REPORT BY THE BOARD OF DIRECTORS TO VOTE, AS POINTS NUMBER FIVE AND SIX OF THE AGENDA OF THE ORDINARY SESSION OF THE SHAREHOLDERS' MEETING OF PRYSMIAN S.P.A. SCHEDULED ON 28 APRIL 2020, UPON THE REPORT ON REMUNERATION POLICY AND COMPENSATION PAID OF PRYSMIAN GROUP, PURSUANT TO ARTICLE 125-TER OF THE ITALIAN LEGISLATIVE DECREE NO. 58/1998, AS AMENDED AND UPDATED.

5. **Report on Prysmian Group's remuneration policy.**

6. **Consultation on compensation paid.**

PREAMBLE

Shareholders,

With reference to point number five and six of the agenda, you are invited to resolve upon the "*Report on remuneration policy and compensation paid*" of Prysmian Group (the "**Report**"), as approved by the Board of Directors and here attached.
It is reminded that the Law provisions about the transparency of the compensation of Board of Directors' Members, of General Managers, of Managers with Strategic Responsibilities and of the Board of Statutory Auditors' Members of listed companies, have recently undergone significant changes following the entry into force of UE Shareholders Right Directive II and its implementation in Italy with the amendments to art. 123-*ter* of Italian Legislative Decree no. 58/1998 ("**TUF**").
Art. 123-*ter* of TUF requires listed companies to make the Report publicly available at least 21 days before the Shareholders' Meeting and that it should consist of two sections: (i) a remuneration report, to be submitted to Shareholders' binding vote in any case at least every three years or before in case of amendments, and (ii) a report on the remuneration paid, to be submitted each year to Shareholders' non-binding vote.

***

5. Report on Prysmian Group's remuneration policy.

Pursuant to art. 123-*ter*, paragraphs 3-*bis* e 3-*ter*, of TUF, the Shareholders' Meeting is required to adopt a binding vote on the first section of the Report that describes the remuneration policy for the Board of Directors' Members, the General Managers, the Managers with Strategic Responsibilities and the Board of Statutory Auditors' Members, together with the procedures used for the adoption and implementation of said policy.

The first section of the "*Report on remuneration policy and compensation paid*", which the Shareholders' Meeting is required to resolve upon with binding vote, refers to years 2020-2021-2022 and it will be submitted to the Shareholders' Meeting before the end of the period to which it refers in the event of voluntary changes or adjustments to the reference legislation.

Considering the above, we propose that you adopt the following resolution:

*"**The Shareholders' Meeting,***

- ***examined the "*****Report on remuneration policy and compensation paid*****" as approved by the Board of Directors,***
- ***considering that art. 123-ter, paragraphs 3-bis e 3-ter, of the Italian Legislative Decree no. 58/1998 requests that the first section of the aforementioned report has to be submitted to the binding vote of the shareholders,***
- ***considering that the first section of the aforementioned report refers to years 2020-2021-2022,***

RESOLVES

To approve the first section of the "Report on remuneration policy and compensation paid"."

***

6. CONSULTATION ON COMPENSATION PAID.

Pursuant to art. 123-*ter*, par. 6, of TUF, the Shareholders' Meeting is required to adopt a non-binding resolution for or against the second section of the *"Report on remuneration policy and compensation paid"*, which describes in detail:

a) each of the items comprising compensation of the members of the Board of Directors, the General Managers, the Managers with Strategic Responsibilities and the Board of Statutory Auditors' Members, highlighting the coherence with the remuneration policy relating to the reference financial year;
b) the compensation paid during the reference financial year and the compensation, to be paid during one or more following financial years, for the activity carried out in the reference financial year.

Therefore, we invite you to express your opinion as follows:

"The Shareholders' Meeting, considering the "*Report on remuneration policy and compensation paid*" as approved by the Board of Directors, expresses a favourable opinion on the second section of said report, containing the description of the compensation paid to the members of the Board of Directors, the General Manager, the Managers with Strategic Responsibilities and the Board of Statutory Auditors' Members of Prysmian S.p.A."

***

Milan, 20 March 2020

* * *

Rewarding excellence

fostering sustainable value, sharing success, engaging stakeholders in the long-term

2019

Report on remuneration policy and compensation paid

Prysmian Group

Linking the Future

Report on remuneration policy and compensation paid

2019

Prysmian Group

Approved by the Board of Directors on March 5, 2020

This document regarding transparency over Directors' pay in listed companies has been prepared in compliance with the provisions contained in art. 123-ter of the Italian Consolidated Law on Finance, in art. 84-quater of the Regulations for Issuers and in the Code of Conduct of Borsa Italiana S.p.A.

Prysmian S.p.A. – Via Chiese 6, 20126 Milan – Tax code / VAT Reg. No. 04866320965

Dear Shareholders,

I am pleased to provide you with the Report on our remuneration policy. Through this document, we pursue the objective of transparently communicating the company's remuneration policy to our stakeholders, highlighting how it aligns with the business strategy and how it fits with the more general context of our people strategy and programs.

The key elements of the remuneration policy are firmly tied to a responsible approach, oriented towards performance and sustainability. The remuneration policy provides for some significant changes, in line with the guidelines of the European directive on shareholder rights and as a concrete implementation of the indications collected by our shareholders during the engagement activities.

TRANSPARENCY - we have increased the level of transparency by voluntarily disclosing the ratio between the remuneration of the CEO and the average remuneration of the Group's employees, calculated worldwide considering all employees, including employees from over 110 productive sites.

SUSTAINABILITY - the growing commitment of the company on this topic finds consistent application in the remuneration policy which envisages a greater weight in variable remuneration systems of the targets connected to the impact of our activities on the environment, to the social aspects and to the key role that Prysmian plays, and will play in the future, as enabler of the energy transition.

CONSISTENCY - The Committee undertook intense benchmarking versus market and dialogue with external and internal stakeholders, in order to propose to shareholders the adoption of a renewed structure of the long-term equity-based incentive plan, a component that has historically represented a key pillar of Prysmian's remuneration policy. This component was to be rebuilt following the Board decision from last November to cancel the previous LTI plan as it was no longer meeting its fundamental objectives. The new LTI Plan 2020-2022, submitted for shareholders' approval, includes a set of characteristics that are more consistent with the company's business strategy and its risk profile, greater alignment with best market practices, greater alignment with the inputs gathered from the constant dialogue with our investors and a clear and measurable link between the performance targets to be achieved and the equity incentives connected to them.

LONG-TERM ENGAGEMENT - we believe that when our employees are also shareholders of the company, this feeds and strengthens a virtuous bond towards creating sustainable value for all stakeholders. For this reason, we submit to the shareholders' approval the proposal to adopt an LTI plan extended to a wider group of people who are key for fostering sustainable success over time. The new LTI Plan also provides for the deferral and payout in shares of a portion of the performance bonus accrued annually. In addition, also in 2019, the Committee monitored the implementation of the share purchase plan at special conditions "YES" (Your Employee Shares), addressing all employees and which includes over 9,000 employees as stable shareholders of the company. Overall, management and employees hold approximately 3.5% of Prysmian's share capital, demonstrating a long-term engagement for the success of the business they contribute to build every day.

This Report on the remuneration policy and compensation paid was approved by the Board of Directors on March 5, 2020 and its Section I will be subject to the binding vote of the ordinary Shareholders' Meeting, in accordance with the provisions of current legislation.

Monica de Virgiliis
Chair of the Remuneration, Nomination and Sustainability Committee

TABLE OF CONTENTS

The drivers of our remuneration policy

Fostering sustainable value

Sustainability is deeply rooted into our business model, our action plans are aimed at generating positive contributions to major global challenges: a growing portfolio of products enabling the energy transition towards renewable sources, technologies and solutions facilitating such transition that allow clean energy to be carried from wind and solar farms to power grids, optical fiber supporting digitalization and economy dematerialization with the related decarbonization effects.

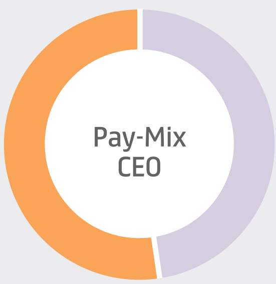
Key evidence

10%-15% of the management annual incentive (MBO)

20%-30% of the management long-term incentive (LTI) are linked to the **achievement of sustainability targets**

over **50%** of the **CEO**'s total compensation is **paid in equity in the medium-long term** (3-5 years), consistently with the economic and financial sustainability of the performance achieved

53%
Equity



47%
Cash

Enabling energy transition and digitalization

48% of revenues are from products considered as low carbon enabling products

Cable technology is key to support power grids upgrade for Energy Transition

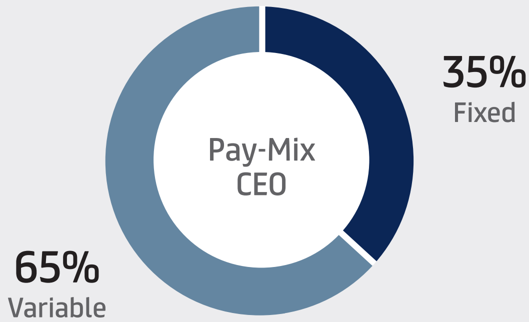
Optical fiber is the enabler for digitalization enhancing a decarbonized economy

The remuneration policy is aimed at guiding our people clearly and concretely towards the achievement of objectives that create sustainable value over time for all stakeholders.

Generating results, sharing success

Management variable remuneration, short and long-term (MBO and LTI), has a direct and verifiable link between pre-set performance targets, results achieved and remuneration paid.

about **2/3rd** of the **CEO**'s total compensation is **variable upon results**



All our employees (desk workers) participate in an **annual performance assessment process.** This process defines individual objectives both in terms of business achievements and leadership requirements. People with a consistent high performance join our talent pool and participate in a process of **potential assessment,** downstream of which succession plans are defined, along with concrete development plans for each talent and next career steps. The performance of our people also drives eligibility both for managerial training courses at our Business School, in partnership with the best International Universities, and for technical training courses aimed at ensuring the development of specific functional skills. We offer an average of approximately 3 days of training per year to our employees at professional levels, including non-desk workers. Both individual performance and potential are **linked to remuneration systems,** in particular they act as an access condition to salary increases, as a multiplying factor (±15% for senior management and ±10% for balance of the eligible employees) of the annual variable remuneration payout, and as a triggering condition for eligibility to the LTI Plan.

MBO 2020 of the CEO – Ex ante disclosure of performance goals

ON/OFF CONDITION	THRESHOLD	
GROUP ADJUSTED EBITDA	TARGET	CONSISTENT WITH 2020 GUIDANCE

OBJECTIVES	Weight min	Weight max
1_Group Adjusted EBITDA	40	60
2_Group Net Financial Debt	30	45
3_Fixed Costs	20	30
4_ESG	10	15
	100	150

2020 Adj. EBITDA target (€M)

950	1.020

FCF target (€M)*

FCF before acquisition & disposals	~330±10%
Including restructuring & integration cash-out of	~85

** Assumed no cash-out related to Antitrust provisions*

There is a maximum level (cap) for the incentive payable to the CEO upon achievement of the maximum score of 150 points, equal to 100% of the fixed remuneration. The bonus payable at achievement of 100 points is 67% of fixed remuneration for the CEO. Vested bonus for results between 100 and 150 points is determined via linear progression. The MBO plan provides for an ON/OFF access condition, applied for the whole management of the Group. In the event of failure to reach at least the threshold level of such access condition, the scheme is not activated, and incentives are not paid.

