

Remuneration Report 2022

 **amplifon**

Prepared in accordance with Article 123-ter of Legislative Decree no. 58 of February 24th, 1998 and in compliance with Annex 3A, schedules 7-bis and 7-ter of CONSOB Regulation no. 11971 of May 14th, 1999 and following amendments

Remuneration Report 2022

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INDEX

LETTER OF THE CHAIR OF THE REMUNERATION AND APPOINTMENTS COMMITTEE	4
EXECUTIVE SUMMARY	6
CHANGES IN THE 2022 REMUNERATION REPORT	8
THE PILLARS OF THE REMUNERATION POLICY	9
1. Correlation between Strategy and Remuneration	10
2. Pay for Performance	12
3. Alignment with market best practices	14
4. The contribution to the Group's Sustainability	16
5. The perspective of shareholders and investors	18
6. People Empowerment	20
CHARACTERISTICS OF THE 2022 REMUNERATION POLICY	24
SECTION I	26
REMUNERATION POLICY FOR 2022	
I. Governance model	28
1.1. Bodies and parties involved	28
1.2. 2022 Remuneration Policy approval procedure	33
1.3. The duration of the Remuneration Policy	33
1.4. The Remuneration Policy derogation procedure	34
2. 2022 Remuneration Policy purposes, principles and guidelines	35
2.1. Remuneration Policy principles	35
2.2. Guidelines for the new mandate	36
3. 2022 Remuneration Policy guidelines	37
3.1. Remuneration of Directors	37
3.2. Remuneration of the Chief Executive Officer and General Manager	39
3.3. Remuneration for Key Managers with Strategic Responsibilities	47
3.4. Remuneration of the Board of Statutory Auditors	53
3.5. Remuneration of the Group Internal Audit and Risk Management Officer	53
SECTION II	54
REMUNERATION PAID IN 2021 AND OTHER INFORMATION	
I. INTRODUCTION	56
2. IMPLEMENTATION OF THE 2021 REMUNERATION POLICY	57
2.1. Fixed remuneration	57
2.2. Short-term Variable Remuneration (MBO 2021)	58
2.3. Long-term Variable Remuneration – Stock Grant Plan 2019-2025	59
2.4. Special Award 2020-2022 for the CEO	60
2.5. Indemnities for termination of office or termination of employment relationship	60
2.6. Application of ex-post correction mechanisms	60
2.7. Derogation applied to the Remuneration Policy in 2021	60

Table comparing the changes over the last five financial years between the annual variation in the total remuneration of the Members of the Board of Directors and the Board of Statutory Auditors, the company's results and the average gross annual remuneration of the employees	61
TABLE I Compensation paid to members of the Board of Directors and the Board of Statutory Auditors, the General Manager and other Key Managers with Strategic Responsibilities	64
TABLE 2 Stock Option allocated to the members of the Board of Directors and the Board of Statutory Auditors, the General Manager and other Key Managers with Strategic responsibilities of the Group	67
TABLE 3A Share-based incentive plans, other than Stock Options, for the members of the Board of Directors and the Board of Statutory Auditors, the General Manager and other Key Managers with Strategic Responsibilities of the Group	68
TABLE 3B Cash incentive plans for the members of the Board of Directors and the Board of Statutory Auditors, the General Manager and other Key Managers with Strategic Responsibilities of the Group	70
TABLE 7-TER Relating to information on the participation of the members of the Board of Directors and the Board of Statutory Auditors, the General Manager and other Key Managers with Strategic Responsibilities of the Group	70
ATTACHMENTS	72
GLOSSARY	74
ANALYTICAL INDEX BY THEMES	76



LETTER OF THE CHAIR OF THE REMUNERATION & APPOINTMENTS COMMITTEE

Dear Shareholders,

As Chair of Amplifon's Remuneration and Appointments Committee, I am pleased to present the 2022 Remuneration Report.

2021 was a year marked by outstanding financial and strategic results. The Group achieved a double-digit increase in revenue, EBITDA and net profit, driven by an excellent organic growth and the contribution made by acquisitions.

The acquisition of Bay Audio represents a further milestone in the Group's history, and is perfectly in line with the wish to further strengthen our presence in the key Australian market. A second joint venture with a local partner in the Chinese hearing care market was also set up, resulting in an overall network of 115 points of sale and a run-rate revenue for 2021 of around €15 million.

In line with the path chosen by the Group and the desire to continue to promote the sharing of sustainable development with all stakeholders, this Report focuses on the priorities that characterized the Committee's work in 2021.

These priorities can be summarized as follows:

- Improvement of the level of disclosure of the Report, in order to highlight the "Pay for Performance" linkage, already embedded in the architecture and mechanisms of our incentive systems. As confirmation of the commitment of our management and the dedication of all our employees, this Report shows how the outstanding results achieved by the Group in 2021, even during such a period of great instability, were rewarded;
- Description of the pillars on which the Group Remuneration Policy is built, providing tangible proof of how our Remuneration Policy is strongly linked to the wider business strategy, personal development, and the Group's sustainability goals. With this perspective in mind, we present details of the gender pay gap analyses performed for the first time this year.

To this end, confirming the increasing attention given to sustainability issues in Amplifon's Remuneration Policy, 2021 saw the launch of an

intensive reflection, from the point of view of “Pay for Sustainable Performance”, concerning the definition of a new incentive scheme intended, in the first instance, for the Chief Executive Officer and the General Manager and aimed at creating a strong link with the value creation not only for the shareholders, but for all our stakeholders.

The Board of Directors agreed on the design of a new Co-investment Plan, which will be submitted for approval by the Shareholders’ Meeting, offering the Chief Executive Officer and General Manager the option of investing a portion of his accrued short-term bonus (MBO) in shares, deferring its payment for a period of three years.

Depending on three-year performance period, the Company may recognize a matching based on the achievement of targets related to a broad notion of creation of sustainable value, as a reward for the wealth generated for shareholders, as well as the achievement of sustainability targets.

Bearing in mind that the value creation for all our stakeholders over the medium-to-long term is the Group’s primary objective, the Committee believes that this component represents an effective incentivization and retention tool that serves the interests of both the Company and the beneficiary, enabling the latter to be

rewarded for the Group’s success over the three-year period.

This innovation in the Remuneration Policy for the CEO may also be extended to other levels of the Top Management in 2023, in order to consolidate a policy of strong involvement of key managers in the achievement of value creation goals.

Finally, it should be noted that the Remuneration Policy is being presented at the same time as the list for the renewal of the Board of Directors, having been implemented by the outgoing Board of Directors which, in the meeting of March 3rd, 2022, approved its contents.

With the aim of bringing Amplifon into closer alignment with best European practices, the outgoing Board of Directors proposed a review of the remuneration payable to the members of the new Board of Directors for the 2022-2024 term, supported by an in-depth benchmarking process. These amounts will be subject to approval by the Shareholders’ Meeting invited to approve this Report.

On behalf of all my colleagues on the Committee, I hope that the continuous improvement of our Policy will be an evidence of the hard work of the Committee, with the hope that it will meet the broadest support at the Shareholders’ Meeting.

Maurizio Costa
Chair of the Amplifon Remuneration and Appointments Committee



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EXECUTIVE SUMMARY

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CHANGES IN THE 2022 REMUNERATION REPORT

Considering the results of the voting at the 2021 Shareholders' Meeting, as well as the significant elements that Amplifon intends to further strengthen with a view to continuous alignment with market best practices, the main changes introduced into the Report on Remuneration Policy 2022 and compensation paid are summarized below:

CONTENT OF THE REMUNERATION POLICY

Co-Investment plan (Sustainable Value Sharing Plan) for the CEO/GM, designed to optimize the management of ESG issues while safeguarding the **value creation** for our **shareholders** (matching linked to achievement of the goals of the **Group Sustainability Plan** and to **Total Shareholder Return**)

p. 44

Greater focus on the **medium/long-term** variable component of the new **pay mix** proposed for the CEO/GM, due to the **deferral** of the **MBO** bonus

p. 40

Clear and **complete linkage** between the **incentive schemes** and the Group **Strategic Plan** and **Sustainability Plan**

pp. 11;
16-17

More details about the **procedure for derogation from the Remuneration Policy**

p. 34

COMMUNICATION ELEMENTS OF THE REPORT

New summary describing the Pillars on which the Remuneration Policy is based

pp.
9-23

Improvement of the level of disclosure in relation to the **calculation of the MBO and LTI schemes**

pp.
58-59

More information about the analysis of **benchmarks for the CEO, non-executive Directors and KMSRs**

pp.
14-15; 37;
39; 48

Focus on how the Remuneration Policy takes into account the working conditions of the **employees**, and information about the **gender pay gap**

pp.
20-23

THE PILLARS OF THE REMUNERATION POLICY

1. LINK BETWEEN REMUNERATION AND STRATEGY

Our Policy is defined in line with the long-term strategy and goals, and is able to achieve the primary objective of creating sustainable value for our shareholders

2. PAY FOR PERFORMANCE

Our Policy makes it possible to focus our people on the achievement of short- and medium/long-term business targets. Performance is the main driver that guides the remuneration choices for our people

3. ALIGNMENT WITH BEST MARKET PRACTICES

Our Policy is assessed in the light of best market practices, through continuous monitoring of Italian and international trends

THE PILLARS OF THE REMUNERATION POLICY

Amplifon’s Remuneration Policy is adopted by the Board of Directors, after a preliminary examination and upon the recommendation of the Remuneration and Appointments Committee, and is defined in line with the business strategy, the governance model implemented and the guidelines of the Code of Corporate Governance of Listed Companies.

Amplifon’s Remuneration Policy is aimed at:

- Promoting the pursuit of corporate objectives, sustainable success and improving results in the medium-/long-term;
- Pursuing the creation of value for all Group stakeholders (shareholders, employees, suppliers, customers, local communities);
- Providing incentive schemes with predetermined objectives, that can be measured and are consistent with the Group’s Strategic Plan and Sustainability Plan;
- Attracting, retaining and motivating people with good professional skills, encouraging the commitment of key resources;
- Promoting actions and behavior that respond to Group values, in compliance with the principles of inclusion and diversity, equal opportunity, meritocracy and fairness, as set out in our Code of Ethics.

To this purpose, The Remuneration and Appointments Committee annually evaluates the quality of the contents of Amplifon’s Remuneration Policy, taking into consideration the different elements that constitute the pillars:

4. CONTRIBUTION TO GROUP SUSTAINABILITY

Our Policy promotes sustainable business success by linking the Group’s economic and financial performance to sustainability (ESG) goals

5. POINT OF VIEW OF SHAREHOLDERS AND INVESTORS

Our Policy is the result of continuous dialog with our shareholders, with a view to constantly improving the content and level of disclosure consistent with the guidelines of the main institutional investors and proxy advisors

6. PEOPLE EMPOWERMENT

Our Policy is designed to attract, motivate and retain key resources, recognizing the quality and effectiveness of the individual contribution and promoting diversity and equal opportunity in the management of human resources



I. CORRELATION BETWEEN STRATEGY AND REMUNERATION

Amplifon is a leading global Company in the hearing care market, thanks to its extremely vast network which counts more than 9,200 points of sale and the professionalism and passion of around 18,600 employees and partners, in 25 Countries over 5 continents.

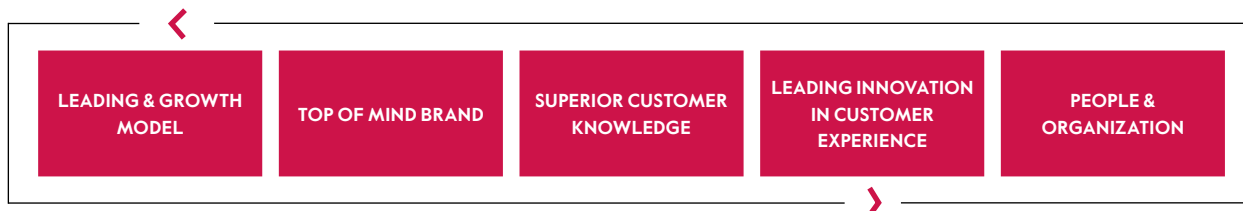
The purpose of the Group is to ensure that every customer has a customized, distinctive listening experience through a unique formula: the combination of access to the most advanced technologies with the offering of the best application service and customized hearing solutions.

We invest every day in the trends of tomorrow to improve the quality of life for millions of people. Innovation has always been the protagonist of our business strategy, which has clear and targeted objectives and it is based on three fundamental pillars: growth and leadership at a global level, a unique and differentiated customer proposition and effective organization.

In this perspective, The Group's Remuneration Policy was defined in line with the long-term objectives and business strategy, in order to contribute to achieving sustainable results over a period of time and reaching the primary objective of the value creation for all our stakeholders.

This combination is reflected directly in the design and purposes of our incentive schemes, creating an immediate correlation between the business strategy and the rewarding system.

GUIDELINES OF THE AMPLIFON STRATEGY



LINK BETWEEN REMUNERATION AND STRATEGY

MBO SYSTEM	COMPETITIVE LEADERSHIP	FINANCIAL AND OPERATIONAL EFFICIENCY	SUSTAINABILITY OF THE BUSINESS
<i>EBITDA (performance parameter)</i>	●	●	
<i>Net Sales (performance parameter)</i>	●		
<i>Free Cash Flow (performance parameter)</i>		●	
<i>Specific KPIs linked to strategic business objectives (multiplier)</i>	●	●	●
<i>Specific KPIs linked to Sustainability Plan targets (multiplier)</i>			●
LTI System			
<i>Net Financial Position (access gate)</i>		●	
<i>EBITDA (access gate)</i>	●	●	
<i>EBIT (performance parameter)</i>	●	●	
<i>Net Sales (performance parameter)</i>	●		
Sustainable Value Sharing Plan			
<i>Total Shareholder Return</i>	●		●
<i>Product & Service Stewardship</i>			●
<i>People Empowerment</i>			●
<i>Community Impact</i>			●
<i>Ethical Behavior</i>			●
CREATION OF VALUE FOR SHAREHOLDERS			



2. PAY FOR PERFORMANCE

Amplifon is the global leader in hearing care retail and has a market share of more than 11% thanks to a solid strategy, careful planning and a strong execution capacity. Amplifon recorded an excellent performance in 2021 too, consolidating its global leadership position.

MAIN GOALS REACHED IN 2021

REVENUES

€ **1,948.1** mln
+29.6% vs 2020

ACQUISITION OF BAY AUDIO IN AUSTRALIA

Amplifon acquired Bay Audio in Australia – the leading independent operator in the Australian market which runs a network of more than 100 points of sale - for a countervalue (enterprise value) of around 550 million Australian dollars (approximately €340 million).

EBITDA

€ **482.8** mln
+32.0% vs 2020

EXPANSION IN CHINA

In July, Amplifon announced the second joint venture with a local partner in the Chinese retail market of hearing care and in October it opened the first store in Shanghai, in line with the strategy aimed at expanding the Group's presence in China.

NET PROFIT

€ **175.2** mln
+81.4% vs 2020

LISTENING AHEAD

In March, Amplifon published Listening Ahead, the Sustainability Plan with medium-term objectives consistent with its own business strategy and the United Nation Agenda 2030 for Sustainable Development, to which the remuneration of the Top Management is connected.

FREE CASH FLOW

€ **254.9** mln
-0.8% vs 2020

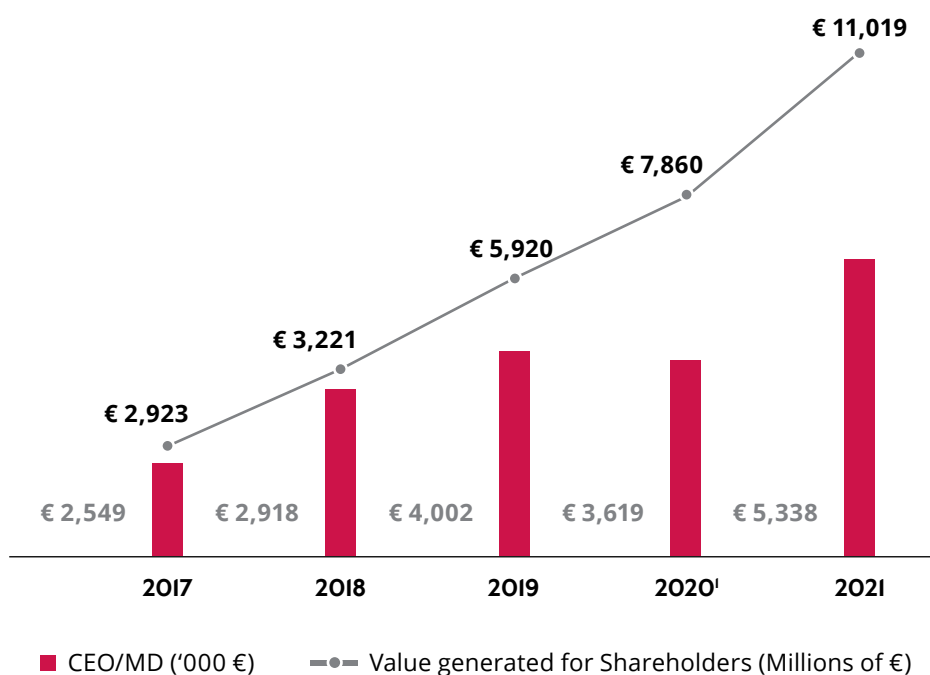
AMPLIFON X

Amplifon X was created to support the important acceleration of digital innovation. It is a new lean division dedicated to highly-innovative digital solutions within a proprietary eco-system of customer-centered omni-channel and omni-person solutions. Amplifon X came out from the integration of Otohub with the digital area of the Group and will make it possible to defined new standards of audiological experience, creating a significant competitive advantage and unique experience for our customers.

In line with market best practices and consistent with the philosophy of the creation of sustainable value, the Group’s approach to variable remuneration embraces a broad concept of performance, characterized by objectives directed at generating solid and profitable economic-financial results, together with positive impacts on all relevant stakeholders.

From this perspective, the growth path undertaken by the Group was accompanied by a constant growth in economic-financial results and a significant increase in the value of Amplifon’s stock over the last five years.

CEO/GM REMUNERATION AND VALUE GENERATED FOR AMPLIFON SHAREHOLDERS 2017-2021



From the analyses of Pay for Performance, it emerges that, as far as the period 2017-2021 is concerned, the Group recorded a significant increase in the “value generated”² for its shareholders and a significant improvement in the Group’s economic-financial performance. The increase of the CEO/GM package consistently reflects this performance and is correlated to the value created for shareholders and the Company’s significant growth path.

As a further expression of the principle that guides the policies related to Pay for Performance, this increase is mainly generated from the short and long-term variable remuneration levers. Amplifon’s excellent performance in 2021 has led to the accrual of short and long-term incentives in favor of the Company’s management, as described in more detail later in this Report.

1 - The amount represented is affected by the measures taken in response to COVID-19.

2 - The “value generated” for shareholders is measured as the market capitalization performance over the last five years on the assumption of the reinvestment of dividends distributed at the ex-dividend date.



3. ALIGNMENT WITH MARKET BEST PRACTICES

For the purpose of preparing the 2022 Remuneration Policy, the Remuneration and Appointments Committee has taken into account national and international best practices, as well as the results of a benchmark analysis on the remuneration of the Chief Executive Officer/General Manager, non-executive Directors of the Board of Directors and Key Managers with Strategic Responsibilities of the Group.

