



**Servizi  
Italia**

[www.servizitaliagroup.com](http://www.servizitaliagroup.com)

## **REPORT ON REMUNERATION POLICY AND COMPENSATION PAID FOR FINANCIAL YEAR 2023**

*Drawn up pursuant to Article 123-ter of the Consolidated Law on Finance, and Article 9-bis of Directive 2007/36/EC, approved on 14 March 2024 by the Board of Directors, with the assistance of the Governance and Related-Party Committee.*

**Servizi Italia S.p.A.**

Registered Office Via S. Pietro, 59/b – 43019 Castellina di Soragna (PR)

Fully paid-up share capital Euro 31,809,451.00

Tax ID Code and Parma Register of Companies No. 08531760158

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## Glossary

<b>Shareholders' Meeting</b>	The shareholders' meeting of Servizi Italia S.p.A.
<b>Executive Directors</b>	In compliance with the criteria of the Corporate Governance Code, Executive Directors are: <ul style="list-style-type: none"> <li>- the Chairperson of the Company or of a subsidiary having strategic relevance, when they are assigned powers in the management or in the development of Company strategy;</li> <li>- the Directors who are the recipients of management powers and/or hold managerial positions in the Company or in a subsidiary with strategic relevance, or in the parent company when the position also concerns the Company;</li> <li>- the Directors who are members of the Executive Committee of the Company.</li> </ul>
<b>Corporate Governance Code</b>	The Corporate Governance Code for listed companies approved in January 2020 by the Corporate Governance Committee.
<b>Board, Board of Directors or BoD</b>	The board of directors of Servizi Italia S.p.A.
<b>Board of Statutory Auditors</b>	The board of statutory auditors of Servizi Italia S.p.A.
<b>Appointments and Remuneration Committee ("ARC")</b>	The Servizi Italia S.p.A. committee in office from 20 April 2018 to 20 April 2021 with advisory and propositional functions on remuneration matters.
<b>Governance and Related-Party Committee ("GC" or "Governance Committee" or "Committee")</b>	The Servizi Italia S.p.A. committee, set up within the Board since 20 April 2021 with preliminary, consultative and propositional functions regarding appointments, remuneration, control and risks, pursuant to the Corporate Governance Code and the Risk Policy adopted by the Company, as well as with functions relating to transactions with related parties pursuant to Consob Regulation No. 17221/10 and the Related-Party Regulation adopted by Servizi Italia S.p.A.
<b>Executive Committee ("EC")</b>	The executive committee of Servizi Italia S.p.A.
<b>Fixed Monetary Component</b>	<ul style="list-style-type: none"> <li>- Gross Annual Remuneration (G.A.R.) to which the Beneficiary is entitled for the position held in the Company;</li> <li>- Gross Annual Compensations/Emoluments for a Director and for any other additional offices held in the Company as resolved by the Shareholders' Meeting and the Board of Directors of Servizi Italia to which the beneficiary is entitled.</li> </ul>
<b>Executives with strategic responsibilities</b>	Executives identified by the Board of Directors as having the power or responsibility to plan, manage and control the Company's activities.
<b>Executives</b>	Inclusive of: Executive Directors, Executives with strategic responsibilities and Senior Managers.
<b>Servizi Italia Group or Group</b>	All the companies included in the consolidation scope of Servizi Italia S.p.A.
<b>Management</b>	Inclusive of: Executives and Middle Managers.
<b>Middle Managers</b>	Middle managers and first line managers of departments who have the managerial levers to influence the factors determining the creation of value for the Group and who make a greater contribution to the achievement of the objectives of the Business Plan in the time horizon considered.
<b>Management by Objectives (or MBO) Plan</b>	The annual monetary incentive plan governed by the MBO Regulation approved on 14 March 2024 by the Board of Directors with the support of the Governance and Related-Party Committee.
<b>LTI-Cash plan</b>	The three-year <i>Long-Term Incentive Cash Plan</i> governed by the 2024-2026 LTI Cash Regulation approved on 14 March 2024 by the Board of Directors, with the support of the Governance and Related-Party Committee.
<b>TRP Regulation/Regulations for Transactions with Related Parties</b>	The Regulation for Transactions with Related Parties approved by the Board of Directors on 24 November 2010 and lastly amended on 25 June 2021.
<b>Total remuneration or Gross target remuneration</b>	It indicates the sum of: Fixed Monetary Component + Short-term variable annual monetary component that the beneficiary could receive if the target objectives were achieved (MBO Plan, formerly ABS Plan) + the annualization of the medium/long-term

	variable monetary component (LTI Cash Plan) that the beneficiary could receive if the medium/long-term target objectives were achieved.
<b>Servizi Italia or Company</b>	Servizi Italia S.p.A.
<b>Senior Managers</b>	Other senior managers, of first organisational level, meeting specific requirements, defined as "Senior" according to the position held within the organisational structure, autonomy and decision-making power in making decisions in the Company.

## Foreword

This report on remuneration policy and compensation paid in the 2023 financial year (the "**Report**") has been prepared in accordance with the provisions of Article 123-ter of Italian Legislative Decree No. 58/1998 as amended (the "**Consolidated Law on Finance**"), Article 84-*quater* and Annex 3A, Schedule 7-*bis* of CONSOB Regulation No. 11971/1999, as amended (the "**Issuers' Regulations**"). In compliance with the regulations and in line with the values of transparency and responsibility which have always been pursued by Servizi Italia Group, the Company intends to ensure appropriate information on the strategies and processes adopted for the definition and implementation of the Remuneration Policy.

The Report was prepared by the Human Resources Manager of Servizi Italia S.p.A., and – after examination by the Governance Committee – was approved by the Board of Directors at its meeting on 14 March 2024. The Report consists of two sections:

- **Section I**, which describes the remuneration policy for members of the Board of Directors, Executives with strategic responsibilities and members of the Board of Statutory Auditors for the financial years 2024-2026 which will be submitted for approval to the Shareholders' Meeting on 22 April 2024 (the "**Policy**" or the "**Remuneration Policy**"), as well as the procedures used for its adoption and implementation.