LTI Plan 2020-2022

The new LTI Plan 2020-2022, subject to the Shareholders' Meeting approval for the AGM called on April 28, with specific resolution pursuant to art. 114-bis, para. 1 of the Italian Legislative Decree No. 58/1998, is a **key pillar** of the remuneration policy as well as a **fundamental component of long-term engagement of our key people.**
The LTI Plan is made up of 2 components

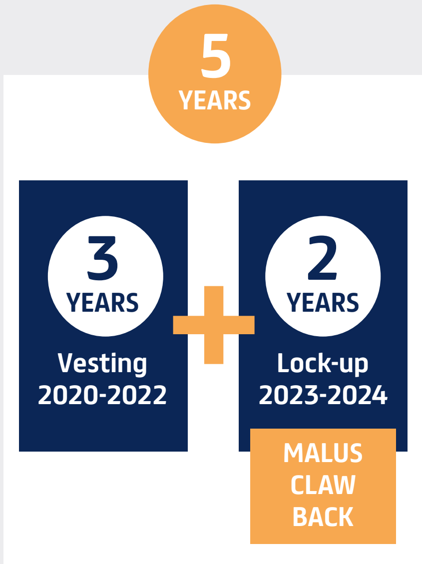
Performance Share
Free allocation of shares upon achievement of performance conditions over a three years time frame (2020-2022)

Deferred Share with Matching
Deferred payout of 50% of annual bonus vested for the performance achieved in years 2020, 2021 and 2022 with the allocation of 0.5 free shares, i.e. Matching Share, for each allocated Deferred Sare

The Performance Share component of the Plan is articulated over a five years period, consisting of **three years of vesting and two years of lock-up** of the shares allocated upon achievement of the performance conditions.

Performance Conditions	Threshold	Target	Max
30% EBITDA adj cumulated €M	2,840	2,940	3,340
30% FCF cumulated €M	900	1,000	1,200
20% ESG Avg achievement of four KPIs	50 Points	100 Points	150 Points
20% rTSR Positioning vs peer group of 9 costituents		Middle 3 companies	Best 3 companies
Vesting of Performance Share*	50%	100%	150%

** For rTSR no share vesting at threshold*



When assessing the results achieved versus targets set for the LTI Plan, with particular reference to the economic and financial KPIs, the negative or positive impact on the Group ordinary activities and on the results achieved deriving from events or circumstances of exceptional or extraordinary nature, including exogenous circumstances (e.g. COVID-19), will be assessed by the Remuneration and Nomination Committee whilst determining the overall performance generated.

The **Deferred Share** component of the Plan provides for the deferred payment in shares of 50% of the bonus vested in relation to the annual performance objectives (MBO as illustrated above for the CEO). This deferral mechanism applies to all Group management, including Executive Directors and Managers with Strategic Responsibilities (MSR). The free allocation of Matching Share, i.e. 0.5 additional shares, is also provided for each Deferred Share allocated. For at least the CEO and the top management of the company (about 40 managers, including Executive Directors and MSR), the allocation of the Matching Share is subject to the achievement of at least the target level of the ESG performance condition (shown above for the component Performance Share).

50%

of the bonus vested upon achievement of annual perrformance is settled in cash

50%

of the vested bonus is deferred and paid out in shares (Deferred Shares))

Deferral until 2023

Allocation of Deferred Share

+

Allocation of Matching Share
0.5 additional share per each allocated Deferred Shares

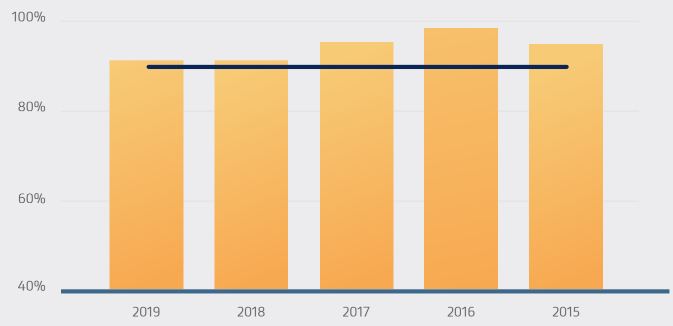
Subject to performance condition for CEO and Top Management

Transparency and long-term engagement

We are a public company where it is essential to align the interests of all our stakeholders. For this reason, we foster an open and transparent dialogue with shareholders, employees, customers, suppliers, institutions and with the communities in which we operate.

We take into consideration the negative vote expressed by the shareholders. In particular, with the 2020 remuneration policy, we acted on the feedback received from some shareholders in relation to the **greater weight to be reserved for non-financial performance indicators relating to sustainability.**

The remuneration policy has been **supported by a large favourable vote** of our shareholders **>90%**



Sustainability Scorecard 2019/2022[1]

SDGs	KPI	BASELINE 2019	TARGET 2022
11	Percentage of product families (cables) covered by carbon footprint	70%	**85%**
7	Percentage of annual revenues Low carbon enabling products	48%	**48% to 50%**
LTI 13	Percentage reduction of Greenhouse Gas emissions (Scope 1 and 2)	889 ktCO2	**-2% to -3%**
13	Percentage reduction of energy consumption	9845 TJ	**-3%**
LTI 12	Percentage of total waste recycled	63%	**64% to 66%**
12	Percentage of drums (tons) reused annually	28%	**Maintain**
12	Number of sustainability audits conducted based on supply chain sustainability risk	15	**30**
MBO 13	Percentage production sites with ISO 14001 certification	83%	**95%**
12	Percentage of cables assessed in line with Prysmian internal Ecolabel criteria	0%	**20%**
LTI 8	Employee Engagement Index (EI) Leadership Impact Index (LI)	EI: 65% LI: 57%	**EI: 67% to 70%** **LI: 59% to 65%**
LTI 5	Percentage of women in executive positions	12%	**14% to 18%**
MBO 3	Frequency rate of injuries Severity rate of injuries	IF: 1.30 IG:41.54	**IF: 1.2** **IG:41**
MBO 5	Percentage of white collar women hired on a permanent basis	33%	**40%**
8	Average hours of training per year per employee	26 hours	**30 hours**

NOTES:
(1) For the notes on the Group Sustainability Scorecard please refer to para. "Our targets for 2022 - Scorecard" of the 2019 Sustainability Report

The sustainability scorecard represents the milestone of a more articulated medium-term roadmap, which is gradually being defined, and which may include additional indicators such as, for example, monitoring of Scope 3 in relation to GHG emissions. These additional indicators may be included in the future in the short and / or long-term remuneration systems.

50% of the KPIs composing our sustainability scorecard are **linked to remuneration systems** (MBO and LTI)

2 out of 3 of our employees **are engaged** and are willing to run the extra mile for the company's success

Gender balance in the Group's "executive" managerial positions: **triple the female presence in 6 years**

6% female executives in 2016
12% female executives in 2019
18% female executives stretch target by 2022

We are a company made of people: we support and recognize the skills of those who work for us and for our community with **multidisciplinary and specialized continuous training for our employees.** In 2019, each employee received on average over 3 days of training and the target for 2022 is to offer approximately 4 days of training, on average, to each employee of the Group.

Over **9,000 employees,** in more than **30 countries** are stable shareholders of the company and own about **3.5%** of the capital

We are committed to meeting the **highest international governance standards:** 67% of Directors are independent and the men to women ratio is 58:42. Integrity as a corporate value is deployed through a set of tools and policies such as the Code of Ethics, anti-corruption policy, privacy and data protection and whistleblowing program, allowing transparent management of our activities around the world.

Our employees, thanks to the Employee Share Ownership Plan **YES – Your Employee Shares –** and through long-term incentive plans, which since 2011 are based on company shares, are stable shareholders of the Group. This long-term engagement of our people allows us to align the interests of shareholders, management and employees towards the common goal of creating sustainable value over time and it supports the values of our corporate culture: **TRUST, DRIVE** and **SIMPLICITY.**

CEO pay ratio

With the aim of being transparent towards our stakeholders, we disclose the relationship between the fixed and total remuneration (fixed remuneration plus variable remuneration) received during 2019 by the Chief Executive Officer, compared to the average remuneration of our employees globally in the world.

	CEO	Average Group Employee	Ratio
Fixed remuneration paid in 2019	€ 1,100,000	€ 34,398	32:1
Fixed and variable remuneration paid in 2019	€ 2,043,800	€ 37,464	55:1

Calculated on 27,100 FTE
Including only annual variable remuneration, no LTI vested during the year

Share Ownership Guideline

Since 2020, CEO, Executive Directors and Managers with Strategic Responsibilities are required to satisfy a minimum holding requirement of Prysmian shares over their entire work relationship

3x fixed pay for CEO

1.5x fixed pay for Executive Directors and MSR

Remuneration policy at a glance

The main elements and characteristics of the remuneration packages of the Chief Executive Officer, Executive Directors as well as Managers with Strategic Responsibilities of the Prysmian Group, are summarized below.

Fixed pay

Defined in line with the **complexity and responsibilities** of the role

Monitored compared to the **external market,** in order to guarantee an adequate level of competitiveness

Also takes into consideration **individual performance and potential**

PURPOSE

Remunerates for the role covered, so as to guarantee attraction and motivation

CEO
1,100,000 Euro

Executive Directors
CSO: 601,709 Euro, CFO: 590,000 Euro, CEO NA: 700,000 Euro

MSR
Defined on the basis of role held

Annual Bonus (MBO)

Linked to **pre-set annual performance objectives**

KEY performance indicators
- Income - Adjusted EBITDA
- Financial - Net Financial Position
- Cost management - Fixed costs
- Sustainability - safety on the workplace, environmental impact production sites, gender diversity among employees

Bonus Cap - envisaged for all beneficiaries

Individual performance P3 - assessment of the quality of the leadership and of the individual contribution to the achievement of objectives, acts as multiplier of the vested bonus ± 15% (not applied to CEO)

Deferral - 50% of vested bonus is deferred over a 3 years period and paid in shares as Deferred Share(1)

PURPOSE

Defines a clear link between pay and annual performance

CEO
67-100% of fixed pay (min-max)

Executive Directors/MSR
50-75% of fixed pay (min- max), excluding multiplier for individual performance

LTI 2020-2022[1]

The LTI Plan is composed by:

1. Performance Share
2. Deferred Share combined with Matching share

Cap - envisaged a maximum number of shares to be allocated for each participant and for every equity-based incentive under the LTI Plan (Performance Share, Deferred Share and Matching Share)

1. Performance Share
free shares granted subject to achieving performance conditions

Vesting - three-years (2020-2022)

Performance conditions
- Cumulated adjusted EBITDA (30%), Cumulated Free Cash Flow (30%)
- Prysmian's relative Total Shareholder Return (rTSR) compared to a peer group (20%)
- ESG, measured by a set of KPIs (20%)

Lock-up - two years period for a portion of the shares granted as Performance Share

2. Deferred Share with Matching Share

2.1 Deferred Share

Deferred payout in shares of **50% of annual bonus** vested for the years 2020, 2021 and 2022

2.2 Matching Share

0.5 free shares for each Deferred Share granted. At least for CEO and Top Management, grant of Matching Share is subject to the achievement of the ESG performance condition

PURPOSE

Fosters alignment of interests towards sustainable value creation in the mid to long-term.
Guarantees consistency between annual and long-term performance and strengthens retention lever.