Benchmarking analyses were conducted in 2022 with the support of specialized independent experts³, comparing the results, which are listed in the following table, with a panel of companies considered significant:

3 - The benchmark activities were carried out with the consulting firm Mercer.

Role	Panel selection criteria	Peer Group
Chief Executive Officer/General Manager	<p>Industrial companies of the FTSE MIB Index of Borsa Italiana, deemed significant by the Group, excluding Issuers that:</p> <ul style="list-style-type: none"> • have a foreign matrix; • involve the combination of the role of CEO and the reference shareholder position. 	<p>FTSE MIB Index Peer Group (14 companies)</p> <p>Campari, Enel, Eni, Ferrari, Interpump, Italgas, Leonardo, Nexi, Pirelli, Prysmian, Saipem, Snam, Terna, TIM</p>
	<p>Companies similar to Amplifon from a business perspective, identified based on the following drivers:</p> <ul style="list-style-type: none"> • main competitors/players in Amplifon’s value chain; • companies operating in the optical retail sector; • businesses operating in the healthcare sector. 	<p>Business Peer Group (15 companies)</p> <p>Cigna Corporation, Cochlear, Coloplast, Demant, EssilorLuxottica, Fielmann, Fresenius Medical Care, GN StoreNord, GrandVision, Philips Healthcare, Recordati, Siemens Healthineers, Smith & Nephew, Sonova, Strauman Group</p>
Non-executive Members of the Board of Directors	<p>Industrial companies belonging to the FTSE MIB Index of Borsa Italiana.</p>	<p>Peer Group (24 companies)</p> <p>A2A, Atlantia, Buzzi Unicem, Campari, CNH Industrial, Diasorin, Enel, Eni, Ferrari, Hera, Interpump, Inwit, Italgas, Leonardo, Moncler, Nexi, Pirelli, Prysmian, Recordati, Saipem, Snam, Stellantis, Terna, TIM</p>
Key Managers with Strategic Responsibilities	<p>Similar companies identified on the basis of the following aspects:</p> <ul style="list-style-type: none"> • International listed companies belonging to the FTSE MIB Index or MID CAP Index of a comparable size/level of internationalization; • unlisted Italian companies with a high internationalization profile; • large global organizations, with European headquarters, present in Italy or with important Italian branch offices. 	<p>Key Managers with Strategic Responsibilities – Peer Group (29 companies)</p> <p>Angelini, Ariston Thermo, Autogrill, Bolton Group, Brembo, Campari, De’ Longhi, Enel, Eni, Ferrari, Ferrero, Intercos, Italgas, Leonardo, Moncler, Nestlé, Nexi, Ovs, Pirelli, Safilo, Saipem, Sky, Sisal, Snam, Technogym, TIM, Terna, Vodafone, Whirlpool</p>



4. THE CONTRIBUTION TO THE GROUP'S SUSTAINABILITY

Amplifon's ongoing commitment to striving for sustainable success, by improving its environmental, social and governance practices, has led the Company to reach many important goals during the course of the year.

THE FOUR AREAS OF COMMITMENT

— PRODUCT & SERVICE STEWARDSHIP

— COMMUNITY IMPACT

— PEOPLE EMPOWERMENT

— ETHICAL BEHAVIOR

MAIN GOALS REACHED IN 2021

JOINING THE MIB ESG INDEX

in October 2021, Amplifon was included in the new MIB ESG Index, launched by Euronext and Borsa Italiana and dedicated to the 40 Italian blue-chips that implement the best ESG practices. The inclusion of Amplifon in the Index represents further confirmation of our commitment to striving for long-term sustainable growth, thereby contributing to the move towards a global sustainable and responsible system.

GLOBAL COMPACT

in December 2021, Amplifon signed up to the United Nations Global Compact and takes part in the initiatives of the Italian network, with the goal of promoting an increasingly responsible business, capable of meeting the global challenges through respecting, subscribing to and promoting the fundamental Ten Principles.





SUSTAINABLE FUNDING: FIRST TWO "SUSTAINABILITY-LINKED" CREDIT LINES

in 2021, Amplifon took a further step forward in the integration of the financial strategy and sustainability, subscribing the first two credit lines linked to several objectives of the Group's Sustainability Plan.

"TOP EMPLOYER"

at the end of 2021 Amplifon received "Top Employer EMEA 2022" certification under the program which, in 2022, certified and classified more than 1,857 companies in 123 Countries as "Top Employer". Amplifon obtained Top Employer certification for the whole of Europe following the evaluation of our HR policies and strategies and their implementation contributing to the well-being of people, improvement of the work environment, education provided and career paths.

Therefore, Amplifon considers of primary importance to have a Remuneration Policy that is capable of promoting sustainable success, including also the identification of non-financial parameters to which the performance of our Management is correlated. In this regard, Amplifon’s approach to sustainability is based on 4 pillars: providing excellent hearing care services, developing talents, supporting the communities in which the Company operates and complying with the highest regulatory, ethical and moral standards. This involves four areas of engagement translated into specific Goals that represent the objectives to which the Group is committed to support the creation of shared value. The commitment to these sustainability issues is also reflected directly in our Remuneration Policy. In order to reinforce the path taken towards the generation of shared value, also in 2022 the Group confirmed the adoption of instruments through which to guarantee the alignment of the Remuneration Policy to our sustainability strategy, applying the main goals of the Sustainability Plan within the short-term variable incentive scheme (MBO), intended for our Top Management (Chief Executive Officer/General Manager and Key Managers with Strategic Responsibilities)⁴.

PRODUCT & SERVICE STEWARDSHIP	PEOPLE EMPOWERMENT	COMMUNITY IMPACT	ETHICAL BEHAVIOR
 	 	 	 
<p>We aim to raise awareness and accessibility of hearing care by providing innovative experiences and listening to the needs of our customers</p>	<p>We aim to attract, develop and retain the best talents to ensure the sustainability of the business, promoting diversity among our people</p>	<p>We aim to promote social inclusion and to spread greater awareness about hearing-loss prevention, hearing well-being, responsible listening and the impact of noise pollution</p>	<p>We aim to encourage responsible and sustainable practices along the value chain and take action to reduce the environmental impact of our business</p>
GOALS	GOALS	GOALS	GOALS
<ul style="list-style-type: none"> Facilitate access to hearing care and improve the life of as many people as possible Promote increasingly innovative, engaging and digital solutions Promote awareness of the importance of hearing, breaking down barriers and stigmatization 	<ul style="list-style-type: none"> Strengthen the leadership and functional skills of all employees globally Ensure a solid succession pipeline for key roles Ensure a healthy and inclusive winning workplace driven by communication and engagement Promote equal opportunities at all levels of the business 	<ul style="list-style-type: none"> Support the activities of the Group Foundations to spread the “sound of inclusion” Promote awareness about responsible listening among the younger generation Increase awareness about the importance of hearing well-being and the impacts of noise pollution among communities 	<ul style="list-style-type: none"> Integrate sustainability criteria into the responsible management of the supply chain Increase the use of renewable energy to limit the environmental impact of the business activities Promote the use of rechargeable hearing aids to reduce the use and disposal of batteries

In addition, as confirmation of Amplifon’s increasing focus on sustainability issues, in 2021 an in-depth analysis was activated on the definition of a new rewards-based remuneration tool intended, at least in the first instance, for the Chief Executive Officer/General Manager, and designed to ensure a strong bond with the value creation for shareholders and all our stakeholders. This remuneration component aimed at guaranteeing, at the same time, the protection of sustainability-related issues, and the creation of value in the medium-long-term. Such purpose is guaranteed by the possibility of the Chief Executive Officer/General Manager of voluntarily co-investing part of his accrued short-term incentive system (MBO) in Amplifon shares, enabling him to benefit from the Group’s expected success over the three-year period, through a matching system.

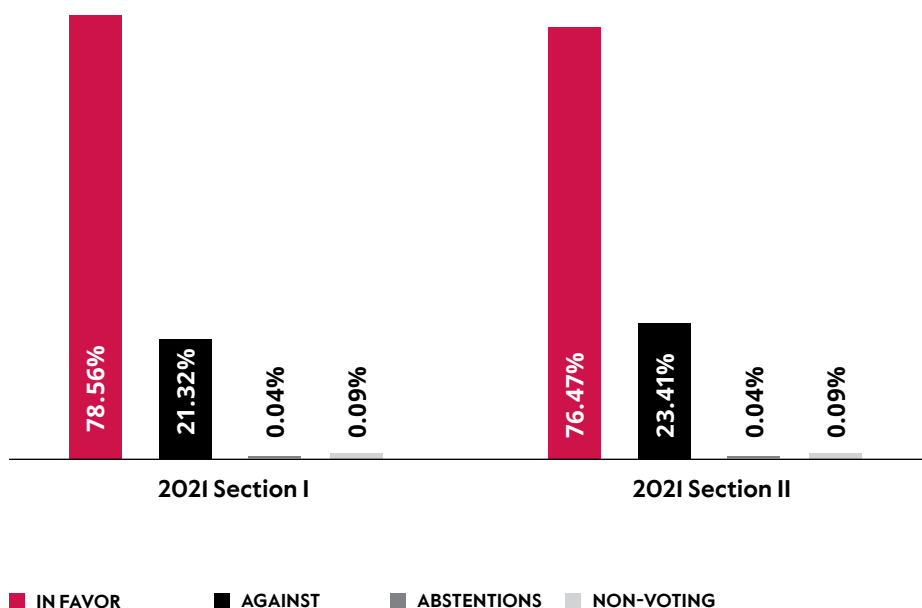
4 - For any further information on the Group’s Sustainability Plan objectives and targets, please refer to the 2021 Sustainability Report.

5. THE PERSPECTIVE OF SHAREHOLDERS AND INVESTORS

Amplifon places great importance on the evaluations expressed by every stakeholder and encourages opportunities for discussions with our shareholders, potential investors, analysis and other parties from the financial markets.

For this purpose, in 2021 the Company analyzed the results of the votes cast by shareholders on the Remuneration Policy and those expressed by the main proxy advisors.

% OF VOTING CAPITAL



The Group's Remuneration Policy was approved by the Shareholders' Meeting on April 23rd, 2021 with 78.56% of the voting capital in favor. The analyses of the shareholders' meeting votes were also included in the examination of the feedback received from the main stakeholders during the usual dialog with the financial community, with various conference calls conducted with the aim of closely examining the considerations expressed by the latter with regard to the 2021 Remuneration Policy.

This dialogue provided the reference structures and Remuneration and Appointments Committee with precious feedback from the perspective of the investors and, more generally, of the market regarding the characteristics of the Remuneration Policy adopted by the Group.

In the light of the desire to ensure a constant dialog with the market, the Board of Directors, on the proposal of the Chairperson, in consultation with the Chief Executive Officer and subject to the favorable opinion of the Control, Risks and Sustainability Committee, approved the Policy for managing dialogue with the generality of shareholders and investors on December 16th, 2021. Considering the centrality that remuneration-related aspects hold for the Group, the Remuneration Policy is also among the issues subject to dialog with the market.

Amplifon aims at having an increasingly fruitful and assiduous dialogue with the market in this area.



6. PEOPLE EMPOWERMENT

A) OUR TOTAL REWARD STRATEGY

In line with the Group's strategic vision, Amplifon's Remuneration Policy is composed of instruments and logics applied to the whole corporate population, confirming the principle according to which the Group's growth goes hand in hand with the growth of the individual.

From this perspective, great value is placed on the recognition and rewarding of results and successes, valuing the contribution of every resource both in terms of economic results and customer service.

For this purpose, the Remuneration Policy was defined to support the "People Empowerment" pillar of our Sustainability Plan, thereby becoming:

- A distinctive identity element based on global consistency principles, in order to promote a One Company culture;
- Attractive, both for local markets and at an international level, recognizing the quality and effectiveness of individuals' contribution;
- A fundamental engagement tool for people in reaching their goals, challenging, but, at the same time, proportional and clearly communicated;
- Aimed at promoting diversity and equal opportunity in the management of human resources.

In this regard, the Group has been using for years a Total Reward system oriented to people's motivations, needs and values, defining a series of tools that allow the establishment of tailored reward strategies for individuals under the scope of a fair, global infrastructure.



THE COMPENSATION OFFERING FOR OUR EMPLOYEES

SHORT-TERM VARIABLE REMUNERATION

- Short-Term Variable Remuneration (MBO)
- Sales Incentives
- Local variable bonuses

LONG-TERM VARIABLE REMUNERATION

- Long-Term Incentive Plan (LTI)
- Amplifon Extraordinary Award (AEA) plan



BENEFITS

- Programs in line with local circumstances

NON-MONETARY AWARDS

- Charles Holland Awards
- Lead Awards

- Short-Term Variable Remuneration: the range of beneficiaries of our short-term incentive scheme (MBO) is very broad (for 2021 there were about 220 beneficiaries, considering only the Leadership Team), since the Group's intention is to enhance the value of its people and recognize their contribution to the Company's results. At local level, incentive plans are also defined for the back-office population and the sales force (Sales Incentives).
- Long-Term Variable Remuneration: the beneficiaries of the Long-Term Incentive Plan (LTI) are managers occupying key Group positions at global, regional and local level, identified by virtue of the "band" to which the organizational position belongs, as part of the Amplifon banding system. In 2021, 93 LTI beneficiaries received assignments under the new Plan (there were 74 in 2020). The beneficiaries of the Amplifon Extraordinary Award (AEA) Plan, on the other hand, are recipients selected on the basis of retention, promotion and extraordinary performance logics. During the year, 71 beneficiaries received AEA assignments under the new Plan (there were 56 in 2020).
- Benefits: the Remuneration Policy also includes a customized package of benefits depending on regulatory requirements and market best practices in each of the Countries in which the Group operates. Every year, the employee benefit offering is improved with the goal of being in line with local and international compliance requirements, positioning Amplifon as a fair employer for our people and, at the same time, guaranteeing that employee benefits are considered as a key driver under the scope of the Total Reward Strategy of the Company, vital for improving the capacity to attract and retain talents. By way of example, note the flexible benefit program offered to employees of Amplifon S.p.A and Amplifon Italia, that involves an allocation, to each resource, of a number of points to be used for the purchase of goods and services of their choice from a wide and varied basket (education, entertainment, personal services, etc.). Through the access to a digital tool, the program makes it possible to take advantage of differentiated services according to people's needs. In North America, on the other hand, an Employee benefit policy is offered to all permanent employees who are employed for at least 20 hours per week. This Policy includes health insurance, additional coverage for dental, eye and otolaryngological care, a flexible spending account to cover additional personal care expenses, life insurance, coverage of transport costs for getting to the place of work, a supplementary pension plan and a psychological counselling service. The Group has also introduced a global health insurance policy, which includes a benefits plan designed for expatriates and their family members an adequate level of healthcare coverage during their stay abroad in all Countries of the world.



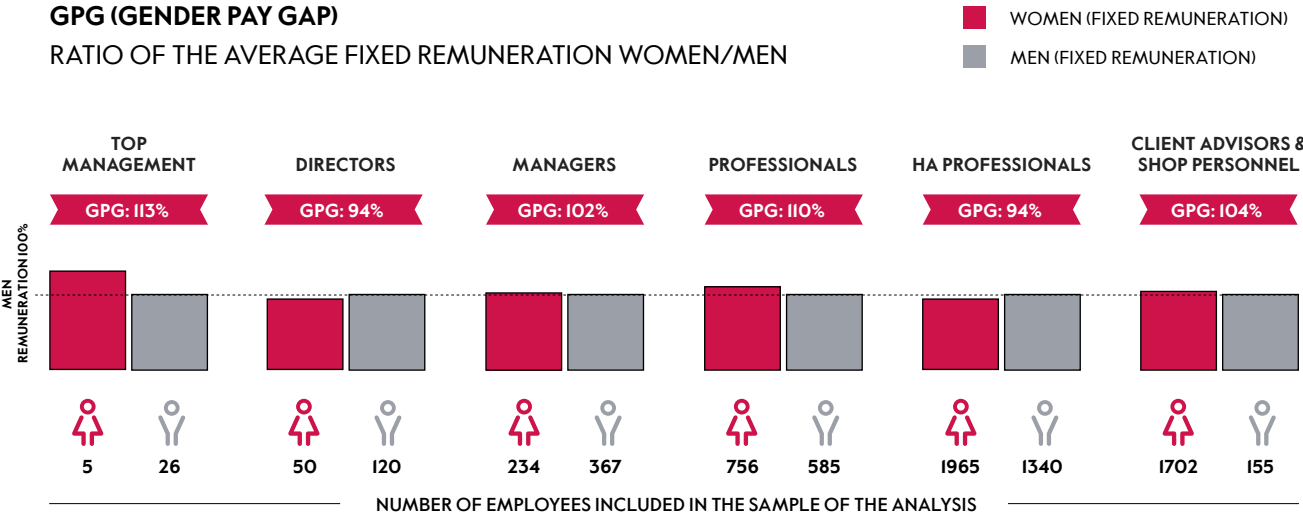
B) DIVERSITY, INCLUSION AND EQUAL OPPORTUNITY: EQUAL PAY

As stated in the Code of Ethics, Amplifon pays the outmost attention to the issue of equal treatment and opportunities for men and women which, under the scope of protecting and safeguarding human capital, represents an opportunity for enrichment and vital innovation to ensure that business activities are carried out in a solid and sustainable manner.

Believing strongly in the importance of equal pay for men and women at all levels, Amplifon ensures that all employees receive remuneration consistent with market standards and internal practices in order to guarantee a suitable level of both external competitiveness and internal equality. As proof of this, from 2021 we carried out an initial monitoring of the Gender pay gap, taking into consideration different organizational clusters⁵ to evaluate the organizational complexity of individual roles.

This analysis neutralizes the effects of differences in complexity of role, in accordance with the United Nations principle of “equal pay for equal work”, and allows precision and objectiveness in the evaluation of the relevant evidence. The analyses conducted demonstrated that, within the Group, there is no difference in pay due to gender, and that the ratio between the basic average salary (fixed remuneration) between women and men in 2021, is very balanced for both senior roles and the rest of the corporate population⁶.

Amplifon’s Remuneration Policy is actually based on the capacity to recognize the most appropriate remuneration according to the organizational position, individual performance, as well as skills and complexity required. Any pay difference between Amplifon’s people is exclusively attributable to the above-mentioned factors, without in any way being influenced by other elements such as age, gender, culture, etc., and will, in any event, be subject to specific neutralization plans following the salary review process.



5 - Six organizational clusters were identified for the purpose of analyzing the gender pay gap: Top Management (composed of the Executives and General Managers of the major Countries), Directors; Managers; Professionals; Hearing Care Professionals; Client Advisors & other store personnel.
6 - In order to guarantee high-quality data, the analyses conducted involved 58% of employees, excluding part-time staff, interns and apprentices, staff on fixed-term contracts and some of the workforce in minor Countries.

CHARACTERISTICS OF THE 2022 REMUNERATION POLICY

Remuneration element	Purpose
Fixed Remuneration	Rewards skills, experience, the contribution of the role and continuity of performance.
Short-Term Variable Remuneration (MBO)	Promotes the achievement of relevant annual business targets, allowing the appreciation and reward of each beneficiary's contribution to the overall success of the Group.
Long-Term Variable Remuneration	Promotes the alignment of the interests of shareholders and the sustainability of value creation in the medium-/long-term.
Co-Investment Plan	Incentivizes the investment by the management, promoting stable participation in the share capital, combining the primary importance that sustainability issues represent for the Group with the creation of value generated for shareholders.
Benefits	Integrate the remuneration packages in order to have a higher alignment with market standards.

