

TINEXTA S.P.A.

REPORT ON REMUNERATION POLICY AND REMUNERATION PAID

pursuant to Art. 123-ter of Italian Legislative Decree 58/1998 and subsequent amendments and supplements



Report approved by the Board of Directors of Tinexta S.p.A. at its meeting of 12 March 2021,
available at www.tinexta.com, in the "Governance" section

This English version is made available to provide non-Italian speakers a translation of the original document. Please note that in the event of any inconsistency or discrepancy between the English version and the Italian version, the original Italian version shall prevail.

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INTRODUCTION

This Remuneration Report (the "**Report**") prepared pursuant to Art. 123-*ter* of Legislative Decree No. 58 of 1998 and subsequent amendments and additions (the "**Consolidated Finance Law**" or "**TUF**", to Art. 84- *quater* of Annex 3A, scheme 7-*bis* of the regulation on issuers adopted by Consob with Resolution No. 11971 of 14 May 1999 and subsequent amendments and additions (the "**Issuers' Regulations**"), as well as in compliance with the recommendations of the Corporate Governance Code for listed companies approved by the *Corporate Governance* Committee and promoted by Borsa Italiana S.p.A. ("**Borsa**"), ABI, Ania, Assogestione, Assonime and Confindustria, accessible to the public on the website of Borsa Italiana (www.borsaitaliana.it), as most recently amended (the "**Code**"), to which cui Tinexta S.p.A. (the "**Issuer**" or the "**Company**" or also "**Tinexta**") subscribes. The Report is composed of two sections:

- Section I illustrates the Company's policy on the remuneration of members of the Board of Directors, the General Manager, Key Managers and members of the Board of Statutory Auditors for 2021 (the "**Remuneration Policy**"), and describes the bodies involved and the procedures used for its adoption.

In particular, Section I describes the Remuneration Policy:

- indicating how it contributes to corporate strategy, and to the pursuit of the Company's long-term interests and sustainability, taking into account the remuneration and working conditions of the Company's employees;
- in which the various components of remuneration and the financial and non-financial *performance targets are defined*;
- specifying the elements of the Policy itself from which, in the presence of exceptional circumstances, it is possible to derogate temporarily, and the procedural conditions on the basis of which the derogation can be applied

The Shareholders' Meeting, convened to approve the financial statements at 31 December 2020 pursuant to Article 123-*ter* of the TUF, is called to approve Section I of the Report with a binding vote. The result of the vote will be made available to the public, pursuant to Article 125-*quater*, paragraph 2, of the TUF;

- Section II: (i) provides a representation of the items making up the remuneration paid in the financial year ended 31 December 2020 (the "**Year**" or the "**2020 Year**") to the members of the Board of Directors, the General Manager, the Key Managers and the members of the Board of Statutory Auditors, highlighting their consistency with the Company's remuneration policy for the Year; (ii) provides an analytical representation of the remuneration paid during the Year for any reason and in any form by the Company and its associates and subsidiaries (the "**Subsidiaries**" and jointly with the Company, the "**Group**" or the "**Tinexta Group**"); illustrates how the Company has taken the vote expressed the previous year on Section II into account.

The Shareholders' Meeting, called to approve the financial statements as at 31 December 2020, pursuant to Article 123-*ter* of the TUF, is called to vote for or against Section II with a non-binding vote. The result of the vote will be made available to the public, pursuant to Article 125-*quater*, paragraph 2, of the TUF.

Pursuant to Article 84-*quater*, paragraph 4, of the Issuers' Regulations, Section II also specifies the shares held directly or indirectly - in the Company and in its subsidiaries - by Directors, Statutory Auditors and Key Managers, as well as non-legally separated spouses and children under the age of 18.

The Board of Directors meeting of the Company held on 14 November 2019 approved, on the proposal of the Remuneration Committee (as defined *below*), the key principles and guidelines of the Remuneration Policy in Section I of the Report, as well as the Policy for the identification of Key Managers.

The Remuneration Policy was also adopted by the Company in compliance with the provisions of the regulation on related party transactions adopted by Consob with Resolution No. 17221 of 2010 (the "**Consob RPT Regulation**") and the procedure on related party transactions adopted by the Company in compliance with the provisions of the Consob RPT Regulation (the "**Tinexta Related Parties Procedure**").

As set out by the Consob RPT Regulation, the approval of the Remuneration Policy by the Shareholders' Meeting exempts the Company from applying the aforementioned procedure in resolutions of the Board of Directors concerning the remuneration of Directors and Key Managers when the latter are in line with the Remuneration Policy. Furthermore, pursuant to Article 13, paragraph 1, of the Consob RPT Regulation, the aforementioned procedure does not apply to Shareholders' Meeting resolutions pursuant to Article 2389, paragraph 1, of the Italian Civil Code, relating to the remuneration of members of the Board of Directors, nor to resolutions relating to the remuneration of Directors vested with special offices falling within the total amount previously determined by the Shareholders' Meeting pursuant to Article 2389, paragraph 3, second sentence, of the Italian Civil Code.

The Policy may be subject to review and amendment by the Board of Directors, upon proposal by the Remuneration Committee, which periodically assesses its adequacy, overall consistency and concrete application. Any changes to the Policy will be subject to the binding approval of the Shareholders' Meeting.

The Shareholders' Meeting held on 24 April 2018 appointed the following Directors as members of the Board of Directors: Pier Andrea Chevallard, Laura Benedetto, Giada Grandi, Elisa Corghi, Eugenio Rossetti, Riccardo Ranalli, Lorena Pellissier, Alessandro Potestà and Alessandro Barberis, while Enrico Salza was appointed Chairman. On 23 July 2018, Alessandro Barberis resigned from the Board of Directors of the Company. On 7 November 2018, the Shareholders' Meeting, pursuant to Article 2386 of the Italian Civil Code, appointed Gian Paolo Coscia as a new member of the Board of Directors. The Board of Directors will remain in office until the approval of the financial statements for the year ending on 31 December 2020.

Therefore, during the Year and as of the date of this Report there are 11 Directors of the Company:

- 2 **Executive Directors**, Enrico Salza (Chairman and Director in charge of the Internal Control and Risk Management System) and Pier Andrea Chevallard (Managing Director by virtue of the powers granted by the Board of Directors on 24 April 2018);
- 2 **Non-Executive Directors**, Riccardo Ranalli (Deputy Chairman) and Alessandro Potestà;
- 7 **Independent Directors**, Laura Benedetto, Elisa Corghi, Gian Paolo Coscia, Paola Generali, Giada Grandi, Lorena Pellissier and Eugenio Rossetti.

During the Year and as of the date of this Report, the General Manager is the Director Pier Andrea

Chevallard.

SECTION I – REMUNERATION POLICY

The Remuneration Policy defines the principles and guidelines that Tinexta follows in determining the remuneration practices for members of the Board of Directors, Key Managers and the Board of Statutory Auditors.

A. BODIES AND INDIVIDUALS INVOLVED IN THE PREPARATION, APPROVAL, REVISION WHERE APPLICABLE, AND CORRECT IMPLEMENTATION OF THE REMUNERATION POLICY

The main bodies and individuals involved in the preparation and approval of the Remuneration Policy are the Board of Directors, the Remuneration Committee, the Shareholders' Meeting and the Board of Statutory Auditors.

They are also responsible for the correct implementation of the Remuneration Policy and ensuring that it is properly applied. Below is a brief description of the tasks that, pursuant to the applicable legislation and Tinexta's internal regulations, are delegated to these bodies with regard to remuneration.

Board of Directors

The Board of Directors is exclusively responsible for annually defining the Remuneration Policy on the basis of the proposal made by the Remuneration Committee.

The Board of Directors:

- (i) shall set up an internal Remuneration Committee;
- (ii) shall determine the remuneration of directors vested with special offices on the proposal of the Remuneration Committee (and the Committee for Related Party Transactions of Tinexta, appointed in compliance with the Consob RPT Regulation and the Related Parties Procedure, the "**Related Parties Committee**", in the cases provided for by the Related Party Regulations), subject to the opinion of the Board of Statutory Auditors, possibly within the overall remuneration determined by the Shareholders' Meeting pursuant to Art. 2389, paragraph 3, of the Italian Civil Code;
- (iii) shall define, on the proposal of the Remuneration Committee, the Remuneration Policy;
- (iv) shall approve the Remuneration Report, pursuant to articles 123-ter of the TUF and 84-quater of the Issuers' Regulations;
- (v) shall prepare any share-based remuneration plans or other financial instruments for directors, employees and collaborators, including Key Managers, submit them to the Shareholders' Meeting for approval pursuant to Art. 114-bis of the TUF and oversee their implementation;
- (vi) shall approve the Policy for the identification of Key Managers (the "**Policy**")
- (vii) approves the list of Key Managers proposed by the Managing Director for the Company and for the Subsidiaries;
- (viii) approves any revision of the Policy, taking into account the votes and assessments expressed by shareholders in relation to the remuneration policy most recently submitted to the Shareholders' Meeting.

The Managing Director of the Company is also responsible for validating the proposals concerning the Subsidiaries, to be submitted to the Board of Directors in one with those of Tinexta.

Remuneration Committee

The Remuneration Committee, set up in implementation of the recommendations contained in Art. 5 of the Code (the "**Remuneration Committee**"), has the task of assisting the Board of Directors with investigative, advisory and consulting functions, in the assessments and decisions relating to the remuneration of Directors and Key Managers.

With regard to the composition, functioning and powers of the Remuneration Committee, reference should be made to the following Section B.

Board of Statutory Auditors

The Board of Statutory Auditors, with regard to remuneration, expresses its opinion on the proposals for the remuneration of Executive Directors, pursuant to Article 2389, paragraph 3, of the Italian Civil Code, verifying that such proposals are in line with the Remuneration Policy adopted by the Company.

Board of Shareholders

The Shareholders' Meeting is vested with the following powers with regard to remuneration:

- (i) it shall determine the remuneration of the members of the Board of Directors pursuant to Article 2364, paragraph 1, no. 3), of the Italian Civil Code, and where appropriate also pursuant to Article 2389, paragraph 3, of the Italian Civil Code, and the Company's Articles of Association (the "**Articles of Association**");
- (ii) pursuant to Article 123-ter, paragraphs 3-bis and 3-ter, of the TUF, it shall approve the Remuneration Policy described in Section I of the Report;
- (iii) pursuant to Article 123-ter, paragraph 6, of the TUF, it shall be called upon to decide in favour of or against Section II of the Report, with a non-binding vote;
- (iv) it shall deliberate on any share-based remuneration plans or other financial instruments intended for Directors, General Managers, employees, collaborators or other Key Managers of Tinexta, pursuant to Article 114-bis of the TUF.

Other corporate departments

In the process of defining and amending the Remuneration Policy and in the process of verifying its correct implementation and functioning, the *Compliance*, Human Resources and Corporate Affairs departments are involved and are responsible, in line with the responsibilities assigned to them, first and foremost, for verifying the correct application of the principles and criteria set out in the legislation. In particular, it is the responsibility of the Company's Human Resources Department to keep up to date with the Company's organisational structure, the tasks and responsibilities assigned to individual positions so as to support the Managing Director in their assessments and in overseeing the correct application of the Policy approved by the Board of Directors.