CEO
300%-450% of fixed pay over 3 years (tgt-max)

Executive Directors/MSR
200%-300% of fixed pay over 3 years (tgt-max)

Deferred Share

CEO/ Executive Directors/MSR
50% of annual vested bonus is deferred and paid out in shares

Severance

Severance for termination of employment relationship in form of specific individual agreements

Not higher than 24 months' fixed pay, in compliance with local laws and contracts

PURPOSE

Retention and alignment to long-term interests

CEO

24 months' fixed pay

Executive Directors/MSR

If envisaged, max 24 months' fixed pay

Non-competition agreements

Specific individual agreements in relation to the duration and extent of the limitation

PURPOSE

Protection of the company's interests

CEO

3 years; remuneration 40% of gross pay per year of agreement

Executive Directors/MSR

If envisaged, generally for max 3 years and with remuneration max of 33% of gross pay per year of agreement

Benefits

Supplement social security and contractual benefits in a total reward perspective

PURPOSE

Supplement social security and contractual benefits in a total reward perspective

NOTES:

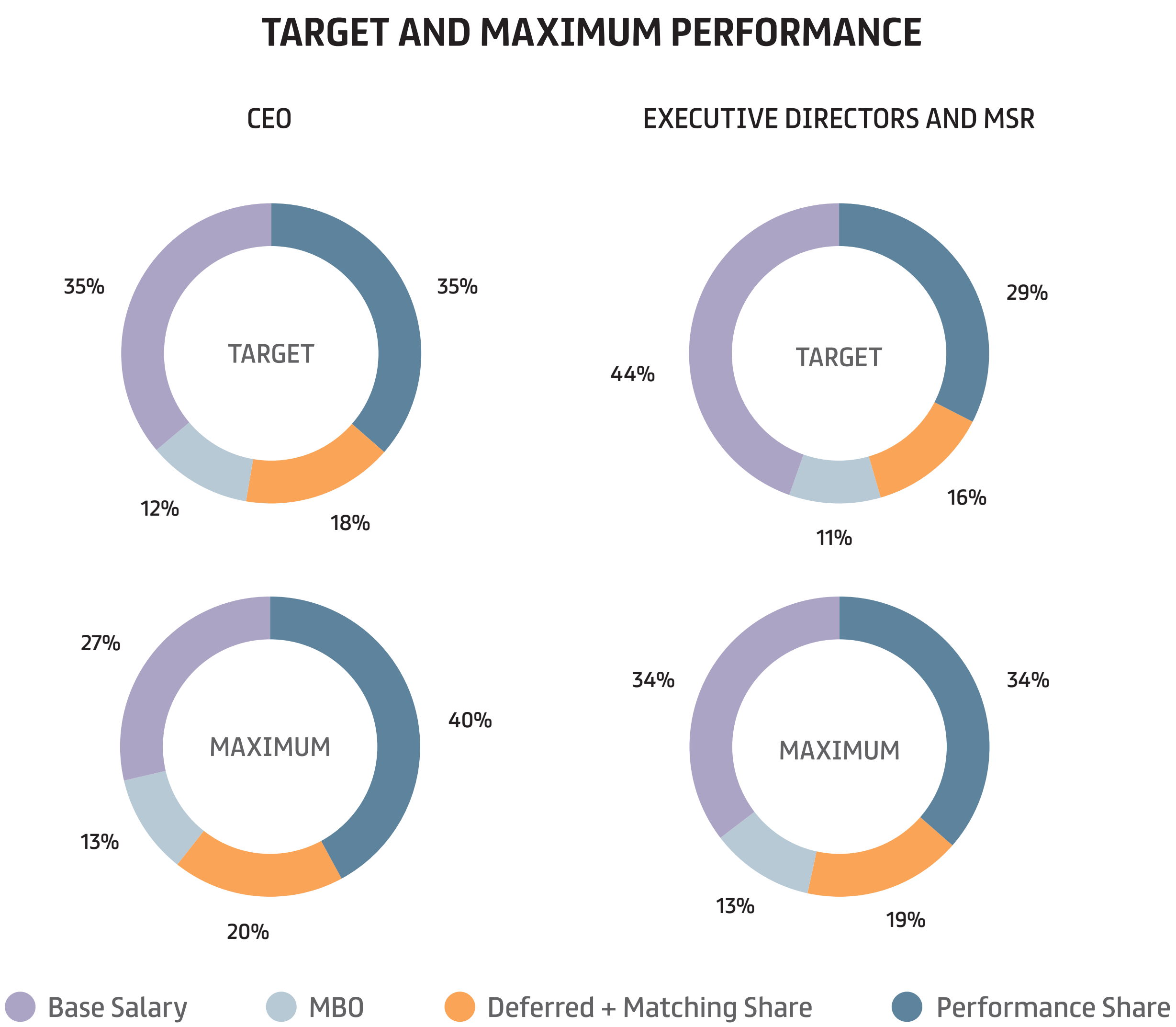
(1) The LTI Plan 2020-2022 is subject to the approval of the Shareholders Meeting with specific deliberation according to art. 114-bis, para. 1, of Italian Legislative Decree No. 58/1998

Pay for Performance

The remuneration package of the Executive Directors and Managers with Strategic Responsibilities of the Prysmian Group is composed as follows[1] :

- a significant portion is linked to the **achievement of predetermined results**
- a significant portion of the amount is **deferred over time**
- variable remuneration is **largely paid in shares,** with a portion of the award subject to lock-up restrictions

Pay Mix

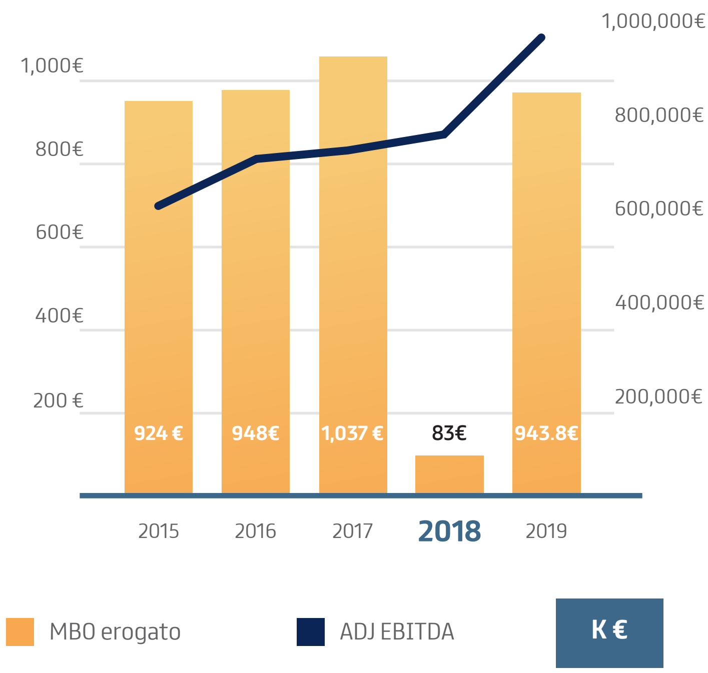


NOTES:

(1) For pay mix analyses, the performance share and deferred share with matching, both in shares, take as a reference the face value of the award at grant of such rights. The pay-mix is calculated on an annualised basis. Any other forms of remuneration (e.g. benefits, non-competition agreements) described in section II of the report are not considered in the pay-mix analysis, as well as the multiplier/de-multiplier of the annual bonus connected with the assessment of individual performance.

Comparison of the CEO MBO paid out and the evolution of the company performance, measured by the adjusted EBITDA, over the last five years

CEO - MBO paid and adj EBITDA



For 2018, the CEO's vested annual bonus was 331,650 €, of which 82,913 actually paid out. The 248,737 € difference, co-invested in the LTI Plan 2018-2020, was lost after the cancellation of the plan in November 2019.

The Group's annual MBO incentive plan, extended to approximately 800 managers and key resources at a global level, is made up of four types of objectives connected to **generating income and cash, managing costs and efficiencies, delivering on ESG targets**. The objectives of the Executive Directors and MSR are articulated based upon a common scheme and on specific objectives related to the business area managed as represented by the following scheme.

Executive Directors and MSR

ON/OFF GATE	THRESHOLD	
GROUP ADJUSTED EBITDA	TARGET	
OBJECTIVES	Weight min	Weight max
1_Adjusted EBITDA (Group/BU/Region)	40	60
2_Net Financial Debt (Group/Region)	30	45
3_Fixed Costs Gruoup/BU/Region or other function/role specific objective	20	30
4_ESG	10	15
	100	150

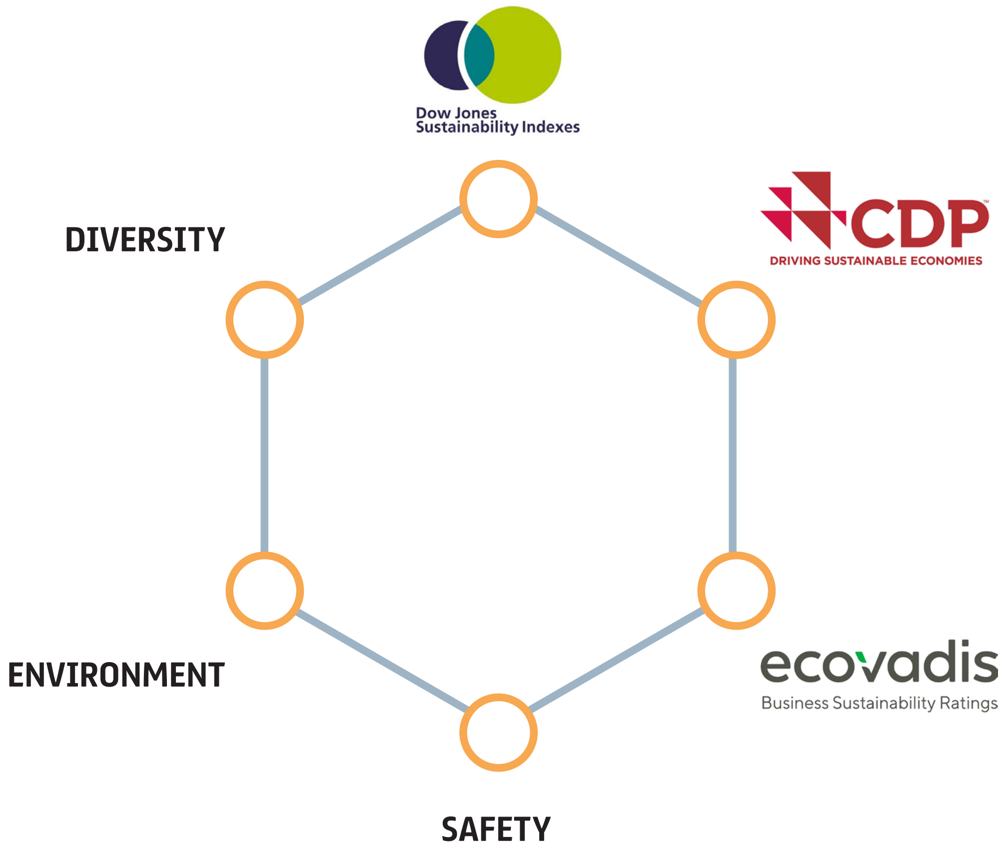
There is a **maximum level (cap) for the incentive payable** upon achievement of the maximum score of 150 points, equal to 75% of the fixed remuneration, while at the achievement of 100 points the incentive payable is 50% of fixed remuneration. Incentive amount for results between 100 and 150 points vests on a linear scale. The bonus accrued based on such objectives can be increased/ decreased in relation to the assessment of the individual performance (±15%).

The MBO plan provides for an **ON/OFF access condition, applied to the entire management of the Group.** In the event of failure to reach at least the threshold level of such access condition, the scheme is not activated, and incentives are not paid.

Commitment to Sustainability

A portion of the annual incentive is linked to the achievement of an ESG goal that is common to all Group management. The sustainability objective is articulated both on internal performance indicators and on Prysmian's positioning in three sustainability indices. The assessment of the performance achieved is carried out by the Remuneration and Nomination Committee. In particular, in formulating the evaluation of the performance achieved for 2020, the Committee will adopt a reference framework that includes the elements briefly described below.

Measure	Target range 2020
Frequency rate of injuries	1.28 - 1.23
% production sites with ISO 14001 certification	85% - 87%
% of desk workers women hired	33% - 35%
Assessment of positioning in indexes	



SECTION I

1 Introduction

The Remuneration Policy described in this document refers to fiscal years 2020, 2021 and 2022 and has been prepared according to art. 123-ter of Italian Legislative Decree 58/1998 (Consolidated Law on Finance, or TUF), in compliance with art. 84-quater of the Regulation for Issuers and the Code of Conduct of Borsa Italiana S.p.A., along with the provisions set forth in CONSOB resolution No. 18049 of 23 December 2011 regarding transparency over Directors' pay in listed companies.