7 - KMRSs = Key Managers with Strategic Responsibilities.

Implementation conditions	Amounts / Values %
<p>Remuneration level defined annually based on the positioning resulting from a Comparison with the reference market.</p>	<p>CEO/GM and KMSRs⁷: In order to ensure the competitiveness of the remuneration package, Amplifon uses a specialized consulting firm to carry out an annual benchmarking analysis of the remuneration position. As far as the CEO/GM are concerned, the policy guidelines for the new mandate require the fixed component, which will be defined by the new Board of Directors, be equal to €1,500,000.</p>
<p>KPIs:</p> <ul style="list-style-type: none"> • Group EBITDA (weight 40%) • Group Net Sales (weight 40%) • Group Free Cash Flow (weight 20%) <p>Multiplier/Demultiplier: Result of the Performance Development Review process which considers performance in relation to individual and sustainability targets (from 0% to 120%).</p> <p>Cap: there is a ceiling on the maximum pay-out that can be delivered of 180% of the target incentive.</p> <p>Claw-back clause.</p>	<p>CEO/GM:</p> <ul style="list-style-type: none"> • Target: 60% of Fixed Remuneration • Pay-out range: 0%-180% of the Target <p>KMSRs:</p> <ul style="list-style-type: none"> • Target: 50% of Fixed Remuneration (60% of Fixed Remuneration for the Executive Vice Presidents) • Pay-out range: 0%-180% of the Target
<p>Stock Grant Plan 2019-2025 (2022-2024 cycle)</p> <p>Instrument: free stock grant</p> <p>Allocation frequency: annual (rolling plan)</p> <p>Performance period: three-years</p> <p>Access gate: Net Financial Position/EBITDA.</p> <p>KPI: Group Cumulative EBIT matrix vs Group Cumulative Net Sales</p> <p>Vesting Date: 2025</p> <p>Lock-up: 30% of the shares for a period of one year.</p> <p>Claw-back clause.</p>	<p>CEO/GM:</p> <ul style="list-style-type: none"> • Target: 150% of Fixed Remuneration • Pay-out range: 0%-150% of the Target <p>KMSRs:</p> <ul style="list-style-type: none"> • Target: 100% of Fixed Remuneration • Pay-out range: 0%-150% of the Target
<p>Sustainable Value Sharing Plan 2022-2027</p> <p>CEO/GM: deferral, on a voluntary basis, of part or all of the MBO bonus accrued and conversion into Amplifon shares (co-invested rights)</p> <p>Matching: depending on the level of achievement of pre-determined targets, Amplifon offers up to a maximum of 1 free share for every deferred share (matched rights)</p> <p>Performance period: three-years</p> <p>KPI: ESG parameters and absolute Total Shareholder Return</p> <p>Vesting Date: 2025.</p>	<p>CEO/GM:</p> <ul style="list-style-type: none"> • Co-invested Rights: deferral, on a voluntary basis, of a share of the MBO bonus accrued up to a maximum of 100% of the MBO bonus target amount • Matched Rights: free grant for each co-invested right of further shares, in a range from 0% to 100% of the co-invested shares <p>KMSRs:</p> <ul style="list-style-type: none"> • KMSRs might also be included on a voluntary basis from 2023
<p>Continuously defined with the policy of previous years and in compliance with the provisions of collective bargaining and domestic legislation.</p>	<p>In addition to the compulsory benefits:</p> <ul style="list-style-type: none"> • Flexible Benefits Plan • Additional Healthcare • Company Car



amplifon
Welcome
to
Amplifon

SECTION I

2022 REMUNERATION POLICY

 **amplifon**



I. GOVERNANCE MODEL

The primary goal of the governance model is to guarantee transparency and alignment of the remuneration practices within the Group in line with the Remuneration Policy principles and ensure that they comply with the Articles of Association of the Company and with the existing regulations.

I.1. BODIES AND PARTIES INVOLVED

The process of defining the Amplifon Remuneration Policy involves a number of parties in line with the provisions of the relevant legislation, the Articles of Association and with the governance model of the Company. This process involves the following bodies with reference to the aspects of relative competence:

- a) **SHAREHOLDERS' MEETING**
- b) **BOARD OF DIRECTORS**
- c) **CHIEF EXECUTIVE OFFICER AND GENERAL MANAGER**
- d) **REMUNERATION & APPOINTMENTS COMMITTEE**
- e) **GROUP HUMAN RESOURCES DEPARTMENT**

a) Shareholders' meeting

Shareholders' Meeting of Amplifon S.p.A.:

- approves the Board's overall remuneration to be assigned during each fiscal year;
- expresses a binding vote on Section I of the Remuneration Report;
- expresses an advisory vote on Section II of the Remuneration Report;
- approves the share incentive plans proposed by the Board of Directors granting the same Board the power to implement them.

b) Board of Directors

Each year, the Board of Directors (BoD) approves the Group's Remuneration Policy.

COMPOSITION AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The Board of Directors currently in office was appointed by the Shareholders' Meeting called to approve the 2018 Financial Statements (April 17th, 2019) and is made up of nine Directors. The term of office of the Board of Directors will expire with the Shareholders' Meeting called on April 22nd, 2022, to approve the Financial Statements for the financial year ended December 31st, 2021. This Meeting will appoint Amplifon's new Board of Directors, whose composition will comply with the recommendations of the new Corporate Governance Code in terms of **INDEPENDENT** Directors and the provisions concerning **GENDER MIX** (which require the least represented gender to be given at least two fifths of the seats on the Board) and will ensure an optimal composition of the Board in terms of the **SKILLS MIX**, through the professional persons whose presence can ensure a correct and effective work.

-
- Examines and approves the strategic, business and financial plans of the Company and its parent Group, periodically monitoring their implementation
-
- Assesses the general operating performance, taking into account, particularly, the information received from the delegated bodies and periodically comparing actual results with projected results
-
- Defines the corporate governance system of the Company and the structure of the Group, and defines the nature and level of risk compatible with the strategic objectives, including in its assessments all factors that could be relevant to the sustainable success of the Company
-
- Assesses the adequacy of the organizational, administrative and accounting structure of the Company and its strategically important subsidiaries, with particular reference to the internal control and risk management system and the management of conflicts of interest
-
- Ensures that all member of the Board of Directors and the Board of Statutory Auditors can take part, following their appointment and for the duration of their term of office, in initiatives aimed at providing them with adequate knowledge of the sectors of activity in which the Company operates and of the business dynamics
-
- Grants and revokes powers to and from one or more directors, without prejudice to matters reserved exclusively to the competence of the Board of Directors pursuant to Art. 2381 of the Italian Civil Code, as well as in relation to the provisions of Art. 20 of the Company's Articles of Association, defining the limits and the manner of exercise of such powers
-
- Defines, on the proposal of the Remuneration and Appointments Committee, a policy for the remuneration of directors, auditors, key managers and the head of internal audit who are instrumental to the achievement of the sustainable success of the Company
-
- Determines, after examining the proposals of the Remuneration and Appointments Committee and after consulting with the Board of Statutory Auditors, the remuneration of the Chief Executive Officer and other directors invested with specific duties. Distributes the overall emolument decided by the Shareholders' Meeting
-
- Carries out, at least once a year, an assessment of the size, composition and functioning of the Board and its Committees, making, if necessary, recommendations regarding any professional persons whose presence on the Board is deemed appropriate
-
- Assesses the appropriateness of adopting a succession plan for the executive directors and, if necessary, prepares, updates and implements such a plan with the assistance of the Remuneration and Appointments Committee
-
- On proposal of the Chair, formulated by agreement with the CEO, adopts and describes a policy for managing dialog with all shareholders, taking into account the engagement policies adopted by institutional investors and asset managers
-

c) Chief Executive Officer and General Manager

The Chief Executive Officer and General Manager (CEO/GM) with the support of the Group’s Human Resources Department:

- defines the Group’s Remuneration Policy by submission to the opinion of the Remuneration and Appointments Committee and to the Board of Directors approval;
- defines the remuneration packages for the Key Managers with Strategic Responsibilities in accordance with the Remuneration Policy approved by the Board of Directors.

The new Board of Directors that will be elected by the Shareholders’ Meeting called for April 22nd, 2022, will appoint the Group Chief Executive Officer for the term of office 2022-2024.

d) Remuneration and Appointments Committee

The Remuneration and Appointments Committee plays a key role in the governance system related to the Group’s Remuneration Policy. In line with the provisions of the guidelines of the Corporate Governance Code of Borsa Italiana, the Committee, in addition to the Chair of the Board of Directors, consists of three non-executive and independent Directors with adequate knowledge and experience in multinational companies.

COMMITTEE MEMBERS	ROLE	
Maurizio Costa	Chair	<p>Number of meetings held: 4</p> <p>Average duration of each meeting: ~1 hour and 30 minutes</p> <p>Percentage of participation: 94%</p>
Susan Carol Holland	Member	
Andrea Casalini	Member	
Maria Patrizia Grieco	Member	

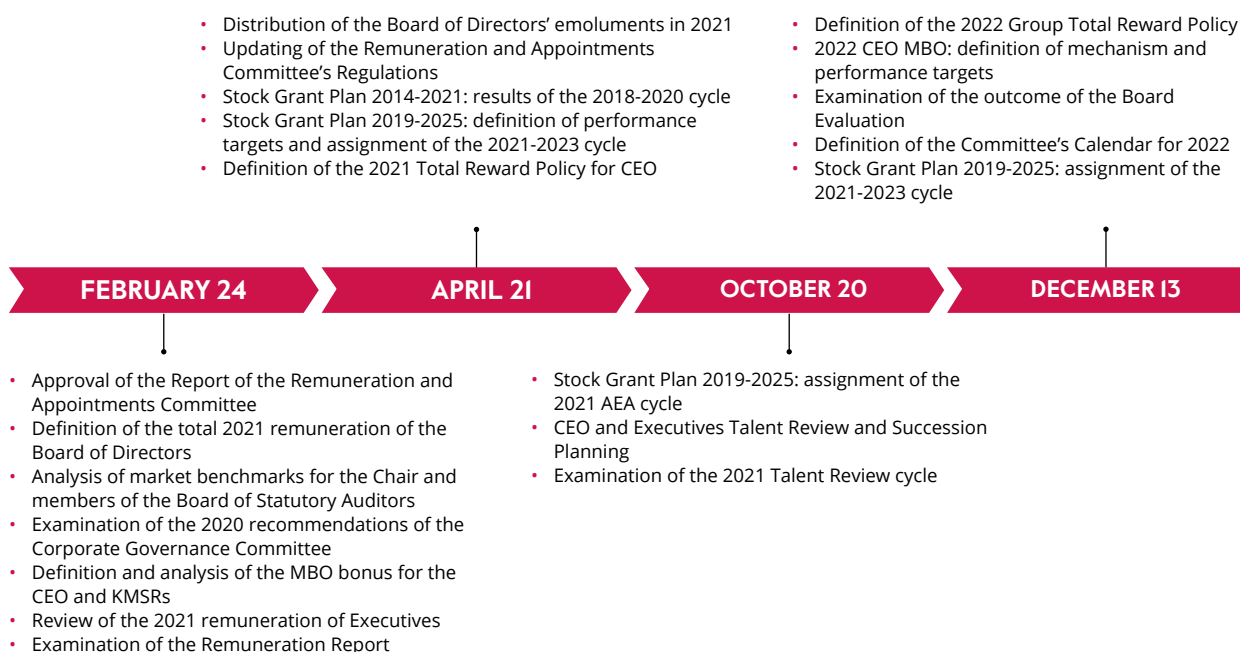
The Chair of the Board of Statutory Auditors and the Secretary of the Board of Directors take part as guests in the Remuneration and Appointments Committee. Also invited, for aspects falling within his/her scope of competence, is the Chief HR Officer, who also performs technical secretarial functions for the Committee. The Chief Executive Officer and General Manager participate when invited by the Chair of the Committee to discuss specific points, however leaving the meetings when proposals concerning their own remuneration are discussed.

COMPOSITION AND RESPONSIBILITIES OF THE REMUNERATION AND APPOINTMENTS COMMITTEE

The Committee was appointed by the Board of Directors at its meeting of April 17th, 2019. The new Board of Directors elected by the Shareholders' Meeting called for April 22nd, 2022, will appoint the Company's Remuneration and Appointments Committee for the 2022-2024 term of office.

FUNCTIONS OF THE REMUNERATION COMMITTEE	FUNCTIONS OF THE APPOINTMENTS COMMITTEE
Assists the Board in preparing the Group's Remuneration Policy, which is instrumental to the sustainable success of the Company, and monitors its application	Supervises the self-assessment procedure, expresses opinions to the Board of Directors regarding the size and composition of the Board and its Committees, and issues recommendations regarding the expertise and professional and managerial persons (figures) deemed appropriate
Presents proposals or expresses opinions to the Board of Directors on the remuneration of Key Executives and other Directors with special duties and on the setting of performance targets related to any variable component of such remuneration	Issues recommendations on the maximum number of offices deemed compatible with the effective performance of the office of Director or Auditor, and proposes candidates to the Board of Directors for the position of Director in cases of co-optation
Presents proposals or expresses opinions to the Board of Directors on the general criteria for the remuneration of top management, with particular reference to: criteria and procedures for determining fixed remuneration; performance targets; benefits and other remuneration elements	Assists the Board of Directors with the presentation of any list by the outgoing Board, in order to ensure that the list is created and presented transparently
On the proposal of the CEO/GM, examines share-based incentive plans, including the beneficiaries, the number of shares/rights and the applicable regulations, for all Key Managers and submits them for approval by the Board of Directors	Expresses opinions to the Board of Directors in the preparation, updating and implementation of any succession plan for the CEO and any other executive Directors, and, on the proposal of the CEO, identifies the criteria for top management succession plans

ACTIVITY CYCLE OF THE REMUNERATION & APPOINTMENTS COMMITTEE IN 2021



The Chairman of the Board of Statutory Auditors has always attended the above-mentioned meetings, when invited, and the secretary of the Board of Directors as well, when relevant. In addition, the Chief HR Officer has also been invited for aspects that fall within their jurisdiction, and has acted as the committee's technical secretary, as well as the Global Total Rewards Senior Director; no Director has taken part in the meetings of the Committee in which proposals are made regarding their remuneration. The Remuneration and Appointments Committee is expected to meet on 7 occasions during 2022, according to an already planned timetable.

In general, the Committee has the full right to access information and Company functions necessary for the performance of its duties via the Group HR Department.

e) Group HR department

The Group HR Department supports the CEO/GM and the Committee in defining the Group's Remuneration Policy by studying trends and market practices and providing the analysis necessary for the development of remuneration policies and alignment of the same to the highest quality standards.

In particular, with the support of the Company functions concerned:

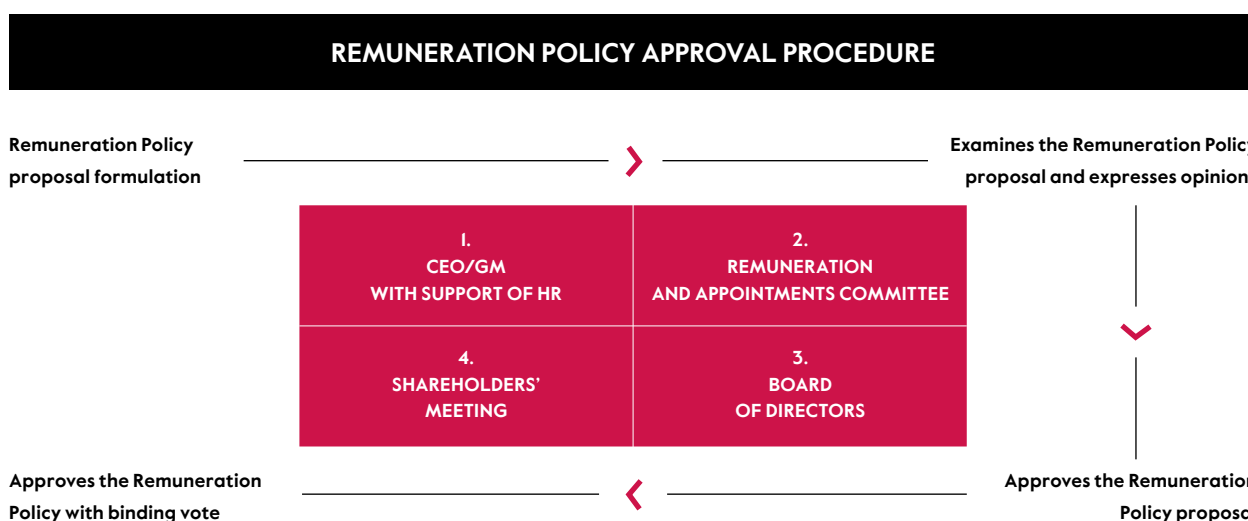
- proposes changes to the Remuneration Policies and the remuneration/incentive instruments associated with them and verifies the impact on the existing remuneration system;
- identifies and proposes possible indicators to be used to estimate the fixed and variable components of the total remuneration, respecting the criteria defined by the best practices, after assessing the roles within the organization and analyzing the reference markets;
- deals with the technical aspects related to the formulation and application of incentive plans based on financial instruments;
- supports management in the application of Remuneration Policies within the Group and ensures their consistency.

I.2. 2022 REMUNERATION POLICY APPROVAL PROCEDURE

The Policy is submitted annually to the approval of the Board of Directors by the Remuneration and Appointments Committee based on the proposal formulated by the CEO/GM with the support of the Group HR Department.

The 2022 Group Remuneration Policy (Total Reward Policy 2022) was examined with a positive opinion by the Remuneration Committee and subsequently approved by the Board of Directors at its meetings on December 16th, 2021 and March 3rd, 2022.

Based on the Amplifon Remuneration Policy, the Group’s HR Department ensures consistent management throughout the Group, while allowing adequate flexibility to respond to the specific needs of the various Countries.



I.3. THE DURATION OF THE REMUNERATION POLICY

In order to guarantee the continuous comparison with shareholders and facilitate involvement in the definition of the guidelines of the Company’s Remuneration Policy and, at the same time, maintaining the necessary flexibility to respond promptly to future requirements in an extremely dynamic market context, the duration of this Remuneration Policy is one year.

The Company will therefore submit the Remuneration Policy for approval every year to the Shareholders’ Meeting.

This Remuneration Policy is valid for the year 2022.

If the Shareholders’ Meeting does not approve the Remuneration Policy, the Company will pay remuneration in conformity with the latest policy approved by the Shareholders’ Meeting.

I.4. THE REMUNERATION POLICY

DEROGATION PROCEDURE

In compliance with the provisions of Legislative Decree no. 49 of May 10th, 2019 and Article 123-ter of the Consolidated Finance Act, Amplifon has a process for temporary derogation from its Remuneration Policy, if there are exceptional circumstances in which an derogation is necessary for the purpose of pursuing the Groups' long-term interests and sustainability overall, or to ensure its ability to remain in the market.