Specifically, the Policy:

- sets out how it contributes to the corporate strategy, the pursuit of the Company's long-term interests and sustainability, and is determined taking into account the compensation and working conditions of the Company's employees;
- defines the various remuneration components that may be recognised and establishes the criteria for the recognition of variable remuneration based on financial and non-financial performance objectives, linked to the corporate strategy for the improvement of economic value performance and the management of sustainability issues contained in the Consolidated Non-Financial Statement pursuant to Italian Legislative Decree No. 254/2016;
- specifies the elements of the Remuneration Policy from which an exception may be made under extraordinary circumstances, and the procedural conditions under which, without prejudice to the provisions on related-party transactions, the exception may be applied.

In compliance with the provisions of Art. 123-ter, paragraph 3-bis of the Consolidated Law on Financial, the duration of the Remuneration Policy submitted for approval to the next Shareholders' Meeting called for 22 April 2024 on first call (and, if necessary, for 23 April 2024 on second call) is three financial years, 2024-2026, in line with the proposed term of office of the Board of Directors to be appointed by the next Shareholders' Meeting, with effect from the date of approval by the Shareholders' Meeting, and will in any case be valid and effective until the Shareholders' Meeting approves amendments to the same and/or a new remuneration policy submitted by the Board of Directors.

The Policy on remuneration and compensation paid will remain available on the Company's website for 10 years after its publication and, after this period, the personal data contained in Section II of the report will no longer be accessible.

It is recalled that, as specified in the ministerial report accompanying Italian Legislative Decree No. 49/2019 (amending Article 123-ter of the Consolidated Law on Finance) and reaffirmed by the Supervisory

Authority, the changes to the remuneration policy to be submitted to a new vote by the Shareholders' Meeting are different from formal or merely editorial ones and must concern aspects of the content of the policy itself, a representation of which was provided in the previously approved policy or the introduction of new elements that make the previously approved policy no longer representative of the remuneration policy actually in place.

- **Section II** illustrates the compensation paid during the 2023 financial year, for any reason and in any form, by the Company and the Group companies, to the Directors, Executives with Strategic Responsibilities and members of the Board of Statutory Auditors, providing a representation of each of the items that make up their remuneration. Pursuant to Article 84-*quater*, paragraph 4, of the Issuers' Regulations, Section II also provides, in specific tables, data on the shareholdings held – in the Company and in its subsidiaries – by Directors, Statutory Auditors and Executives with strategic responsibilities, as well as by spouses who are not legally separated and minor children, directly or through subsidiaries, trust companies or third parties, as resulting from the shareholders' register, from communications received and from other information acquired from the Directors, Statutory Auditors and Executives with strategic responsibilities.

Pursuant to Article 123-*ter*, subsections 3-*bis* and 6, of the Consolidated Law on Finance, the Shareholders' Meeting will be called upon to resolve, in favour or against:

- (i) on the Remuneration Policy discussed in the first section of the Report as required by Article 123-*ter*, paragraph 3, of the Consolidated Law on Finance. This resolution shall be binding pursuant to Article 123-*ter*, paragraph 3-*ter*, of the Consolidated Law on Finance;
- (ii) on the second section of the Report provided for by Article 123-*ter*, paragraph 4, of the Consolidated Law on Finance; this resolution shall not be binding pursuant to Article 123-*ter*, paragraph 6, of the Consolidated Law on Finance.

It should be noted that the approval by the Shareholders' Meeting of the Remuneration Policy as illustrated in Section I of this document and its consistent application by the administrative body are grounds for exclusion from the application of the Regulation for transactions with related parties adopted by the Company, pursuant to Article 7 thereof and in compliance with the provisions of Article 13 of Consob Regulation No. 17221/10 as subsequently amended and integrated, at the conditions therein indicated. The provisions of the TRP Regulation adopted by the Company will be fully applied in any case of derogation from the Remuneration Policy, subject to the conditions laid down in paragraph 7 of Section I below.