Consistency with previous fiscal year

This Remuneration Policy is substantially in line with the one that was subject to the advisory vote of the Shareholders Meeting on June 5, 2019, confirming the overall architecture of the remuneration policy previously adopted by the Group. Notwithstanding the changes proposed in relation to the long-term incentive plan, in fact, the prevalence of the equity component in determining the Group's remuneration offer remains confirmed, aimed at supporting, in a sustainable perspective, the creation of value in the medium-long term and the alignment of interests between the Company's management and all the Group's stakeholders.

2 Principles and beneficiaries of the policy

The Remuneration Policy adopted by the Prysmian Group aims to attract and retain talented people with the skills necessary to achieve the company's objectives and to motivate the management to pursue sustainable performance over time, in compliance with the company's values and culture, with a tangible and verifiable link between variable pay, on the one hand, and performance, both individual and of the Group, on the other. The remuneration policy is inspired by the following principles.

Sharing success based on merit

In line with investors' expectations, management remuneration is made up to a significant extent by remuneration subject to performance conditions and it is paid largely in equity. Our incentive systems are developed over a multi-year period consistent with the risk profile of the Group, so that the focus of management is aimed at increasing the Group's value in the long term in line with the expectations of the stakeholders.

Fairness and competitiveness

Since people are fundamental to the achievement of strategic objectives, remuneration levels are set to attract and retain the key resources for the organization. Remuneration is defined on the basis of market practices in relation to the role held, competence and solidity of performance over time.

Free of discrimination

Remuneration systems are not influenced by gender, age, ethnicity, cultural background or race. We value the diversity of our people and support inclusion by avoiding pay differentials related to any form of discrimination. We believe that involving people in the company's success is the best way to motivate them to work better and we do so through equity-based incentive plans.

Transparent

We have a clear governance system and offer transparent disclosure on remuneration.

Beneficiaries

The Remuneration Policy is implemented for members of the Board of Directors, Statutory Auditors and Managers with Strategic Responsibilities. In addition to Executive Directors, the company has identified four Managers with Strategic Responsibilities, covering the following positions:

- **Chief Operating Officer,** Andrea Pirondini;
- **Senior Vice President Energy,** Francesco Fanciulli;
- **Senior Vice President Projects,** Hakan Ozmen;
- **Senior Vice President Telecom,** Philippe Vanhille.

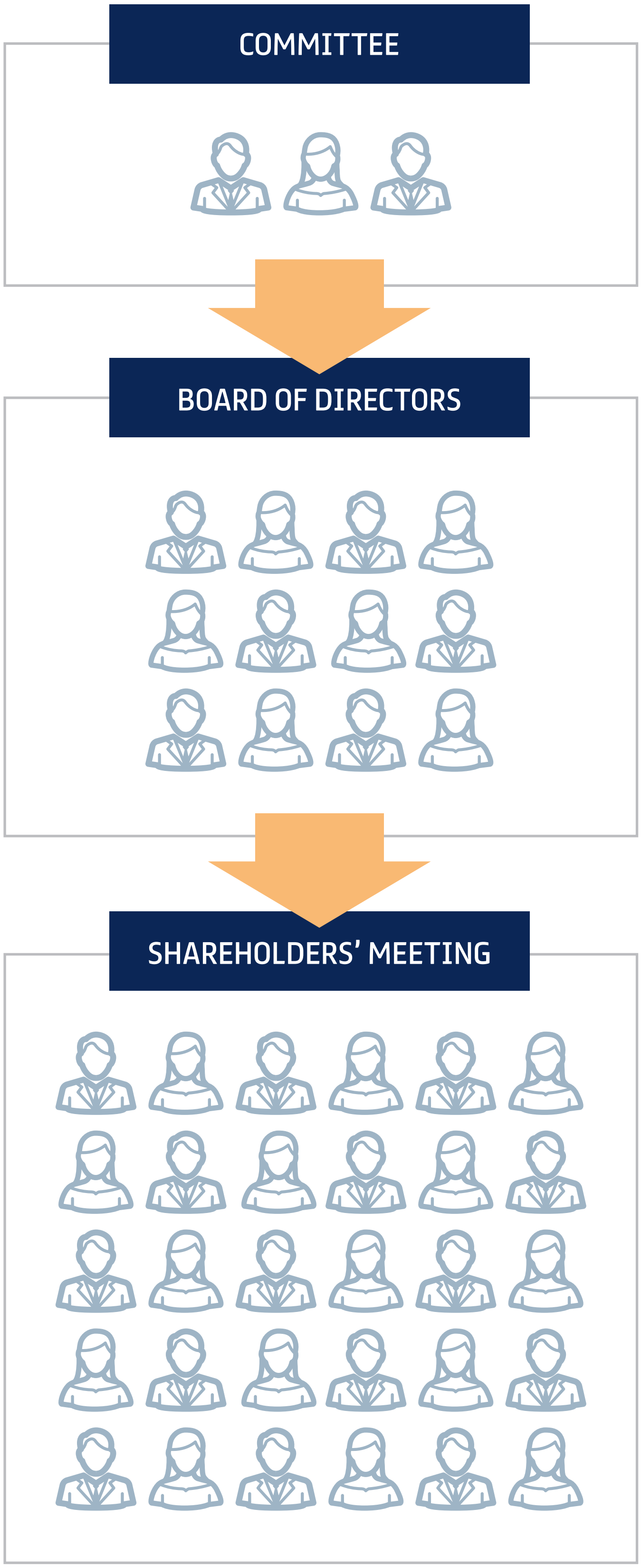
3 Governance

The Remuneration Policy is the result of a clear and structured process that, consistent with the regulatory directions and guidelines of the Code of Conduct, proactively involves the following corporate bodies and functions: the Meeting of Shareholders, the Board of Directors, the Remuneration and Nomination Committee and the Human Resources Department.

The Committee, based on its powers, submits proposals to the Board on the structure and content of the Remuneration Policy and - together with the entire Board - monitors the proper implementation of the Remuneration Policy with the support of relevant corporate functions.

Once the Board of Directors has examined and approved the Remuneration Policy, it is submitted, starting from 2020, to the binding vote of the Shareholders Meeting. Following the introduction of the provisions contained in the SHRDII, the Shareholders' Meeting is called to express its advisory vote also on "Section 2" in relation to the remuneration paid in the previous year.

For the purposes of the definition and revision of the Remuneration Policy, customary procedures and market remuneration levels, experience from the application of Group's Remuneration Policy in previous years, regulatory provisions and CONSOB indications and, in general, regulatory framework and recommendations of the Code of Conduct on remuneration in force from time to time are constantly analyzed, monitored and evaluated.



3.1 Remuneration and Nomination Committee

The Remuneration and Nomination Committee ("the Committee") plays a key role in supporting the Board of Directors in its supervision of the Group Remuneration Policy and in designing short and long-term incentive plans as well as employee shareholding plans.
The Committee has, in fact, the role of providing advice and making proposals to the Board of Directors with reference to establishing the remuneration of the Group's Executive directors and with particular functions and Managers with Strategic Responsibilities, the appointment/substitution of Independent Directors, as well as the size and composition of the Board.

The main responsibilities of the Committee are:

- to assess and formulate any proposals to the Board of Directors with regards to the remuneration policy for the Executive Directors and Directors with specific functions, the Managers with Strategic Responsibilities, the Internal Control & Compliance Senior Vice President and the management;

- to periodically oversee the actual implementation of the proposals made and approved by the Board of Directors concerning the remuneration of Executive Directors and Directors with specific functions, Managers with Strategic Responsibilities and the Internal Control & Compliance Senior Vice President;

- to verify the actual achievement of the performance objectives related to the incentive systems for the Executive Directors and Directors with specific functions, Managers with Strategic Responsibilities and the Internal Control & Compliance Senior Vice President;

- to evaluate and make proposals to the Board of Directors on share-based incentive, stock option and stock grant plans and similar plans, in order to provide incentives and promote loyalty of the management and employees of companies in the Group which the Company heads;

- to carry out preliminary investigations for the preparation of succession plans for Executive Directors if the Board of Directors resolves to adopt them.

For a description of the Committee's duties regarding the Nomination of Directors, please refer to the "Remuneration and Nomination Committee" section of the website **www.prysmiangroup.com.**

Composition

Up to March 5, 2020, the Committee was composed by three non-executive Directors independent according to TUF: Monica de Virgiliis, the Chairman, Claudio De Conto and Paolo Amato. All the members of the Committee have long and consolidated experience and specific know-how in the economic and financial field. The composition of the Committee starting from March 5, 2020 has changed in the following way: Paolo Amato serves as Chairman, Maria Elena Cappello joined the Committee and Claudio De Conto will remain a Committee's member. All members are non-executive Directors with long and consolidated experience and specific know-how in the economic and financial field.

Activities

During 2019, the Committee met 14 times and all members took part in all meetings. No Director took part in meetings of the Committee during which proposals relating to their own remuneration were formulated.

The Group Human Resources and Organization Director took part in all meetings, acting as Secretary of the Committee.

The Board of Statutory Auditors, invited to the meetings of the Committee, attended all meetings held.

The work undertaken by the Committee, supported by the Group's Human Resources Department, concerned in particular:

- the proposals to the Board on the fixed and variable remuneration measures for some of the Executive Directors and Managers with Strategic Responsibilities;
- the examination and expression of a favourable opinion on the adoption of the Prysmian Group's remuneration policy, which the Company collected in its remuneration report, submitted to the Board and the Shareholders' Meeting for approval;
- the examination of the information relating to sustainability, collected in the Non-Financial Statement of the Prysmian Group, expressing a positive

assessment of the subject and not offering any additional suggestions;
- the assessment of the achievement of the period objectives set out in the existing variable incentive plans, defining the structure and performance objectives related to the annual incentive plan for 2019;
- the analysis of the results of the shareholders' meeting consultation on remuneration policy;
- the monitoring of the implementation of the discounted share purchase plan (YES Plan) approved by the Shareholders' Meeting in 2016, and the results achieved by this plan;
- a constant monitoring, during the Financial Year, of the performance of the 2018-2020 LTI long-term incentive plan, proposing its cancellation to the Board once the incentive and retention prerogatives that characterised its nature and constituted its purpose no longer applied;
- the analysis of the main implication on remuneration matters following the introduction of the Shareholder's Right Directive II;
- the review of best market practices, together with proxy advisor and investor remuneration guidelines, and the architecture of a new long-term equity-based incentive plan;
- the submission of a proposal to the Board regarding the allocation of the overall compensation awarded to Directors by the Shareholders' Meeting;
- the selection of one of the two proposals, considered the best among those examined, submitted to the Board for the selection of the advisor to be entrusted with the task of self-assessment for year 2018;
- the definition of the guidelines for the activities related to the Group Succession Plan to be carried out in 2020.

During the first months of 2020, the Committee has:

- proposed the adoption of a new medium to long-term incentive plan for the Group;
- proposed to the Board regarding a different allocation for 2020 of the overall compensation awarded to Directors by the Shareholders' Meeting, given the establishment of the new Sustainability Committee;
- initiated preparatory activities for the annual assessment of the effective functioning of the Board, as well as preparatory for updating the Group succession plan, seeking in particular proposals on the matter from main international advisors;
- Verified the overall achievement of the 2019 MBO scheme and defined guidelines and targets for the 2020 MBO scheme;
- Verified the adequacy of remuneration levels for the Group Chief Executive Officer, Executive Directors and MSR;
- Set the guidelines for the Group 2020 remuneration policy.

As part of its advisory and proactive activities, the Committee makes use of a plurality of market analyses also carried out by independent external consultants. In particular, with regards to the remuneration benchmarks, the independent external consultant Korn Ferry provided information relating to market trends, practices and remuneration levels in order to monitor the adequacy of Top Management remuneration.