In such cases, the Board of Directors is the body tasked with checking for the presence of such exceptional circumstances and, at the recommendation of the Remuneration and Appointments Committee, with the favorable opinion of the Related-Party Transactions Committee (only in cases in which it is required by the Related-Party Transactions Regulation adopted by the Company) and after consulting the Board of Statutory Auditors, this Policy can be temporarily derogated.

For this purpose, by way of example and not exhaustively, these are cases identified by the Remuneration Policy as exceptional circumstances:

- the materialization of exogenous shocks and/or significant unpredictable, extraordinary changes in the socio-economic scenario or the occurrence, nationally or internationally, of events, such as, for example, conflicts or a pandemic, involving the Group or sectors and/or markets in which it operates, which significantly affect the results of the Group or which are capable of changing the competitive context either at the level of the individual Countries and/or regions, or in global terms;
- the development of appreciable changes in the scope of activities of the business in the period the policy is valid for, such as, for example, the acquisition of a major business;
- turnover as a result of events not anticipated by the delegated bodies, where the constraints in the approved Remuneration Policy could limit the possibility of attracting figures with the most suitable professional skills for achieving the Group's goals.

Any derogations will be announced through the next Remuneration Report, accompanied by the reasons that led the Group to invoke this procedure.

The elements of the 2022 Remuneration Policy from which, in the presence of exceptional circumstances, it is possible to derogate, in compliance with applicable legislative and regulatory provisions, are:

- Short-Term Variable Remuneration (MBO);
- Long-Term Variable Remuneration.

2. 2022 REMUNERATION POLICY PURPOSES, PRINCIPLES AND GUIDELINES

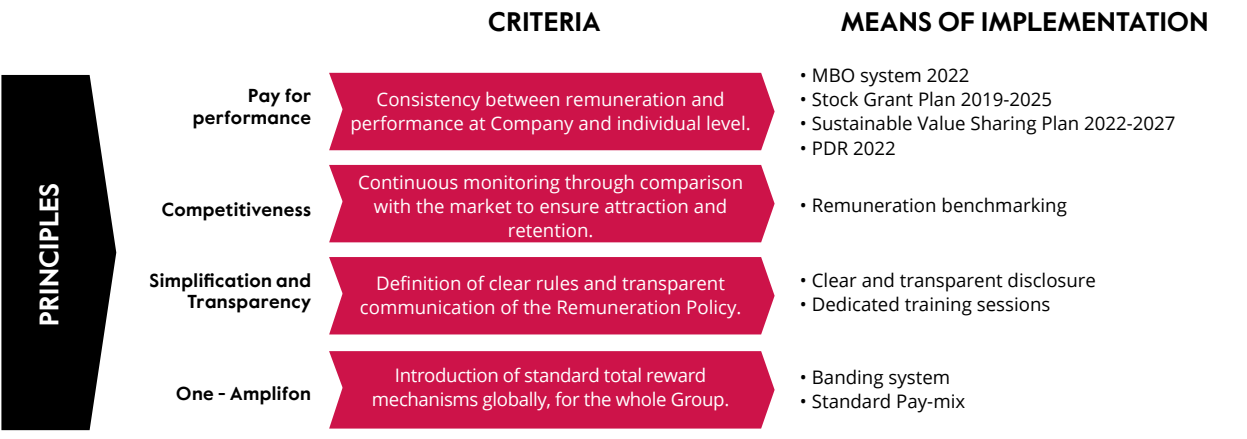
2.1. REMUNERATION POLICY PRINCIPLES

The Amplifon Remuneration Policy is defined in accordance with the Group’s strategy, with the governance model adopted by the Company and with the guidelines of the Corporate Governance Code. Moreover, the Policy contributes to the pursuit of the long-term interests and successful sustainability of the Company and is defined taking into consideration both salaries paid and working conditions of Amplifon employees and the point of view expressed by our shareholders in the discussion meetings that took place over the year.

The objective of the Remuneration Policy is to attract, motivate and retain key and strategic resources and, at the same time, to align the interest of management with the priority objective of creating value for shareholders in the medium-long term, enhancing the performance achieved and recognizing the quality and effectiveness of individual contribution. The policy is therefore defined with the aim of contributing in the medium and long term to the sustainability of Amplifon’s excellent performance over the last years.

Moreover, the policy is aiming, on the one hand, to remunerate the specific personal skills of each resource through a fixed remuneration (pay for competencies) and, on the other hand, to incentivize the achievement of the best Company performance through variable remuneration (pay for performance). In fact, Amplifon considers it essential to link a part of the remuneration of each resource to the results achieved. There is however the possibility of paying an entry bonus, *una tantum* or retention bonus. These components of a monetary or share nature can be intended to encourage the recruitment or retention of resources that possess specific high-level professional skills and expertise deemed necessary for achieving the Group’s targets.

The Remuneration Policy choices are based on principles that guide the Group HR Department in the management and development of the Company human capital including through remuneration analyses conducted by specialized independent experts. Regardless of the role acted, in fact, Amplifon firmly believes that people represent the most important asset of the organization. In light of this, in order to support the growth of the Group and further strengthen its leadership in the world market of hearing care, in 2018 a global HR Strategy was defined based on the professionalism and talent of all the people in whom the Company continuously invests. In particular, Amplifon is committed to ensure the integration of its Leadership Model within the organization, that is, a system capable of modeling human resource management processes, from selection to development, from onboarding new hires to training people.



2.2. GUIDELINES FOR THE NEW MANDATE

The Board of Directors, which met on March 3rd, 2022, on the recommendation of the Remuneration and Appointments Committee, approved this Remuneration Policy.

The Board approved the definition of the structure of the Remuneration Policy for the next mandate, ensuring complete consistency with market best practices and the full compliance of the recommendations in the Code of Corporate Governance.

CORPORATE GOVERNANCE CODE (ART. 5, RECOMMENDATION 27)

In defining the Policy, the Board of Directors has taken into account the recommendations set out in Art. 5, recommendation 27 of the of the Corporate Governance Code, whereby the Remuneration Policy for executive directors and top management defines:

- a balance between the fixed and variable components that is appropriate and consistent with the Company's strategic goals and risk management policy, taking into account the characteristics of the business activity and the sector in which the Company operates, and in any event ensuring that the variable component represents a significant portion of the total remuneration
- maximum limits on the payment of variable components
- performance targets – predetermined, measurable and substantially linked to a long-term horizon – to which the payment of variable components is linked. These are consistent with the Company's strategic goals and are aimed at promoting its sustainable success, including non-financial parameters where relevant
- an appropriate deferral period – with respect to the time of accrual – for the payment of a significant portion of the variable component, consistent with the characteristics of the business activity and the related risk profiles
- the contractual agreements that allow the Company to request repayment, in full or in part, of any variable components of the remuneration paid (or to withhold sums subject to deferral) that were determined on the basis of data subsequently found to be manifestly erroneous and in any other circumstances that may be identified by the Company
- clear and predetermined rules for any payment of indemnity for termination of office as Director, defining the maximum limit on the total sum payable by linking this to a specific amount or a specific number of years of remuneration. This indemnity is not paid if the termination of office is due to objectively inadequate achievement of results

In line with the recommendations of the Corporate Governance Committee, the remuneration guidelines for the new mandate confirm the connection of the variable incentive systems with sustainability goals, in order to secure the Remuneration Policy to the long-term sustainable success.

In fact, in addition to adequately considering the consistency of the parameters identified for variable remuneration with the strategic objectives of the business and the pursuit of sustainable success, Amplifon considers as a priority that part of the remuneration of the Chief Executive Officer and General Manager continues to be anchored to the achievement of non-financial parameters.

3. 2022 REMUNERATION POLICY GUIDELINES

3.1. REMUNERATION OF DIRECTORS

Within the Amplifon Board of Directors, it is possible to distinguish the following roles:

- Chief Executive Officer
- Non-executive Directors with special duties
- Non-executive Directors

The Remuneration Policy of the Directors is represented by a fixed emolument, determined on the basis of the commitment required by the role for the performance of the activities assigned and participation in any Board committees. Fees are established for the office of Director, for participation in the committees and for particular offices conferred to Directors.

In line with market best practices, non-executive Directors are not beneficiaries of any share- based incentive plan or compensation plans linked to corporate economic results.

In order to ensure the alignment of the remuneration of Amplifon Board Directors with the market practices of comparable sized companies, in 2022 Amplifon developed a remuneration benchmark for the office of non-executive Director and for the role of Chairperson and member of board committees (Risk Control and Sustainability, Remuneration and Appointments, Related-Party Transactions).

The remuneration analysis has been conducted on industrial companies belonging to the FTSE MIB Index of Borsa Italiana (as at December 31st, 2021). This analysis has been therefore focused on a total of 24 listed companies.

PEER GROUP FTSE MIB INDUSTRIAL COMPANIES

1. A2A	7. Enel	13. Italgas	19. Recordati
2. Atlantia	8. Eni	14. Leonardo	20. Saipem
3. Buzzi Unicem	9. Ferrari	15. Moncler	21. Snam
4. Campari	10. Hera	16. Nexi	22. Stellantis
5. CNH Industrial	11. Interpump	17. Pirelli	23. Terna
6. Diasorin	12. Inwit	18. Prysmian	24. TIM

From the evidence obtained from the benchmark it emerges how, taking into account the growth of the business that has taken place in the last three-year period, the remuneration paid for the role of Board Director is slightly lower than FTSE MIB Index industrial companies, highlighting the requirements for an increase in this compensation.

At the meeting held on April 17th, 2019, the Shareholders' Meeting resolved total remuneration for the Board of Directors equal to €1,300,000. This compensation was allocated by the Board of Directors for the 2019-2021 mandate as summarized below:

CHAIR OF THE BOARD OF DIRECTORS			
€ 300,000			
MEMBER OF THE BOARD OF DIRECTORS			
€ 55,000			
RISK, CONTROL AND SUSTAINABILITY COMMITTEE		REMUNERATION AND APPOINTMENTS COMMITTEE	
Chair	€ 30,000	Chair	€ 30,000
Member	€ 20,000	Member	€ 20,000
INDEPENDENT COMMITTEE (RELATED PARTIES)		SUPERVISORY BODY	
Chair	€ 10,000	Chair	€ 15,000
Member	€ 5,000	Member	€ 10,000

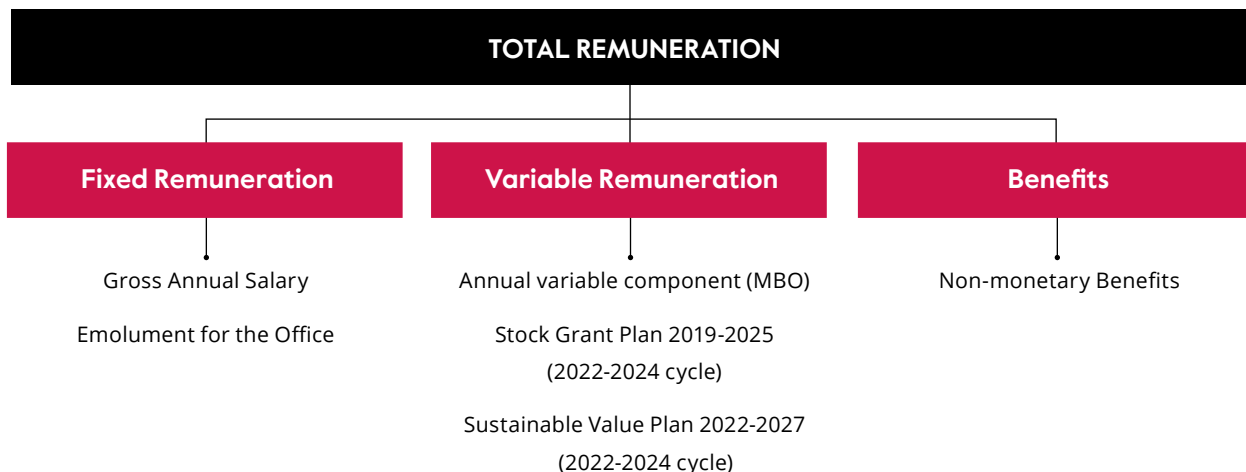
The Ordinary Shareholders' Meeting called for the approval of the financial statements as at December 31st, 2021, will appoint the new Board of Directors for a term of three financial years, deciding the total compensation for the new Board of Directors. Specifically, the proposal that will be submitted to the Meeting will take into account the evidence obtained from the analyses conducted and from the recommendation made by the outgoing Board.

Assuming that the numbers relating to the members of the new Board of Directors and the currently established board committees are confirmed, this proposal involves a total compensation for the Board of Directors of €1,370,000.

Therefore, with reference to the guidelines of this Remuneration Policy, based on the dedicated proposal approved by the Shareholders' Meeting, the new Board of Directors will be called upon to resolve on the breakdown of the total compensation, implementing the applicable legislative and statutory provisions and in conformity with what will be approved by the Shareholders' Meeting of April 22nd, 2022, taking into account the practices of comparable companies and the complexity and commitment required for carrying out the role.

3.2. REMUNERATION OF THE CHIEF EXECUTIVE OFFICER AND GENERAL MANAGER

The guidelines of the 2022 Remuneration Policy for the Chief Executive Officer and General Manager of Amplifon are presented by the Remuneration and Appointments Committee to the Board of Directors, and are aligned with the medium/long-term business strategy as well as with the evidence emerging from market trend analyses and from a comparison with remuneration levels in the reference sectors.



In order to ensure the alignment of the remuneration of the Chief Executive Officer and General Manager with the market practices of companies that are comparable with Amplifon, in 2022 the Company requested the support of a specialized advisor⁸ for the creation of a remuneration benchmark for the Chief Executive Officer.

Specifically, the analyses were developed with reference to 2 different types of panels:

- FTSE MIB Index Peer Group, composed of industrial companies from the FTSE MIB Index of Borsa Italiana, deemed significant by the Group, excluding Issuers that:
 - have a foreign matrix;
 - involve a combination of the role of Chief Executive Officer and the reference shareholder position.
- Business Peer Group, composed of similar global companies to Amplifon from a business perspective, identified based on the following drivers:
 - main competitors/players in Amplifon's value chain;
 - companies operating in the optical retail sector;
 - businesses operating in the healthcare sector.

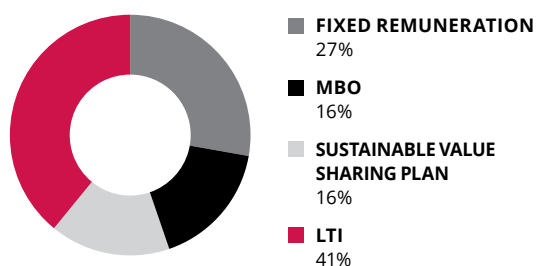
FTSE MIB PEER GROUP		BUSINESS PEER GROUP	
1. Campari	8. Nexi	1. Cigna Corporation	9. GrandVision
2. Enel	9. Pirelli	2. Colchlear	10. Philips Healthcare
3. Eni	10. Prysmian	3. Colorplast	11. Recordati
4. Ferrari	11. Saipem	4. Demant	12. Siemens Healthineers
5. Interpump	12. Snam	5. EssilorLuxottica	13. Smith & Nephew
6. Italgas	13. Terna	6. Fielmann	14. Sonova
7. Leonardo	14. TIM	7. Fresenius Medical Care	15. Strauman Group
		8. Gn StoreNord	

8 - The benchmark was created with the consulting firm Mercer.

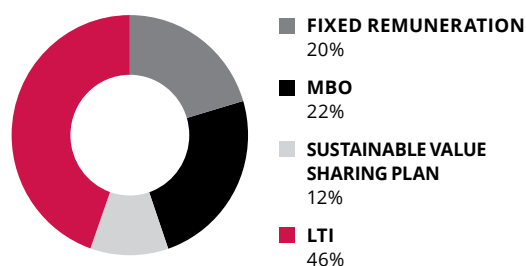
In line with the benchmark analyses conducted, Amplifon decided to position itself in the third market quartile. This choice was supported by market analyses aimed at ensuring consistency and correlation between the package of the Chief Executive Officer and General Manager and the value created for shareholders. Starting from these assumptions, the pay-mix for the Chief Executive Officer and General Manager envisages a consistent balance with respect to the role held, guaranteeing a greater weighting of the variable component, particularly as for the long term, with respect to the fixed remuneration component. The impact of the variable component on the fixed component increases further when performance exceeds the target.

In the light of the market evidence and the creation of value generated in the three-year period, the Remuneration Policy guidelines require the remuneration offered for the 2022-2024 mandate to the Chief Executive Officer and General Manager should be composed as follows⁹:

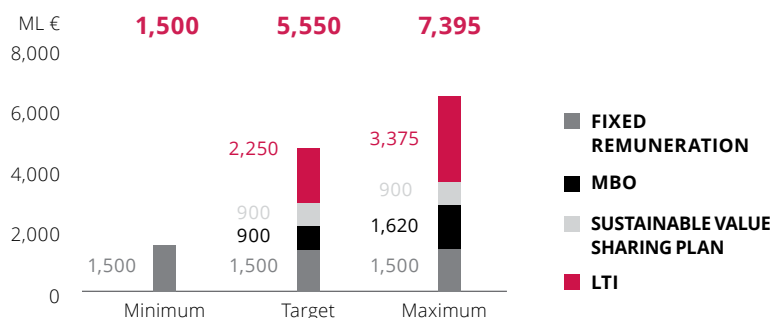
PAY MIX TARGET*



PAY MIX MAXIMUM*



GUIDELINES FOR CEO/GM PACKAGE: AMOUNT IN MINIMUM, TARGET AND MAXIMUM PERFORMANCE SCENARIOS* (€ THOUSANDS)



* The charts assume a co-investment of 100% of the MBO target (maximum amount subject to co-investment), showing the maximum matching (1:1).

Note: Pay mixes are calculated assuming a constant value of the Amplifon S.p.A. share.

a) Fixed Remuneration

The Policy guidelines envisage the total fixed remuneration of the Chief Executive Officer and General Manager for the 2022-2024 office, consists of:

- an annual emolument (pursuant to Article 2389 paragraph 3) equal to €400,000;
- a Gross Annual Salary as compensation for the managerial employment relationship of €1,100,000.

The Policy guidelines for the 2022-2024 mandate require the fixed component, which will be defined by the new Board of Directors, to be equal to €1,500,000.

b) Short-term Variable Remuneration (MBO)

The short-term incentive (MBO) envisaged for the Chief Executive Officer and General Manager, by virtue of the powers conferred, is determined annually by the Board of Directors upon proposal of the Remuneration and Appointments Committee.

9 - If the Shareholders' Meeting of April 22nd, 2022 approves the 2022 Remuneration Policy, the new Board of Directors will be called upon to resolve with regard to the total compensation for the Chief Executive Officer and General Manager, with reference to these guidelines.

The MBO component is defined in relation to the level of achievement of annual results with respect to the objectives defined and with reference to a minimum, target and maximum incentive level.

The performance targets envisaged for 2022 are linked to Group performance indicators and are structured in such a way as to achieve the various factors deemed necessary for a performance which is consistent with the priorities identified in the Business Strategic Plan.

