Office and the average gross annual remuneration of the other employees of the Parent Company, calculated as explained above:

2021	2020	2019	2018	2017
16	16	33	16	22

## PART II – DETAILED TABLES

### Compensation paid to members of the management and control bodies, general managers and other key management personnel

Name and surname	Position	Period of office	Expiry of term of office	Fixed compensation	Compensation for participation in Committees	Non-equity variable compensation		Non-monetary benefits	Other compensation	Total	Fair value of equity compensation	Compensation for loss of office or termination of employment
						Bonuses and other incentives	Profit sharing					
<b>Laura Zanetti</b>	Chairman Committee for Sustainability and Social Responsibility	01.01 – 31.12 2021	approval of 2022 financial statements									
(I) Compensation in the company drawing up the financial statements				340,000	9,000				3,707	352,707		
(II) Compensation from subsidiaries and associates				30,000						30,000		
<b>Total</b>				<b>370,000</b>	<b>9,000</b>				<b>3,707</b>	<b>382,707</b>		
<b>Livio Strazzera</b>	Deputy Chairman	01.01 – 31.12 2021	approval of 2022 financial statements									
(I) Compensation in the company drawing up the financial statements				60,000						60,000		
(II) Compensation from subsidiaries and associates												
<b>Total</b>				<b>60,000</b>						<b>60,000</b>		
<b>Carlo Pesenti</b>	Chief Executive Officer Chief Operating Officer Committee for Sustainability and Social Responsibility	01.01 – 31.12 2021	approval of 2022 financial statements									
(I) Compensation in the company drawing up the financial statements				1,040,000	9,000	1,200,000		82,566		2,331,566	1,500,000	
(II) Compensation from subsidiaries and associates												
<b>Total</b>				<b>1,040,000</b>	<b>9,000</b>	<b>1,200,000</b>		<b>82,566</b>		<b>2,331,566</b>	<b>1,500,000</b>	
<b>Vittorio Bertazzoni</b>	Director Remuneration and Nominations Committee Committee for Sustainability and Social Responsibility	01.01 – 31.12 2021	approval of 2022 financial statements									
(I) Compensation in the company drawing up the financial statements				40,000	18,000					58,000		
(II) Compensation from subsidiaries and associates												
<b>Total</b>				<b>40,000</b>	<b>18,000</b>					<b>58,000</b>		
<b>Giorgio Bonomi</b>	Director Control and Risk Committee	01.01 – 31.12 2021	approval of 2022 financial statements									
(I) Compensation in the company drawing up the financial statements				40,000	18,000					58,000		
(II) Compensation from subsidiaries and associates												
<b>Total</b>				<b>40,000</b>	<b>18,000</b>					<b>58,000</b>		
<b>Mirja Cartia d'Asero</b>	Director Control and Risk Committee Committee for Transactions with Related Parties Committee for Sustainability and Social Responsibility	01.01 – 31.12 2021	approval of 2022 financial statements									
(I) Compensation in the company drawing up the financial statements				40,000	30,000					70,000		
(II) Compensation from subsidiaries and associates												
<b>Total</b>				<b>40,000</b>	<b>30,000</b>					<b>70,000</b>		