4 Remuneration of the Chair and of Non-Executive Directors

In implementation of the powers delegated by the Shareholders' Meeting, the Board has approved the proposal made by the Remuneration and Nomination Committee to breakdown as follows the annual compensation for 2020 (overall assigned to the Board in 600,000 Euro):

(i) 50,000 Euro to each of the 8 Non-Executive Directors;
(ii) 80,000 Euro to the Chairman of the Board of Directors;
(iii) 13,333 Euro to each of the 9 members of internal committees.

5 Remuneration of Statutory Auditors

The Company's policy on the remuneration of the members of the control body has been determined, in accordance with the provisions set forth in art. 2402 of the Italian civil code, by the Shareholders' Meeting of June 5, 2019, which established the annual compensation for the President of the Board of Statutory Auditors at 75,000 Euro and at 50,000 Euro for each of the standing Auditors.

6 Remuneration of Executive Directors and MSR - elements of remuneration

6.1 Fixed remuneration

Fixed remuneration levels for Executive Directors with specific functions as well as Managers with Strategic Responsibilities are defined according to the complexity, actual responsibilities, the experience required for the position and the reference remuneration market. The fixed component of the top management remuneration package is of relative importance if the total remuneration package is considered. This limited weight, yet sufficient and appropriate even in the event of no disbursement of the variable part due to failure to achieve the associated objectives, is such as to reduce excessively risk-oriented behaviour, to discourage initiatives focused solely on short-term results.

Periodically, the Remuneration and Nomination Committee prepares a remuneration policy proposal for the top management and submits it to the approval of the Board of Directors. This policy may entail an update to the fixed remuneration. These potential revisions take into consideration a range of factors, including competitiveness compared to market remuneration data, sustainability, internal fairness, the individual performance assessed through a global performance assessment system (P3 – Prysmian People Performance). The assessment criteria for the definition of the Group management remuneration policy include now also the potential, assessed using a method defined as P4 (Prysmian People Performance Potential), aiming at the retention of high potential resources, measured in terms of learning agility, leadership of change and motivation.

For the position of Chief Executive Officer and the Group's senior managers, this program is integrated with an assessment process aimed at providing the Board of Directors with the opinion of a third-party expert on the senior managers involved in the Group's succession plan.

6.2 Pay for Performance

The comparison with the market plays a key role in the process of establishing the remuneration policy: the market competitiveness of remuneration is evaluated with the support of a job evaluation methodology, enabling consistent comparisons and ensuring competitive alignment with the external market. For top management positions, the reference market consists of a panel of around 250 listed European companies included on the FT Europe 500 as some of the most important companies in terms of capitalisation in Europe. The market has been studied by an independent external company, Korn Ferry, which specialises in remuneration matters.

The Prysmian Group has also identified a second, smaller panel of companies similar to Prysmian in terms of size and business sectors (Electrical Components & Equipment, Heavy Electrical Equipment, Building Products, Aerospace & Defence), which is a further point of reference in defining the remuneration policies.
This panel consists of the following companies:

- Orano
- Assa Abloy
- Dassault Aviation
- Siemens Gamesa
- Legrand
- Leonardo
- MTU Aero Engines
- Nexans
- Osram Licht
- Signify
- Saab
- Safran
- Thales

As far as the individual performance is concerned, all the employees of the Prysmian Group, including senior managers, are subject to a formal annual performance assessment system (P3). This system envisages the assessment of employees' performance on two fronts: in terms of achieving operational results and in terms of aligning to the values and leadership model adopted by the Group.

6.3 Variable remuneration

The variable component within the remuneration packages offered in Prysmian consist of two main elements:

- **Annual bonus** (MBO – Management by objectives);
- **Long term incentives,** composed by **performance share** and by a deferral scheme of part of annual vested bonus, consisting in **deferred share** with **matching share.**

6.3.1 Annual Bonus Scheme (MBO – Management by objectives)

Purposes

The variable annual bonus scheme (MBO - Management by Objectives) is adopted for employees holding positions of responsibility and it aims to align individual performance with the organization's annual strategic objectives, rewarding the beneficiary for the results achieved in the short-term (1 year).

The annual variable bonus scheme is reviewed each year by the Committee, which submits to the Board of Directors the objectives for the Executive Directors and Managers with Strategic Responsibilities, identifying the various metrics.

Characteristics

The MBO plan is subject to a strict regulation and the annual communication process is clear and transparent to all participants. Each participant is assigned percentages (minimum and maximum) of their gross annual pay, linked to the achievement of the performance objectives at minimum and at maximum level. The incentive percentages are defined in relation to the strategic nature of the role, with the aim of balancing the fixed and variable remuneration according to the position held and to the impact on results.

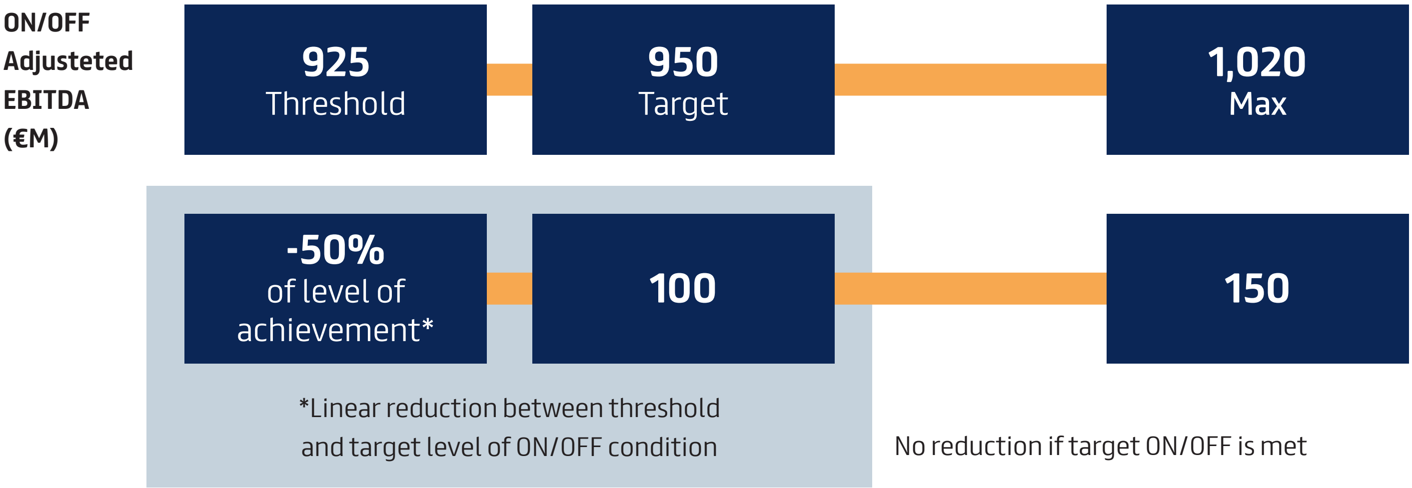
The final balance and payment of the bonus within this percentage range varies depending on the level of achievement of each objective assigned and up to the pre-set maximum, above which no further amount is paid (cap). Award between minimum and maximum vests on a linear basis.
A mechanism linking the MBO system and the individual performance assessment system (P3) is also provided, through a factor that affects ± 15% on the value of the final bonus. However, this multiplier / de-multiplier is not applicable to the Group's Chief Executive Officer. Therefore, not only the economic / financial objectives but also the qualitative performance and effectiveness of leadership are taken into consideration in determining the actual bonus payout.

Performance conditions

The MBO Plan is aimed at ensuring the management's focus on achieving the Group value drivers and envisages:

- **An ON/OFF condition,** represented by the Group Adjusted EBITDA for 2020. This ON/OFF condition has a threshold and a target level. Upon achievement of target level (950 M Euro adjusted EBITDA for 2020) the MBO Plan is activated without penalties and the bonus vests according to the overall score obtained for the performance scorecard (minimum 50, maximum 150 points). Upon achievement of threshold level, instead, (set at 925 M Euro adjusted EBITDA for 2020), the overall performance score and, as a consequence, the bonus payout, is reduced by 50%. Intermediate results between the threshold and target level of such ON/OFF condition will determine a proportional reduction (from -50% and 0%) of the overall achievement of the objectives in the scorecard.

Illustrative example in relation to the ON/OFF condition for 2020



This reduction will affect the overall achievement level for the CEO and the positions directly reporting to him, including Executive Directors and Managers with Strategic Responsibilities. For all other participants, instead, subject to the same ON/OFF condition, this mechanism will affect only the adjusted EBITDA objective of their respective performance scorecard (deployed in terms of geography/business according to the role). In case of missed achievement of the ON/OFF condition at least at threshold level, no incentive is paid;

- **Economic and financial objectives** with different weightings and independent from each other, assigned to all the Group's management, in line with the business/geographic area; for central departments, these objectives are measured at Group level;
- **objectives** linked to the **function or business area,** normally of an economic-financial or of operating efficiency nature;
- **an objective** regarding **ESG** assigned to all the Group's management at every level.

Performance - incentive connection

All the objectives are measured within an entry level (minimum) and a maximum limit (maximum):

- if the entry level value is not achieved, the performance indicator reached in relation to that given target will be zero;
- if, on the other hand, the target is achieved for values ranging between the entry level and the maximum limit, the performance achieved will be calculated by linear interpolation;
- in case the maximum limit is exceeded, the performance index achieved will be in any case equal to the maximum value. In fact, no further payout is envisaged with regards to the maximum limit of achievement for each objective.

For each participant, the total performance index corresponding to the achievement of each objective at minimum level is 100 points: at such level corresponds the payment of the minimum bonus percentage, whilst the maximum performance index is 150 points, with a corresponding payout of the maximum performance incentive (cap).

If the final performance index obtained is less than 50 points, the incentive disbursed will be zero.
Should the final performance index obtained be between 50 and 150 the final bonus value will be calculated in a linearly proportional manner. Considering the existence of an on-off condition, the threshold of 50 points has been considered as consistent in terms of ensuring the achievement of a performance level that is at least satisfactory.

A multiplier / de-multiplier, accounting for ±15% for Executive Directors and MSR, is applied to the final incentive value, depending on the assessment of individual performance (P3). It is recalled that such multiplier/de-multiplier does not, however, apply to the Group's Chief Executive Officer.

The payment of the annual bonus takes place on a proportional basis depending on how many months the person has been with the Group during the performance period: a minimum working period of nine months in the year is required to receive the proportional amount of the bonus.

The bonus is paid in the year following that in which it vests in relation to the performance achieved, generally in May, after the approval of the consolidated financial statements.

6.3.2 Long term incentives (LTI)

On November 12, 2019, the Board of Directors, upon favourable recommendation of the Committee, resolved to revoke the LTI Plan 2018-2020, considering that the incentive and retention prerogatives that characterized its nature and constituted its purposes no longer existed.
After extensive benchmarking of best market practices and after collecting feedback from investors, the Committee has proposed to the Board the adoption of a new long-term incentive plan (LTI), subject to the approval of the Shareholders' Meeting on April 28, 2020 pursuant to art. 114-bis, paragraph 1, of the Italian Legislative Decree No. 58/1998.

The key drivers for change to which the new LTI Plan responds are:

- **Simplification** and alignment to best market practices
- **Sustainability** of performance over time
- **Greater participation** to long-term value creation, expanding the number of beneficiaries to a wider group of managers and professionals
- **Retention** supporting the post-merger integration phase, especially in some geographies with highly competitive talent market.

The Plan is based on the free allocation of shares and consists of the following components:

Performance Share – a component consisting of the allocation of a predetermined number of shares in relation to the level of achievement of performance conditions, subject to continuity of the employment relationship during the vesting period.

Deferred Share – a component consisting of deferred payout through the free allocation of shares, subject to the continuity of the Employment Relationship during the vesting period, of a portion of the bonus possibly accrued for the years 2020, 2021 and 2022. The accrual of the annual bonus requires the achievement of specific economic, financial, operational and sustainability performance objectives defined in advance each year (as described in para. 6.3.1).