If the performance target is achieved (100%), the policy guidelines for the 2022-2024 mandate require that, in line with the provisions of the 2019-2021 mandate, the target pay-out shall be equal to 60% of the fixed remuneration of the Chief Executive Officer and General Manager. The table below contains the targets assigned to the Chief Executive Officer and General Manager with reference to financial year 2022:

KPI	WEIGHT
Group EBITDA	40%
Group Net Sales	40%
Group Free Cash Flow	20%
Total	100%

The Group Performance Index (GPI) consists of the weighted result of the three performance KPIs (Group EBITDA, Group Net Sales and Group Free Cash Flow), each of which is measured according to the level of achievement with respect to specific budget targets set by the Board of Directors. The GPI provides for a minimum level of 95% of target and a maximum level of 103% of target. Below the minimum, the bonus pay-out is zero. Above the maximum, the bonus pay-out remains fixed at 150%.

The curve linked to the Group Performance Index (GPI) can generate a pay-out of between 0% and 150% of target.

SCENARIO	PERFORMANCE	BONUS (% VS TARGET BONUS)	BONUS (% VS FIXED REM.)
Below threshold	< 95%	0%	0%
Entry Point	95%	50%	30%
Target	100%	100%	60%
Maximum	103%	150%	90%

The bonus resulting from the above is subjected to a multiplier/demultiplier that varies from 0% to 120%, depending on the level of achievement of the individual targets included in the PDR Scorecard (the Company's individual performance assessment system) for the CEO/GM, as approved by the Board of Directors.

The individual targets assigned to the CEO/GM are represented by at least a target linked to the development of the business and a sustainability target referring to the four pillars described above: Product & Services Stewardship, People Empowerment, Community Impact, and Ethical Behavior. This model of the MBO system for the CEO ensures full alignment of the short-term incentive with the Group's sustainability goals.

MULTIPLIER/DEMULTIPLIER

0% - 120%

Based on the 2022 Individual and Sustainability Goals defined by Amplifon's Remuneration and Appointments Committee and Board of Directors

MULTIPLIER / DEMULTIPLIER

CEO/GM SCORECARD

0% - 120%

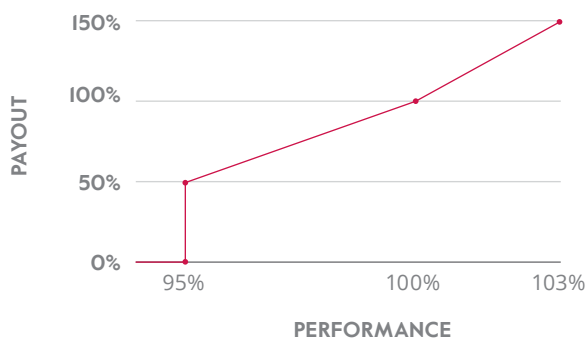
Based on the Scorecard for the CEO/GM

- > • Targets linked to the development of the business
- Targets linked to the Sustainability Plan

In the light of the application of the individual multiplier resulting from the evaluation of the PDR, the minimum value of the incentive accrued can therefore be equal to 0, while the maximum value can reach 180% compared with the target bonus.

GPI

BONUS vs. target



MULTIPLIER

X 0% - 120% = BONUS ACCRUED

With reference to the parameters indicated, the (positive and negative) effects resulting from the change in exchange rates and extraordinary significant transactions were sterilized when preparing the final statements.

A clawback clause is also applied to the incentive under which the repayment of the sums disbursed is provided on the basis of data that subsequently proved to be manifestly incorrect.

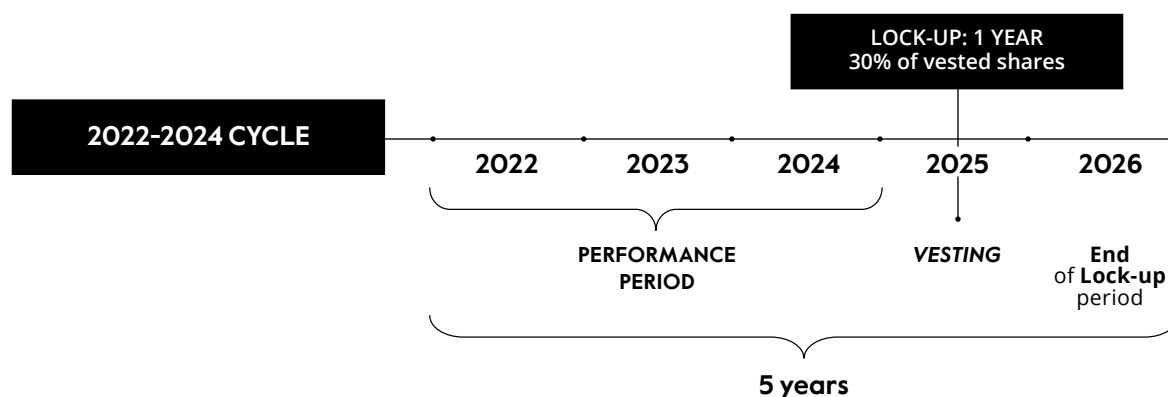
Amplifon made use of the right to protect the confidentiality of additional information deemed commercially sensitive, not providing additional disclosures of forecast data, the disclosure of which could adversely affect the Group. This decision is also in line with Consob's guidelines which reserve "the right of companies to omit such information [goals reached compared with forecasts] where necessary for safeguarding the confidentiality of commercially-sensitive information or forecast data not published."

c) Long-term Variable Remuneration Stock Grant Plan 2019-2025 (2022-2024 cycle)

The Chief Executive Officer and General Manager benefits from a long-term variable incentive Plan (2019-2025 Stock Grant Plan - 2022-2024 cycle). The Plan is also intended for Key Managers with Strategic Responsibilities and other strategic resources that have a significant impact on the achievement of business results in the medium-to-long term.

The Stock Grant Plan gives the beneficiaries the right to receive Amplifon ordinary shares for free at the end of the vesting period.

The plan is characterized by a rolling annual frequency of assignment, and each assignment cycle has a three-year performance period. For the CEO/GM and Key Managers with Strategic Responsibilities, after the vesting period there is a further lock-up period of one year with reference to 30% of the shares awarded. The time horizon covered by the entire plan, in terms of assignment, accrual of shares and lock-up period, is approximately five years.



Access to the long-term incentive is linked to the achievement of a performance condition (gate) based on the ratio between Net Financial Position and EBITDA. The Board of Directors may approve changes to the above threshold if any extraordinary events occur.

The Incentive target opportunity linked to 2022-2024 cycle will be defined by the Board of Directors and shall amount to 150% of the Fixed Remuneration of the Chief Executive Officer and General Manager (in line with the previous mandate). That amount will be considered to define the number of target rights. Specific performance targets are also assessed through a matrix based on two indicators, cumulative EBIT and cumulative Net Sales, the measurement of which is determined considering the achievement level over the entire three-year period. The level of achievement of the performance targets determines the number of shares earned.

Following the exceeding of the performance targets, if the maximum performance is achieved, 150% of the target will be disbursed; there is also a minimum level of performance with respect to the aforementioned objectives, below which the plan does not provide any bonus.

With reference to the parameters indicated, the (positive and negative) effects resulting from the change in exchange rates and extraordinary significant transactions were sterilized when preparing the final statements.

The Stock Grant Plan provides a claw-back clause pursuant to which Amplifon may reacquire the incentive paid if it is established that the accrual of the bonus has been determined on the basis of data that subsequently proved to be manifestly incorrect.

As required for the short-term incentive (MBO), Amplifon made use for the long-term variable remuneration as well of the right to protect the confidentiality of additional information deemed commercially sensitive, not providing additional disclosures of forecast data, the disclosure of which could adversely affect the Group. This decision is also in line with Consob's guidelines which reserve "the right of companies to omit such information [objectives reached compared with forecasts] where necessary for safeguarding the confidentiality of commercially-sensitive information or forecast data not published."

d) Sustainable Value Sharing Plan 2022-2027

From 2022, the Board of Directors deemed it appropriate to introduce a new incentive scheme for the Chief Executive Officer and General Manager aimed at rewarding the voluntary “co-investment” of part of the MBO annual bonus for a three-year period and placing an increasing focus on sustainability issues as a key element of the CEO’s schedule.

The Chief Executive Officer and General Manager will therefore have the right to invest up to 100% of his MBO bonus target in Amplifon shares. Based on the results achieved compared with the predefined performance targets, the Company could award a given number of shares (matching rights).

This component, in line with the pillars of the Amplifon Remuneration Policy, refers to a broad concept of creating sustainable value, featuring targets aimed at rewarding the achievement of long-term sustainability goals, together with the wealth generated for shareholders.

Specifically, the plan is composed of the following elements:

- Co-invested Rights: a part of the Short-Term Variable Remuneration (MBO) accrued, converted into rights and deferred over a three-year period, up to a maximum of 100% of the MBO target (equal to 60% of the fixed remuneration), on a voluntary basis. These rights are converted into Amplifon shares at the end of the three-year deferral period;
- Matched Rights: free rights awarded by Amplifon converted into Amplifon shares at the end of the three-year vesting period, on the basis of the level of performance achieved up to a maximum of 1 share for each of the Co-invested Rights. The performance is reflected in two specific KPIs measured over a three-year period and related to:
 - the value creation for shareholders (Total Shareholder Absolute Return);
 - the achievement of the milestones of the Group’s Sustainability Plan.

The Shareholders’ Meeting called for April 22nd, 2022 is convened to approve the Information Document, pursuant to Article 114-bis of the Consolidated Finance Act and Article 84-bis of the Issuers’ Regulation, which contain further details with regard to the operation and other technical elements relating to the new Sustainable Value Sharing Plan 2022-2027.

e) Insurance and health coverage other than obligatory ones

The Chief Executive Officer and General Manager is the beneficiary, together with the other Managers of Amplifon S.p.A., of supplementary life insurance coverage (death only) with capital supplementary to that provided for by the CCNL Commercio (through the Antonio Pastore fund). In any case, the maximum insured sum shall not exceed €360,000, which represents the limit for which the completion of a medical history questionnaire is not currently required. The bonus is variable according to the actuarial age of the insured and to the genre, and is determined in a certain and definitive manner at the beginning of the coverage.

Furthermore, for all the Managers of Amplifon S.p.A. including the CEO/GM, medical expenses reimbursement cover is provided in addition to the FASDAC and the possibility to receive a medical check-up every year.

f) Benefits

The Chief Executive Officer and General Manager is the beneficiary of a Company car like the other Managers of Amplifon S.p.A. according to the policy for assigning Company cars envisaged by the Company; he is also beneficiary of the Flexible Benefit plan, which allows Managers and employees of Amplifon S.p.A., in compliance with the regulations in force (TUIR), to be able to choose the options that best suit their individual needs.

g) Indemnities in the event of resignation, dismissal or termination of the employment relationship

In line with what the Board of Directors approved in 2019 and without prejudice to the powers of the new Board of Directors, with regard to the treatments envisaged in the event of termination of office or termination of the employment relationship, a specific indemnity is envisaged in favor of the Chief Executive Officer and General Manager, the payment of which, as part of a general transaction and if the conditions apply, responds to a mutual need to compose each issue in accordance with respective interests.

Given the fact that for the current Chief Executive Officer and General Manager the relationship as Director and the employment relationship are connected, the agreement entered into between the parties stipulates that the termination of one relationship results in the termination of the other.

The due indemnity has been defined also considering the application criterion 6.C.1, letter g), of the Corporate Governance Code and, specifically regarding the managerial employment relationship, takes into account the protections envisaged by the relevant national CCNL.

Considering the legal parameters (related to the National Collective Labor Agreement, such as seniority, length of service, age of the CEO/GM in office) and reference market practices, the agreement provides for the payment of an amount equal to 30 months of the total remuneration as Chief Executive Officer and General Manager to be paid as a severance treatment.

For this purpose, the remuneration includes the following items: (i) the gross annual fixed remuneration as General Manager plus the impact of fringe and flexible benefits, (ii) the gross annual emolument as Chief Executive Officer, (iii) the larger of the following: (a) the annual average of the short-term cash bonuses (MBO) received/accrued by the Chief Executive Officer and General Manager in the three-year period preceding the termination date, and (b) the target MBO cash bonus for the Company's financial year in which the termination occurs.

The remuneration therefore will not include the items relating to long-term incentives (LTI) of which the Chief Executive Officer and General Manager is a beneficiary, since these are dealt with separately in the agreement, as well as any value resulting from the matching rights allocated by virtue of the new Sustainable Value Sharing Plan 2022-2027 planned for the Chief Executive Officer and General Manager. The remuneration also excludes any extraordinary bonus awarded to the Chief Executive Officer in exceptional circumstances.

With reference to the leaver provisions in the co-investment plan which may be planned for the Chief Executive Officer and General Manager, please refer to the Information Document subject to the approval of the Shareholders' Meeting called for April 22nd, 2022.

With reference to the above-mentioned long-term incentive (LTI) plans, the agreement provides for the maintenance of the rights allocated to the CEO/GM, with reference to the plans in progress that have not yet matured, according to a *pro rata temporis* criterion, based on the years (or fractions of a year) actually worked.

The treatment described above is applied:

- (a) in the event of termination of the relationship on the Company's initiative, except in cases of just cause or certain situations of failure to achieve the business performance objectives identified in the agreement;
- (b) in cases of extraordinary operations on the Company's capital identified in detail in the agreement;
- (c) if the contract is terminated on the initiative of the Chief Executive Officer and General Manager for just cause or pursuant to Article 16 or 24 of the National Collective Labor Agreement, in certain eventualities of substantial reduction of powers, or due to disagreement on strategy.

The agreement does not provide:

- (a) provisions concerning the allocation or maintenance of non-monetary benefits for which the CCNL applies;
- (b) provisions concerning the possible definition of consultancy contracts with the Chief Executive Officer and General Manager for the period following termination of the relationship.

In line with what was agreed in 2019 and without prejudice to the powers of the new Board of Directors, the Company and the Chief Executive Officer and General Manager also entered into a non-compete agreement lasting 12 months from the date of termination of the relationship of the CEO and GM with Amplifon. Such Agreement provides for the payment of one year of the remuneration, defined according to the same methods as above.

3.3. REMUNERATION FOR KEY MANAGERS WITH STRATEGIC RESPONSIBILITIES

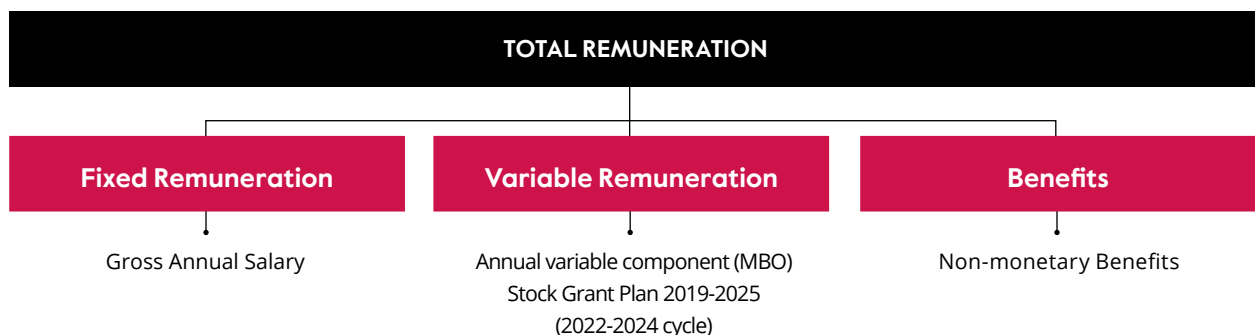
Key Managers with Strategic Responsibilities are identified by the Remuneration and Appointments Committee in accordance with the legislation in force, meaning those who have the power and responsibility, directly or indirectly, for planning, managing and controlling the Company’s activities and for taking decisions that may affect its future development and prospects. This cluster therefore includes the business managers of the three regions and the heads of the Group’s primary functions, that is the case of subsidiaries’ employees.

This cluster, whose members were confirmed on October 28th, 2020 by the Board of Directors, is made up of 12 Group Executives:

KEY MANAGERS WITH STRATEGIC RESPONSIBILITIES (KMSRS)

1. Federico Bardelli	Chief Retail Excellence Officer
2. Alessandro Bonacina	Executive Vice President Americas
3. Riccardo Cattaneo	Chief Regulatory Officer
4. Andrea Ciccolini	Chief Information Officer
5. Federico Dal Poz	Chief Legal Officer
6. Cristian Finotti	Chief Procurement & Supply Chain Officer
7. Gabriele Galli	Chief Financial Officer
8. Francesca Morichini	Chief HR Officer
9. Anthea Muir	Executive Vice President APAC
10. Iacopo Lorenzo Pazzi	Executive Vice President EMEA
11. Giulio Pizzini	Chief Strategy & Business Development Officer
12. Giuseppe Vironda	Chief Marketing Officer

The Remuneration Policy provided for Key Managers with Strategic Responsibilities (KMSRs) has been defined, within the 2022 Group Total Reward Policy, by the Chief Executive Officer and General Manager, subsequently examined by the Remuneration & Appointments Committee in the meeting on December 13th, 2021, and finally shared with the Board of Directors on December 16th, 2021.



In general, the remuneration of Key Managers with Strategic Responsibilities is determined with the view of ensuring consistency with the business strategy and is aligned with the results of market trend analyses and benchmarking with remuneration levels in the reference sectors.

With the goal of checking the positioning of the remuneration offered to KMSRs, in 2022, as every year, Amplifon, with the help of a specialized company¹⁰ performed a market benchmark with a peer group of companies deemed significant.

The reference peer group is composed of listed and unlisted non-financial companies, both Italian and international (with a significant presence on the Italian market). These companies are considered representative both in terms of the reference market for Amplifon's KMSRs and in terms of talent pool.

The companies in the panel are as follows:

CRITERION 1	CRITERION 2	CRITERION 3
International listed companies in the FTSE MIB Index or MID CAP Index of comparable size / level of internationalization	Unlisted Italian companies with a high international profile	Major global companies, with European headquarters, present in Italy or with large Italian branch offices
<ul style="list-style-type: none"> 1. Ariston Thermo 2. Autogrill 3. Brembo 4. Campari 5. De' Longhi 6. Enel 7. Eni 8. Ferrari 9. Intercos 10. Italgas 11. Leonardo 12. Moncler 13. Nexi 14. Ovs 15. Pirelli 16. Safilo 17. Saipem 18. Snam 19. Technogym 20. Tim 21. Terna 	<ul style="list-style-type: none"> 22. Angelini 23. Bolton Group 24. Ferrero 25. Sisal 	<ul style="list-style-type: none"> 26. Sky 27. Whirlpool 28. Nestlè 29. Vodafone

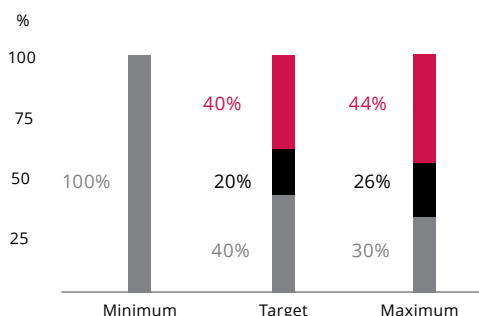
The pay-mix for Key Managers with Strategic Responsibilities provides for a consistent balance with respect to the positions held. Amplifon ensures a higher weighting for the variable component, particularly the LTI component, than for the fixed component of the remuneration. The impact of the variable component on the fixed component increases when performance exceeds the targets. This positioning derives from Amplifon's desire to steer the Key Managers with Strategic Responsibilities toward the generation of value in the long term through the variable incentive mechanisms, while at the same time ensuring the ability to attract the best talents on the market.