Name and surname	Position	Period of office	Expiry of term of office	Fixed compensation	Compensation for participation in Committees	Non-equity variable compensation		Non-monetary benefits	Other compensation	Total	Fair value of equity compensation	Compensation for loss of office or termination of employment
						Bonuses and other incentives	Profit sharing					
<b>Valentina Casella</b>	Director Remuneration and Nominations Committee	29.07 – 31.12 2021	approval of 2022 financial statements									
(I) Compensation in the company drawing up the financial statements				17,096	3,000					20,096		
(II) Compensation from subsidiaries and associates												
<b>Total</b>				<b>17,096</b>	<b>3,000</b>					<b>20,096</b>		
<b>Marco Cipelletti</b>	Director	27.01 – 31.12 2021	approval of 2022 financial statements									
(I) Compensation in the company drawing up the financial statements				37,151						37,151		
(II) Compensation from subsidiaries and associates												
<b>Total</b>				<b>37,151</b>						<b>37,151</b>		
<b>Elsa Fornero</b>	Director Committee for Transactions with Related Parties Committee for Sustainability and Social Responsibility	01.01 – 31.12 2021	approval of 2022 financial statements									
(I) Compensation in the company drawing up the financial statements				40,000	12,000					52,000		
(II) Compensation from subsidiaries and associates												
<b>Total</b>				<b>40,000</b>	<b>12,000</b>					<b>52,000</b>		
<b>Sebastiano Mazzoleni</b>	Director	01.01 – 31.12 2021	approval of 2022 financial statements									
(I) Compensation in the company drawing up the financial statements				40,000						40,000		
(II) Compensation from subsidiaries and associates												
<b>Total</b>				<b>40,000</b>						<b>40,000</b>		
<b>Luca Minoli</b>	Director	01.01 – 31.12 2021	approval of 2022 financial statements									
(I) Compensation in the company drawing up the financial statements				40,000					2,456	42,456		
(II) Compensation from subsidiaries and associates									35,024	35,024		
<b>Total</b>				<b>40,000</b>					<b>37,480</b>	<b>77,480</b>		
<b>Chiara Palmieri</b>	Director Remuneration and Nominations Committee Control and Risk Committee Committee for Transactions with Related Parties	01.01 – 31.12 2021	approval of 2022 financial statements									
(I) Compensation in the company drawing up the financial statements				40,000	30,000					70,000		
(II) Compensation from subsidiaries and associates												
<b>Total</b>				<b>40,000</b>	<b>30,000</b>					<b>70,000</b>		
<b>Marinella Soldi</b>	Director Remuneration and Nominations Committee	01.01 – 27.07 2021										
(I) Compensation in the company drawing up the financial statements				22,795	6,000					28,795		
(II) Compensation from subsidiaries and associates												
<b>Total</b>				<b>22,795</b>	<b>6,000</b>					<b>28,795</b>		

NOTE: the Director Antonio Salerno, who resigned on January 21, 2021, has waived his compensation.



Name and surname	Position	Period of office	Expiry of term of office	Fixed compensation	Compensation for participation in Committees	Non-equity variable compensation		Non-monetary benefits	Other compensation	Total	Fair value of equity compensation	Compensation for loss of office or termination of employment
						Bonuses and other incentives	Profit sharing					
<b>Pierluigi De Biasi</b>	Chairman of the Board of Statutory Auditors	01.01 – 31.12 2021	approval of 2022 financial statements									
(I) Compensation in the company drawing up the financial statements				75,000						75,000		
(II) Compensation from subsidiaries and associates												
<b>Total</b>				<b>75,000</b>						<b>75,000</b>		
<b>Luciana Ravicini</b>	Standing Auditor Supervisory Body	01.01 – 31.12 2021	approval of 2022 financial statements									
(I) Compensation in the company drawing up the financial statements				50,000	17,500*					67,500		
(II) Compensation from subsidiaries and associates				30,000						30,000		
<b>Total</b>				<b>80,000</b>	<b>17,500</b>					<b>97,500</b>		
<b>Gabriele Villa</b>	Standing Auditor	01.01 – 31.12 2021	approval of 2022 financial statements									
(I) Compensation in the company drawing up the financial statements				50,000						50,000		
(II) Compensation from subsidiaries and associates												
<b>Total</b>				<b>50,000</b>						<b>50,000</b>		
<b>Key Management Personnel (4)</b>		01.01 – 31.12 2021										
(I) Compensation in the company drawing up the financial statements				1,140,000		984,667		19,282		2,143,949	891,000	
(II) Compensation from subsidiaries and associates												
<b>Total</b>				<b>1,140,000</b>		<b>984,667</b>		<b>19,282</b>		<b>2,143,949</b>	<b>891,000</b>	

\* Remuneration for participation in the Supervisory Body

Below are the items of compensation, split by individual appointment, for the cases where the figures were given in aggregate form in the table.