Matching Share – a component consisting of the free allocation of an additional 0.5 shares for each allocated Deferred Share, with continuity of the employment relationship during the vesting period. With regard at least to the CEO and top management (about 40 managers, including Executive Directors, MSR, CEO's first reporting line and managers of key areas in second reporting line), the Matching Share component is subject to reaching at least the target level of a predetermined performance condition called ESG.

The beneficiaries of the plan are approximately 800 Group employees worldwide. More detailed information on the LTI Plan can be found in the Information Document available on the company website **www.prysmiangroup.com.**

Performance Share

This component provides for the free allocation of shares to the participants, subject to performance conditions. The vesting period is three years (2020-2022), with disbursement of shares envisaged in 2023.

Performance Conditions

The actual allocation of shares is subject to the level of achievement of the following performance conditions:

- Adjusted cumulated EBITDA
- Cumulated Free Cash Flow
- TSR relative to a peer group made up of 9 constituents
- ESG, measured by a set of indicators as better described below.

For each of these, a threshold, target and maximum level is set, on the basis of which the level of achievement of the results is measured.

	Cumulative adjusted EBITDA for the years 2020, 2021 and 2022 (weight 30%)		Cumulative Free Cash Flow for the years 2020, 2021 and 2022 (weight 30%)		Relative TSR (1) positioning of the Company with regard to the constituents of the Peer Group (weight 20%)		ESG measured as the arithmetic mean of the achievement of a series of indicators (2) (weight 20%)	
	Result	Share allocation	Result	Share allocation	Result	Share allocation	Result	Share allocation
Threshold	2,840 €Mln	50%	900 €Mln	50%		0%	50 points	50%
Target	2,940 €Mln	100%	1,000 €Mln	100%	middle 3 companies	100% on average	100 points	100%
Maximum	3,340 €Mln	150%	1,200 €Mln	150%	best 3 companies	150%	150 points	150%

For the performance conditions mentioned above, with the exception of the relative TSR, the achievement of results falling between the threshold and target levels and between the target and the maximum levels determine the allocation of shares calculated by linear interpolation. The achievement of results lower than the threshold level entails no allocation of shares for the single performance condition to which this result relates. The performance conditions operate independently of each other. The result ranges (Threshold, Target and Maximum) are defined on the basis of the current perimeter of the Group, in accordance with accounting standards in force at 5 March 2020 and on the basis of the assumptions and premises relating to the medium-term time span upon which the plan is structured. The results achieved will be assessed in light of these premises and assumptions. The Committee will apply the rules of the Plan and will provide to the market with complete and transparent information on the criteria adopted if the above premises and assumptions have had to be changed, in positive or negative way, due to, in example, extraordinary operations, significant changes in exchange rates, significant impacts deriving from the application of IFRS16 accounting principle, events or circumstances, even exogenous (e.g. COVID-19), of an exceptional or extraordinary nature, with material impact on the results achieved.

Any additional future impacts arising from the "WesternLink HVDC" order project will be evaluated by the Committee and possibly neutralised for Participants other than executive directors and/or senior executives who have had a direct, objective responsibility for decisions taken in relation to the most important or critical stages of the project (from its award in February 2012 until the handover to the customer in December 2019). Appropriate transparent communication regarding any decisions will be given to the market.

(1) Relative TSR

The relative TSR of Prysmian Group is measured against the following Peer Group:

- ABB
- Belden
- Corning
- Index Eurostoxx 600 Industrial Goods & Services
- Leoni
- Nexans
- NKT
- Rexel
- Siemens

The TSR achieved by the Peer Group companies (considering the Eurostoxx 600 Index IG&S as a company), will be ranked in descending order, from the company with the best TSR result to the company with the worst result. If the TSR achieved by Prysmian will be:

- in line with the three **best companies:** 150% of the shares set at target will be allocated for this performance condition;
- In line with the **middle three companies:** on average, 100% of the shares at target will be allocated for this performance condition;

No shares will be allocated for this performance condition if Prysmian relative TSR will be lower than the middle three companies range. The Committee may however exercise discretion in the overall assessment of the performance achieved and potentially adjust the vesting level.

(2) ESG

ESG is measured in relation to the level of achievement of the following indicators by calculating the arithmetic average of the scores achieved.

	% of waste recycled		% reduction of GHG emissions		% of women executives		Leadership Impact Index %	
	Result	Points	Result	Points	Result	Points	Result	Points
Threshold	64%	50	-2%	50	14%	50	59%	50
Maximum	66%	150	-3%	150	18%	150	65%	150

Results falling between the threshold and maximum levels determine a score calculated by linear interpolation. No score is awarded for results below the threshold level. The Committee may however exercise discretion in the overall assessment of the performance achieved or determine the overall score to be attributed for the ESG performance condition, taking into account the results achieved compared to the results set ex-ante within the threshold-maximum range.

The grant size of the Performance Share component is defined for each participant on the basis of the role they cover, their impact on the results, their potential, and in relation to their overall individual remuneration package, taking also into account its positioning on the market.

ESG

Waste recycled – percentage of total waste recycled compared to total waste produced; the waste taken into consideration is that deriving from the Group's production activities.
Emissions - Percentage reduction of Green House Gas emissions (Scope 1 and 2) including CO2 and other emission types (CH4, N2O, HFC, SF6, PFC) expressed in CO2eq (CO2 equivalent).
Gender mix - Percentage of women in "executive" managerial positions in the Group as defined in accordance with the Korn Ferry Hay Group weighting system for roles (grade 20 and above), certified by the same advisor.
Leadership Impact Index - summary index of the percentage of Group employees who have expressed a consent level equal to or greater than 5, rated on a scale from 1 (min.) to 7 (max.), as observed by the SDA Bocconi advisor in its capacity of independent third-party supervisor of the implementation for the Group of the survey among employees. The index consists of the employees' answers to 5 questions as part of a broader survey of employee opinions and is designed to measure levels of engagement.

Lock-up

A **lock-up** period for a medium-long time horizon of **2 years** is envisaged, during which the participants may not dispose of the shares potentially allocated to them – net of those potentially sold to cover, where applicable, contribution and tax charges. Such restriction apply to all the shares allocated to the CEO and the top management, and is set at 20% for all other participants in the Plan.

Deferred Share

Under this component of the plan, the participants will receive on a deferred basis and in shares a 50% portion of their bonus for the years 2020, 2021 and 2022, where accrued. The number of Deferred Shares that the participants are entitled to receive is obtained by dividing the euro value of the bonus accrued for each year by the average closing price of the share recorded in the 90 calendar days before the Shareholders' Meeting that approves the financial statements for the years 2019 (relative to bonuses accrued for the year 2020), 2020 (relative to the bonus accrued for the year 2021) and 2021 (relative to the bonus accrued for the year 2022). This component of the Plan is subject to the continuation of the employment relationship until the end of the vesting period (31 December 2022).

Matching Share

This component of the Plan is combined with Deferred Share and consists in the free allocation of 0.5 additional shares for every Deferred Share allocated and deriving from the deferred payout of the bonus for each year. For at least the CEO and top management, the Matching Share component is allocated subject to reaching at least the target level of the performance condition related to ESG.

The Deferred Share combined with Matching Share components allow to connect a portion of the annual bonus to the creation of sustainable value over a multi-year period and to strengthen the retention lever of the participants in the medium term.

Claw back and malus

The Plan also envisages claw-back clauses, aimed at partially or totally recovering the bonus paid, which will be activated in case of objective circumstances that lead to the reinstatement of the economic-financial results of the Company or any other Group company to such an extent that, if known in advance, would have had an impact on the disbursement of the shares envisaged by the plan. Such clauses will also apply in case of fraud and/or willful misconduct and could be adapted locally in various countries in order to be compliant with local regulation.

6.4 Benefits

The total pay offer is integrated by the following additional benefits:

- supplementary pension plan;
- supplementary medical insurance;
- non-professional accident policy;
- company car;
- meal vouchers.

These benefits are adapted to local contexts, taking into account the characteristics of the reference market and regulations.

7 Other Elements

7.1 Non-competition agreements

Prysmian envisages the possibility of signing non-competition agreements for Executive Directors and Managers with Strategic Responsibilities and other employees with key roles within the organization. In conformity with case law and practice, these agreements provide for the payment of a certain percentage of annual fixed remuneration, according to the duration and extent of the restriction arising from the agreement itself. The restriction refers to the sector in which the Group operates and has a variable territorial scope depending on the position covered by the individual beneficiary. For Executive Directors and MSR, the company has gradually revised such provisions while stipulating new agreements, so that said remuneration will only be paid upon termination of employment if the agreement is activated by the company.

7.2 Retention/discretionary bonus

No discretionary remuneration is envisaged for the Group Chief Executive Officer, the Executive Directors and MSR. Monetary bonuses can be granted to other managers and employees, so that to occasionally reward, through discretionary bonuses in addition to the variable components of remuneration, exceptional individual contributions, key to the achievement of particularly strategic results for Prysmian, as well as retention bonuses for excellent resources.

7.3 Share Ownership Guideline

Prysmian intends to establish a share ownership guideline for the Chief Executive Officer, Executive Directors and MSR during 2020. This guideline requires the Chief Executive Officer to hold for the entire duration of the employment relationship a number of Prysmian shares worth at least 3 times his gross annual fixed remuneration, while for the Executive Directors and MSR the minimum shareholding expected is equal to 1.5 times the gross annual fixed remuneration. The minimum share ownership requirements indicated above must be met by the managers involved within 3 years from the end of the fiscal year 2020, and the three-years period will start from the appointment to the role.

7.4 The "YES" Plan

Beneficiaries of the remuneration policy, that are also Group employees, can participate to the Group Employee Stock Ownership Plan YES (Your Employee Shares Plan), launched by Prysmian in 2013 and currently active in over 30 Countries.
This Plan, approved by the Shareholders Meeting, that ultimately in 2018 has extended its duration until the 2021 purchase cycle, provide employees the opportunity to buy on a voluntary basis company shares at favorable conditions. By accepting a lock up for at least 36 months from purchase date, in fact, employees can receive shares with a discount from market price (1% for CEO and Senior Managers, 15% for Executives and 25% for all other employees), and with free entry bonus shares.

The goals pursued by the Group through the Plan are to increase employees' participation, involvement, sense of belonging and understanding of business, ensuring the convergence of long-term interests of shareholders, clients and employees, strengthening the internal perception of the Prysmian Group as a single company, a real "One Company", building up a stable employee shareholding base.

Through an intense communication campaign and dedicated training sessions, the YES Plan proved to be a real success, chosen by more than 9,200 employees worldwide. During 2019, more than 5,600 employees, including many new colleagues who joined the Group following the acquisition of General Cable Corporation, joined the YES plan in over thirty countries. The subscription campaign for 2020 is still ongoing and provides for the extension of the Plan to some new countries in South America, confirming that the Plan is a participation and engagement instrument for the entire corporate population.

YES Your Employee Shares

8 End of service or Termination Indemnity

For Executive Directors and/or MSR, the company undertakes not to enter into ex ante agreements for termination of office or of an employment relationship that are not in line with the provisions of the Code of Conduct and Corporate Governance best practice, in compliance with the laws and local collective bargaining agreements and in any case based on a payment not exceeding a 2-year remuneration.

The agreement for early termination of the employment contract of the Chief Executive Officer provides for an indemnity equal to 24 months' fixed remuneration, not subject to performance conditions, to be paid if the contract is terminated by the company, by mutual consent, due to substantial changes to the role and office or death and permanent invalidity, but not in the case of dismissal for cause.

No agreement is established, providing for the maintenance of non-monetary benefits in favor of subjects who have ceased their office, nor are consultancy contracts currently envisaged for a period subsequent to the termination of the relationship.