The pay-mix graph is calculated by considering aggregated data for the entire population of Key Managers with Strategic Responsibilities in the specific hypothesis of two different performance scenarios, i.e. target achievement level and maximum achievement level.

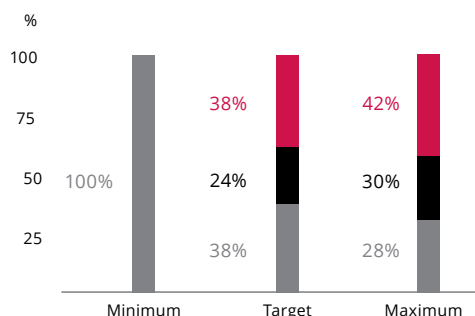
10 - The benchmark was created with the consulting firm Mercer.

The pay-mix shown below is differentiated between KMSRs holding the post of Chief Officer and those holding the role of Executive Vice President. This division is due to the fact that, with reference to the Executive Vice Presidents, whose roles have a strong commercial and strategic content, the remuneration package is focused even more on the variable component compared with the Chief Officers.

CHIEF OFFICERS



EXECUTIVE VICE PRESIDENTS



Note: pay-mixes are calculated assuming a constant value of the Amplifon S.p.A. share.

a) Fixed Remuneration

For Key Managers with Strategic Responsibilities, the fixed remuneration is determined on the basis of the role acted, the level of responsibility assigned, and the experience and strategic importance of the resource, taking into account the evidence emerging from remuneration benchmarking analyses for roles of similar complexity.

On an annual basis, the Chief Executive Officer and General Manager, with the support of the Group HR Department and after consulting with the Remuneration and Appointments Committee, assesses the consistency of the basic remuneration of Key Managers with Strategic Responsibilities with respect to the standards on the reference market and formulates, where appropriate, a proposal for a remuneration review based on the principles of the Group’s Remuneration Policy and taking into account the overall level of the annual total remuneration.

b) Short-term Variable Remuneration (MBO)

The short-term variable incentive (MBO) offered to Key Managers with Strategic Responsibilities is in line with that provided for the role of Chief Executive Officer and General Manager.

Also in this case, the performance targets for 2022 are linked to the Group’s economic and financial performance indicators and are structured in such a way as to target the various factors deemed necessary for a performance which is consistent with the priorities identified in the Business Strategic Plan.

When the performance target (100%) is achieved, the pay-out for the Chief Officer positions is 50% of the Fixed Remuneration, while for Executive Vice Presidents the target bonus is 60% of the Fixed Remuneration.

In particular, for 2022, the variable incentive is linked to the following parameters¹¹:

KPI	WEIGHT
Group EBITDA	40%
Group Net Sales	40%
Group Free Cash Flow	20%
Total	100%

11 - The following table refers to the performance appraisal of the Chiefs only. The variable incentive of the EVPs is indeed also related for the 50% of their scorecard to the same KPIs reported in the table above, according to the performance of their own Region.

The Group Performance Index (GPI) is the weighted result of the three performance KPIs (Group EBITDA, Group Net Sales and Group Free Cash Flow), each of which is measured according to the level of achievement with respect to specific budget targets set by the Board of Directors. The GPI provides for a minimum level of 95% of target and a maximum level of 103% of target. Below the minimum, the bonus is zero.

The pay-out curve linked to the Group Performance Index (GPI) may generate a pay-out of between 0% and 150% of the target.

SCENARIOS	PERFORMANCE	CHIEF OFFICERS		EXECUTIVE VICE PRESIDENTS	
		BONUS (% VS TARGET BONUS)	BONUS (% VS FIXED REM.)	BONUS (% VS TARGET BONUS)	BONUS (% VS FIXED REM.)
Below threshold	< 95%	0%	0%	0%	0%
Minimum	95%	50%	25%	50%	30%
Target	100%	100%	50%	100%	60%
Maximum	103%	150%	75%	150%	90%

The bonus resulting from the above is subjected to a multiplier/demultiplier (which varies from 0% to 120%, based on the degree of achievement of the individual targets linked to the Performance Development Review).

MULTIPLIER/DEMULTIPLIER

0% - 120%

Based on the result of the 2022 Performance Development Review, which includes at least a parameters linked to the four pillars of sustainability (Product & Services Stewardship, People Empowerment, Community Impact e Ethical Behavior)

The minimum value of the accrued incentive may therefore be equal to 0, while the maximum may reach 180% of the target. The individual review is carried out by the Chief Executive Officer and General Manager, who shares it with the Remuneration and Appointments Committee and the Board of Directors, and also considers performance linked to sustainability issues.

In particular, in line with what was done for the CEO/GM, the incentive system for Amplifon's Key Managers with Strategic Responsibilities is also expected to contain non-specific KPIs represented by reference function metrics in order to link the incentive to the Company's long-term interests and sustainable business success.

Therefore, sustainability targets anchored to the four pillars (Product & Services Stewardship, People Empowerment, Community Impact and Ethical Behavior) were introduced into the individual multiplier for Key Managers with Strategic Responsibilities as well, assigning at least a relevant parameter to each beneficiary in relation to the scope of responsibility of the role held.

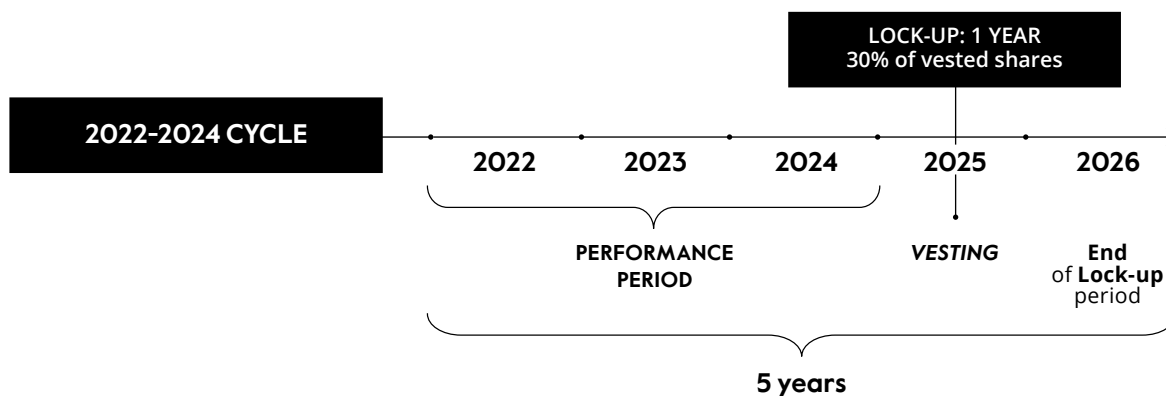
A claw-back clause is also applied to the incentive under which the repayment of the sums disbursed is provided on the basis of data that subsequently proved to be manifestly incorrect.

c) Long-term Variable Remuneration: 2019-2025 Stock Grant Plan (2022-2024 cycle)

Like the Chief Executive Officer and General Manager, the Key Managers with Strategic Responsibilities are beneficiaries of the long-term variable incentive plan (2019-2025 Stock Grant Plan – 2022-2024 cycle).

The plan gives the beneficiaries the right to receive free Amplifon ordinary shares at the end of the vesting period.

The plan is characterized by a rolling annual frequency of assignment, and each assignment cycle has a three-year performance period. For the CEO/GM and Key Managers with Strategic Responsibilities, after the vesting period there is a further lock-up period of one year with reference to 30% of the shares awarded. The time horizon covered by the entire plan, in terms of assignment, accrual of shares and lock-up period, is approximately five years.



The Plan for Key Managers with Strategic Responsibilities has the same conditions as those indicated for Amplifon’s Chief Executive Officer and General Manager.

Also, for Key Managers with Strategic Responsibilities, the Stock Grant Plan provides for a claw-back clause pursuant to which Amplifon may reacquire the incentive paid if it is established that the accrual of the bonus has been determined on the basis of data that subsequently proved to be manifestly incorrect.

d) Insurance and healthcare cover other than mandatory cover

Amplifon S.p.A.’s Managers benefit from supplementary life insurance cover (death only) with capital additional to that provided for by the National Collective Labor Agreement for the Commercial sector (through the Antonio Pastore fund). The maximum insured sum does not in any case exceed €360,000, which represents the actual limit below which the completion of a medical history questionnaire is not required. The premium varies according to the actuarial age and gender of the insured, and is determined in a firm and definitive manner at the start of the cover.

All Amplifon S.p.A.’s Managers also benefit from cover for reimbursement of medical expenses in addition to the FASDAC cover, as well as the option of having an annual medical check-up.

e) Benefits

Executives receive a Company car, in accordance with the Company car allocation policy of the Company to which they belong. Amplifon S.p.A.’s Managers are also beneficiaries of the Flexible Benefit plan, which allows them, as well as all employees of Amplifon S.p.A., in compliance with the rules in force (TUIR), to choose, within a predefined budget, the options that most closely suit their

individual needs. Some of the Executives, in the case of relocation from abroad, are also entitled to a reimbursement of housing expenses for an agreed period during the hiring phase.

f) Indemnities in the event of resignation, dismissal or termination

There is no plan for the Key Management with Strategic Responsibilities to receive any indemnity in the event of resignation, beyond the termination payments due under local legislation.

In the event of dismissal or termination of the working relationship for reasons other than just cause, in addition to the termination payments and notice periods provided for by local legislation, there may also be provision for special payments guided by the laws and practices of the country concerned (for example, the *indennità supplementare* [supplementary indemnity] in Italy). Where such payment provisions exist, a settlement agreement will be signed waiving any claim connected with the employment relationship and its termination.

For cases of termination that present highly competitive risks connected with the critical importance of the role held by the Executive, non-compete agreements may also be drawn up with any defined payments, with reference to each year of validity under the conditions required at any given time in terms of subject, geographical scope and duration.

3.4. REMUNERATION OF THE BOARD OF STATUTORY AUDITORS

The annual remuneration of the Board of Statutory Auditors consists of only the fixed component. This component is commensurate with the commitment demanded by the role held.

The Shareholders' Meeting called for April 23rd, 2021 appointed the Board of Statutory Auditors for a term of three years, to determine the compensation due to the Chairperson and each standing member of the Board for the term of office 2021-2023.

For the term 2021-2023, the Shareholders' Meeting approved the following compensation for the Chairperson and auditors of the Statutory Board of Auditors:

BOARD OF STATUTORY AUDITORS			
Chair	€ 75,000	Member	€ 50,000

This compensation has been defined in line with the evidence of remuneration analyses conducted with reference to the role of Chairperson and member of the Board of Statutory Auditors, with reference to a select cluster of listed companies deemed comparable with Amplifon.

The compensation for the term 2021-2023 was also defined taking into consideration the report shared by the outgoing Board of Statutory Auditors with the Board of Directors with reference to the commitment required for carrying out the office, with the evidence reported in the 2020 Annual Report, submitted for the approval of the Shareholders' Meeting on April 23rd, 2021.

3.5. REMUNERATION OF THE GROUP INTERNAL AUDIT AND RISK MANAGEMENT OFFICER

The remuneration of the Group Internal Audit and Risk Management Officer is in line with the Group's remuneration policies and consistent with the role and duties assigned to this position. In particular, the basic remuneration is commensurate with the evidence emerging from analytical comparisons against a market of listed companies and with the performance levels assessed on the basis of the annually defined individual targets and the key skills required by the position.

The short-term variable incentive for the Group Internal Audit and Risk Management Officer is linked exclusively to individual targets specifically of the function.

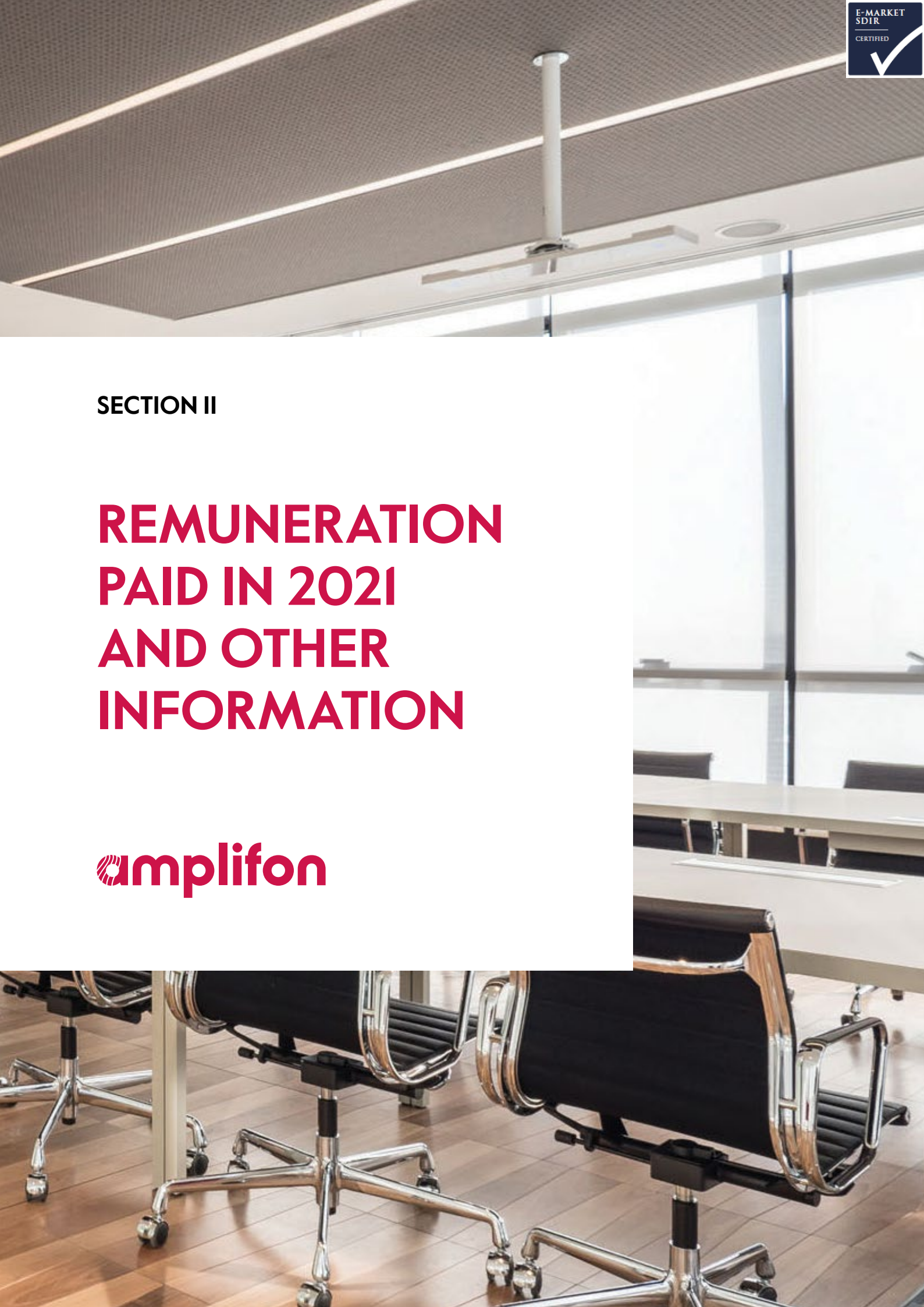
In addition, the holder of the position participates in the 2019-2025 Stock Grant Plan.



SECTION II

REMUNERATION PAID IN 2021 AND OTHER INFORMATION

 **amplifon**



I. INTRODUCTION

In recent years, Amplifon has achieved a global scale by establishing itself – with a market share of around 11% – as the world leader in the retail hearing solutions and services sector, thanks to a sound strategy, careful planning and strong execution capability. In particular, Amplifon has consolidated its global leadership through entry and consolidation of the Chinese market through 2 joint ventures with high-profile local partners. In 2021, the Company also launched a development path in Australia, through the acquisition of Bay Audio, the leading independent operator in the Australian market which operates through a network of over 100 points of sale.

The development of the CEO/GM package consistently reflects this performance and is correlated to the value created for shareholders and the Company's significant growth path¹².



12 - For further details, please refer to the "Pay for Performance" paragraph of this document.

2. IMPLEMENTATION OF THE 2021 REMUNERATION POLICY

A description of the remuneration implemented in 2021 in favor of the non-executive Directors, Chairperson of the Board of Directors, Chief Executive Officer and General Manager, as well as Key Managers with Strategic Responsibilities is given below.

The implementation of the 2021 Remuneration Policy, in accordance with what was verified by the Remuneration and Appointments Committee on the occasion of the periodic evaluation required by the Code of Corporate Governance, was essentially in line with the general principles in the resolutions adopted by the Board of Directors, as well as with market references.

In the implementation of the 2021 Remuneration Policy, the Remuneration and Appointments Committee took into accounting the votes and evaluations expressed by the Shareholders' Meeting on April 23rd, 2021 on Section II of the policy on the issue of remuneration and compensation paid, in which 76.47% of the voting share capital was in favor of.

2.1. FIXED REMUNERATION

Remuneration paid to non-executive Directors: on April 17th, 2019, the Shareholders' Meeting approved a total amount of €1,300,000. On May 7th, 2019, the Board of Directors resolved to pay each Director a fixed individual fee of €55,000, excluding the Chair and the Chief Executive Officer and General Manager.

At the same meeting, the Board of Directors also resolved to pay:

- to each of the independent directors called upon to chair the Remuneration and Appointments Committee and the Risk, Control and Sustainability Committee, an additional amount of €30,000 for each chair;
- to each of the independent directors called upon to participate in the Remuneration and Appointments Committee and the Risk, Control and Sustainability Committee, an additional amount of €20,000 for each participation;
- to the independent director called upon to chair the Supervisory Body, an additional amount of €15,000;
- to each of the independent directors called upon to participate in the Supervisory Body, an additional amount of €10,000;
- to the independent director called upon to chair the Independent Committee for Related-Party Transactions, an additional amount of €10,000;
- to each of the independent directors called upon to participate in the Independent Committee for Related-Party Transactions, an additional amount of €5,000.

Remuneration paid to the Chair of the Board of Directors: fixed remuneration of €300,000 was paid, as resolved by the Board of Directors on May 7th, 2019.

Remuneration paid to the Chief Executive Officer and General Manager: fixed remuneration of €1,010,989 was paid for the duties as Manager of the Company and of €400,000 for the powers conferred pursuant to Article 2389, paragraph 3, of the Civil Code.