The internal audit department, on the other hand, is responsible for verifying, on an annual basis, the compliance of remuneration practices with the Remuneration Policy.

B. POSSIBLE INTERVENTION OF A REMUNERATION COMMITTEE OR OTHER COMMITTEE COMPETENT IN THIS MATTER, DESCRIBING THEIR COMPOSITION (DISTINGUISHING BETWEEN NON-EXECUTIVE AND EXECUTIVE DIRECTORS), RESPONSIBILITIES AND OPERATING PROCEDURES, AND ANY FURTHER MEASURES INTENDED TO PREVENT OR MANAGE CONFLICTS OF INTEREST

In light of the provisions of Article 2.2.3, paragraph 3, letter m) of the Rules of the markets organised and managed by Borsa Italiana, applicable to issuers listed in the STAR segment, and in compliance with the Code, the Company has constituted a Remuneration Committee as a subcommittee of its Board of Directors.

Composition and functioning of the Remuneration Committee

The Remuneration Committee, in office during the Year and as of the date of the Remuneration Report, is composed of five non-executive directors, the majority of whom are independent, whereby the Chairperson is chosen from among the independent directors: Giada Grandi (Chair) - independent non-executive director;

- Eugenio Rossetti - independent non-executive director;
- Paola Generali - independent non-executive director;
- Lorena Pellissier - independent non-executive director;
- Riccardo Ranalli - non-executive director.

In particular, on 8 May 2018, the Board of Directors appointed Paola Generali, Lorena Pellissier and Riccardo Ranalli as members of the Remuneration Committee, and Giada Grandi and Eugenio Rossetti as of 20 September 2018, for a term, unless revoked, forfeited or resigned, equivalent to that of the current Board of Directors, or until the date of approval of the financial statements for the year ending 31 December 2020.

At the time of their appointment, the Board of Directors approved that all members possessed the requirements of adequate knowledge and competence in financial matters and remuneration policies.

The composition, duties and operating procedures of the Remuneration Committee are governed by the Code and by specific regulations adopted by the Remuneration Committee as from 15 May 2018.

The work of the Remuneration Committee is coordinated by its Chair, Giada Grandi.

During the Year, the Remuneration Committee met five times; each meeting lasted on average around 90 minutes. The average attendance of directors was 100 %.

During these meetings, the Committee reviewed the incentive system adopted by the Company, verified the adequacy, overall consistency and concrete application of the remuneration policy adopted by the Company during the Year, and continued work on the Remuneration Policy for the year 2021 with the incentive plan based on financial instruments (2020-2022 Stock Option Plan, as defined below), and on its correct implementation. In carrying out its functions, during the Year, the Remuneration Committee was able to access the information and corporate departments necessary to carry out its duties as well as, where necessary, to consult external advisors at the Company's expense and to access adequate financial resources to perform its duties within the terms established by the

Board.

Six meetings are scheduled for the 2021 financial year and the Remuneration Committee has already met 3 times: on 10 February 2021, 16 February 2021 and 8 March 2021. During these meetings, the Committee reviewed the Remuneration Policy for the year 2021, the incentive plan based on financial instruments (2021-2023 Stock Option Plan), the implementation of the incentive plan based on financial instruments (2020-2022 Stock Option Plan) and this Remuneration Report, expressing a favourable opinion.

The meetings of the Remuneration Committee were held collectively, and minutes were taken. All the members of the Board of Statutory Auditors, or its Chair, also attended the meetings of the Committee.

In line with the recommendations of the Code, no director took part in the meetings of the Remuneration Committee at which proposals for the Board of Directors relating to their remuneration were made.

Representatives of company departments (*Compliance*, Human Resources, Corporate and Legal Affairs) may attend meetings of the Remuneration Committee, if invited in advance, and independent experts and/or other individuals whose participation would be considered useful in relation to the issues under discussion.

If it deems it necessary or appropriate for the performance of certain tasks assigned to it, the Remuneration Committee may avail itself of the support of external consultants with expertise in remuneration policies.

The Remuneration Committee makes use of the Company's resources and structures to carry out its tasks.

The powers of the Remuneration Committee

The following tasks are assigned to the Remuneration Committee:

- a) to periodically assess the suitability, overall consistency and actual application of the Remuneration Policy for Directors and Key Managers, as well as assessing the proposals for revision of the Remuneration Policy; it formulates proposals on this subject to the Board of Directors;
- b) to submit proposals or express opinions to the Board of Directors on the remuneration of the Executive Directors and Directors filling particular roles as well as on the establishment of *performance* objectives related to the variable component of such remuneration;
- c) to monitor the application of the decisions adopted by the Board, verifying, in particular, the actual achievement of the *performance* objectives;
- d) to examine in advance the annual report on remuneration to be made available to the public before of the Annual General Meeting; and
- e) to carry out any additional tasks assigned to it by the Board of Directors;
- f) to assist the Board of Directors in defining the criteria for the identification of Key Managers, keeping the Policy updated and suggesting to the Board any changes that regulatory developments may require.

The establishment of this committee guarantees the widest possible dissemination of information and transparency on the remuneration due to the Executive Directors, as well as on the methods by which this is determined. However, it is understood that, in compliance with Art. 2389, paragraph 3, of the Italian Civil Code, the Remuneration Committee's role is only to submit proposals, while the power to establish the remuneration of the Executive Directors is, in any event, held by the Board of Directors, after having received the opinion of the Board of Statutory Auditors, and subsequently by the Shareholders' Meeting.

As at the date of the Report, the Company has not adopted further measures on the subject of conflicts of interest.

C. HOW THE COMPANY TOOK ACCOUNT OF THE REMUNERATION AND WORKING CONDITIONS OF ITS EMPLOYEES IN DETERMINING THE REMUNERATION POLICY

In determining the Policy, consideration was given to the remuneration and working conditions of the Company's employees. In particular, the criterion for defining the economic package reserved for the recipients of the Policy, which is parameterised (i) to professional specialisation, (ii) to the organisational role held and (iii) to the responsibilities, aims, among other things, to determine the remuneration of the members of the corporate bodies and of the Managers with Strategic Responsibilities in a harmonious manner and consistent with the working conditions of the employees, avoiding the creation of situations of unjustified imbalance.

D. INDEPENDENT EXPERTS CONSULTED IN THE PREPARATION OF THE REMUNERATION POLICY

For the purposes of the definition of the Remuneration Policy for the year 2021, the Company did not consult independent experts.

E. AIMS PURSUED WITH THE REMUNERATION POLICY, ITS UNDERLYING PRINCIPLES AND DURATION AND, IN CASE OF REVISION, A DESCRIPTION OF THE CHANGES WITH RESPECT TO THE REMUNERATION POLICY LAST SUBMITTED TO THE SHAREHOLDERS' MEETING AND HOW THIS REVIEW TAKES ACCOUNT OF THE VOTES AND OPINIONS EXPRESSED BY THE SHAREHOLDERS DURING SAID MEETING OR SUBSEQUENTLY

The Remuneration Policy illustrated in this section of the Report was adopted by the Board of Directors - on the proposal of the Remuneration Committee - and has a duration of 1 year.

The Remuneration Policy is defined in such a way as to ensure an overall remuneration structure capable of recognising the managerial value of the individuals involved and the contribution they made to the growth of the company in relation to their respective competences. Its objective is to attract, retain and motivate highly professional resources, with particular attention to positions considered key to *business* development and management as well as to reward the achievement of individual and corporate *performance* targets linked to economic-financial indicators of corporate growth. The Remuneration Policy encourages the pursuit of the sustainable success of the Company and takes account of the need to have, retain and motivate people with the skills and professionalism required by the role they hold in the Company.

The Remuneration Policy, in line with the general purposes illustrated above, is based on the following reference principles and is defined in line with the following criteria:

- (i) the fixed component and the variable component are adequately balanced according to the Company's strategic objectives and risk management policy, taking into account the Group's reference market and the activities actually carried out, in order to avoid behaviour that is not aligned with the creation of sustainable value in the short and long term, whereby the variable part generally represents a significant portion of the overall remuneration. The overall remuneration must tend to be suited to the actual responsibilities and commitment, related to the role held, and to the results achieved, in the belief that correct remuneration enables, in general, a positive impact on behaviour, also contributing to aligning individual work objectives with the strategic objectives and *business* priorities;
- (ii) maximum limits are set for the variable components;
- (iii) the performance targets - i.e. the economic results and any other specific targets to which the disbursement of the variable components is linked (including the targets defined for share-based remuneration plans) - are predetermined, measurable and fundamentally linked to long-term goals; They are consistent with the strategic objectives of the company and are aimed at promoting its sustainable success, also including non-financial parameters where relevant;
- (iv) the pay-out of a portion of the variable remuneration component is deferred for the Executive Directors and Key Managers for an appropriate period of time after the vesting date; the size of this portion and the duration of the deferral are consistent with the characteristics of the business activity carried out and the related risk profiles;
- (v) there are contractual agreements that allow the company to request the return, in whole or in part, of variable components of the remuneration paid (or to withhold sums subject to deferment), determined on the basis of data that later turns out to be manifestly incorrect;
- (vi) any indemnity provided for termination of a directorship shall be defined in such a way that its total amount does not exceed a certain amount or a certain number of years of remuneration. This indemnity is not paid if the termination of the relationship is due to results that are objectively poor.

The assignment of variable components (short or long term) of remuneration is linked to the achievement of predetermined performance objectives which are fairly predetermined by the Board of Directors, on the proposal of the Remuneration Committee.

The Shareholders' Meeting resolves on the total amount of remuneration payable to the Board of Directors, including any remuneration to be attributed to Directors vested with special offices. Within the scope of the decisions made by the Shareholders' Meeting, it is then the responsibility of the Board of Directors to execute the decisions of the Meeting, attributing remuneration to its individual members, establishing any additional remuneration for Directors vested with special offices, on the proposal of the Remuneration Committee and after having obtained the opinion of the Board of Statutory Auditors.

The Company may provide incentive and loyalty plans based on shares or other financial instruments for directors, employees and collaborators, including Key Managers, pursuant to Article 114-*bis* of the TUF.

At the date of this report, a long-term incentive system based on financial instruments is in

force **2020-22 Stock Option** Plan” or the “**2020 Plan**”), which, at the proposal of the Remuneration Committee, was approved by the Board of Directors on 19 March 2020 and by the Shareholders' Meeting on 28 April 2020. The Options pursuant to the 2020-2022 Stock Option Plan were assigned by the Board of Directors on 23 June 2020 to 29 identified beneficiaries.

At its meeting on 12 March 2021, the Board of Directors approved, on the proposal of the Remuneration Committee, the long-term incentive system based on financial instruments (the "**2021-2023 Stock Option Plan**" or the "**2021 Plan**"), and, jointly with the 2020 Plan, the "**Stock Options Plans**"), which has not yet been approved by the Shareholders' Meeting.

There were no significant changes compared to the Remuneration Policy approved in the previous year. The amendments made with respect to the previous year concerned the implementation of the provisions applicable to listed companies on remuneration, as most recently amended.