## SECTION I – REMUNERATION POLICY 2024-2026

### Executive summary – Remuneration Policy 2024-2026

Remuneration element	Objectives	Implementing terms	Amounts/% values
Fixed Monetary Component (G.A.R.)	Reward skills, role contribution and performance continuity	Annual remuneration level defined on the basis of position resulting from a comparison with the market benchmark, and as regards Executive Directors, within the limits of overall determination by the Shareholders' Meeting	In order to ensure the competitiveness of the remuneration package, Servizi Italia appoints specialised consultancy firms to carry out annual comparative analyses on remuneration positions
Short-term variable monetary component (MBO Plan)	Promote the achievement of annual corporate objectives (financial and non-financial)	<p><b>CE, DG, DRS, DC e DAC:</b></p> <p><b>Access gate:</b></p> <ul style="list-style-type: none"> <li>Consolidated non-negative Group net result resulting from the consolidated financial statements of the year of reference</li> <li>Achievement of the Objective Threshold Value</li> </ul> <p><b>Objectives:</b></p> <ul style="list-style-type: none"> <li>Group consolidated EBIT (weight 40%)</li> <li>Strategic departmental objectives (weight 50%)</li> <li>ESG sustainability targets (weight 10%)</li> </ul> <p><b>CD:</b></p> <p><b>Access gate:</b></p> <ul style="list-style-type: none"> <li>Consolidated non-negative Group net result resulting from the consolidated financial statements of the year of reference</li> <li>Achievement of the Objective Threshold Value</li> </ul> <p><b>Objectives:</b></p> <ul style="list-style-type: none"> <li>Group consolidated EBIT (weight 30%)</li> <li>Strategic departmental objectives (weight 60%)</li> <li>ESG sustainability targets (weight 10%)</li> </ul> <p><b>RAC, MM, P and FCO:</b></p> <p><b>Access gate:</b></p> <ul style="list-style-type: none"> <li>Consolidated non-negative Group net result resulting from the consolidated financial statements of the year of reference                             <ul style="list-style-type: none"> <li>Achievement of the Guarantee Target Value</li> </ul> </li> </ul> <p><b>Objectives:</b></p> <ul style="list-style-type: none"> <li>Group consolidated EBIT (weight 20%)</li> <li>Strategic departmental objectives (weight 70%)</li> <li>ESG sustainability targets (weight 10%)</li> </ul> <p><b>Performance measurement:</b> performance objectives are measured at the end of the period covered by the MBO Plan.</p> <p><b>Disbursement:</b> within the first half of the financial year following that to which the MBO Plan refers, after the approval by the Board of Directors of the draft consolidated financial statements to which the MBO Plan refers.</p> <p><b>Claw-back clause</b></p>	<p><b>CE, DG, DRS, DC e DAC:</b></p> <ul style="list-style-type: none"> <li>Monetary Bonus: % of Fixed Monetary Component. Depending on the Beneficiary's category, the incentive curve ranges from 9% (minimum level) to 30% (maximum level)</li> </ul> <p><b>CD:</b></p> <ul style="list-style-type: none"> <li>Monetary Bonus: % of Fixed Monetary Component. Depending on the Beneficiary's category, the incentive curve ranges from 7.5% (minimum level) to 22.5% (maximum level)</li> </ul> <p><b>RAC, MM, P and FCO:</b></p> <ul style="list-style-type: none"> <li>Monetary Bonus: % of Fixed Monetary Component. Depending on the Beneficiary's category, the incentive curve ranges from 1.5% (minimum level) to 15% (maximum level)</li> </ul>
Medium/long-term variable monetary component (LTI Cash plan)	Promote alignment to the interests of the Shareholders and contributes to the Company's strategy and sustainable	<p><b>CE, DRS, DC, DAC, CD, SM, MM, P and FCO: Long-Term Incentive</b></p> <p><b>Vesting period:</b> three years (2024-2026).</p> <p><b>Access gate:</b></p> <ul style="list-style-type: none"> <li>-Consolidated non-negative Group net result for the years 2024-2025-2026 resulting from</li> </ul>	<p><b>EC and ESR:</b></p> <p>Monetary Bonus: % of Fixed Monetary Component. The incentive curve ranges from 30% (minimum level) to 90% (maximum level), increasable by +5% due to the ESG multiplier.</p>

	success in creating value in the medium to long term.	<p>the consolidated financial statements of the relevant years</p> <ul style="list-style-type: none"> <li>Achievement of the Objective Threshold Value.</li> </ul> <p><b>Objectives:</b></p> <ul style="list-style-type: none"> <li>Group consolidated cumulative EBIT for the years 2024-2025-2026</li> </ul> <p><b>Multiplier/Demultiplier:</b> The ESG target acts as a multiplier/demultiplier of the Monetary Bonus achieved and has a value of +5% or -5%.</p> <p><b>Performance measurement:</b> performance objectives are measured at a cumulative level at the end of the three-year reference period.</p> <p><b>Disbursement:</b> within the first half of 2027, following the approval by the Board of Directors of the draft consolidated financial statements for the year 2026.</p> <p><b>Claw-back clause</b></p>	<p><b>DC and DCA:</b></p> <ul style="list-style-type: none"> <li>Monetary Bonus: % of Fixed Monetary Component. The incentive curve ranges from 25% (minimum level) to 75% (maximum level), increasable by +5% due to the ESG multiplier.</li> </ul> <p><b>CD:</b></p> <ul style="list-style-type: none"> <li>Monetary Bonus: % of Fixed Monetary Component. The incentive curve ranges from 20% (minimum level) to 60% (maximum level), increasable by +5% due to the ESG multiplier.</li> </ul> <p><b>SM, MM, P and FCO:</b></p> <ul style="list-style-type: none"> <li>Monetary Bonus: % of Fixed Monetary Component. The incentive curve ranges from 15% (minimum level) to 45% (maximum level), increasable by +5% due to the ESG multiplier.</li> </ul>
<i>Benefits</i>	Integration of remuneration packages and alignment with market standards	Defined in continuity with the Policy of previous years and in compliance with the provisions of collective bargaining and national legislation	In addition to the mandatory benefits: <ul style="list-style-type: none"> <li>Flexible Benefit Plan</li> <li>Supplementary Health Care</li> <li>Company Car</li> </ul>

CE= Executive Committee Member; DG= General Manager; DRS= Executive with strategic responsibilities; DC= Customer Division; DAC= Head of Area Sales; CD= Management Committee; RAC= Sales Area Manager; MM= Middle Manager; P= Professional; FCO= Key Staff in the Organisation

## 1.1 Process for defining and approving the Remuneration Policy

The Remuneration Policy, understood as the set of principles and tools aimed at defining the compensation package for Directors, Executives with strategic responsibilities and – without prejudice to the provisions of Article 2402 of the Italian Civil Code – Auditors, involves the bodies listed below:

### 1) Shareholders' Meeting

With regard to remuneration, the Shareholders' Meeting:

- pursuant to Articles 2364, paragraph 1, No. 3, and 2389, paragraph 3, of the Italian Civil Code and section 17.10 of the Articles of Association, determines the remuneration of the Board of Directors as a whole;
- pursuant to Article 2364, paragraph 1, No. 3 of the Italian Civil Code, determines the annual remuneration due to the Statutory Auditors for the entire period of their office;
- approves the Remuneration Policy defined by the Board of Directors (on the proposal of the pertinent committee), as illustrated in the first section of the Report on remuneration policy and compensation paid; the resolution is binding pursuant to Article 123-ter, par. 3-ter of the Consolidated Law on Finance;
- expresses a non-binding vote on the second section of the Report on remuneration policy and compensation paid pursuant to Article 123-ter, par. 6, of the Consolidated Law on Finance;
- resolves on any remuneration plans based on shares or other financial instruments intended for Directors, employees and collaborators, including Executives with strategic responsibilities, pursuant to Article 114-bis of the Consolidated Law on Finance.