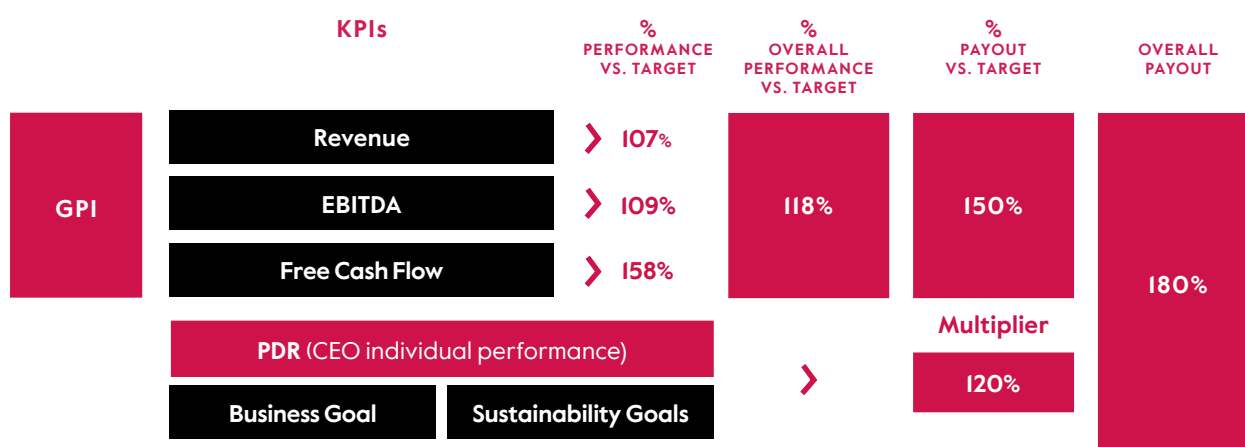
Fixed remuneration paid to Key Managers with Strategic Responsibilities: the aggregate amount corresponding to the Gross Annual Salary of Key Managers is €3,785,995. The amounts received during 2021 in relation to the individual (Directors) and aggregate (Key Managers with Strategic Responsibilities) remunerations are detailed in Consob Table 1 on page 64/65.

2.2. SHORT-TERM VARIABLE REMUNERATION (MBO 2021)

As also highlighted in the introduction of this Report, in 2021 the Group recorded an excellent economic-financial and operating performances linked to the issues of sustainable success.

Chief Executive Officer and General Manager: The short-term variable incentive will be paid, with reference to the Chief Executive Office and General Manager, based on the Group's performance recorded in 2021, in relation to the achievement level of the defined targets.

The table below illustrates the performance level achieved for each of the KPIs assigned to the Chief Executive Officer and General Manager¹³:



The results achieved by Amplifon for 2021, approved by the Board of Directors on the recommendation of the Remuneration and Appointments Committee, on March 3rd, 2022, highlighted a performance score which, even in the light of the application of the individual multiplier, taking into account Amplifon's exceptional performance in terms of business development and continuous improvement in the management of sustainability issues, resulted in the payment to the Chief Executive Officer and General Manager of an incentive of €1,512,000 which will be delivered in 2022.

Key Managers with Strategic Responsibilities: For Key Managers with Strategic Responsibilities the variable incentive to be paid is calculated according to the level of the scorecard achieved, as well as the individual targets related to the Performance Development Review, assigned on the basis of the area of responsibility of the role.

The sum paid to KMSRs, also taking individual performance into consideration, resulted in a total incentive of €3,267,365.

13 - When preparing the final statements, the impacts resulting from the change in exchange rates and extraordinary significant transactions were sterilized.

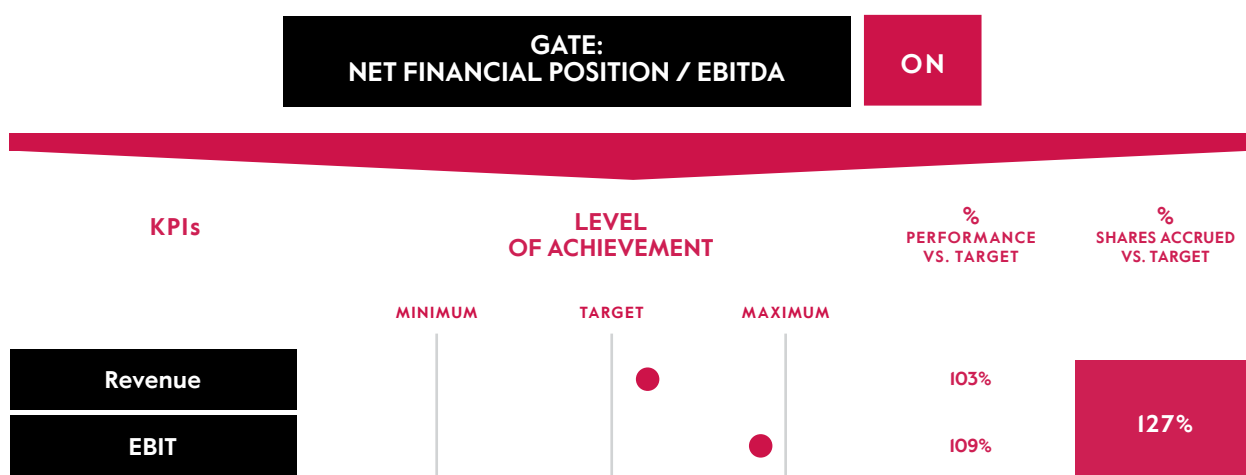
2.3. LONG-TERM VARIABLE REMUNERATION

- STOCK GRANT PLAN 2019-2025

Chief Executive Officer and General Manager: At the meeting held on April 29th, 2021, the Board of Directors, at the recommendation of the Remuneration and Appointments Committee, approved the award of the 2018-2020 cycle of the 2019-2025 Stock Grant Plan, in favor of the Chief Executive Officer and General Manager, as 177,800 shares, calculated on the achievement percentage of the targets in the three-year reference period, in relation to a target of 140,000 rights.

Key Managers with Strategic Responsibilities: in 2021, with reference to the 2018-2020 cycle of the 2019-2025 Stock Grant Plan, 240,030 shares were awarded, according to the percentage achievement of the targets in the three-year reference period, compared with a target of 189,000 rights.

The table below illustrates the performance achieved for each three-year target¹⁴:



In 2021, the Chief Executive Officer and General Manager and Key Managers with Strategic Responsibilities were, respectively granted 70,000 and 122,500 rights for shares by virtue of participation in the 2019-2025 Stock Grant Performance Plan (2021-2023 cycle) at a grant price of €35.40 (fair value: €35.21) which will be awarded, if the performance targets are reached, at the end of the vesting period.

The detailed information on the allocation of share rights that took place in 2021 can be found in Table 3A Consob on page 68/69.

14 - When preparing the final statements, the impacts resulting from the change in exchange rates and extraordinary significant transactions were sterilized.

2.4. SPECIAL AWARD 2020-2022 FOR THE CEO

In order to reward the achievement of an important milestone of growth for the global performance and consolidation of the Group, the Board of Directors decided to assign a long-term cash incentive plan to the CEO and General Manager.

This special bonus was defined as a percentage (0.05%) of the creation of value for shareholders generated in the three-year period 2017-2019 and will be paid out in 2022, following the approval of the 2021 Consolidated Financial Statements by the Board of Directors, as it involves the payment of a cash bonus subject to the Chief Executive Officer and General Manager still being in the Group at that date.

2.5. END OF OFFICE OR END OF EMPLOYMENT RELATIONSHIP

In 2021 no compensation was paid at the end of office or employment relationship.

2.6. APPLICATION OF *EX-POST* CORRECTION MECHANISMS

No ex-post correction mechanisms (claw-back) were applied in 2021.

2.7. DEROGATION APPLIED TO THE REMUNERATION POLICY IN 2021

In 2021 there were no exceptional circumstances such that the Board of Directors needing to avail itself of the right to derogate from the contents of the 2021 Remuneration Policy.

Table comparing the changes over the last five financial years between the annual variation in the total remuneration of the Members of the Board of Directors and the Board of Statutory Auditors, the Company's results and the average gross annual remuneration of the employees

The table below gives a comparison between the total remuneration of Directors and Statutory Auditors who, as at December 31st, 2021, were members, respectively, of Amplifon's Board of Directors and Board of Statutory Auditors, and the Group's performance, represented in terms of value generated for shareholders. Each piece of information is provided over a time span of 5 years (2017-2021):

	Note	2017	2018	2019	2020	2021
Value generated for shareholders (Millions of €) (15)		€ 2,923	€ 3,221	€ 5,920	€ 7,860	€ 11,019
%			10.2%	83.8%	32.8%	40.2%
Enrico Vita ('000 €)	(16)	€ 2,549	€ 2,918	€ 4,002	€ 3,619	€ 5,338
AD/DG compensation growth rate %			14.5%	37.1%	-9.6%	47.5%
Susan Carol Hollande ('000 €)		€ 302	€ 304	€ 304	€ 304	€ 308
%			0.7%	0.0%	0.0%	1.3%
Andrea Casalini ('000 €)		€ 85	€ 85	€ 85	€ 85	€ 85
%			0.0%	0.0%	0.0%	0.0%
Alessandro Cortesi ('000 €)		€ 75	€ 80	€ 80	€ 80	€ 80
%			6.7%	0.0%	0.0%	0.0%
Maurizio Costa ('000 €)		€ 85	€ 85	€ 85	€ 85	€ 85
%			0.0%	0.0%	0.0%	0.0%
Laura Donnini ('000 €)		€ 90	€ 90	€ 90	€ 90	€ 90
%			0.0%	0.0%	0.0%	0.0%
Maria Patrizia Grieco ('000 €)		€ 75	€ 75	€ 75	€ 75	€ 75
%			0.0%	0.0%	0.0%	0.0%
Lorenzo Pozza ('000 €)		€ 100	€ 100	€ 100	€ 100	€ 100
%			0.0%	0.0%	0.0%	0.0%
Giovanni Tamburi ('000 €)		€ 60	€ 55	€ 55	€ 55	€ 55
%			-8.3%	0.0%	0.0%	0.0%
Raffaella Pagani ('000 €)	(17)	€ 45	€ 60	€ 60	€ 60	€ 75
%			33.3%	0.0%	0.0%	25.0%
Patrizia Arienti ('000 €)	(17)	-	-	-	-	€ 50
%			n/a	n/a	n/a	n/a
Dario Righetti ('000 €)	(17)	-	-	-	-	€ 50
%			n/a	n/a	n/a	n/a
Remunerazione media dipendenti ('000 €) (18)		€ 73	€ 77	€ 79	€ 69	€ 71
%			5.7%	3.7%	-13.2%	3.0%

15 - The "value generated" for shareholders is measured as the market capitalization performance on the assumption of the reinvestment of dividends distributed at the ex-dividend date.

16 - The compensation reported for the Chief Executive Officer and General Manager takes into consideration all compensation reported in Table 1 of this Report. With reference to Short-Term Variable Remuneration (MBO), the incentive of each financial year is reported for each year, in conformity with Annex 3A - Schedule 7-bis of the Issuers' Regulation, introduced through Consob Resolution 18049 of December 23rd, 2011, later amended through Consob Resolution 21623 of December 10th, 2020. With reference, on the other hand, to the Long-Term Variable Remuneration, the amounts considered for representation purposes were evaluated in line with the fair values of the individual cycles for each year and in line with the figures in Tables 1 and 3A of this Report.

17 - The amount represents the annualization of the compensation paid to the Chairperson and Auditors of the Board of Statutory Auditors for the period from April 23rd, 2021 to December 31st, 2021. This amount is in line with the compensation approved by the Shareholders' Meeting called on April 23rd, 2021, for the term 2021-2023

18 - The remuneration figures representing the average remuneration of Amplifon employees considered a corporate scope that includes Amplifon S.p.A. and Amplifon Italia.

The proportion of fixed compensation and variable compensation as part of the total remuneration paid to beneficiaries of the incentive schemes is reported in the table below and the compensation is illustrated later in Table 1:

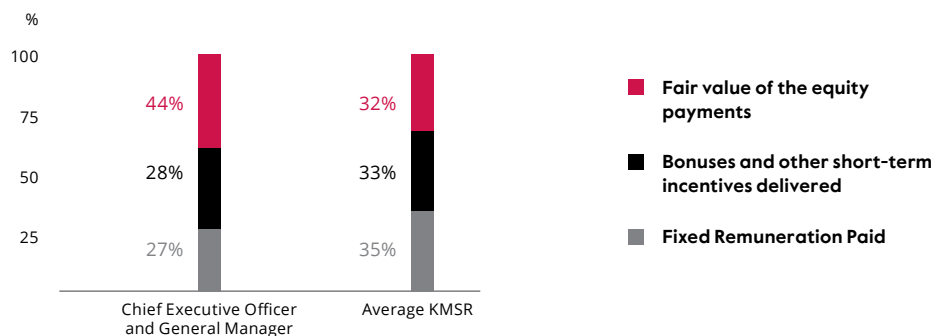




Table I - Compensation paid to members of the Board of Directors and the Board of Statutory Auditors the General Manager and other Key Managers with Strategic Responsibilities (thousands of euros)

First and last names	Note	Office	Period for which the office was held	End of term of office
Susan Carol Holland	(1)	Chair	01/01/2021-31/12/2021	approval of 2021 financial statements
Enrico Vita	(2)	Chief Executive Officer	01/01/2021-31/12/2021	approval of 2021 financial statements
		General Manager	<i>Permanent</i>	
Andrea Casalini	(3)	Independent Director	01/01/2021-31/12/2021	approval of 2021 financial statements
Alessandro Cortesi	(4)	Independent Director	01/01/2021-31/12/2021	approval of 2021 financial statements
Maurizio Costa	(5)	Independent Director	01/01/2021-31/12/2021	approval of 2021 financial statements
Laura Donnini	(6)	Independent Director	01/01/2021-31/12/2021	approval of 2021 financial statements
Maria Patrizia Grieco	(7)	Independent Director	01/01/2021-31/12/2021	approval of 2021 financial statements
Lorenzo Pozza	(8)	Independent Director	01/01/2021-31/12/2021	approval of 2021 financial statements
Giovanni Tamburi	(9)	Director	01/01/2021-31/12/2021	approval of 2021 financial statements
Raffaella Pagani	(10)	Chair of the Board of Statutory Auditors	01/01/2021-31/12/2021	approval of 2023 financial statements
Arienti Patrizia	(11)	Standing Auditor	23/04/2021-31/12/2021	approval of 2023 financial statements
Righetti Dario	(12)	Standing Auditor	23/04/2021-31/12/2021	approval of 2023 financial statements
Total				
Other Key Managers of the Group (12)	(13)		<i>Permanent</i>	
Grand total				
DIRECTORS / AUDITORS NO LONGER IN OFFICE IN 2021				
Emilio Fano	(14)	Standing Auditor	01/01/2021-23/04/2021	approval of 2020 financial statements
Maria Stella Brena	(15)	Standing Auditor	01/01/2021-23/04/2021	approval of 2020 financial statements

	Fixed remuneration	Remuneration for participation in committees	Non-equity variable compensation			Non-monetary benefits	Other remuneration	Total	Fair Value equity remuneration	End of office or end of employment relationship compensation
			Bonuses and other incentives	Profit sharing						
	€ 300	-	-	-	€ 8	-	€ 308	-	-	
	€ 400	-	-	-	-	-	€ 400	-	-	
	€ 1,011	-	€ 1,512	-	€ 46	-	€ 2,569	€ 2,369	-	
	€ 55	€ 30	-	-	-	-	€ 85	-	-	
	€ 55	€ 25	-	-	-	-	€ 80	-	-	
	€ 55	€ 30	-	-	-	-	€ 85	-	-	
	€ 55	€ 35	-	-	-	-	€ 90	-	-	
	€ 55	€ 20	-	-	-	-	€ 75	-	-	
	€ 55	€ 45	-	-	-	-	€ 100	-	-	
	€ 55	-	-	-	-	-	€ 55	-	-	
	€ 71	-	-	-	-	-	€ 71	-	-	
	€ 35	-	-	-	-	-	€ 35	-	-	
	€ 35	-	-	-	-	-	€ 35	-	-	
	€ 2,237	€ 185	€ 1,512	€ 0	€ 54	€ 0	€ 3,988	€ 2,369	€ 0	
	€ 3,786	-	€ 3,892	-	€ 411	-	€ 8,089	€ 3,882	-	
	€ 6,023	€ 185	€ 5,404	€ 0	€ 465	€ 0	€ 12,077	€ 6,251	€ 0	
	€ 12	-	-	-	-	-	€ 12	-	-	
	€ 12	-	-	-	-	-	€ 12	-	-	

- ⁽¹⁾ **Susan Carol Holland**
Chairperson of the Board of Directors
- a. The sum of €300,000 represents the fee for the office of Chairperson of the Board of Directors paid to Susan Carol Holland for the term 2019-2021
- ⁽²⁾ **Enrico Vita** – Chief Executive Officer and General Manager
- a. The sum of €400,000 represents the fee for the office of Chief Executive Officer paid to Enrico Vita for the term 2019-2021
 - b. The sum of €1,010,989 represents the total fixed payments made to Enrico Vita in his role as General Manager for the period from January 1st to December 31st, 2021
 - c. The sum of €1,512,000 represents the short-term incentive (MBO) accrued with reference to the performance of 2021 paid out in 2022. This amount was based on the final data approved by the Board of Directors on March 3rd, 2022. The values were calculated also taking into consideration the multiplier effect connected with individual targets
 - d. The fair value of the equity payments includes the fair value pertaining to 2021 for the following cycles: (i) 2018-20 cycle for monthly payments pertaining to 2021; (ii) 2019-21 cycle for the monthly payments pertaining to 2021; (iii) 2020-22 cycle for the monthly payments pertaining to 2021, (iv) 2021-23 cycle for the monthly payments pertaining to 2021. Please refer to Table 3A for details of the fair value of the individual plans
- ⁽³⁾ **Andrea Casalini** – Independent Director
- a. The sum of €55,000 represents the fee established for the office of member of the Board of Directors for the term 2019-2021
 - b. The amount represents the total compensation as Chairperson of the Committee of Independent Directors for Related-Party Transactions (€10,000) and for participation as a member of the Remuneration and Appointments Committee (€20,000) for the term 2019-2021
- ⁽⁴⁾ **Alessandro Cortesi** – Independent Director
- a. The sum of €55,000 represents the fee established for the office of member of the Board of Directors for the term 2019-2021
 - b. The amount represents the total compensation for participation as a member of the Control, Risks and Sustainability Committee (€20,000) and the Committee of Independent Directors for Related-Party Transactions (€5,000) for the term 2019-2021
- ⁽⁵⁾ **Maurizio Costa** – Independent Director
- a. The sum of €55,000 represents the fee established for the office of member of the Board of Directors for the term 2019-2021
 - b. The amount represents the compensation paid to the Chairperson of the Remuneration and Appointments Committee (€30,000) for the term 2019-2021
- ⁽⁶⁾ **Laura Donnini** – Independent Director
- a. The sum of €55,000 represents the fee established for the office of member of the Board of Directors for the term 2019-2021
 - b. The amount represents the total compensation for participating as a member of the Committee of Independent Directors for Related-Party Transactions (€5,000) and the Control, Risks and Sustainability Committee (€20,000) as well as a member of the Supervisory Body (€10,000) for the term 2019-2021
- ⁽⁷⁾ **Maria Patrizia Grieco** – Independent Director
- a. The sum of €55,000 represents the fee established for the office of member of the Board of Directors for the term 2019-2021
 - a. The amount represents the compensation paid for participating as a member of the Remuneration and Appointments Committee (€20,000) for the term 2019-2021
- ⁽⁸⁾ **Lorenzo Pozza** – Independent Director
- a. The sum of €55,000 represents the fee established for the office of member of the Board of Directors for the term 2019-2021
- ⁽⁹⁾ **Giovanni Tamburi** – Director
- a. The sum of €55,000 represents the fee established for the office of member of the Board of Directors for the term 2019-2021
- ⁽¹⁰⁾ **Raffaella Pagani** – Chair of the Board of Statutory Auditors
- a. The amount represents the fee (pro-rata value of €60,000) established for the office of Chair of the Board of Statutory Auditors for the term 2018-2020 and the fee (pro-rata value of €75,000) established for the office of Chair of the Board of Statutory Auditors for the term 2021-2023
- ⁽¹¹⁾ **Patrizia Arienti**
Standing Auditor of the Board of Statutory Auditors
- a. The amount represents the fee (pro-rata value of €50,000) established for the office of Standing Auditor of the Board of Statutory Auditors for the term 2021-2023
- ⁽¹²⁾ **Dario Righetti**
Standing Auditor of the Board of Statutory Auditors
- a. The amount represents the fee (pro-rata value of €50,000) established for the office of Standing Auditor of the Board of Statutory Auditors for the term 2021-2023
- ⁽¹³⁾ **Key Managers with Strategic Responsibilities**
- a. The amount of €3,785,995 represents the fixed compensation paid to Directors in 2021 who were Amplifon Key Managers with Strategic Responsibilities for the period from January 1st to December 31st, 2021 (12 individuals)
 - b. The sum of €3,892,239 includes:
 - i. €3,267,365 by way of short-term incentive (MBO) accrued with reference to the performance of 2021 paid out in 2022. This amount was based on the final data approved by the Board of Directors on March 3rd, 2022. The values are calculated also taking into consideration the multiplier effect connected to the individual targets.
 - ii. The amount includes €604,875 paid to 4 Executives by way of a sign-on bonus, defined during hiring and included in the contract, as an attraction to compensate the loss in variable incentives in the company they are coming from. The figure also takes into consideration €20,000 paid to an Executive to replace the non-payment of the flexible benefit plan
 - c. The fair value of the equity payments includes the fair value of the following plans: (i) 2018-20 cycle for monthly payments pertaining to 2021; (ii) 2019-21 cycle for the monthly payments pertaining to 2021; (iii) 2020-22 cycle for the monthly payments pertaining to 2021, (iv) 2021-23 cycle for the monthly payments pertaining to 2021. Please refer to Table 3A for details of the fair value of the individual plans
- ⁽¹⁴⁾ **Emilio Fano**
Standing Auditor of the Board of Statutory Auditors
- a. The amount represents the fee (pro-rata value of €40,000) established for the office of Standing Auditor of the Board of Statutory Auditors for the term 2018-2020
- ⁽¹⁵⁾ **Maria Stella Brena**
Standing Auditor of the Board of Statutory Auditors
- a. The amount represents the fee (pro-rata value of €40,000) established for the office of Standing Auditor of the Board of Statutory Auditors for the term 2018-2020