For further information, please refer to Section F of this Report.

F. DESCRIPTION OF POLICIES RELATING TO FIXED AND VARIABLE REMUNERATION COMPONENTS, PARTICULARLY WITH RESPECT TO THEIR RESPECTIVE WEIGHT WITHIN TOTAL REMUNERATION, DISTINGUISHING BETWEEN SHORT AND MEDIUM-LONG TERM VARIABLE COMPONENTS

The Remuneration Policy provides that fixed and variable components are structured according to different principles and methods in relation to the different types of recipients and are suitably balanced.

With specific reference to variable remuneration, its objective is to meet the following determination criteria and mechanisms:

- objectivity, such that it can be measured;
- transparency, known, shared and easily verifiable;
- based on merit;
- as simple and immediately assessable as possible

and is structured in such a way that there is convergence between personal and corporate objectives, in order to generate responsible behaviour in line with the interests of all *stakeholders*, pursuing the sustainable success of the Company.

The variable remuneration mechanisms must refer to Group, corporate, and where possible area and personal performance indicators. Personal indicators, where applicable, are linked to variables which the individual has the ability to influence.

The *performance* evaluation shall be carried out at least annually but, where possible, the variable remuneration is based on multi-year indicators that reflect the Company's profitability over time and can be appropriately adjusted to take into account all current and prospective risks, and of the cost of the capital and liquidity necessary to cope with the activities undertaken. In application of the criterion of proportionality the economic and qualitative indicators and risk parameters are identified in relation to the characteristics of the business and the size of the Company.

The total amount of the variable component of the remuneration entered each year in the budget

(*bonus pool*), at Group and individual company level, both short and long term, must be approved in proportion to the consolidated and company net profit and/or according to indicators related to equity and prudent risk management. The need to strengthen the Company's capital position must influence the agreed amount of the bonus pool both in terms of the amount budgeted for and the amount actually awarded.

Variable remuneration is recognised on condition that the Group's and the Company's results are positive. In the case of significant extraordinary items, it will be the task of the Board of Directors to assess their impact and repercussions on the incentive system.

The final variable remuneration is paid on condition that at the time of actual payment the work performed with the Group companies remains in place.

The maximum ratio between the variable component accrued annually and the fixed annual remuneration component is set at the level of one to one.

In application of the proportionality criterion, the final variable remuneration is paid on the basis of the following rules.

	Part of variable remuneration recognised				
	in the year following the year of vesting t " <i>up-front</i> ") ¹	at the end of the year t + 1	at the end of the year t + 2	at the end of the year t + 3	at the end of the year t + 4
Key Managers					
Final variable remuneration of less than €50,000 gross	100%	0%	0	0	0
Final variable remuneration over €50,000 gross	For the part of the bonus exceeding €50,000 gross, payment deferred in equal parts over the following two years				

The Company therefore considered it appropriate to distinguish the remuneration structure in relation to competences and executive/managerial responsibilities accorded to the individuals concerned and consequently to independently define the criteria for determining the remuneration of:

- (i) *the directors other than the Managing Director (i.e., non-executive directors and independent directors);*
- (ii) the Managing Director (this definition specifies the directors of the Company to whom operational or managerial powers are assigned or to whom the Board of Directors assigns particular duties).
- (iii) the Key Managers, those persons who have the power and responsibility, directly or indirectly,

¹ Including any part already paid out during the vesting year.

for the planning, management and control of activities, which are identified as necessary by the Board of Directors with the support of the Managing Director;

(iv) the members of the Board of Statutory Auditors.

With reference to the variable components, depending on the different types of recipients (as better represented below), the Remuneration Policy prescribes: as a short-term variable component, an annual *bonus* aimed at rewarding the achievement of corporate and individual objectives, also linked to extraordinary results and/or predetermined project commitments; as a long term variable component, participation in the *2020-2022 Stock Option Plan* approved by the Shareholders' Meeting on 28 April 2020, and participation in the *2021-2023 Stock Option Plan* which at the date of this Report has not yet been approved by the Shareholders' Meeting.

➤ Short-term variable component

Short-term variable remuneration for the Managing Director and Key Managers is determined by applying a "profit-sharing" mechanism based on an individual percentage of adjusted consolidated EBITDA net of the effects of any extraordinary transactions that occurred during the period:

- based on a pre-determined percentage of adjusted consolidated EBITDA, which is never less than 10% of total short-term variable remuneration; and
- based on a predetermined percentage of the Company's adjusted EBITDA or the EBITDA of the business or operating area and/or other qualitative/quantitative parameters established annually in the Remuneration Policy.

The Issuer's consolidated adjusted EBITDA, which is the basis of the short-term variable remuneration mechanism approved by the Board of Directors, is calculated:

- not considering items that have generated an economic result whose impact cannot be considered definitive since it has not been realised or is even likely to change significantly (e.g. revaluations of assets on the market but not sold);
- taking into account any form of adjustment necessary to ensure that the adjusted EBITDA can be considered measured net of excesses in the risks assumed and in the equity and liquidity outlook and that it is adequately representative of a sustainable result on a multi-year basis.

Each year the Board of Directors of the Company, upon proposal of the Remuneration Committee, defines whether and to what extent items related to events of an extraordinary nature or to changes in the application of accounting principles, if significant, may be considered for the calculation of adjusted EBITDA.

Percentage levels, established each year, may vary (increasing or decreasing) depending on the year:

- the duties, tasks assigned and responsibilities assumed;
- the contribution made to the degree of achievement of the Group's objectives;
- the degree of achievement of the objectives assigned;
- the level of the fixed part of the remuneration.

In relation to Key Managers, the variable components of the remuneration system are paid upon the achievement of pre-established company objectives (management by objectives, or MBO), linked to the expected results based on the Strategic Plan approved by the Company. The variable component is equal to a pre-established percentage of fixed gross annual remuneration of a weight generally no less than 30%

of said remuneration and no more than 50%.

It should be noted that the accrual of the short-term variable component is subject to eligibility requirements ("on/off") and is commensurate to achieving more than 95% of the Company's consolidated EBITDA value set in the 2020 Budget

As far as the Managing Director is concerned, the short-term variable component, payable within the limits of the cap set annually by the Board of Directors, serves to incentivise the Managing Director to work towards achieving annual targets in order to maximise the value of the Group, in line with the interests of shareholders. This component is achievable only if the minimum annual performance targets set by the Board of Directors on the proposal of the Remuneration Committee are achieved.

The variable short-term component is only accrued if both access conditions (the "on/off" requirements) indicated below are achieved:

- at least 95% of the EBITDA value set in the 2020 Budget and approved by the Board of Directors on 23 June 2020; and
- an NFP/EBITDA ratio not exceeding 3.2.

In any case, this component is balanced - with respect to others - in such a way as to avoid short-term or opportunistic rationales from prevailing over long term strategies, in the interests of the stakeholders and the sustainability of the business. This component is equal to between 30% and 50% of total remuneration

In the event of:

- (i) extraordinary transactions (e.g. mergers and spin-offs, scrip or paid share capital increases);
- (ii) transactions to reduce the share capital of;
- (iii) transfers and/or conferments of business units of the Company;
- (iv) significant changes in the macroeconomic and/or business scenario, legislative or regulatory changes, or other events, including operational changes,

likely to influence the objectives, the short-term variable component or the shares of Tinexta, the Board of Directors, after consulting the Remuneration Committee, will have the right to make the changes and additions deemed necessary and/or appropriate to keep as unchanged as possible the essential contents of the short-term incentive plan, in accordance with the aims and purposes pursued by the plan and the economic and financial rights recognised therein. These amendments and additions may regard, inter alia, the financial and non-financial performance objectives.

➤ Long-term variable component

Long-term incentive plans are designed to strengthen motivational drive in pursuing strategic objectives, within a timeframe generally aligned and consistent with that of the strategic plan.

The payment of the incentive is conditional on the individual remaining in the company and/or in the Group (except for retirement, death-in-service or disability).

The long-term variable component is composed of:

- (i) The *2020 Stock Option Plan* approved by the Shareholders' Meeting on 28 April 2020, which was activated by the Board of Directors on 23 June 2020, which identified as beneficiaries of the Plan the subjects that cover roles deemed relevant within the sphere of the Group

and with a significant impact on the creation of value for the Company, the Group companies and the shareholders, to whom the Options have been attributed. The beneficiaries identified meet the requirements of the Plan Regulations, for a total of 1,670,000 options to be assigned. The exercise price to purchase and, where applicable, subscribe shares has been set at €10.97367, based on the arithmetic mean of the official prices recorded by the Company's shares on the Italian Electronic Stock Exchange (Mercato Telematico Azionario) in the six months before the Option award date.

- (ii) The 2021 Stock Option Plan which the Board of Directors intends to submit to the Shareholders' Meeting called to approve the financial statements at 31 December 2020.

The 2020 Plan

With the 2020 Plan, Tinexta intends to promote and pursue the following objectives: (i) to link total remuneration and in particular the incentive system for the Group's managers and key personnel to the results actually achieved by the Company and to the creation of new value for the Tinexta Group; (ii) to orient key company resources towards strategies aimed at achieving medium/long-term results; (iii) to align the interests of the Executive Directors and Key Managers with those of the shareholders and investors; (iv) to further develop *retention* policies aimed at retaining key company resources and encouraging them to remain in the Company or in the Tinexta Group; and (v) to further develop *attraction* policies for talented managerial and professional figures, in order to continuously develop and strengthen Tinexta's key and distinctive skills.

The 2020 Plan provides for the free allocation of options ("**Options**") which, under the conditions set out in the Plan regulations, permit Shares to be purchased and, if appropriate, subsequently subscribed, with settlement by physical delivery. The 2020 Plan sets out a single Option awarding cycle. Each single Option granted gives the beneficiary the right to purchase and, where applicable, subscribe one Tinexta Share against payment to the Company of the predetermined exercise price.

The Options granted will become vested Options, and will therefore be exercisable by the beneficiaries, only upon achievement of the specific *performance* targets lined to the EBITDA reported in the consolidated financial statements of the Company as at 31 December 2022, as indicated in the table below.

EBITDA reported in the Company's consolidated financial statements as at 31 December 2022	% of Options Vested
> 80% and >100% (of the approved budget value)	proportionately
< 80% (of the approved budget value)	0%

The verification of the achievement of the objectives will be carried out by the Board of Directors of the Company, after consulting the Remuneration Committee, following the approval by the Shareholders' Meeting of the financial statements for the year ended 31 December 2022.

In the event of failure to reach the minimum target of 80% of EBITDA compared to the reference budget approved in the financial year ended 31 December 2022, the Options granted will lapse and must be considered to all intents and purposes extinguished.

Vested options may be exercised at the end of a *vesting* period of 36 months starting from the attribution date, i.e. the date on which the Board of Directors, after consulting the Remuneration Committee, identifies the beneficiaries and determines the number of Options to be granted to each of them. The length of the period is consistent with the incentive target mentioned above and is aimed at ensuring a gradual creation of value.