### FIXED COMPENSATION

<b>Laura Zanetti</b>	Compensation as a Director	40,000
	Compensation for the office of Chairman	300,000
	Compensation as a member of the Committee for Sustainability and Social Responsibility	9,000
<b>Livio Strazzera</b>	Compensation as a Director	40,000
	Compensation for the office of Deputy Chairman	20,000
<b>Carlo Pesenti</b>	Compensation as a Director	40,000
	Compensation as the Chief Executive Officer/Chief Operating Officer	1,000,000
	Compensation as a member of the Committee for Sustainability and Social Responsibility	9,000

### COMPENSATION FOR PARTICIPATION IN COMMITTEES

<b>Vittorio Bertazzoni</b>	Compensation as a member of the Remuneration and Nominations Committee	9,000
	Compensation as a member of the Committee for Sustainability and Social Responsibility	9,000
<b>Mirja Cartia d'Asero</b>	Compensation as a member of the Control and Risk Committee	18,000
	Compensation as a member of the Committee for Transactions with Related Parties	3,000
	Compensation as a member of the Committee for Sustainability and Social Responsibility	9,000
<b>Elsa Fornero</b>	Compensation as a member of the Committee for Transactions with Related Parties	3,000
	Compensation as a member of the Committee for Sustainability and Social Responsibility	9,000
<b>Chiara Palmieri</b>	Compensation as a member of the Control and Risk Committee	18,000
	Compensation as a member of the Committee for Transactions with Related Parties	3,000
	Compensation as a member of the Remuneration and Nominations Committee	9,000

## Stock-options assigned to members of the board of directors, general managers and other key management personnel

A	B	(1)	Options held at the beginning of the year			Options granted during the year						Options exercised during the year			Options expired during the year	Options held at the end of the year	Options for the year
			(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Name and surname	Position	Plan	Number of options	Strike price	Possible exercise period (from/to)	Number of options	Strike price	Possible exercise period (from/to)	Fair value at grant date	Grant date	Market price of the shares underlying options granted	Number of options	Strike price	Market price of underlying shares on exercise date	Number of options	Number of options	Fair value
<b>Carlo Pesenti</b>	Chief Executive Officer/ Chief Operating Officer	Stock option plan for directors (Board resolution of March 27, 2002)	61,400	13.734	30.03.2014 29.03.2021	-	-	-	-	-	-	61,400	13.734	29.1	-	-	-
<b>Total</b>			<b>61,400</b>									<b>61,400</b>					

## Incentive plans based on financial instruments, other than stock options, for members of the management body, general managers and other key management personnel

A	B	(1)	Financial instruments assigned in previous financial years not vested during the year		Financial instruments assigned during the year					Financial instruments vested during the year and not assigned	Financial instruments vested during the year and able to be assigned		Financial instruments for the year
			(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Name and surname	Position	Plan	Number and type of financial instruments	Vesting Period	Number and type of financial instruments	Fair value at grant date	Vesting Period	Grant date	Market price of shares underlying the grant	Number and type of financial instruments	Number and type of financial instruments	Value at maturity	Fair value
Carlo Pesenti	Chief Executive Officer / Chief Operating Officer	2020-2022 Phantom Stock Grant Plan (Board resolution of May 12, 2020)			293,198	4,500,000	01.01.2020 31.12.2022	12.05.2020	25.58				1,500,000
Key Management Personnel (4)		2020-2022 Phantom Stock Grant Plan (Board resolution of May 12, 2020)			174,159	2,673,000	01.01.2020 31.12.2022	12.05.2020	25.58				891,000

## Monetary incentive plans for members of the management body, general managers and other key management personnel

Name and surname	Position	Plan	Bonus for the year			Bonuses paid in previous years			Other bonuses
			Payable/Paid	Deferred	Deferral period	No longer payable	Payable/Paid	Still deferred	
Carlo Pesenti	Chief Executive Officer / Chief Operating Officer	Annual MBO	1,200,000						
Key Management Personnel (4)		Annual MBO	984,667						

## Shareholdings owned by the Board Directors, Statutory Auditors and Key Management Personnel

Name and surname	Position	Investee company	Number of shares held at December 31, 2020	Number of shares bought	Number of shares sold	Number of shares held at December 31, 2021
<b>Carlo Pesenti</b>	Chief Executive Officer / Chief Operating Officer	ITALMOBILIARE	15,100 134,496	61,400	28,600	47,900 134,496 (i)
<b>Giorgio Bonomi</b>	Director	ITALMOBILIARE	15,100 134,496	-	-	15,100 (ii) 134,496 (i)
<b>Livio Strazzera</b>	Director	ITALMOBILIARE	200	-	-	200
<b>Laura Zanetti</b>	Director	ITALMOBILIARE	1,800	-	-	1,800
<b>Key Management Personnel</b>		ITALMOBILIARE	5,635	3,865	-	9,500