With regards to the effects of termination of the employment relationship on the LTI plan subject to the Shareholders' Meeting approval on April 28, the Plan regulations will establish the various consequences of the termination of the employment relationship, taking into account the cause and the moment in which termination occurs and in relation to the various local laws. In particular, participants who will terminate the employment relationship as "bad leavers", including in this case also voluntary resignation and dismissal for just cause, will lose any rights deriving from the plan. Instead, the termination of the employment relationship, for reasons other than those indicated above, may provide for the allocation of a portion of the shares on a pro-rata temporis basis and without acceleration of the vesting period, as well as the maintenance of performance conditions, where envisaged, for the various components of the plan.

9 Pay Structure for the Audit Function

Specific short and long-term incentive plans have been envisaged for the Internal Control & Compliance Senior Vice President with objectives in line with his responsibilities.

10 Exceptions

Prysmian, in accordance with the provisions of art. 123-ter, para. 3-bis of the Consolidated Law on Finance, in case of exceptional circumstances that could compromise the long-term interests of the Company, or the overall sustainability of the Group, reserves the right to temporarily derogate from the remuneration policy most recently approved by the Shareholders, limited to the components of the remuneration relating to the annual (MBO) and long-term (LTI) incentive systems. In these contexts, with adequate support from the Human Resources Department as well as with the possible advice of third-party and independent experts, the Committee, in application of the powers provided for by its own Regulations and assessed the circumstances, can submit to the approval of the Board of Directors any changes to the incentive plans, aimed at safeguarding the Company's primary objectives and respecting the rights of the participants.

SECTION II

This section of the Remuneration Report illustrates each of the items making up the remuneration of members of the Board of Directors, the Board of Statutory Auditors and of the Managers with Strategic Responsibilities of the Group and highlights its consistency with the policies described in the first section of the document published in 2019.

The Board of Directors, appointed by the Shareholders' Meeting of April 12, 2018, will remain in office for three years, until the approval of the financial statements as of December 31, 2020, and, during 2019, its composition has not changed. The board of Statutory Auditors was renewed for three years by the Shareholders' Meeting of June 5, 2019, until the approval of the financial statements as of December 31, 2021.

Therefore, the compensation paid to these subjects in 2019 is reported below.

1 Chairman of the Board of Directors

Claudio De Conto received an overall remuneration of 150,000 Euro, of which 80,000 Euro for his position as Chairman of the Board of Directors, 50,000 Euro as a Non-Executive Director and 20,000 Euro as a member of the Remuneration, Nomination and Sustainability Committee.

2 Chief Executive Officer

Valerio Battista, Chief Executive Officer and General Manager of the Prysmian Group, received an overall compensation of 2,049,221 Euro, of which:

- **Fixed remuneration** for 1,100,000 Euro;
- **Annual variable remuneration** (MBO 2019) for 943,800 Euro. It is to be noted that, following the cancellation of the LTI Plan 2018-2020, this bonus is no longer subject to co-investment and will therefore be paid in full in cash following the approval of the 2019 financial statements. This bonus vested upon the achievement level of MBO plan's objectives, consistent with the provisions set forth in the 2019 remuneration policy, as shown below;

ON/OFF CONDITIONS	
A_Group Net Financial Position	ON
B_Group Adjusted Ebitda	ON

OBJECTIVES	Weight min	Weight max	Measure	Performance Achieved
1_Group Adjusted EBITDA	40	60	EUR Mln	42.9
2_Group Net Financial Position	30	45	EUR Mln	42.6
3_Fixed Costs	20	30	EUR Mln	30.0
4_Group Sustainability	10	15	Committee assessment	13.0
	100	150		128.5

- **Non-monetary benefits** for 5,421 Euro.

As from March 1, 2015, an agreement has been stipulated with Valerio Battista in case of early termination of his employment contract, providing for an indemnity equal to 24 months' fixed remuneration, to be paid if the contract is terminated on the initiative of the Company, due to consensual termination, to significant changes in role and position or death and permanent disability.

In addition, Valerio Battista holds a Non-Competition Agreement starting from the same date, which includes a non-competition obligation for three years from terminating the employment relationship, for whatever reason it might occur. The remuneration for accepting this restriction is 40% of the fixed remuneration, multiplied by the number of years the agreement is in force (three) and will be paid only upon termination of the employment relationship.

Valerio Battista has chosen to participate in the Group Employee Stock Ownership Plan (YES), with an investment of 13,335 Euro in 2019. Thanks to this investment he has received 748 shares, 7 of which on a free basis.

3 Executive Directors

Massimo Battaini, CEO North America, received an overall compensation of 1,554,846 Euro, of which:

- **Fixed remuneration** for 894,500 Euro, of which 700,000 Euro as gross annual pay, 89,500 Euro as expatriation allowance and 105,000 Euro for non-competition agreement;
- **Annual variable remuneration** (MBO 2019) for 595,700 Euro, including application of the factor linked to the assessment of individual performance. It is to be noted that, following the cancellation of the LTI Plan 2018-2020, this bonus is no longer subject to co-investment and will therefore be paid in full in cash following the approval of the 2019 financial statements. This bonus vested upon the achievement level of MBO plan's objectives, consistent with the provisions set forth in the 2019 remuneration policy, as shown below;

ON/OFF CONDITIONS	
A_Group Net Financial Position	ON
B_Group Adjusted Ebitda	ON

OBJECTIVES	Weight min	Weight max	Measure	Performance Achieved
1_NA Group Adjusted EBITDA	40	60	US $ Mln	60.0
2_NA Group Net Financial Position	30	45	US $ Mln	45.0
3_NA Fixed Costs	20	30	US $ Mln	30.0
4_Group Sustainability	10	15	Committee assessment	13.0
	100	150	± P3 multiplier	148.0

- **Non-monetary benefits** for 64,646 Euro.

Massimo Battaini holds a Non-Competition Agreement which includes a non-competition obligation for three years from terminating the employment relationship, for whatever reason it might occur. The remuneration for accepting this restriction is 33% of the fixed remuneration, multiplied by the number of years the agreement is in force (three) and will be paid only upon termination of the employment relationship.

Pier Francesco Facchini, Chief Financial Officer, received an overall compensation of 972,918 Euro, of which:

- **Fixed remuneration** for 590,000 Euro;
- **Annual variable remuneration** (MBO 2019) for 379,370 Euro, including application of the factor linked to the assessment of individual performance. It is to be noted that, following the cancellation of the LTI Plan 2018-2020, this bonus is no longer subject to co-investment and will therefore be paid in full in cash following the approval of the 2019 financial statements. This bonus vested upon the achievement level of MBO plan's objectives, consistent with the provisions set forth in the 2019 remuneration policy, as shown below;

ON/OFF CONDITIONS	
A_Group Net Financial Position	ON
B_Group Adjusted Ebitda	ON

OBJECTIVES	Weight min	Weight max	Measure	Performance Achieved
1_Group Adjusted EBITDA	40	60	EUR Mln	42.9
2_Group Net Financial Position	30	45	EUR Mln	42.6
3_Fixed Costs	20	30	EUR Mln	30.0
4_Group Sustainability	10	15	Committee assessment	13.0
	100	150	± P3 multiplier	128.5

- **Non-monetary benefits** for 3,548 Euro.

Starting on January 8, 2007, an indemnity equal to 24 months' fixed remuneration was defined for Pier Francesco Facchini in case of early termination of the employment relationship. This indemnity accrues if termination of the contract occurs at the Company's initiative and is not connected to performance criteria.

Fabio Ignazio Romeo, Chief Strategy Officer, received an overall compensation of 977,537 Euro, of which:

- **Fixed remuneration** for 601,709 Euro;
- **Annual variable remuneration** (MBO 2019) for 371,856 Euro, including application of the factor linked to the assessment of individual performance. It is to be noted that, following the cancellation of the LTI Plan 2018-2020, this bonus is no longer subject to co-investment and will therefore be paid in full in cash following the approval of the 2019 financial statements. This bonus vested upon the achievement level of MBO plan's objectives, consistent with the provisions set forth in the 2019 remuneration policy, as shown below;

ON/OFF CONDITIONS	
A_Group Net Financial Position	ON
B_Group Adjusted Ebitda	ON

OBJECTIVES	Weight min	Weight max	Measure	Performance Achieved
1_Group Adjusted EBITDA	40	60	EUR Mln	42.9
2_Group Net Financial Position	30	45	EUR Mln	42.6
3_M&A Activity	20	30	EUR Mln	25.0
4_Group Sustainability	10	15	Committee assessment	13.0
	100	150	± P3 multiplier	123.5

- **Non-monetary benefits** for 3,971 Euro.

As from March 6, 2017, an agreement has been stipulated with Fabio Ignazio Romeo in case of early termination of his employment contract, providing for an indemnity equal to 24 months' fixed remuneration to be disbursed if the contract is terminated on the initiative of the Company, due to consensual termination, to significant changes in role and position or death and permanent disability.

In addition, Fabio Romeo holds a Non-Competition Agreement starting from the same date which includes a non-competition obligation for three years from terminating the employment relationship, for whatever reason it might occur. The remuneration for accepting this restriction is 33% of the fixed remuneration, multiplied by the number of years the agreement is in force (three) and will be paid only upon termination of the employment relationship.

Fabio Ignazio Romeo has chosen to participate in the Group Employee Stock Ownership Plan (YES), with an investment of 13,335 Euro in 2019. Thanks to this investment he has received 748 shares, 7 of which on a free basis.

4 Non-Executive Directors

- **Paolo Amato** received an overall remuneration of 70,000 Euro, of which 50,000 as a member of the Board of Directors and 20,000 Euro as a member of the Remuneration, Nomination and Sustainability Committee;

- **Joyce Victoria Bigio** received an overall remuneration of 70,000 Euro, of which 50,000 as a member of the Board of Directors and 20,000 Euro as a member of the Control and Risk Committee;

- **Maria Elena Cappello** received 50,000 Euro as a member of the Board of Directors;

- **Monica De Virgiliis** received an overall remuneration of 70,000 Euro, of which 50,000 as a member of the Board of Directors and 20,000 Euro as a member of the Remuneration, Nomination and Sustainability Committee;

- **Francesco Gori** received an overall remuneration of 70,000 Euro, of which 50,000 as a member of the Board of Directors and 20,000 Euro as a member of the Control and Risk Committee;

- **Mimi Kung** received 50,000 Euro as a member of the Board of Directors;

- **Maria Letizia Mariani** received an overall remuneration of 70,000 Euro, of which 50,000 as a member of the Board of Directors and 20,000 Euro as a member of the Control and Risk Committee.

5 Statutory Auditors

- **Pellegrino Libroia** received 75,000 Euro as Chairman of the Board of Statutory Auditors;

- **Laura Gualtieri** received 50,000 Euro as a standing Statutory Auditor;

- **Paolo Lazzati** received in total 78,000 Euro, of which 50,000 Euro as a standing Statutory Auditor and 28,000 as auditor of the subsidiaries Prysmian Cavi e Sistemi S.r.l. and Prysmian PowerLink S.r.l.

6 Managers with Strategic Responsibilities

During 2019 or even only for part of the year, four managers were identified as Managers with Strategic Responsibilities and, at aggregate level, they received an overall remuneration of 4,165,870 Euro, of which:

- **Fixed remuneration** for 2,376,760 Euro, including 2,225,296 Euro as gross annual pay, 80,002 Euro as expatriation allowance and 71,462 Euro as non-competition agreement;
- **Annual variable remuneration** (MBO 2019) for 1,563,127 Euro. It is to be noted that, following the cancellation of the LTI Plan 2018-2020, this bonus is no longer subject to co-investment and will therefore be paid in full in cash following the approval of the 2019 financial statements. This bonus vested upon the achievement level of MBO plan's objectives, including as appropriate the application of the factor linked to the assessment of individual performance, consistent with the provisions set forth in the 2019 remuneration policy;
- **Non-monetary benefits** for 225,983 Euro.