For further information on the 2020-2022 Stock Option Plan, see the Information Document on the Plan prepared in accordance with Annex 3A, Scheme 7-*bis* of the Consob Issuers' Regulations, made available to the public on the Company's website, www.tinexta.com in the "Governance/Shareholders' Meeting" section.

2021 Plan

With the Plan, Tinexta intends to promote and pursue the following objectives: (i) to attract, retain and motivate people with the skills and professionalism required by the role covered in the Company; (ii) to link the overall remuneration and in particular the incentive system of the managers and key people of the Group to the results actually achieved by the Company and to the creation of new value for the Tinexta Group, pursuing its sustainable success; (iii) to orient key company resources towards strategies aimed at achieving long-term results; (iv) to further develop *retention* policies aimed at retaining key company resources and encouraging them to remain the Company or in the Tinexta Group; and (v) to further develop *attraction* policies for talented managerial and professional figures, in order to continuously develop and strengthen Tinexta's key and distinctive skills.

The 2021 Plan envisages the free allocation of options ("**Options**") which, at the conditions set out in the regulations of the 2021 Plan, permit Shares to be purchased and, where applicable, subsequently subscribed, with settlement by physical delivery. The 2021 Plan provides for a single Option awarding cycle. Each single Option granted gives the beneficiary the right to purchase and, if necessary, subscribe one Tinexta Share against payment to the Company of the predetermined exercise price.

The Options granted will become vested Options, and will therefore be exercisable by the beneficiaries, only upon achievement of the specific *performance* targets linked to the EBITDA reported in the consolidated financial statements of the Company as at 31 December 2023, as indicated in the table below.

EBITDA from the Company's consolidated financial statements as at 31 December 2023	% of Options Vested
> 80% and >100% (of the approved budget value)	proportionately
< 80% (of the approved budget value)	0%

The achievement of the targets shall be verified by the Board of Directors of the Company, after hearing the opinion of the Remuneration Committee, following approval by the Shareholders' Meeting of the financial statements as at 31 December 2023.

In the event of failure to reach the minimum target of 80% of EBITDA compared to the reference budget approved in the financial year ended 31 December 2023, the Options granted will lapse and

must be considered to all intents and purposes extinguished.

Vested options may be exercised at the end of a *vesting* period of 36 months starting from the attribution date, i.e. the date on which the Board of Directors, after consulting the Remuneration Committee, identifies the beneficiaries and determines the number of Options to be granted to each of them. The length of the period is consistent with the incentive target mentioned above and is aimed at ensuring a gradual creation of value.

For further information on the 2021-2023 Stock Option Plan, please refer to the relevant Information Document prepared in accordance with Annex 3A, Schedule 7-*bis* of the Consob Issuers' Regulations made available to the public on the Company's website, www.tinexta.com, in the "Governance/Shareholders' Meeting" section.

Below are the components (fixed and variable) of the remuneration of the individual types of recipients indicated above.

Directors

The remuneration of non-executive Directors (whether independent or not) is determined as a fixed amount such as to attract, retain and motivate directors with the professional qualities required for the excellent management of the Group and the Company and is adequate for their commitment, responsibility and contribution, as well as the reimbursement of expenses incurred and attendance fees.

The remuneration of the Directors is set by the Shareholders' Meeting.

It should be noted that the Shareholders' Meeting called on 27 April 2021 to approve the financial statements as at 31 December 2020 will be called to renew the Board of Directors, inter alia, and therefore to approve, pursuant to art. 15 of the Articles of Association, the overall remuneration of its members, also on the basis of the proposal formulated by the outgoing Board of Directors and also in light of the indications and recommendations provided by the Remuneration Committee.

These directors are not entitled to a variable remuneration component, because their activities are not likely to directly affect the company's performance, which is normally linked to the pay-out of variable components.

The remuneration of Directors may be supplemented by other emoluments for special assignments entrusted to individual Directors by the Board of Directors and for membership of bodies established within the Board.

The remuneration provided for the independent directors is the same as that provided for the other non-executive directors: therefore, there is no particular remuneration policy for the independent directors, while a differentiated remuneration is provided for directors who take on the role of Chairperson and Deputy Chairperson.

Managing Director and Executive Directors

The Managing Director's and Executive Director's remuneration is suitably balanced in order to ensure consistency between short-term development objectives and the sustainability of creating value for the shareholders in the long term. To the fixed component, determined by the Board of Directors on the basis of the office, is added a variable component such as to incentivise the Managing

Director and Executive Directors to work towards achieving annual targets intended to maximise the value of the Group, in line with the interests of shareholders.

In particular, the remuneration structure of the Managing Director consists of:

a fixed component composed of the remuneration resolved for each Director by the Ordinary Shareholders' Meeting, at the time of appointment as a member of the Board of Directors, and the remuneration resolved by the Board of Directors, on the proposal of the Remuneration Committee and subject to the favourable opinion of the Board of Statutory Auditors, pursuant to Article 2389, paragraph 3, of the Italian Civil Code. This component is determined taking into account the magnitude and strategic nature of the specific role, the distinctive subjective characteristics and the strategic skills possessed by the *manager*. Its amount is sufficient to remunerate the individual's services even in the event of failure to achieve the financial and non-financial performance objectives, fairly balanced between business targets (EBITDA/NFP) and quality targets linked to governance and business development issues, upon which payment of the variable remuneration is conditional. This - among other reasons - is aimed at discouraging behaviour that is inconsistent with the company's attitude to risk. In particular, the fixed component is determined on the basis of the magnitude of *business* operated and the person's capacity to contribute to the Group's consolidated results.

- a variable component: composed of a short-term variable bonus, payment of which is subject to verification of the achievement of *performance* targets, and a long-term component such as to encourage the Managing Director to work towards the achievement of annual targets aimed at maximising the value of the Group, in line with the interests of shareholders.
- fringe benefits: these benefits are defined in line with the practices of the reference remuneration markets in order to complete and enhance the overall remuneration package, taking account of the roles and/or responsibilities assigned.

Key Managers

The remuneration of *Key Managers* is structured with the aim of focusing management on long-term business results and the creation of value.

The Company has therefore also adopted a policy aimed at achieving these objectives through the implementation of variable components of the remuneration system.

The remuneration of *Key Managers* is composed of:

- a fixed component pre-determined to a significant extent, consistent with the position and the commitment required and, in any case, sufficient to remunerate the work done in the event that the variable component is not paid out due to failure to achieve the targets illustrated above. In any case, the fixed component must not represent more than 75% of the total annual remuneration envisaged.
- a short-term variable component (on an annual basis), in cash;
- a long-term variable component based on the 2020-2022 Stock Option Plan and the 2021-2021 Stock Option Plan;
- *non-monetary fringe benefits* (assignment of a motor vehicle for both private and business use, supplementary health, life, permanent disability, accident, professional and extra-professional insurance policies, in addition to statutory insurance).

Board of Statutory Auditors

Please note that in accordance with the provisions of Article 2402 of the Italian Civil Code, in addition to appointing the Board of Statutory Auditors, the Shareholders' Meeting of the Company called to approve the financial statements for the year ended 31 December 2020, is called to resolve on the assignment of the annual remuneration due to the members of the Board of Statutory Auditors for the entire duration of their mandate.

In accordance with the Code, the remuneration of the Board of Statutory Auditors is commensurate with the commitment required, the importance of the role held, as well as the size and sectoral characteristics of the Company.

In the event of extraordinary transactions regarding Tinexta (such as, by way of example and without limitation, (i) consolidation or splitting of Shares; (ii) free increases in the Tinexta share capital; (iii) paid increases in the Tinexta share capital with the issue of Shares, special classes of shares, shares with warrants, convertible bonds and convertible bonds with warrants; (iv) mergers and spin-offs involving Tinexta; (v) distribution of extraordinary dividends on Shares out of Tinexta's reserves; (vi) reductions in the share capital of Tinexta; (vii) transfers and conferments of business units; (viii) legal or regulatory changes or other events likely to affect the Targets, Options, Shares or Plan, the Board of Directors, after having obtained the opinion of the Remuneration Committee, shall have the right to make the amendments and supplements to the Plan deemed necessary and/or appropriate to keep the essential contents of the Plan as little changed as possible, in accordance with the objectives and purposes pursued and the economic and financial rights recognised in the plan.

G. POLICY APPLICABLE TO NON-MONETARY *FRINGE BENEFITS*)

The Company has not prepared a policy regarding non-monetary benefits for Directors, with the exception of insurance cover for liability arising from carrying out their role as "*Directors and Officer*".

Key Managers will be assigned company cars for business and private use and will adhere to pension and insurance plans that reflect ordinary retirement and welfare protection, as provided for in the applicable National Collective Employment Agreement (CCNL).

Non-monetary benefits are provided in accordance with market practice and in compliance with current tax regulations.

H. WITH REFERENCE TO THE VARIABLE COMPONENTS, A DESCRIPTION OF THE FINANCIAL AND NON-FINANCIAL PERFORMANCE OBJECTIVES, TAKING ACCOUNT WHERE APPROPRIATE OF THE CRITERIA REGARDING THE SOCIAL RESPONSIBILITY OF THE BUSINESS, ON THE BASIS OF WHICH THEY ARE ASSIGNED, DISTINGUISHING BETWEEN SHORT AND MEDIUM-LONG TERM VARIABLE COMPONENTS, AND INFORMATION ON THE LINK BETWEEN CHANGE IN RESULTS AND CHANGE IN REMUNERATION

The performance targets for the provision of variable components are described in Section F, to which reference should be made.

Individual performance is measured through a balanced mix of 4 or 5 predetermined objectives, of a

corporate and individual economic and financial nature. In fact, 60% of the final bonus is linked to the achievement of a company target (EBITDA), while the remaining 40% is determined by the achievement of individual targets, including qualitative objectives, linked to governance, profitability and leadership.

The main types of KPIs attributed are: Economic/Financial (Group and Company EBITDA); Qualitative/quantitative planning indicators (definition and implementation of new processes, revision and streamlining of existing processes); Individual qualitative *business development*; of common objective (Governance).

I. CRITERIA USED TO ASSESS THE ACHIEVEMENT OF THE PERFORMANCE OBJECTIVES ON WHICH THE ASSIGNMENT OF SHARES, OPTIONS, OTHER FINANCIAL INSTRUMENTS OR OTHER VARIABLE REMUNERATION COMPONENTS IS BASED, SPECIFYING THE AMOUNT OF THE VARIABLE COMPONENT TO BE PAID DEPENDING ON THE LEVEL OF ACHIEVEMENT OF THE OBJECTIVES

The criteria for evaluating the performance targets on which the short-term variable remuneration is based are based on the economic and profitability results achieved by the Company (i.e., adjusted consolidated EBITDA). In general, the objectives are based on the specific activities carried out by the Company and are indicators of the Company's ability to produce value in a sustainable manner and to manage the risk associated with its *business* in the long term. The entire short-term variable component is paid on the basis of the achievement of the objectives assigned.

The criteria used to assess the performance objectives of the long-term remuneration are based on the economic requirements (EBITDA) achieved by the Company and better described in the 2020-2022 *Stock Option* Plan, set out in Section F, to which reference should be made.