Table 2 – Stock Option allocated to the members of the Board of Directors and the Board of Statutory Auditors, the General Manager and other Key Managers with Strategic Responsibilities of the Group

Detailed information on the share-based incentive schemes is contained in the remuneration plans provided for by Article 114-bis of the Consolidated Finance Law (Legislative Decree 58 of February 24th, 1998) and pursuant to Article 84-*bis* of the Issuers' Regulation (CONSOB Resolution 11971/99) and Annex 3A, Schedule 7 of the Issuers' Regulation, available on the Company's website www.amplifon.com/corporate in the Governance section.

As of January 1st, 2022, no Key Manager of the Group holds any options relating to Amplifon S.p.A. Stock Option Plans. At today's date, Amplifon's Remuneration Policy does not provide for the allocation of options to Directors.

Table 3A – Share-based incentive plans, other than Stock Options, for the members of the Board of Directors and the Board of Statutory Auditors, the General Manager and other Key Managers with Strategic Responsibilities of the Group

First and last names	Office	Plan	FINANCIAL INSTRUMENTS ALLOCATED IN PREVIOUS YEARS BUT NOT VESTED DURING THE COURSE OF THE YEAR		FINANCIAL INSTRUMENTS ALLOCATED DURING THE YEAR				
			Number and type of financial instruments	Vesting period	Number and type of financial instruments	Fair value at allocation date (euro)	Vesting period	Allocation date	Market price at allocation (euro)
Enrico Vita	Chief Executive Officer and General Manager	"New Performance Stock Grant Plan 2014-2021 (May 2 nd , 2018)"	140,000	Jun - 2021 ⁽¹⁾	-	-	-	-	-
		Stock Grant Plan 2019-2025 (May 7 th , 2019)	140,000	Jun - 2022 ⁽¹⁾	-	-	-	-	-
		Stock Grant Plan 2019-2025 (July 30 th , 2020)	90,000	Jun - 2023 ⁽¹⁾	-	-	-	-	-
		Stock Grant Plan 2019-2025 (May 3 rd , 2021)	-	-	70,000	35.21	Jun - 2024 ⁽¹⁾	3/5/2021	35.40
Total			370,000	-	70,000	-	-	-	-
Other Key Managers with Strategic Responsibilities of the Group ⁽¹²⁾		"New Performance Stock Grant Plan 2014-2021 (May 2 nd , 2018)"	189,000	Jun - 2021 ⁽¹⁾	-	-	-	-	-
		Stock Grant Plan 2019-2025 (May 7 th , 2019)	163,000	Jun - 2022 ⁽¹⁾	-	-	-	-	-
		Stock Grant Plan 2019-2025 (October 30 th , 2019)	8,500	Jun - 2022 ⁽¹⁾	-	-	-	-	-
		Stock Grant Plan 2020-2022 (July 30 th , 2020)	164,000	Jun - 2023 ⁽¹⁾	-	-	-	-	-
		Stock Grant Plan 2020-2022 (October 30 th , 2020)	24,000	Jun - 2023 ⁽¹⁾	-	-	-	-	-
		Stock Grant Plan 2019-2025 (May 3 rd , 2021)	-	-	122,500	35.21	Jun - 2024 ⁽¹⁾	3/5/2021	35.40
Grand total			548,500	-	122,500	-	-	-	-
Grand total			918,500	-	192,500	-	-	-	-

⁽¹⁾ For the Chief Executive Officer / General Manager and Directors with Strategic Responsibilities at the end of the vesting period there is a lock-up period of an additional year from the vesting date of the rights with reference to 30% of the shares accrued.

	FINANCIAL INSTRUMENTS VESTED DURING THE YEAR BUT NOT AWARDED	FINANCIAL INSTRUMENTS VESTED DURING THE YEAR AND AWARDABLE	FINANCIAL INSTRUMENTS EXERCISED DURING THE YEAR	
	Number and type of financial instruments	Number and type of financial instruments	Value at the vesting date	
			"Fair value (euro)"	
	-	177,800	38.64	685
	-	-	-	569
	-	-	-	675
	-	-	-	441
	-	177,800	-	2,369
	-	240,030	38.64	924
	-	-	-	662
	-	-	-	54
	-	-	-	1,229
	-	-	-	241
	-	-	-	772
	-	240,030	-	3,882
	-	417,830	-	6,251

Table 3B – Cash incentive plans for the members of the Board of Directors and the Board of Statutory Auditors, the General Manager and other Key Managers with Strategic Responsibilities of the Group (thousands of Euro)

First and last names	Office	Plan	BONUS FOR THE YEAR			PREVIOUS YEARS BONUS			
			"Payable/Paid"	Deferred	Deferral period	No longer payable	"Payable/Paid"	Still deferred	Other bonuses
Enrico Vita	Chief Executive Officer and General Manager	MBO Plan 2021	€ 1,512 (*)	-	-	-	-	-	-
Other Key Managers with Strategic Responsibilities of the Group (12)		MBO Plan 2021	€ 3,267 (*)	-	-	-	-	-	€ 625 (**)
Total			€ 4,779	-	-	-	-	-	€ 625

(*) This amount was based on the final data approved by the Board of Directors on March 3rd, 2022. The figures are calculated also taking into consideration the multiplier effect connected to individual targets.

(**) The amount includes €604,875 paid to 4 Executives by way of sign-on bonuses, defined at the time of hiring and set out in the contract, with a view to attracting them and offsetting the loss in variable incentives from the company they came from. The value also takes into consideration €20,000 paid to one Executive to replace the lack of the flexible benefit plan payment.

Table 7-ter – Relating to information on the participation of the members of the Board of Directors and the Board of Statutory Auditors, the General Manager and other Key Managers with Strategic Responsibilities of the Group

TABLE I: SHAREHOLDINGS OF THE MEMBERS OF THE ADMINISTRATION AND CONTROL BODIES AND THE GENERAL MANAGER

First and last names	Office	Investee company	Number of shares held at December 31 st , 2019	Number of shares bought	Number of shares sold	Number of shares held at December 31 st , 2021
Giovanni Tamburi	Director	Amplifon S.p.A.	6,038,036	1,346,659	-	7,384,695 ⁽¹⁾

⁽¹⁾ Shares held as at May 25th, 2021 by the subsidiary Tamburi Investment Partners S.p.A.

Net of Table 1, at December 31st, 2021, no member of the Board of Directors or the Board of Statutory Auditors, including the General Manager, and no Key Managers with Strategic Responsibilities of the Issuer held any stake in the Issuer other than:

- significant equity interests as indicated in the Corporate Governance Report; and
- any shares deriving from the Stock Grant Plan as indicated in the tables above.

OUR PURPOSE

WE EMPOWER PEOPLE
TO REDISCOVER ALL THE
EMOTIONS OF SOUND

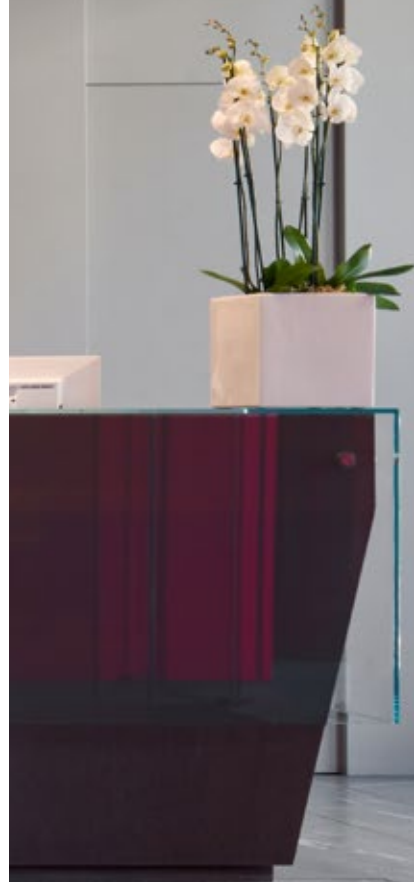
OUR VALUES





ATTACHMENTS

 **amplifon**



GLOSSARY

- **Benefits:** these are the elements included in the non-monetary component of remuneration aimed at improving the individual and family well-being of employees from an economic and social perspective. This category also includes all resources intended to satisfy welfare and social security needs (supplementary pension, healthcare, insurance cover).
- **Co-Investment Plan:** refers to the 2022-2027 Sustainable Value Sharing Plan, which involves that a part of the accrued annual bonus (if any) may be converted into shares, subject to the achievement of three-year performance targets.
- **Control, Risks and Sustainability Committee:** it is composed of four non-executive directors, three of who are independent, and has recommendation and advisory functions with regard to the Board of Directors to support the decisions relating to the internal audit and risk management system, the approval of financial reports, as well as promoting the continuous integration of environmental, social and governance factors in corporate strategies and the creation of value for the generality of shareholders and stakeholders over the medium-/long-term, in compliance with the principles of sustainable development.
- **Corporate Governance Code:** approved by the Governance Committee on January 31st, 2020 and applicable from January 1st, 2021, in line with the experience of the main international markets, indicates the best practices concerning corporate governance recommended by the committee of listed companies, to be applied in accordance with the comply or explain principle which requires an explanation of the reasons for any failure to comply with one or more recommendations contained in the principles or application criteria.
- **EBITDA (Earnings before interest, tax, depreciation and amortization):** also defined as the “gross operating profit” or “GOP” is a profitability indicator that gives the business income deriving only from characteristic management, gross, therefore, of interest (financial management), taxes (tax management), depreciation of assets and amortization.
- **End of term or office compensation:** the monetary sum to be paid out to the director at the time their role as a director comes to an end.
- **Executive Directors:** are directors vested with special offices by the Board of Directors.
- **Fair value of equity payments:** also defined as fair value. International Financial Reporting Standard 2 (IFRS 2) defines the fair value as “the consideration for which an asset can be exchanged, or a liability extinguished, or a capital instrument assigned, in a free transaction between informed, willing parties”.
- **Fixed Remuneration:** includes all annual fixed compensation, gross of taxes and welfare payments pertaining to the employee, not therefore including annual bonuses, other bonuses, allowances, fringe benefits, repayment of expenses, and any other form or remuneration that is variable or occasional by nature.
- **Free Cash Flow:** indicates the (monetary) cash flow produced by operational and non-operational management.
- **Independent Directors:** are Amplifon directors in possession of the requirements of independence set out in the Code of Corporate Governance that Amplifon adheres to.
- **Issuers’ Regulation:** is CONSOB Regulation 11971 of May 14th, 1999 (and later amendments) containing the rules on the issuers of financial instruments.
- **Key Managers with Strategic Responsibilities:** these directors have powers and responsibilities, directly and indirectly, of planning, managing and controlling company activities, including (executive and non-executive) directors as identified by Article 65, paragraph 1-quarter of the Issuers’ Regulation which refers to the definition in the Annex to Consob Regulation 17221 of March 12th, 2010 containing provisions on related-party transactions, as later amended recently through Consob Resolution 21624 of December 10th, 2020.
- **Lock-up:** indicates the period of time during which the shares granted are subject to sale and/or transfer restrictions.

- **Long-Term Incentive (LTI):** refers to the Stock Grant Plan 2019-2025, which gives the right, to the parties involved, to receive a predefined number of shares in relation to the results achieved in the vesting period.
- **Non-compete agreements:** based on Article 2125 of the Italian Civil Code, it is the “agreement which restricts carrying out services in the time after the contract ceases”.
- **Non-executive Directors:** are directors not vested with special offices by the Board of Directors and without individual management powers.
- **Pay-mix:** is the percentage of fixed remuneration and short-term and long-term variable incentives corresponding to the performance target level.
- **Severance pay:** a monetary sum to be paid to the employee when their employment contract as a director ends.
- **Short-term Variable incentive:** this refers to the Management By Objectives (MBO) Plan, which gives the right, to the parties involved, to receive an annual cash bonus based on results achieved, in the previous year, compared with the defined targets.
- **Target level:** in the short and long term incentive, it is the standard level of reaching the target that gives the right to receive 100% of the incentive.
- **Total Reward Policy:** indicates the Amplifon Remuneration Policy, namely the collection of remuneration programs in terms of fixed and variable remuneration implemented at corporate level to support reaching the strategic goals.
- **Variable Remuneration:** is composed of the short-term variable incentive scheme and long-term variable incentive scheme.
- **Vesting (vesting period):** the period between the allocation and completion of ownership of the right to receive the reward.

Analytical Index by Themes (ConsoB Resolution 21623)

CONSOB Resolution	Information required	Reference
	With reference to the members of the administrative bodies, general managers and other Key Managers with Strategic Responsibilities, this section contains the following information at least, to be illustrated clearly and understandably:	
a)	the bodies or persons involved in the preparation, approval and possible revision of the remuneration policy, specifying their respective roles, as well as the bodies or persons responsible for the correct implementation of this policy;	page 28-30;33
b)	the possible involvement of a remuneration committee or other committee competent in the subject matter, describing its composition (with a distinction between non-executive and independent directors), responsibilities and operating procedures, and any additional measures to avoid or manage conflicts of interest;	page 30-32
c)	how the company has taken into account the compensation and working conditions of its employees in the determination of the remuneration policy;	page 20-23;35
d)	the names of any independent experts involved in the preparation of the Remuneration Policy;	page 14;39;48
e)	the objectives pursued by the remuneration policy, the principles on which it is based, the duration and, in the event of a review, a description of the changes to the remuneration policy last submitted to the shareholders' meeting and how such review takes into account the votes and assessments expressed by shareholders at that meeting or subsequently;	page 8-23;35-36
f)	a description of the policies regarding the fixed and variable components of remuneration, with particular regard to the indication of the relative proportion within the total remuneration and distinguishing between short and medium-long term variable components;	page 39-40;48-49
g)	the policy followed with regard to non-monetary benefits;	page 44;51-52
h)	with reference to the variable components, a description of the financial and nonfinancial performance objectives, where appropriate taking into account criteria related to corporate social responsibility, on the basis of which they are assigned, distinguishing between short and medium to long-term variable components, and information on the link between the change in results and the change in remuneration;	page 11;41-44;49-51
i)	the criteria used to assess the achievement of the performance objectives underlying the granting of shares, options, other financial instruments or other variable components of remuneration, specifying the extent of the variable component to be paid according to the level of achievement of the objectives;	page 43-44;51
j)	information aimed at highlighting the contribution of the remuneration policy, and in particular the policy on variable components of remuneration, to the company's strategy, the pursuit of long-term interests and the sustainability of the company;	page 10-11
k)	vesting periods, deferred payment systems, if any, with an indication of the deferral periods and the criteria used to determine those periods and, if envisaged, the mechanisms for ex post correction of the variable component (malus or claw-back of variable compensation);	page 42-44;50-51
l)	information on whether there is any provision for retaining the financial instruments in the portfolio after their acquisition, with an indication of the retention periods and the criteria used to determine those periods;	page 43;51
m)	the policy relating to treatment in the event of termination of office or termination of employment, specifying: i) the duration of any employment contracts and further agreements, the notice period, if applicable, and what circumstances give rise to the right; and; ii) the criteria for determining the remuneration due to directors, general managers and, at an aggregate level, to managers with strategic responsibilities, distinguishing, where applicable, the components attributed by virtue of the office of director from those relating to employment relationships, as well as the components for any noncompetition undertakings. Where such remuneration is expressed on the basis of the year, indicate in detail the components of such year calculation (fixed, variable, etc.); iii) any link between such remuneration and the company's performance; iv) any effects of the termination of the relationship on the rights assigned under incentive plans based on financial instruments or to be paid in cash; v) any provision for assigning or retaining non-monetary benefits in favour of the parties or for entering into consultancy contracts for a period subsequent to the termination of the relationship;	page 45-46;52
n)	information on the presence of any insurance, or social security or pension coverage, other than mandatory coverage;	page 44;51
o)	any remuneration policy followed with reference to: i) independent Directors, (ii) participation in Committees and (iii) performance of special duties (Chairman, Deputy Chairman, etc.);	page 37-38
p)	whether or not the Remuneration Policy has been defined using the remuneration policies of other companies as a reference, and if so the criteria used for the selection and indication of such companies;	page 15;37;39;48
q)	the remuneration policy elements from which, in the presence of exceptional circumstances, it is possible to derogate and, without prejudice to the provisions of Regulation 17221 of March 12 th , 2010, any further procedural conditions based on which the derogation can be applied;	page 34
	With reference to the member of the control bodies, without prejudice to the provisions of Article 2402 of the Italian Civil Code, the section describes any compensation calculation criteria. If the outgoing control body, in view of the formulation by some of the shareholders of proposals to the shareholders' meeting on the compensation of the control body, has sent the company further details of the quantification of the commitment required for carrying out the office, the section should contain a summary of these further details.	page 53

Editorial Project Coordination
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