(i) shares owned 1/3 pro indiviso for each of the heirs of Giampiero Pesenti, including Carlo Pesenti and Giulia Pesenti, wife of Giorgio Bonomi

(ii) shares owned by the spouse Giulia Bonomi

## INFORMATION IN ACCORDANCE WITH ARTICLE 84-BIS OF CONSOB REGULATION 11971/1999

The table at the foot of the page contains the information requested by art. 84 bis of the Issuers' Regulation, in relation to the assignment of the Italmobiliare 2020-2022 Phantom Stock Grant Plan approved by the Shareholders' Meeting of April 21, 2020.

The Plan provides for the assignment of the Rights to receive Phantom Stocks linked to the value of ITALMOBILIARE's shares at the end of the 2020-2022 Performance Period, providing the Performance Objective to which the plan is linked is achieved.

The final Bonus therefore depends on:

- the number of accrued Phantom Stocks (based on Group performance);
- the value of the Shares, based on stock market performance.

Overall, in 2020 and in 2021, 554,304 rights were assigned to 18 beneficiaries. In 2021, 8,731 rights were assigned to 3 beneficiaries.

For details of the plan, refer to the Disclosure Document published on the website [www.italmobiliare.it](http://www.italmobiliare.it), in the Governance/Shareholders' Meeting Archive/2021 section.

## NEWLY GRANTED COMPENSATION ACCORDING TO THE DECISION MADE BY THE COMPETENT BODY FOR IMPLEMENTATION OF THE SHAREHOLDERS' RESOLUTION

FRAMEWORK 1								
Financial instruments other than stock options								
SECTION 2								
Newly granted instruments in accordance with the decision of the competent body for implementation of the shareholders' resolution								
Name and surname or category	Position (to be indicated only for subjects named)	Date of the related shareholders' resolution	Type of financial instruments	Number of financial instruments granted by the Board	Grant date	Purchase price, if applicable, of the instruments	Market price on the date of the grant Euro	Vesting period
<b>Carlo Pesenti</b>	Chief Executive Officer of the Company	Apr 21, 2020	Phantom stock	293,198	May 12, 2020	N.A.	25.5	January 1, 2020 – December 31, 2022
<b>Matteo Benusiglio</b>	Director of a subsidiary	Apr 21, 2020	Phantom stock	9,382	May 12, 2020	N.A.	25.5	January 1, 2020 – December 31, 2022
<b>Carlo Alberto Bruno</b>	Director of a subsidiary	Apr 21, 2020	Phantom stock	28,147	May 12, 2020	N.A.	25.5	January 1, 2020 – December 31, 2022
<b>Alarico Melissari</b>	Director of a subsidiary	Apr 21, 2020	Phantom stock	21,697	May 12, 2020	N.A.	25.5	January 1, 2020 – December 31, 2022
<b>Giuliano Palermo</b>	Director of a subsidiary	Apr 21, 2020	Phantom stock	28,147	May 12, 2020	N.A.	25.5	January 1, 2020 – December 31, 2022
<b>Alberto Riboni</b>	Director of a subsidiary	Apr 21, 2020	Phantom stock	5,453	May 12, 2020	N.A.	25.5	January 1, 2020 – December 31, 2022
<b>Leonardo Senni</b>	Director of a subsidiary	Apr 21, 2020	Phantom stock	117,279	May 12, 2020	N.A.	25.5	January 1, 2020 – December 31, 2022
<b>Mauro Torri</b>	Director of a subsidiary	Apr 21, 2020	Phantom stock	7,037	May 12, 2020	N.A.	25.5	January 1, 2020 – December 31, 2022
<b>Alice Ghezzi</b>	Director of a subsidiary	21-apr-20	Phantom stock	4,691	12-mag-20	N.A.	25.5	January 1, 2020 – December 31, 2022
<b>Roberto Pesenti</b>	Director of a subsidiary	21-apr-20	Phantom stock	5,382	16-dic-21	N.A.	27.25	January 1, 2020 – December 31, 2022

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