## **2) Board of Directors**

As regards remuneration, the Board:

- sets up an internal committee with responsibility on remuneration, of which at least one member must have adequate knowledge and experience in financial matters or remuneration policies, to be assessed by the Board at the time of appointment;
- resolves on the allocation of the compensation determined by the Shareholders' Meeting for the Board of Directors and determines the remuneration of the Directors holding special offices (including the members of the Committees established within the Board and of the Vice-Chairperson), on the proposal of the committee with responsibility on remuneration, subject to the opinion of the Board of Statutory Auditors, pursuant to Article 2389, par. 3 of the Italian Civil Code, Section 17.11 of the Articles of Association and in compliance with the principles established by the applicable regulations in force; the proposal regarding the remuneration of Directors who are also members of the Governance Committee is formulated by an independent Director (or, failing this, by a non-executive Director) who is not part of any Board committees;
- defines, on the proposal of the committee with responsibility on remuneration, the Policy on the remuneration of Directors, Executive with strategic responsibilities and – without prejudice to the provisions of Article 2402 of the Italian Civil Code – Statutory Auditors, in compliance with the legislation applicable from time to time, submits it to the Shareholders' Meeting for approval pursuant to Article 123-ter of the Consolidated Law on Finance and oversees its implementation;
- with the support of the Governance Committee operating as the Remuneration Committee, approves the Report on remuneration policy and compensation paid pursuant to Article 123-ter of the Consolidated Law on Finance and Article 84-quater of the Issuers' Regulations, drawn up by the Human Resources Manager, and submits it to the Shareholders' Meeting;
- prepares any share- or other financial instrument-based remuneration plans for Directors, employees and collaborators, including Executives with strategic responsibilities, submits them to the Shareholders' Meeting for approval pursuant to Article 114-bis of the Consolidated Law on Finance and oversees their implementation.

## **3) Governance and Related-Party Committee**

In accordance with Recommendation 25 of the Corporate Governance Code, regarding matters related to remuneration the Committee:

- assists the Board of Directors in drawing up the policy for the remuneration of Directors, Auditors (without prejudice to the provisions of Article 2402 of the Civil Code) and Executives with strategic responsibilities;
- submits proposals or expresses opinions on the remuneration of Executive Directors and other Directors holding special offices, as well as on setting performance objectives related to the variable component of such remuneration; the proposal concerning the remuneration of Directors who are also members of the Governance and Related-Party Committee shall be formulated by an independent Director (or, failing this, by a non-executive Director) who is not a member of any of the Board committees;
- monitors the concrete application of the policy for the remuneration of Directors, Statutory Auditors and Executives with strategic responsibilities as well as the decisions adopted by the Board on remuneration and verifies, in particular, the effective achievement of performance objectives, making use in the latter with regards to information provided by the delegated body and Human Resources Manager;

- periodically assesses the adequacy and overall consistency of the remuneration policy for Directors, Statutory Auditors and Executives with strategic responsibilities, in this regard using the information provided by the delegated body and Human Resources Director; making proposals to the Board of Directors on this matter;
- examines in advance the Report on remuneration policy and compensation paid to be made available to the public with a view to the annual general meeting for the approval of the financial statements;
- within the scope of its responsibilities, it drafts, submits to the Board of Directors and monitors the application of incentive systems for the management (including any remuneration plans based on financial instruments), understood as instruments aiming to attract and motivate resources of an adequate level and experience, developing a sense of belonging and ensuring a constant orientation towards the creation of value over time;
- may also provide support to the delegated body and Manager of Human Resources with regard to the enhancement of managerial resources, recruitment of talented resources and the promotion of initiatives with universities in this field;
- evaluates the criteria adopted for the remuneration of Executives with strategic responsibilities and supervises their application on the basis of the information provided by the delegated body and Human Resources Manager;
- performs the additional functions entrusted to the same by the remuneration policy in force from time to time and/or by the Board of Directors.

#### **4) Board of Statutory Auditors**

With regard to remuneration, the Board of Statutory Auditors, in accordance with the provisions of Article 2389, paragraph 3 of the Italian Civil Code and Section 17.11 of the Articles of Association, expresses its opinion on the proposals for the remuneration of Executive Directors, and more generally, of Directors holding special offices within the framework of the overall determination made by the Shareholders' Meeting, verifying the consistency of such proposals with the Remuneration Policy.

#### **5) Delegated body (Executive Committee)**

With regard to remuneration, the delegated body:

- is responsible for correctly implementing the Remuneration Policy;
- is responsible for identifying the participants in the MBO (formerly ABS) Plan, in the LTI Cash Plan and, in general, in any short- and medium/long-term incentive plan adopted by the Company, and assists the Committee in drawing them up;
- assists the Committee in drawing up proposals on the setting of performance targets to which to link the payment of variable components for their remuneration;
- provides the Committee with all useful information so that the latter can assess the adequacy and monitor the concrete application of the Remuneration Policy, with particular regard to the remuneration of Executives with strategic responsibilities.

#### **6) Human Resources Manager**

With regard to remuneration, the Human Resources Manager is jointly responsible for the correct implementation of the remuneration policy.

## 1.2 Responsibilities, composition and functioning of the Governance and Related-Party Committee

### Responsibilities

Servizi Italia has set up a committee with responsibilities for remuneration, endowed with corporate governance tools in line with market practice, the provisions of the Consolidated Law on Finance and the Corporate Governance Code.