J. INFORMATION AIMED AT HIGHLIGHTING THE CONTRIBUTION OF THE REMUNERATION POLICY, AND IN PARTICULAR THE POLICY ON VARIABLE COMPONENTS OF REMUNERATION, TO THE COMPANY STRATEGY, TO THE PURSUIT OF THE LONG-TERM INTERESTS OF THE COMPANY AND TO THE SUSTAINABILITY OF THE COMPANY

As described in the previous Paragraph F of the Report, the Remuneration Policy encourages the pursuit of the sustainable success of the Company and takes account of the need to employ, retain and motivate people with the skills and professionalism required by the role they hold in the Company.

In keeping with this purpose, the remuneration of Executive Directors and Key Managers is structured in such a way so as to:

- a) balance fixed remuneration and variable remuneration with the aim of creating value in the long term in a sustainable way for the company;
- b) coordinate variable remuneration with the achievement of operational and financial objectives aligned with the creation of value in the long term and the actual results achieved by the Company;
- c) recognise adequate remuneration to attract, motivate and retain individuals with the individual and professional qualities necessary to pursue the company's business development objectives in the long term.

K. VESTING PERIOD), POSSIBLE DEFERRED PAY-OUT SYSTEMS, DEFERMENT PERIODS AND CRITERIA USED FOR DETERMINING SUCH PERIODS, AS WELL AS EX-POST VARIABLE COMPONENT CORRECTION MECHANISMS IF ANY (MALUS, OR CLAW-BACK MECHANISMS).

The short-term variable remuneration component is paid after approval of the financial statements for the reference year. With regard to vesting periods and payment systems for variable remuneration linked to incentive mechanisms based on financial instruments, please refer to that described in Section F, with reference to the Plans.

It should be noted that the Remuneration Policy prescribes a *claw back* clause in the Plans, by virtue of which the Company has the right to demand from the beneficiaries of the Plan the return, full or in part, of the Options Awarded but not yet exercised or the return of the Shares owned by the Beneficiary through the exercise of the Vested Options or the return, full or in part, of the net profit made by the Beneficiary through the exercise of the Options, if the Board of Directors, after hearing the opinion of the Remuneration Committee, establishes, during the Plan and/or in the three years after the end of the Plan: (1) that the Targets have been calculated on data that have proved to be manifestly incorrect or that the data used to calculate the Targets have been maliciously altered; (2) that the Beneficiary has engaged in conduct which resulted in a significant loss for the Issuer, any Group company or the Group in general; (3) that the Beneficiary has engaged in fraudulent behaviour or gross negligence to the detriment of the Issuer, any Group company or the Group in general.

For more information on the 2020-2022 *Stock Option* Plan, please refer to the relevant Information Document prepared in accordance with Annex 3A, Scheme 7-*bis* of the Consob Issuers' Regulation approved by the Shareholders' Meeting on 28 April 2020, as amended on 12 March 2021, as well as on the 2021-2023 *Stock Option* Plan, please refer to the relevant Information Document prepared in accordance with Annex 3A, Scheme 7-*bis* of the Consob Issuers' Regulation, which has not yet been approved by the Shareholders' Meeting, both made available to the public on the Company's website www.tinexta.com, in the "Governance / Shareholders' Meeting" section.

L. INFORMATION ON ANY CLAUSES REQUIRING THE MAINTENANCE IN THE PORTFOLIO OF FINANCIAL INSTRUMENTS AFTER THEIR ACQUISITION, WITH THE MAINTENANCE PERIODS AND THE CRITERIA USED FOR DETERMINING SUCH PERIODS

The 2020-2022 *Stock Option* Plan provides that the beneficiaries, who are Key Managers linked to the Company or the Subsidiary by a contractual relationship of indefinite duration, will have the obligation to hold continuously for a period of 3 years from the date on which they received the Shares following the exercise of the vested Options, a number of Shares equal to at least 20% of the Shares purchased and, if applicable, subscribed as a result of the exercise of their vested Options.

The beneficiaries of the Plan who qualify as Executive Directors will be required to hold continuously, until the end of their term of office, a number of Shares equal to at least 20% of the Shares purchased and, if applicable, subscribed as a result of the exercise of the Options.

The 2021-2023 *Stock Option* Plan sets forth that 70% (seventy percent) of the Shares acquired and, if applicable, subscribed, as a result of the exercise of Vested Options by Beneficiaries holding the position of Executive Directors and by those who are Key Managers connected to the Company or a Subsidiary by a permanent employment relationship will be immediately available; 15% (fifteen percent) of the Shares

acquired and, if applicable, subscribed, will be available after 12 (twelve) months from the date the Shares were received following the exercise of Vested Options; the remaining 15% (fifteen percent) of the Shares acquired and, if applicable, subscribed, will be available after 24 (twenty-four) months from the date they were received.

Said Shares will be subject to inalienability restrictions and therefore may not be sold, transferred, exchanged or otherwise disposed of between living persons until the above timeframes have expired, except with the prior written authorisation of the Board of Directors, after consulting the Remuneration Committee.

This *lock-up* commitment, also in consideration of the *three-year vesting* period by which it is preceded, is deemed consistent with the provisions of the Code and with the objective of aligning the interests of *management* with the medium-long term interests of shareholders, and able to achieve the goal of retaining the main managerial figures.

For more information on the 2020-2022 Stock Option Plan, please refer to the relevant Information Document prepared in accordance with Annex 3A, Scheme 7-bis of the Consob Issuers' Regulation approved by the Shareholders' Meeting on 28 April 2020, as updated on 12 March 2021, as well as on the 2021-2023 Stock Option Plan, please refer to the relevant Information Document prepared in accordance with Annex 3A, Scheme 7-bis of the Consob Issuers' Regulation, which has not yet been approved by the Shareholders' Meeting, both made available to the public on the Company's website www.tinexta.com, in the "Governance / Shareholders' Meeting" section.

M. POLICY APPLICABLE TO INDEMNITIES IN CASE OF TERMINATION OF OFFICE OR TERMINATION OF EMPLOYMENT

The Remuneration Policy does not envisage the payment of any indemnity towards Directors and Key Managers (other than the Managing Director) in the event of early termination of office and/or employment or non-renewal of employment.

For the Managing Director who also holds the office of General Manager by virtue of a permanent contract of employment and, in the event of early termination by the Company without just cause and/or revocation and/or non-renewal, and/or if the Managing Director or General Manager has to resign from both positions at the request of the Company, the Managing Director or General Manager will be paid an amount, as an incentive to leave, equal to three years' worth of total emoluments received as General Manager.

No agreements have been entered into which take effect, are modified or are extinguished in the event of a change of control of the Company or a request for resignation following a takeover bid or a public exchange offer.

The Managing Director and General Manager of the Company has undertaken not to carry out, for a period of one year after the termination of the employment relationship, on their own or directly, throughout the European Union, any type of activity that may be in competition with that carried out by the Company. In return for this commitment, the Company has undertaken to pay the Company's Managing Director and General Manager a total amount equal to the sum of the annual gross fixed emoluments due to them both as Managing Director and director, including the variable portion calculated on the basis of the average amount received in the last three years.

It should be noted that with regard to the liquidation of short-term incentives, the Company adopts the criterion of paying the amount accrued on the basis of the achievement of performance objectives,

provided that the beneficiary is in force at the time of payment and not resigning, unless individually agreed.

A similar principle is contained in the 2020-2022 Stock Option Plan and in the 2021-2023 Stock Option Plan, which stipulate the loss of the rights assigned in the event of voluntary resignation by the beneficiary, dismissal by the Company for just cause or justified reason or violation by the beneficiary of non-competition obligations.

With reference to the payments envisaged in the event of termination of office or termination of the relationship, for a Key Manager, in the event of a change in the Company's shareholding structure or a change in the corporate framework such as to result in cancellation and/or change in the organisational role covered, the possible termination of the employment relationship at the initiative of the company that may result, unless the existence of dismissal for just cause, must take place according to the terms established by the National Collective Employment Agreement (CCNL) applied, to which twelve months' salary is added as remuneration.

N. INFORMATION ON THE PRESENCE OF ANY INSURANCE POLICIES, OR SOCIAL SECURITY OR RETIREMENT BENEFITS, OTHER THAN THOSE REQUIRED BY LAW

Directors are not provided with insurance coverage other than compulsory insurance and insurance to cover liabilities arising from the exercise of their office, Directors & Officers Policy (directors' civil and financial liability) and Legal Protection.

O. REMUNERATION POLICY APPLICABLE TO (I) INDEPENDENT DIRECTORS, (II) PARTICIPATION IN COMMITTEES, AND (III) PERFORMANCE OF PARTICULAR OFFICES (CHAIRPERSON, DEPUTY CHAIRPERSON, ETC.)

It should be noted that the remuneration of independent directors is not linked to the economic results achieved by the Company.

The Remuneration Policy provides for the attribution of an additional fixed amount of remuneration to non-executive directors and to independent directors who are members of Committees established within the Board in order to adequately remunerate the additional activities and commitments required and carried out for the benefit of the Company.

For further information, reference should be made to Section F above.

P. WHETHER THE REMUNERATION POLICY HAS BEEN DEFINED USING THE REMUNERATION POLICIES OF OTHER COMPANIES AS A REFERENCE, AND IF SO, THE CRITERIA USED FOR THE CHOICE OF SUCH COMPANIES.

In defining the Remuneration Policy, the Company did not use the remuneration policies of other companies as a reference.

Q. ELEMENTS OF THE REMUNERATION POLICY FROM WHICH, IN EXCEPTIONAL

CIRCUMSTANCES, DEROGATIONS MAY BE MADE, AND WITHOUT PREJUDICE TO REGULATION NO. 17221 OF 12 MARCH 2010, ANY FURTHER PROCEDURAL CONDITIONS UNDER WHICH THE DEROGATION MAY BE APPLIED.

If exceptional circumstances arise, the Company may derogate from the Remuneration Policy approved by shareholders in order to ensure (i) the pursuit of long-term interests and/or (ii) sustainability as a whole and/or (iii) the capacity to stay in the market.

Without prejudice to the provisions of Paragraph F above with reference, respectively, to the short-term and long-term remuneration components, in the event of exceptional circumstances pursuant to art. 123-ter paragraph 3-bis of Italian Legislative Decree 58 of 1998, it is possible to derogate from the elements of the policy relating to fixed and variable remuneration set forth in this Policy. In this case, the procedure and obligations envisaged by the Procedure on related party transactions adopted by the Company in compliance with Consob Regulation no. 17221/2010 and subsequent amendments shall apply.

Exceptional circumstances include, but are not limited to (i) the need to replace the Managing Director due to unforeseen events and the need to quickly negotiate a remuneration package, where the restrictions contained in the approved Policy could limit the possibility for companies to attract managers with the most appropriate professional skills to manage the company; and/or (ii) significant changes in the scope of business of the company during the validity of the Policy, such as the sale of a company/business unit on whose activities the performance objectives of the reference Policy were based or the acquisition of a significant business not included in the Policy.

In particular, the Board of Directors, based on the opinion of the Remuneration Committee and after consulting the Related Parties Committee and in compliance with the provisions of the Procedure on Related Party Transactions adopted by the Company, may - under the circumstances identified above - temporarily waive the provisions of the Policy reported in letter f).