REMUNERATION TABLES

TABLE 1: Fees paid to members of the Board of Directors, general managers and other mangers with strategic responsibilities

A	B	C	D	1	2	3		4	5	6=1+2+3+4+5	7	8
Full name	Office	Term in office	Expiry of office	Fixed Pay	Fees for participation in Committees	Variable non-equity pay		Non-monetary benefits	Other fees	Total	Fair Value of fees paid in equity	Severance indemnities for end of office or for termination of employment
						Bonuses and other incentives	Share of profits					
Claudio De Conto	Chairman	1.1-31.12.2019	2021									
Fees in the company which draws up the financial statements				130,000 [1]	20,000	-	-	-	-	150,000	-	-
Fees from subsidiaries or affiliate companies				-	-	-	-	-	-	-	-	-
TOTAL				**130,000**	**20,000**	-	-	-	-	**150,000**	-	-
Valerio Battista	CEO and GM	1.1-31.12.2019	2021									
Fees in the company which draws up the financial statements				1,100,000	-	943,800	-	5,421	-	2,049,221	-	-
Fees from subsidiaries or affiliate companies				-	-	-	-	-	-	-	-	-
TOTAL				**1,100,000**	-	**943,800**	-	**5,421**	-	**2,049,221**	-	-
Massimo Battaini	Executive Director	1.1-31.12.2019	2021									
Fees in the company which draws up the financial statements				-	-	-	-	-	-	-	-	-
Fees from subsidiaries or affiliate companies				894,500 [2]	-	595,700	-	64,646 [3]	-	1,554,846	-	-
TOTAL				**894,500**	-	**595,700**	-	**64,646**	-	**1,554,846**	-	-
Pier Francesco Facchini	Executive Director	1.1-31.12.2019	2021									
Fees in the company which draws up the financial statements				590,000	-	379,370	-	3,548	-	972,918	-	-
Fees from subsidiaries or affiliate companies				-	-	-	-	-	-	-	-	-
TOTAL				**590,000**	-	**379,370**	-	**3,548**	-	**972,918**	-	-
Fabio Romeo	Director	1.1-31.12.2019	2021									
Fees in the company which draws up the financial statements				601,709	-	371,856	-	3,971	-	977,537	-	-
Fees from subsidiaries or affiliate companies				-	-	-	-	-	-	-	-	-
TOTAL				**601,709**	-	**371,856**	-	**3,971**	-	**977,537**	-	-
Paolo Amato	Director	1.1-31.12.2019	2021									
Fees in the company which draws up the financial statements				50,000	20,000	-	-	-	-	70,000	-	-
Fees from subsidiaries or affiliate companies				-	-	-	-	-	-	-	-	-
TOTALE				**50,000**	**20,000**	-	-	-	-	**70,000**	-	-
Joyce Victoria Bigio	Director	1.1-31.12.2019	2021									
Fees in the company which draws up the financial statements				50,000	20,000	-	-	-	-	70,000	-	-
Fees from subsidiaries or affiliate companies				-	-	-	-	-	-	-	-	-
TOTAL				**50,000**	**20,000**	-	-	-	-	**70,000**	-	-
Maria Elena Cappello	Director	1.1-31.12.2019	2021									
Fees in the company which draws up the financial statements				50,000	-	-	-	-	-	50,000	-	-
Fees from subsidiaries or affiliate companies				-	-	-	-	-	-	-	-	-
TOTAL				**50,000**	-	-	-	-	-	**50,000**	-	-
Monica De Virgiliis	Director	1.1-31.12.2019	2021									
Fees in the company which draws up the financial statements				50,000	20,000	-	-	-	-	70,000	-	-
Fees from subsidiaries or affiliate companies				-	-	-	-	-	-	-	-	-
TOTAL				**50,000**	**20,000**	-	-	-	-	**70,000**	-	-

A	B	C	D	1	2	3		4	5	6=1+2+3+4+5	7	8
Full name	Office	Term in office	Expiry of office	Fixed Pay	Fees for participation in Committees	Variable non-equity pay		Non-monetary benefits	Other fees	Total	Fair Value of fees paid in equity	Severance indemnities for end of office or for termination of employment
						Bonuses and other incentives	Share of profits					
Francesco Gori	Director	1.1-31.12.2019	2021									
Fees in the company which draws up the financial statements				50,000	20,000	-	-	-	-	70,000	-	-
Fees from subsidiaries or affiliate companies				-	-	-	-	-	-	-	-	-
TOTAL				**50,000**	**20,000**	-	-	-	-	**70,000**	-	-
Mimi Kung	Director	1.1-31.12.2019	2021									
Fees in the company which draws up the financial statements				50,000	-	-	-	-	-	50,000	-	-
Fees from subsidiaries or affiliate companies				-	-	-	-	-	-	-	-	-
TOTAL				**50,000**	-	-	-	-	-	**50,000**	-	-
Maria Letizia Mariani	Director	1.1-31.12.2019	2021									
Fees in the company which draws up the financial statements				50,000	20,000	-	-	-	-	70,000	-	-
Fees from subsidiaries or affiliate companies				-	-	-	-	-	-	-	-	-
TOTAL				**50,000**	**20,000**	-	-	-	-	**70,000**	-	-
Pellegrino Libroia	Chairman of the Board of Statutory Auditors	1.1-31.12.2019	2022									
Fees in the company which draws up the financial statements				75,000	-	-	-	-	-	75,000	-	-
Fees from subsidiaries or affiliate companies				-	-	-	-	-	-	-	-	-
TOTAL				**75,000**	-	-	-	-	-	**75,000**	-	-
Laura Gualtieri	Statutory Auditor	1.1-31.12.2019	2022									
Fees in the company which draws up the financial statements				50,000	-	-	-	-	-	50,000	-	-
Fees from subsidiaries or affiliate companies				-	-	-	-	-	-	-	-	-
TOTAL				**50,000**	-	-	-	-	-	**50,000**	-	-
Paolo Lazzati	Statutory Auditor	1.1-31.12.2019	2022									
Fees in the company which draws up the financial statements				50,000	-	-	-	-	-	50,000	-	-
Fees from subsidiaries or affiliate companies				28,000	-	-	-	-	-	28,000	-	-
TOTAL				**78,000**	-	-	-	-	-	**78,000**	-	-
Managers with Strategic Responsibilities	4 people	1.1-31.12.2019										
Fees in the company which draws up the financial statements				1,100,000	-	852,495	-	47,788	-	2,000,283	-	-
Fees from subsidiaries or affiliate companies				1,276,760	-	710,632	-	178,195	-	2,165,587	-	-
TOTAL				**2,376,760** [4]	-	**1,563,127**	-	**225,983** [5]	-	**4,165,870**	-	-

NOTES:
1) Of which 50,000 Euro as a Director and 80,000 Euro as Chairman of the Board of Directors
2) Of which 700,000 Euro as annual base salary, 89,500 Euro as expatriation allowance and 105,000 Euro as fee for non competition agreement
3) Includes benefits part of the expatriation package (schooling/housing allowance)
4) Of which 2,225,296 Euro as annual base salary, 80,002 Euro as expatriation allowance and 71,462 Euro as fee for non competition agreement
5) Includes benefits part of the expatriation package

TABLE 3A: Incentive plans based on financial instruments other than stock options, in favour of members of the Board of Directors, general managers and other managers with strategic responsibilities

			Financial instruments assigned in previous years and not vested in the year		Financial instruments allocated in the year					Financial instruments vested during the year and not allocated	Financial instruments vested during the year and to be allocated		Financial instruments accruing in the year
A	B	1	2	3	4	5	6	7	8	9	10	11	12
Full name	Office	Plan	Number and type of financial instruments (1)	Vesting period	Number and type of financial instruments	Fair value at the date of the assignment	Vesting period	Allocation date	Market price of the allocation	Number and type of financial instruments	Number and type of financial instruments	Value at the vesting date	Fair Value
Valerio Battista	CEO and GM	2018-2020 Performance Shares	40,756										
		2018 bonus co-investment	23,040										
Massimo Battaini	Executive Director	2018-2020 Performance Shares	17,291										
		2018 bonus co-investment	6,711										
Pier Francesco Facchini	Executive Director	2018-2020 Performance Shares	13,833										
		2018 bonus co-investment	5,369										
Fabio Romeo	Executive Director	2018-2020 Performance Shares	14,863										
		2018 bonus co-investment	10,816										
Managers with Strategic Responsibilities	4 people	2018-2020 Performance Shares	50,437										
		2018 bonus co-investment	24,472										

NOTE:

(1) It is to be noted that, on November 12, 2019, the Board of Directors, upon proposal of the Committee, resolved to revoke the long-term incentive plan 2018 - 2020, approved by the Shareholders' Meeting on April 12, 2018. This resolution has determined, for all beneficiaries of the Plan, the cancellation of any right pertaining the components "2018-2020 Performance Shares" and "2018 bonus co-investment".

TABLE 3B: Cash incentive plans in favour of members of the Board of Directors, general managers and other managers with strategic responsibilities

(A)	(B)	(1)	(2)			(3)			(4)
Full name	Office	Plan	Bonus for the year			Bonus for previous years			Other bonuses
			Payable/ paid	Deferred	Deferred period	No longer payable	Payable/ paid	Still deferred	
Valerio Battista	CEO and GM	2019 MBO Plan							
Fees in the company which draws up the financial statements			943,800						
Fees from subsidiaries or affiliate companies									
Massimo Battaini	Executive Director	2019 MBO Plan							
Fees in the company which draws up the financial statements									
Fees from subsidiaries or affiliate companies			595,700						
Pier Francesco Facchini	Executive Director	2019 MBO Plan							
Fees in the company which draws up the financial statements			379,370						
Fees from subsidiaries or affiliate companies									
Fabio Romeo	Executive Director	2019 MBO Plan							
Fees in the company which draws up the financial statements			371,856						
Fees from subsidiaries or affiliate companies									
Managers with Strategic Responsibilities	4 people	2019 MBO Plan							
Fees in the company which draws up the financial statements			852,495						
Fees from subsidiaries or affiliate companies			710,632						
TOTAL			**3,853,853**						

Scheme N.7 - ter

Table 1: Participation of members of the management and control bodies and General Managers

Full name	Office	Investee company	Number of shares owned at the end of the previous financial year	Number of shares assigned (1)	Number of shares sold	Number of shares owned at the end of the current financial year
Claudio De Conto	Chairman of the Board of Directors		-	-	-	-
Valerio Battista	CEO and General Manager	Prysmian S.p.A.	4,074,434	748	-	4,075,182
Massimo Battaini (2)	Director	Prysmian S.p.A.	240,838	-	-	240,838
Pier Francesco Facchini	Director	Prysmian S.p.A.	285,527	-	-	285,527
Fabio Romeo	Director	Prysmian S.p.A.	268,174	748	-	268,922
Paolo Amato	Director		-	-	-	-
Joyce Victoria Bigio	Director	Prysmian S.p.A.	500	-	500	-
Maria Elena Cappello	Director		-	-	-	-
Monica De Virgiliis	Director		-	-	-	-
Francesco Gori	Director		-	-	-	-
Mimi Kung	Director		-	-	-	-
Maria Letizia Mariani	Director		-	-	-	-
Pellegrino Libroia	Chairman of the Board of Statutory Auditors		-	-	-	-
Laura Gualtieri	Standing Auditor		-	-	-	-
Paolo Lazzati	Standing Auditor		-	-	-	-
Claudia Mezzabotta	Alternate Auditor		-	-	-	-
Michele Milano	Alternate Auditor		-	-	-	-

NOTES:
(1) These also include the shares assigned as part of the share-based participation plans.
(2) Shares partly held directly and partly held indirectly through his spouse.

Table 2: Participation of other managers with strategic responsibilities

Number of managers with strategic responsibilities	Investee company	Number of shares owned at the end of the previous financial year	Number of shares assigned (1)	Number of shares sold	Number of shares owned at the end of the current financial year
4	Prysmian S.p.A.	325,997	1,670	338	327,329

NOTES:
(1) These also include the shares assigned as part of the share-based participation plans.