In addition to what stated in paragraph 1.1, the Governance and Related-Party Committee has the following consultative and proposal-making functions vis-à-vis the Board of Directors:

#### with regard to appointments

- a) it assists the Board of Directors in the self-assessment activities of the administrative body and its Committees;
- b) it assists the Board of Directors in defining the optimal composition of the Board and its Committees and in defining and updating the Board of Directors' diversity policy;
- c) it assists the Board of Directors in identifying candidates for the office of Director in the event of co-optation;
- d) it assists the Board of Directors in preparing, updating and implementing any plan for the succession of Executive Directors;

in matters relating to control and risks, it assists the Board of Directors in evaluations and decisions relating to the Internal Control and Risk Management System and in the approval of periodic financial and non-financial reports. In particular:

- a) it supports and issues opinions to the Board of Directors in identifying and updating the principles and indications contained in the guidelines of the Internal Control and Risk Management System (the Risk Policy adopted by the Company);
- b) it supports and issues opinions to the Board of Directors regarding the assessment of the adequacy of the Internal Control and Risk Management System with respect to the characteristics of the business and the risk profile assumed, as well as its effectiveness, with the aim of ensuring that the main business risks are correctly identified and adequately managed. In this regard, it reports to the Board of Directors at least on a half-yearly basis, as a rule on the occasion of (or prior to) the Board meetings held for the approval of the annual and half-yearly financial statements, on the activities carried out, as well as on the adequacy and effectiveness of the Internal Control and Risk Management System;
- c) after consulting the Financial Reporting Manager, the Independent Auditors and the Board of Statutory Auditors, it assesses the correct use of accounting standards and their uniformity with regard to the preparation of the consolidated financial statements;
- d) it assesses the correctness of the process of preparing the periodic financial and non-financial information, so that it correctly represents the business model, the strategies of the Company, the impact of its activities and the performance achieved; and it acknowledges the information provided by the delegated body and the Financial Reporting Manager concerning the suitability of the periodic financial information;
- e) it examines the content of periodic non-financial information relevant to the Internal Control and Risk Management System and supports the Board of Directors in describing, in the context of the annual report on corporate governance and ownership structure, the main features of the Internal Control and Risk Management System and the methods of coordination between the various parties involved in the Internal Control and Risk Management System;

- f) it expresses opinions on specific aspects relating to the identification of the main corporate risks and supports the assessments and decisions of the Board of Directors relating to the management of risks deriving from prejudicial facts of which the latter has become aware;
- g) it supports and issues opinions to the Board of Directors concerning the appointment and revocation of the Head of Internal Audit, the definition of his remuneration in line with company policies, and the verification that he has adequate resources to carry out his responsibilities;
- h) it supports and issues opinions to the Board of Directors in approving the work plan prepared by the Head of Internal Audit;
- i) it examines the periodic reports and those of particular importance prepared by the Internal Audit department;
- j) it monitors the autonomy, adequacy, effectiveness and efficiency of the Internal Audit function;
- k) it may entrust the Internal Audit function with the task of carrying out checks on specific operational areas, simultaneously notifying the Chairman of the Board of Statutory Auditors;
- l) it supports the Board of Directors in assessing the results set out by the auditor in the letter of suggestions, if any, and in the supplementary report addressed to the Board of Statutory Auditors;
- m) it discusses with the Financial Reporting Manager the results of control activities relating to the corporate risks associated with the activities for which the Financial Reporting Manager is responsible, as well as the implementation of internal procedures involving themselves;
- n) it carries out any additional task assigned by the Board of Directors.

on transactions with related parties

- a) it carries out the tasks that, in compliance with the regulations in force from time to time, are attributed to it pursuant to the Regulation for Transactions with Related Parties adopted by the Company in relation to both transactions of lesser importance and – given the qualification as a "small company" of Servizi Italia and as long as the Company qualifies as such – for transactions of greater significance with related parties.

*Composition*

The Board of Directors appointed by the Shareholders' Meeting on 20 April 2021 established, on the same date, the Governance and Related-Party Committee (formerly the Appointments and Remuneration Committee), with preliminary, propositional and consultative functions on the subject of appointments, remuneration, control and risks and transactions with related parties.

The GC, who has remained in office for the duration of the Board of Directors and whose position will expire at the next Shareholders' Meeting called for the approval of the financial statements at 31 December 2023, is made up of the following three independent Directors: Anna Maria Fellegara (Chairwoman), Antonio Aristide Mastrangelo and Benedetta Pinna.

The works of the GC:

- were coordinated by the Chairwoman,
- have been duly minuted,
- and the relative outcomes were reported by the Chairwoman to the attention of the Board of Directors at the first possible board meeting.

All members of the Board of Statutory Auditors attended the meetings of the GC, except in cases of justified absence.

At least one member of the GC has knowledge and experience in financial matters or in relation to remuneration policies deemed adequate by the Board at the time of appointment.

#### *Operation and management of conflicts of interest*

None of the Directors attends meetings of the GC at which proposals are made regarding their own remuneration, as provided for by the regulations of the same GC.

Executive Directors shall abstain from voting on the definition of all guarantee/threshold/target/over-performance levels of the performance indicators of the short-term as well as the long-term incentive system, if there is an impact on their own remuneration.

The Committee may invite non-members, including other members of the Board or the structure, to its meetings with reference to individual items on the agenda. In order to carry out the tasks assigned to it, the Committee may use the support of both internal employees and external professionals. Where the Committee uses the services of a consultant, in order to obtain information on market practices with regard to remuneration policies, it shall first check that the consultant is not in a situation that would compromise their independence of judgement.

The members of the Committee have access to the information and corporate functions necessary for the performance of their duties, with the assistance of the Manager of Human Resources.