R. REPORT OF THE BOARD OF STATUTORY AUDITORS

The remuneration of the Board of Statutory Auditors is described in Paragraph F, to which reference should be made.

SECTION II - REMUNERATION RECEIVED BY MEMBERS OF THE BOARD OF DIRECTORS AND THE BOARD OF STATUTORY AUDITORS, AS WELL AS BY GENERAL MANAGERS AND KEY MANAGERS

This section identifies the remuneration attributed to Directors and Statutory Auditors and to the General Manager, and in aggregate form, the remuneration attributed to Key Managers:

- in the first part, it provides a clear, appropriate and understandable representation of each of the items that make up the remuneration, including the remuneration provided for in the event of termination of office or employment relationship, highlighting the conformity with the remuneration policy of the Company approved in the previous year and the ways in which the remuneration contributes to the long term results of the company. With regard to the variable components, information is provided on the ways in which the performance objectives of the reference remuneration policy were applied, indicating the objectives achieved in comparison with those expected. An indication is also provided of the proportion of fixed and variable remuneration as part of the total remuneration; it should be noted that the remuneration paid in 2020 is consistent, in terms of the amount and the items that comprise it, with the remuneration policy adopted by the Board of Directors with reference to the 2020 financial year and approved by the Shareholders' Meeting on 28 April 2020;
- in the second part, it analytically illustrates the amounts paid in the 2020 financial year for any reason and in any form by the Company and by subsidiary or associated companies, indicating any components of the aforesaid amounts that refer to activities carried out in years prior to the reference year and also highlighting the amounts to be paid in one or more subsequent years for the activities carried out in the reference year, indicating where applicable an estimated value for the components that cannot be objectively quantified in the reference year;
- in the third part, it specifies, with the criteria established in Annex 3A, Schedule 7-ter of the Issuers' Regulations, the shares held in the Issuer and its subsidiaries by members of the administration and control bodies, the General Manager and other Key Managers, as well as by spouses not legally separated and dependent children, directly or through subsidiaries, trust companies or third parties, ascertained from the shareholders' register, communications received and other information acquired from the same members of the administration and control bodies as well as from the General Manager and other Key Managers.

The reason why the remuneration of Key Managers is shown in aggregate form is that none of them received greater overall remuneration in 2020 than the remuneration awarded to the Managing Director.

KPMG S.P.A., the entity appointed to carry out the statutory audit of Tinexta's financial statements, has verified that the directors have prepared this Second Section of the Report.

PART ONE

1. ITEMS THAT MAKE UP THE 2020 REMUNERATION

-1.1 Board of Directors

The Shareholders' Meeting of 24 April 2018 appointed the following individuals to the Board of Directors: Pier Andrea Chevallard, Laura Benedetto, Giada Grandi, Elisa Corghi, Eugenio Rossetti, Riccardo Ranalli, Lorena Pellissier, Alessandro Potestà and Alessandro Barberis, while Enrico Salza was appointed Chairman.

The Shareholders' Meeting of 24 April 2018 set the gross annual remuneration for each member of the Board of Directors at €32,000.00 and the gross annual remuneration for the Chairman of the Board of Directors, Enrico Salza, at €150,000.00 for each of the years from 2018 to 2020, in addition to reimbursement for expenses incurred as indicated in Article 15 of the Articles of Association and an individual attendance fee of €600.00 gross for participation in each meeting of the Board of Directors.

The Board of Directors, which met on 15 May 2018, in accordance with the provisions of the Remuneration Policy, established the additional remuneration payable to members of the Board of Directors vested with special offices and for participation in committees, as follows:

- to the Managing Director Pier Andrea Chevallard, on the proposal of the Remuneration Committee and subject to the favourable opinion of the Board of Statutory Auditors, an annual remuneration of €130,000.00, to be understood as gross of withholdings and legal charges and in addition to the basic remuneration approved by the Shareholders' Meeting;
- to each member of the Internal Control and Risk Management Committee, an annual gross remuneration of €14,000.00 and €20,000.00 for the Chairperson, to be understood as gross of withholdings and legal charges and an attendance fee of €600.00 gross for each member of the Board committees, for each meeting held on a date different from the meetings of the Board of Directors at which the member is present;
- to each member of the Remuneration Committee, an annual remuneration of €14,000.00 and €20,000.00 for the Chairperson, to be understood gross of withholdings and legal charges, and an attendance fee of €600.00 gross for each member of the internal committees, for each meeting held on a date different from the meetings of the Board of Directors at which the member is present.

Following the resignation on 23 July 2018 of Alessandro Barberis, on 7 November 2018 the Shareholders' Meeting, pursuant to Article 2386 of the Italian Civil Code, appointed Gian Paolo Coscia as a new member of the Board of Directors.

It should be noted that the remuneration of independent directors is not linked to the economic results of the Company.

No payment is envisaged for end of mandate or in the event of early termination of office or employment other than the benefits provided by Law and the provisions set out below with regard to the Managing Director.

With reference to the indemnities prescribed in case of early termination of office or non-renewal of the appointment, please refer to Section 2 below.

There are no agreements that provide for the assignment or maintenance of non-monetary benefits towards persons who have ceased to hold office or for the stipulation of consultancy contracts for a period subsequent to the termination of their employment.

1.2 Managing Director

During 2020, the position of Managing Director was held by Pier Andrea Chevallard, appointed by the Board of Directors on 24 April 2018.

Mr. Chevallard has also held the position of General Manager of the Company since January 2015.

Below is a description of each of the items that made up the remuneration of the Managing Director and General Manager in 2020.

Fixed component consisting of:

- gross annual remuneration of €32,000 for serving as a member of the Board of Directors, as decided by the Shareholders during the meeting of 24 April 2018;
- total gross remuneration of €130,000.00 for acting as Managing Director as approved by the Board of Directors on 15 May 2018;
- gross annual remuneration of €274,900.00 by virtue of employment as an executive (General Manager).

Variable component:

- a short-term component. For the Year 2020, the variable component of the Managing Director's remuneration was determined by the Board of Directors on 19 March 2020, following a favourable opinion of the Board of Statutory Auditors. For completeness of information, it should be noted that in 2020 the Managing Director received variable remuneration accrued in relation to the objectives assigned to them for 2020 amounting to a total of €170,000. In particular, the objectives achieved concerned: (i) the exceeding of 95% of the EBITDA value set in the 2019 Budget and (ii) the NFP/EBITDA ratio not exceeding 3.2.
- a medium-long term component deriving from participation in the 2020-2022 Stock Option Plan approved by the Shareholders' Meeting on 28 April 2020. On 23 June 2020, the Board of Directors resolved to grant the Managing Director no. 200,000 options which, only upon achievement of the specific *performance* objectives related to the EBITDA resulting from the consolidated financial statements of the Company as at 31 December 2022, will give the right to purchase and, if necessary, subscribe no. 1 Tinexta share against payment to the Company of the predetermined exercise price.

For further information on the 2020-2022 Stock Option Plan, see the Information Document on the Plan prepared in accordance with Annex 3A, Scheme 7-*bis* of the Consob Issuers' Regulations, made available to the public on the Company's website, www.tinexta.com in the "Governance/Shareholders' Meeting" section.

In terms of total remuneration, the proportion of the fixed component to the variable component was approximately 1:1.

With reference to the indemnities in case of early termination of office or non-renewal of the appointment, please refer to Section 2 below.

Chair of the Board of Directors

During 2020, the Chairman of the Board of Directors was Enrico Salza, who was appointed by the Ordinary Shareholders' Meeting on 24 April 2018. The Chairperson's total remuneration for 2020 was €150,000.00, as resolved by the Shareholders during the meeting of 24 April 2018, for the office of Chair of the Board.

The Chairperson's remuneration is not linked to the company's operating performance, and therefore consists solely of a fixed component.

Deputy Chair of the Board of Directors

During 2020, the position of Deputy Chairperson was held by Riccardo Ranalli, following his appointment by the Board of Directors on 14 November 2018, with the attribution of a fixed emolument on an annual basis, *pro rata temporis* for the duration of the office, amounting to €50,000.00, attributed to him subject to the favourable opinion of the Remuneration Committee. Members of Committees within the Board of Directors

Remuneration Committee

During 2020, the Remuneration Committee was composed of: the independent Director Giada Grandi (Chair), the independent Director Paola Generali, the independent Director Lorena Pellissier, the non-executive Director Riccardo Ranalli and the independent Director Eugenio Rossetti.

In addition to the remuneration of €32,000.00 gross per annum determined by the Shareholders' Meeting of 24 April 2018, Directors who are members of the Remuneration Committee receive reimbursement expenses incurred, to which they are entitled under Article 15 of the Articles of Association, and attendance fees for each meeting of the Board of Directors, an additional remuneration of €20,000.00 gross per year for the Chair of the Committee and an annual remuneration of €14,000.00 gross for the other members for the performance of activities related to their office, and an attendance fee of €600.00 gross for each member of a Board committee for each meeting held on a date different from the meetings of the Board of Directors at which the member is present.

Internal Control and Risk Management Committee

During 2020 the Internal Control and Risk Management Committee was composed of: the independent director Eugenio Rossetti (Chair), the independent director Elisa Corghi, the independent director Gian Paolo Coscia, the non-executive director Alessandro Potestà and the non-executive director Riccardo Ranalli.

In addition to the remuneration of €32,000.00 gross per annum determined by the Shareholders' Meeting of 24 April 2018, the directors who make up the Internal Control and Risk Management Committee receive reimbursement of expenses incurred, to which they are entitled under Article 15 of the Articles of Association, and attendance fees for each meeting of the Board of Directors, an additional remuneration of €20,000.00 gross per year for the Chair of the Committee and an annual remuneration of €14,000.00 gross for the other members for the performance of activities related to their office, and an attendance fee of €600.00 gross for each member of a Board committee for each meeting held on a date different from the meetings of the Board of Directors at which the member is present.

The Internal Control and Risk Management Committee also acts as Related Parties Committee.

Board of Statutory Auditors

By resolution of 24 April 2018, the Shareholders' Meeting appointed the following members of the Board of Statutory Auditors:

Luca Laurini (Chair), Monica Mannino (Statutory Auditor), Alberto Sodini (Statutory Auditor), Maria Cristina Ramenzoni (Alternate Auditor) and Domenica Serra (Alternate Auditor). During the same meeting, the Shareholders determined a gross annual remuneration of €45,000.00 for the Chairperson and €34,000.00 for each Statutory Auditor, in addition to reimbursement of documented out-of-pocket expenses incurred.

1.6 Key Managers

The incentive mechanisms for the Key Managers reflect the tasks assigned to them and their remuneration is divided into a fixed and a variable component. In general, Key Managers' remuneration packages consist of (i) an annual gross fixed component and (ii) a short-term variable

component (annual bonus) in cash, payment of which is subject to the achievement of predetermined corporate and individual performance objectives and (ii) a medium-long term component deriving from participation in the 2020-2022 Stock Option Plan approved by the Shareholders' Meeting on 28 April 2020.