For information on the main activities carried out by the GC in 2023, the number of meetings of the Committee and their duration, refer to the Report on Corporate Governance and Ownership Structure for the financial year 2023.

It should also be noted that the Remuneration Policy provides that the proposal concerning the remuneration of Directors who are also members of the GC to be made by an independent Director (or, failing this, by a non-executive Director) who is not a member of any of the Board committees.

## **2. Guiding principles and aims of the Remuneration Policy**

The Company generally defines and applies a Remuneration Policy aimed at attracting, motivating and retaining resources possessing the professional qualities required to profitably pursue the objectives of the Group and the business, as well as the competitiveness and sustainability of the business activities carried out by the Company and the Group in the long term.

The main objectives of the Policy are:

- to involve and incentivise the Directors and Management, whose activities are considered of fundamental importance for achieving the Group's objectives and corporate strategy, and align their interests to the pursuit of the priority objective of creating medium/long-term value for shareholders, also having regard to the interests of other stakeholders relevant to the Company;
- to certify the Company's willingness to share the increase in value with the Group's highest professional figures;
- to foster the loyalty of the Group's key resources, encouraging them to stay within the Group;
- to support the implementation of the multi-year Business Plan approved by the Board of Directors and the corporate strategies of the Company and Servizi Italia Group, taking into account the working conditions and welfare of employees;
- to attract people with specific skills and professional qualities within the Company, thus fostering successful management and the competitiveness and sustainability of the activities carried out by the Company and/or the Group over the long term;
- to motivate remunerative growth according to comparative market parameters (basket of companies comparable to Servizi Italia S.p.A. by sector and size used as a market benchmark);

- to structure for Executives a remuneration system consisting of a Fixed Monetary Component and an additional variable monetary component correlated to the achievement of specific short and medium/long-term strategic objectives.

## **2.1 Relevance of employees' remuneration and working conditions in determining the Remuneration Policy.**

The Remuneration Policy is made up of tools and logic, applied to the entire company population, aimed at attracting, motivating and retaining people with the professional qualities necessary to contribute to defining the Company's growth strategy and the strengthening of the long-term interests and sustainability of Servizi Italia.

Aware that the sustainable success of the Company and the Group is closely linked to the satisfaction and growth of the people who work there, the Company recognises that one of the priority objectives to be pursued in order to generate long-term value is the well-being of employees, understood not only as a guarantee of adequate health and safety conditions in the workplace, but also as professional fulfilment (also thanks to training and development policies spread at various company levels) and the possibility of reconciling professional and personal life in a balanced manner.

The Remuneration Policy is based on the principles of fairness, equal opportunities, meritocracy and competitiveness in relation to the market. The definition of the remuneration of the corporate population takes into consideration specific criteria, including comparisons with the external market and the company's internal equity, the characteristics of assigned roles and the responsibilities, as well as the distinctive skills of people, with a view to maximum objectivity, in order to avoid any form of discrimination or unjustified unbalanced situations.

The growth and exploitation of people, protection of health and safety in the workplace, creation of a collaborative, loyal and synergistic corporate climate and a positive and organised work environment that offers everyone equal opportunities on the basis of merit for organisational roles, the development of professional and managerial skills are the essential components of the Company's work in pursuing the sustainable success of the Company and the Group.

Servizi Italia, with its ongoing commitment to maintaining SA8000 certification, respects the dignity of each individual and offers equal opportunities at all stages and in all aspects of the employment relationship, avoiding any form of discrimination which may arise from differences in sex, age, state of health, nationality, political or religious opinion.

Attention to people also includes careful management of welfare, committing to guaranteeing employees fair wages that allow their families to enjoy well-being and social serenity, while also encouraging initiatives or non-monetary benefits aimed at improving the general well-being of all employees.

Depending on the classification of resources, the Human Resources Department formulates remuneration proposals as follows:

1. for **blue collar workers**, it takes into account the minimum rates laid down in the relevant CCNL (national collective labour agreement). Increases in the remuneration component may occur, in addition to the application of the relevant CCNL, for salary reviews as well as for payments of Result Bonuses (variable component) upon achievement of targets set in the existing second-level union agreements. The Company maintains a "FlexBenefit" corporate welfare platform, which allows employees to voluntarily convert the variable remuneration rate linked to the result benefits into flexible benefits;
2. for **white collars, middle managers and executives (including those with strategic responsibilities)**, it takes into account the minimum pay scales provided for by the relevant CCNL; it also assesses the positioning of the remuneration package with internal benchmark analyses (average remuneration by professional profile, by Department/Area of employment, by contractual classification, etc.) and external benchmark analyses (sector averages, market remuneration analyses provided by companies specialising in this area, etc.). The

analysis uses the market as a reference by considering a basket of comparable companies by business sector, size data (in terms of turnover and number of employees), type/characteristics and role weight (defined by an analysis of job description, purpose and responsibility of roles within the Group), in order to render the comparison uniform between different companies.

The Remuneration Policy is based on the following principles:

- a) the **Fixed Monetary Component, variable monetary component** for remuneration and any **benefits** are adequately balanced according to the Company's strategic objectives and risk management policy, taking into account the sector in which it operates and the characteristics of the business activity actually carried out, in line with the objective of promoting long-term value creation for all Shareholders and sustainable growth;
- b) the **Fixed Monetary Component** for remuneration (generally determined taking into account professional specialisation, the complexity of organisational roles covered and related responsibilities, the market remuneration level) is set to a sufficient extent to remunerate the performance of Executive Directors and Executives with Strategic Responsibilities in the event that the variable component is not paid due to the failure to achieve the performance objectives set by the Board of Directors;
- c) the **variable monetary component**, achievable against the achievement of predefined economic/financial and non-financial (quantitative and/or qualitative) corporate objectives, is designed to significantly remunerate results that exceed targets, decreasing in value when the latter are not achieved. It is paid within maximum limits. The variable component of remuneration is divided into a short-term component (MBO or formerly ABS Plan) and a long-term component (LTI Cash Plan). The latter, in terms of relevance, is higher than the former and provides for an appropriate vesting period, as it is linked to the achievement of long-term objectives. The duration of the vesting period is consistent with the nature of the business operations and related risk profiles. Among the non-financial objectives to which the payment of a portion of variable remuneration is to be linked, the Remuneration Policy also includes objectives tied to sustainable working conditions and standards (with particular regard, among other things, to initiatives aimed at implementing the protection of the health and safety of workers and improving the well-being of employees and the corporate climate, as well as training programmes aimed at developing the technical and professional skills of employees and promoting stability and retention);
- d) allowances, if applicable, relating to the assumption of non-competition undertakings;
- e) any compensation, for the office of Director in another company in which Servizi Italia holds an interest (where there is no obligation to report to Servizi Italia);
- f) non-monetary benefits, depending on the role, most of which are provided for by the National Collective Labour Agreements, as applied and recognised by corporate practices identified in specific regulations approved by the Board of Directors, in compliance with the principles of sobriety, cost containment and proportionality with respect to the aims pursued.

The definition of the Policy is the result of a clear and transparent process, in which the Manager of Human Resources, the Committee and the Board of Directors play a central role.

As explained, the Policy defines the principles and guidelines that the Board of Directors and delegated body must follow when defining the remuneration of:

- members of the Board of Directors and, in particular, of the Executive Directors;
- Executives with strategic responsibilities;
- *Senior Managers, Middle Managers, special and key staff.*

At the proposal of the Committee, the Board of Directors adopts the criteria for the implementation of the Policy and any amendments where applicable.

The remuneration of Senior Managers and Middle Managers, i.e. special and key staff, is approved by the delegated body (CEO or Executive Committee), in agreement with the Manager of Human Resources.

At least once a year, the Manager of Human Resources shall report to the Committee on compliance with the Policy and the related application criteria.

## 2.2 Description of the Remuneration Policy

The Board of Directors may propose to the Shareholders' Meeting the adoption of incentive mechanisms through compensation plans based on financial instruments. The relevant legislation will apply to these mechanisms. At the date of this Report, the Company has no incentive plans in place based on financial instruments.

The Committee and the Board of Directors, where required with the assistance of independent firms specialising in executive compensation, analyse the positioning, composition and, more generally, the competitiveness of the remuneration of directors holding special offices, Executive Directors, on the basis of methodological approaches that allow for an assessment of the complexity of such roles from an organisational standpoint, specific delegated powers, and the impact on each individual's final business results.

### The Board of Directors

The Shareholders' Meeting held on 20 April 2021 resolved for the three-year period 2021-2023 to appoint a Board of Directors consisting of seven members, who will remain in office until the Shareholders' Meeting convened to approve the Financial Statements at 31 December 2023.

The Directors in office at the date of approval of this Report are indicated in the table below:

Name	Position	List (M/m)
Roberto Olivi (*)	Chairman	M
Ilaria Eugeniani (*)	Deputy Chairwoman	M
Michele Magagna (*)	Director	M
Umberto Zuliani	Director	M
Antonio Aristide Mastrangelo <sup>(1)(2)</sup>	Independent Director	m
Anna Maria Fellegara <sup>(1)(p)</sup>	Independent Director	M
Benedetta Pinna <sup>(1)</sup>	Independent Director	M

(\*) Members of the Executive Committee

(1) Member of the Governance and Related-Party Committee

(2) Lead Independent Director

(p) Chairwoman of the Governance and Related-Party Committee

For the duration of their term of office, the members of the Board of Directors, pursuant to Article 17.10 of the Articles of Association, are entitled to a compensation determined by the Shareholders' Meeting in overall terms at the time of their appointment, pursuant to Article 2389, para. 3, of the Italian Civil Code. The expiring Board of Directors normally refrains from formulating specific proposals in this regard and invites the Shareholders' Meeting that has on its agenda the appointment of the Board of Directors to resolve on the matter, on the basis of the proposals that may be made by the Shareholders within the context of the lists presented and/or during the Shareholders' Meeting.

As regards the Executive Directors, this compensation may also consist of a fixed part and a variable part, the latter commensurate with the achievement of certain objectives.

The Shareholders' Meeting held on 20 April 2021 resolved to establish in:

- maximum Euro 595 thousand for the total gross annual fixed remuneration for the Board of Directors, to be divided by the Board, after hearing the opinion of the Board of Statutory Auditors, among the Directors, including those vested with particular offices and those participating in Board Committees;
- maximum Euro 30 thousand for the total annual gross variable remuneration for the Board of Directors, to be divided by the Board, after hearing the opinion of the Board of Statutory Auditors, among the Executive Directors in accordance with the provisions of the Remuneration Policy from time to time applicable and linked to the achievement of the objectives set by the Board of Directors in accordance with the Company's applicable Annual Bonus System Plan;
- maximum Euro 60 thousand for the total gross medium/long-term remuneration for the Board of Directors, to be divided by the Board, after hearing the opinion of the Board of Statutory Auditors, among the Executive Directors in accordance with the provisions of the current Remuneration Policy from time to time applicable and linked to the achievement of the objectives set by the Board of Directors in accordance with the Company's applicable Long-Term Incentive Cash Plan.

The Shareholders' Meeting held on 20 April 2021 also resolved to grant the Board of Directors the power to recognise to Directors the non-monetary benefits and additional indemnities contemplated by the Remuneration Policy approved by the Shareholders' Meeting.