It should be noted that accrual of the short-term variable component is subject to eligibility requirements ("on/off") to the exceeding of 95% of the value of EBITDA set out in the revised 2020 Budget and approved by the Board of Directors on 23 June 2020.

Payment of variable components of the remuneration system may be made on the basis of the achievement of pre-established company objectives (management by objectives, or MBO), linked to the results expected based on the Strategic Plan approved by the Company. The variable component is equal to a pre-established percentage of fixed gross annual remuneration of a weight generally no less than 30% of said remuneration and no more than 50%.

It should be noted that the vesting of the medium/long-term variable component, and therefore the exercise of the options assigned, is subject to the achievement of the specific *performance* objectives related to the EBITDA resulting from the consolidated financial statements of the Company as at 31 December 2022.

The total remuneration allocated to the Key Managers was determined on the basis of their existing employment relationships with the Company and amounts to €2,059,121 for 2020. This includes the fixed component of remuneration represented by gross annual remuneration from employment (GAR) and the variable component by way of incentive, as well as remuneration from subsidiaries and associates for positions held as Director.

With regard to the variable component, it should be noted that the objectives concerned: (i) exceeding 95% of the EBITDA value set in the 2020 Budget and (ii) individual objectives, including qualitative ones, linked to governance, profitability and leadership.

In terms of total remuneration, the proportion of the fixed component to the variable component was approximately 1:1.

Key Managers are assigned company cars for business and private use, as *fringe benefits*, and will adhere to pension and insurance plans that are supplementary to those that are mandatory and reflect ordinary retirement and welfare protection, as provided for in the applicable National Collective Labour Agreement.

1.7 Incentive plans based on financial instruments

The remuneration policy adopted by the Company entails the use of incentive plans based on financial instruments.

The virtual stock option plan for Tinexta's key management personnel, including its executive directors, that was approved on 31 May 2016, ended in 2019. In particular, all of the 500,000 options covered by the plan were awarded, of which the Managing Director, Pier Andrea Chevallard has 300,000 options, of which 90,000 options can be exercised between 31 January 2018 and 31 July 2020 and 210,000 options can be exercised between 31 July 2019 and 31 July 2020. The other 200,000 options were allocated to the Company's other Key Managers, of which 60,000 options can be exercised between 31 January 2018 and 31 July 2020, and 140,000 options can be exercised between 31 July 2019 and 31 July 2020. On 8 February 2019, 24,000 of the options assigned to Key Managers that could be exercised between 31 January 2018 and 31 July 2020 were exercised. On 28 April 2020 the Shareholders' Meeting approved the long-term incentive plan based on financial instruments, the 2020-2022 Stock Option Plan, which provides for the free allocation of options which, under the conditions set out in the Plan regulations, permit the purchase and, where applicable, the subsequent subscription of the Shares, with settlement by physical delivery. On 23 June 2020, the Board of

Directors identified the beneficiaries of the 2020-2022 Stock Option Plan and assigned no. 200,000 options to the Managing Director and 560,000 options to other beneficiaries identified from Key Managers and other Group executives.

For further information on the Incentive Plan, please refer to the documents and regulations published on the Company's website (www.tinexta.com).

2. ALLOCATION OF INDEMNITIES AND/OR OTHER BENEFITS FOR TERMINATION OF OFFICE OR FOR TERMINATION OF EMPLOYMENT DURING THE YEAR.

During 2020, no indemnities and/or benefits were awarded for cessation of office or for the termination of the employment relationship.

3. APPLICATION OF THE EXCEPTIONS SET OUT IN THE REMUNERATION POLICY

The Company has not applied exceptions to the remuneration policy approved for the 2020 financial year.

4. APPLICATION OF THE *EX POST* CORRECTION MECHANISMS OF THE VARIABLE COMPONENT (*MALUS* OR *BONUS CLAW-BACK*)

The Company did not apply *ex post* correction mechanisms in relation to the remuneration paid in 2020.

5. COMPARISON INFORMATION

The variation between the annual figures is shown below:

- (i) the remuneration of individuals for whom the information referred to in this section of the Report is provided by name is set out below;

Change %	2020	2019
Managing Director	0	0

- (ii) the results of the company (consolidated);

	2020	2019
Revenues	269.1 million	258.7 million
Operating Profit	52.9 million	47.5 million
Shareholders' Equity	173.9 million	149.4 million

- (iii) *average gross annual remuneration, based on full-time employees, of employees other than the subjects whose remuneration is represented by name in this section of the Report.*

	2020	2019
Change	+ 3.10%	+2.51%

6. INFORMATION ON HOW THE COMPANY TOOK ACCOUNT OF THE VOTE EXPRESSED BY

THE SHAREHOLDERS' MEETING ON THE SECOND SECTION OF THE PREVIOUS YEAR'S REPORT

The Shareholders' Meeting held on 28 April 2020 approved Section II of the Remuneration Report for 2019 with 35,058,238 votes in favour (95.69% of those present) and 1,219,692 votes against (3.32% of those present).

PART TWO - ANALYTICAL REPRESENTATION OF REMUNERATION PAID DURING THE YEAR

The information in the following tables is provided separately with reference to offices held in the Company and for any office held in subsidiaries and associates with reference to the year 2020. This includes all subjects who held the office of member of the administrative and control body or Key Manager during the year, including for only part of the period.

TABLES

- TABLE 1: Remuneration of members of the management and control bodies, General Managers and other Key Managers.
- TABLE 2: Stock options assigned to members of the management body, general managers and other executives with strategic responsibilities.
- TABLE 3: Monetary incentive plans for members of the management body, General Managers and other Key Managers

Table 1 Remuneration paid to members of the management and control bodies, General Managers and other Key Managers in 2020 (in € thousands). [NOTE. For these purposes, please note that:

In column (1) “Fixed remuneration” is indicated separately, if necessary in the notes and on an accrual basis: (ii) attendance fees; (iii) lump-sum expense reimbursements; (iv) remuneration received for carrying out particular offices, pursuant to article 2389, paragraph 3, of the Italian Civil Code (for example, chairman, vice-chairman); (v) fixed remuneration as an employee gross of social security and tax withholdings payable by the employee, excluding mandatory social security charges to be borne by the company and the provision for employee severance indemnity. The other components of any remuneration as an employee (bonuses, other remuneration, non-monetary benefits, etc.) should be indicated in the relevant columns, specifying in the notes the part paid under the directorship relationship and the part paid under the employee relationship.

In column (2) “Remuneration for participation in committees” is indicated on an accrual basis and can be indicated at an aggregate level. The notes provide an indication of the committees of which the director is a member and, in the case of participation in several committees, the remuneration received for each of them.

Column (3), “Bonuses and other incentives” section, includes the portions of remuneration vested, even if not yet paid, during the year for objectives achieved in the same year as part of monetary incentive plans. The amount is indicated on an accrual basis even if the financial statements have not yet been approved and also for the part of the bonus that may be deferred. Values are not included of stock options assigned or exercised or other remuneration in financial instruments. This value corresponds to the sum of the amounts indicated in Table 3B, columns 2A, 2B and 4, line (III).

With regard to column (3), section “Profit sharing”, the amount is indicated on an accrual basis even if the approval of the financial statements and the distribution of profits have not yet taken place.

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and Surname	Office	Period of office	Office expiration date	Fixed remuneration	Remuneration for participation in Committees	Non-equity variable remuneration		Non-monetary benefits ¹	Other remuneration	Total	Fair value of equity remuneration	Indemnity for cessation of office or termination of employment
						Bonuses and other incentives	Profit sharing					
Enrico Salza	Chairperson	Jan-Dec 2020	Appr. 2020 Fin Stat.									
(I) remuneration in the company preparing the Financial Statements				150,000	--	--	--	--	5,400	155,400	--	--
(II) remuneration from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				150,000	--	--	--	--	5,400	155,400	--	--
Riccardo Ranalli	Deputy Chairperson	Jan-Dec 2020	Appr. 2020 Fin Stat.									
(I) remuneration in the company preparing the Financial Statements				82,000	34,600	--	--	--	5,400	122,000	--	--
(II) remuneration from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				82,000	34,600	--	--	--	5,400	122,000	--	--
Pier Andrea Chevallard	MD/Director	Jan-Dec 2019	Appr. 2020 Fin Stat.									

(I) remuneration in the company preparing the Financial Statements				162,000	--	170,000	--	--	5,400	337,400	--	--
(II) remuneration from subsidiaries and associated companies				130,633	6,000	--	--	--	--	136,633	--	--
(III) Total				292,633	6,000	170,000	--	--	5,400	474,033	--	--
Laura Benedetto	Director	Jan-Dec 2019	Appr. 2020 Fin Stat.									
(I) remuneration in the company preparing the Financial Statements				32,000	--	--	--	--	4,800	36,800	--	--
(II) remuneration from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				32,000	--	--	--	--	4,800	36,800	--	--
Elisa Corghi	Director	Jan-Dec 2019	Appr. 2020 Fin Stat.									
(I) remuneration in the company preparing the Financial Statements				32,000	18,800	--	--	--	5,400	56,200	--	--
(II) remuneration from subsidiaries and associated companies				15,000	2,700	--	--	--	--	17,700	--	--
(III) Total				47,000	21,500	--	--	--	5,400	73,900	--	--

¹ Amounts of the fringe benefits are indicated here (according to a taxability criterion).

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and Surname	Office	Period of office	Office expiration date	Fixed remuneration	Remuneration for participation in Committees	Non-equity variable remuneration		Non-monetary benefits	Other remuneration	Total	Fair value of equity remuneration	Indemnity for cessation of office or termination of employment
						Bonuses and other incentives	Profit sharing					
Gian Paolo Coscia	Director	Jan-Dec 2019	Apr. 2020 Fin Stat.									
(I) remuneration in the company preparing the Financial Statements				32,000	17,600	--	--	--	5,400	55,000	--	--
(II) remuneration from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				32,000	17,600	--	--	--	5,400	55,000	--	--
Paola Generali	Director	Jan-Dec 2019	Apr. 2020 Fin Stat.									
(I) remuneration in the company preparing the Financial Statements				32,000	16,400	--	--	--	4,800	53,200	--	--
(II) remuneration from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				32,000	16,400	--	--	--	4,800	53,200	--	--
Giada Grandi	Director	Jan-Dec 2019	Apr. 2020 Fin Stat.									
(I) remuneration in the company preparing the Financial Statements				32,000	22,400	--	--	--	4,800	59,200	--	--
(II) remuneration from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				32,000	22,400	--	--	--	4,800	59,200	--	--
Eugenio Rossetti	Director	Jan-Dec 2020	Apr. 2020 Fin Stat.									
(I) remuneration in the company preparing the Financial Statements				32,000	41,200	--	--	--	5,400	78,600	--	--
(II) remuneration from subsidiaries and associated companies				55,200	1,500	--	--	--	--	56,700	--	--
(III) Total				87,200	42,700	--	--	--	5,400	135,300	--	--
Lorena Pellissier	Director	Jan-Dec 2019	Apr. 2020 Fin Stat.									
(I) remuneration in the company preparing the Financial Statements				32,000	16,400	--	--	--	5,400	53,800	--	--
(II) remuneration from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				32,000	16,400	--	--	--	5,400	53,800	--	--
Alessandro Potestà	Director	Jan - Dec. 2020	Apr. 2020 Fin Stat.									
(I) remuneration in the company preparing the Financial Statements				32,000	18,800	--	--	--	5,400	56,200	--	--

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and Surname	Office	Period of office	Office expiration date	Fixed remuneration	Remuneration for participation in Committees	Non-equity variable remuneration		Non-monetary benefits	Other remuneration	Total	Fair value of equity remuneration	Indemnity for cessation of office or termination of employment
						Bonuses and other incentives	Profit sharing					
(II) remuneration from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				32,000	18,800	--	--	--	5,400	56,200	--	--
DIRECTORS WHO LEFT THEIR OFFICE												
--	--	--	--	--								
(I) remuneration in the company preparing the Financial Statements				--	--	--	--	--	--	--	--	--
(II) remuneration from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				--	--	--	--	--	--	--	--	--
BOARD OF STATUTORY AUDITORS												
Luca Laurini	Chairperson of the Board of Statutory Auditors	Jan-Dec 2020	Apr. 2020 Fin Stat.									
(I) remuneration in the company preparing the Financial Statements				45,000	--	--	--	--	--	45000	--	--
(II) remuneration from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				45000	--	--	--	--	--	45000	--	--
Monica Mannino	Standing Auditor	Jan-Dec 2020	Apr. 2020 Fin Stat.									
(I) remuneration in the company preparing the Financial Statements				34,000	--	--	--	--	--	34000	--	--
(II) remuneration from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				34,000	--	--	--	--	--	34,000	--	--
Alberto Sodini	Standing Auditor	Jan-Dec 2020	Apr. 2020 Fin Stat.									
(I) remuneration in the company preparing the Financial Statements				34,000	11,000	--	--	--	--	45000	--	--
(II) remuneration from subsidiaries and associated companies				10,000	2,700	--	--	--	1,350	14,050	--	--
(III) Total				44,000	13,700	--	--	--	1,350	59,050	--	--
Maria Cristina Ramenzoni	Alternate Auditor	Jan-Dec 2020	Apr. 2020 Fin Stat.									

(1) remuneration in the company preparing the Financial Statements	--	--	--	--	--	--	--	--	--
--	----	----	----	----	----	----	----	----	----

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and Surname	Office	Period of office	Office expiration date	Fixed remuneration	Remuneration for participation in Committees	Non-equity variable remuneration		Non-monetary benefits	Other remuneration	Total	Fair value of equity remuneration	Indemnity for cessation of office or termination of employment
						Bonuses and other incentives	Profit sharing					
(II) remuneration from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				--	--	--	--	--	--	--	--	--
Domenica Serra	Alternate Auditor	Jan-Dec 2020	Appr. Financial Statements 2020									
(I) remuneration in the company preparing the Financial Statements						--	--	--	--		--	--
(II) remuneration from subsidiaries and associated companies				24,000	1,200	--	--	--	--	25,200	--	--
(III) Total				24,000	1,200	--	--	--	--	25,200	--	--
AUDITORS WHO LEFT THEIR OFFICE												
--	--	--	--									
(I) remuneration in the company preparing the Financial Statements				--	--	--	--	--	--	--	--	--
(II) remuneration from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				--	--	--	--	--	--	--	--	--
GENERAL MANAGER												
	General Manager		-									
(I) remuneration in the company preparing the Financial Statements				274,900	--	--	--	--	--	274,900	--	--
(II) remuneration from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				274,900	--	--	--	--	--	274,900	--	--
KEY MANAGERS												
	Key Managers											
(I) remuneration in the company preparing the Financial Statements				329,765	--	83,000	--	--	--	412,765	--	--
(II) remuneration from subsidiaries and associated companies (1)				1,116,132	7,200	523,024	--	--	--	1,646,356	--	--
(III) Total				1,445,897	7,200	606,024	--	--	--	2,059,121	--	--

Table 2: Stock options assigned to members of the management body, general managers and other key managers.

If stock option plans are envisaged for the members of the management body, general managers and other key managers, the issuer uses table 2.

For each interested party and for each stock option plan dedicated to them, this table indicates:

- options held at the beginning of the year, with their exercise price and the period in which they can be exercised;
- options assigned during the year, with their exercise price, the period in which they can be exercised, their *fair value* at the assignment date², the assignment date and the market price of the underlying shares at that date;
- options exercised during the year, with their exercise price and the market price of the underlying shares at the time they were exercised;
- options that expired during the year;
- options held at year end;
- the *fair value* of the options pertaining to the year.

A	B	(1)	Options held at the beginning of the year			Options granted during the year						Options exercised during the year			Options expired during the year	Options held at year end	Options pertaining to the year
			(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) = (2)+(5)-(11)-(14)	(16)
Name and Surname	Office	Plan	No. of options	Exercise price	Period in which they can be exercised (from – to)	No. of options	Exercise price	Period in which they can be exercised (from – to)	Fair value at assignment date	Assignment date	Market price of the underlying shares at the assignment date	No. of options	Exercise price	Market price of the underlying shares at the exercise date	No. of options	No. of options	Fair value
Chevallard Pier Andrea	M.D.																
(I) remuneration from the company preparing the Financial Statements	2020-2022 STOCK OPTION PLAN	--	--	--	200,000	10.97367	from 23/06/2023 to 31/12/2024	3.46	23.06.2020	11.66	--	--	--			200,000	110,859
	Plan B (date of resolution)													-			
(II) remuneration from subsidiaries and associated companies	Plan A (date of resolution)																
(III) Total						200,000										200,000	110,859

A	B	(1)	Options held at beginning of year			Options assigned during the year						Options exercised during the year			Options expired during the year	Options held at year end	Options pertaining to the year
			(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) = (2)+(5)-(11)-(14)	(16)

² the *fair value* at the assignment date must be indicated with reference to all options assigned in relation to each Plan and not with reference to each option.

																(11)-(14)	
Name and Surname	Office	Plan	No. of options	Exercise price	Possible exercise period (from – to)	No. of options	Exercise price	Possible exercise period (from – to)	Fair value at assignment date	Assignment date	Market price of the underlying shares at the assignment date	No. of options	Exercise price	Market price of the underlying shares at the exercise date	No. of options	No. of options	Fair value
5	Key Managers																
(I) remuneration from the company preparing the Financial Statements		2020-2022 STOCK OPTION PLAN				560,000	10.97367	from 23/06/2023 to 31/12/2024	3.46	23.06.2020	11.66					560,000	310,403
(II) remuneration from subsidiaries and associated companies		Plan A (date of resolution)															
(III) Total						560,000										560,000	310,403

Notes: each option corresponds to the subscription or purchase of one share.

The total (III) is indicated with reference to columns (2), (5), (8), (11), (14), (15), (16).

If an aggregate representation criterion is adopted, the following information must be provided in the Table:

- the total number of options held at the beginning of the year, with indication of the total exercise price paid and the average maturity;
- the total number of options assigned during the year, with indication of the total exercise price paid, the average maturity, the *overall fair value* and the average price of the shares underlying the assignment of the options;
- the total number of options exercised during the year, with an indication of the total exercise price paid during the year and the average price of the underlying shares at the exercise date;

Options expired during the year

Options held at year end

- the *total fair value* of the options pertaining to the year.

TABLE 3: Monetary incentive plans in favour of the members of the Board of Directors, General Managers and other Key Managers

If there are incentive plans based on financial instruments other than *stock options (restricted stock, performance share, phantom stock, etc.)* for members of the management body, general managers and other key managers, the issuer uses table 3A.

If there are monetary incentive plans (to be paid in cash) for the members of the management body, general managers and other executives with strategic responsibilities, the issuer uses table 3B.

TABLE 3B: Monetary incentive plans for members of the Board of Directors, General Managers and other Key Managers ³

A	B	(1)	(2)			(3)			(4)
Surname and First Name	Office	Plan	Bonus for the year			Bonus from previous years			Other bonuses
CHEVELLARD PIER ANDREA	M.D.		(A)	(B)	(C)	(A)	(B)	(C)	
			Payable / Paid	Deferred	Deferral period	No longer payable	Payable / Paid	Still deferred	
(I) remuneration from the company preparing the Financial Statements		Plan MBO A					170,000		
(III) Total							170,000		

A	B	(1)	(2)			(3)			(4)
Surname and First Name	Office	Plan	Bonus for the year			Bonus from previous years			Other bonuses
	Key Managers		(A)	(B)	(C)	(A)	(B)	(C)	
			Payable / Paid	Deferred	Deferral period	No longer payable	Payable / Paid	Still deferred	
(I) remuneration from the company preparing the Financial Statements		Plan MBO A					83,000		

³ It should be noted that the table regards all types of monetary incentive plans, both short-term and medium-long term.

(II) remuneration from subsidiaries and associated companies	Plan A MBO					173,024		
	Plan B LTI					350,000		
(III) Total						606,024		

The total (III) is indicated with reference to all columns with the exception of column (2C).

“**Column 2A**” indicates the bonus for the year accrued for the objectives achieved during the year and disbursed or payable because it is not subject to further conditions (*upfront* remuneration).

“**Column 2B**” indicates the bonus linked to objectives to be achieved during the year but not payable because it is subject to additional conditions (deferred bonus).

“**Column 3A**” indicates the sum of the bonuses deferred in previous years still to be paid at the beginning of the year and no longer payable due to the failure to meet the conditions to which they are subject.

“**Column 3B**” indicates the sum of bonuses deferred in previous years still to be paid at the beginning of the year and paid during the year or payable. “**Column 3C**” indicates the sum of bonuses deferred in previous years still to be paid at the beginning of the year and further deferred.

The sum of the amounts indicated in columns 3A, 3B and 3C corresponds to the sum of the amounts indicated in columns 2B and 3C of the previous year. The “**Other Bonuses**” column shows the bonuses pertaining to the year not explicitly included in specific plans defined in advance.

If an aggregate representation criterion is adopted, the following information must be provided in the Table:

- total bonuses for the year, broken down into disbursed and deferred, with an indication of the average deferral period of the latter;
- total bonuses from previous years, broken down into no longer payable, disbursed and still deferred;
- other total bonuses.

PART THREE

TABLE 4: Shares held by members of the management and control bodies

Surname and First Name	Office	Investee Company	Number of shares owned at the end of the year as at 31.12.2019	No. of shares purchased	No. of shares sold	Number of shares owned at the end of the year as at 31.12.2020
Salza Enrico	Chair of the Board of Directors	Tinexta S.p.A.	--	5,000	--	5,000
Ranalli Riccardo	Deputy Chair of the Board of Directors	Tinexta S.p.A.	--	5,000	--	5,000
Chevallard Pier Andrea	Managing Director	Tinexta S.p.A.	--	23,000	--	23,000

TABLE 5: Shares held by Key Managers

Number of Key Managers	Investee Company	Number of shares owned at the end of the year as at 31.12.2019	No. of shares purchased	No. of shares sold	Number of shares owned at the end of the year as at 31.12.2020
1	TINEXTA S.p.A.	2,920	--	--	2,920
--	--	--	--	--	--

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