This compensation, formulated in overall terms, was distributed by the Board of Directors among the Directors, Directors holding special offices and participants in the Board Committee, subject to the favourable opinion of the Board of Statutory Auditors and of the Committee, in accordance with the provisions of the Italian Civil Code and the current Articles of Association. The distribution criterion adopted is as follows:

1. a fixed annual basic component which is the same for all members of the Board of Directors;
2. a fixed annual component for Directors holding special offices (e.g. Chairperson, Deputy Chairperson, Director member of the Executive Committee, Committee Chairperson, Lead Independent Director, Director responsible for the internal control and risk management system, members of the Board Committees);
3. a maximum fixed variable component, for the delegated body (Directors members of the Executive Committee), linked to the objectives defined in the MBO Plan and in the LTI Cash Plan;
4. any social security fund and/or reimbursement of expenses for the exercise of the office of Director.

The compensation commences on the date of appointment and is be paid on a pro rata temporis basis until the date of termination of office.

With reference to the variable components assigned, contractual agreements are envisaged for which the Company may request their return, in whole or in part, where their assignment was made on the basis of data that later proved to be manifestly incorrect (so-called claw-back clause).

In compliance with recommendation 31 of the Corporate Governance Code, the Company, upon termination of office and/or the termination of the relationship with an Executive Director or possibly the General Manager, shall, following the internal processes that lead to the allocation or recognition of indemnities and/or other benefits, disclose detailed information on the matter, through a press release issued to the market.

The remuneration of non-executive Directors is commensurate with the commitment required of each of them, taking into account their possible participation in the Board Committee, and is not linked to the economic results achieved by Servizi Italia S.p.A. (they do not participate in the MBO Plan or the LTI Cash Plan). This provision does not apply in the case of non-executive Directors who are also Managers of the Company who could be identified as participants in the MBO Plan and/or LTI Cash Plan.

It should also be noted that, for non-executive Directors belonging to the list of majority shareholders (Coopservice Soc.coop.p.A.) who are also employees of the same, there is an obligation to transfer all or part of the remuneration received to Coopservice Soc.coop.p.A. for the entire duration of the mandate.

As a general rule, the Board of Statutory Auditors is involved whenever there are cases concerning the remuneration of Directors and their severance pay, taking into account the provisions of Article 2389 of the Italian Civil Code, Section 17.11 of the Articles of Association and for the purpose of supervising the actual implementation of the corporate governance rules provided for in Article 149, paragraph 1, letter *c-bis*) of the Consolidated Law on Finance.

In line with best practices, a D&O (Directors & Officers) insurance policy is envisaged to cover management's third-party liability, including members of corporate bodies and Executives with strategic responsibilities, in the exercise of their functions.

### ***Remuneration of Executive Directors***

At the time of appointment, or at the first subsequent meeting, the Committee proposes to the Board of Directors the remuneration payable to directors holding special offices other than members of the Committee.

The remuneration of Executive Directors generally consists of the following elements:

1. a fixed annual component, as member of the Board of Directors;
2. an additional annual fixed component from the distinct office assigned by the Board of Directors;
3. a fixed monetary component for employment, if the director is also an employee of the Company;
4. short-term variable component, which can be achieved on the basis of the achievement of pre-established company objectives (MBO Plan);
5. medium/long-term variable component (LTI), provided for in the LTI Cash Plan;
6. any social security fund and/or reimbursement of expenses arising from the exercise of the office of Director;
7. allowances, if applicable, relating to the assumption of non-competition undertakings;
8. any compensation, for the office of Director in another company in which Servizi Italia holds an interest (where there is no obligation to report to Servizi Italia);
9. non-monetary benefits, depending on the role, most of which are provided for by the National Collective Labour Agreements applied and recognised by corporate practices provided for in specific regulations approved by the Board of Directors, in compliance with the principles of sobriety, cost containment and proportionality with respect to the aims pursued.

With reference to the variable components of the remuneration of Executive Directors, it should be noted that, on an annual basis, the Committee submits proposals or expresses opinions to the Board of Directors on:

- the setting of MBO Plan targets for the relevant financial year;
- verification of the achievement of the previous year's MBO Plan objectives;
- the progress of the Director's performance with regard to the LTI Cash Plan.

The remuneration of non-executive Directors holding special offices, including independent Directors, is fixed and commensurate with the commitment actually required, taking into account their participation in one or more Committees.

The Remuneration Policy provides that the proposal concerning the remuneration of non-executive Directors holding distinct offices who are also members of the Committee is to be formulated by an independent Director (or, failing this, by a non-executive Director) who is not a member of any of the Committees.

### ***General Manager and other Executives with strategic responsibilities***

On 30 July 2020, the Company's Board of Directors, on the proposal of the Executive Committee and with the favourable opinions of the Control and Risk Committee and the Appointments and Remuneration Committee (now merged into the single Governance and Related-Party Committee) appointed Mr Andrea Gozzi, formerly Operations Manager and an Executive with Strategic Responsibilities, as General Manager, in consideration of the opportunity of achieving an even more adequate and efficient management of the Company's operations,

from an operational, organisational and planning standpoint, thus enhancing and strengthening his constant and profitable collaboration with the Executive Committee on the one hand, and senior management functions on the other.

Executives with strategic responsibilities are directors identified by the Board of Directors as having the power or responsibility for planning, managing and controlling the Company's and the Group's operations.

At the date of approval of this Report, the Board of Directors identified as Executives with Strategic Responsibilities: Andrea Gozzi (General Manager, also identified as Internal Dealing Manager pursuant to EU Regulation no. 596/2014 and the Internal Dealing Regulation adopted by the Company), Ilaria Eugeni (Administrative, Finance and Control Director) and Angelo Minotta (Financial Reporting Manager).

The remuneration of Executives with strategic responsibilities, with the exception of the so-called "non-monetary benefits", is generally composed of the following elements:

1. a fixed monetary component;
2. an annual variable monetary component, which can be achieved on the basis of the achievement of pre-established corporate and individual objectives provided for in the short-term incentive scheme (MBO Plan for the year in question);
3. a medium/long-term variable monetary component (LTI Cash Plan);
4. allowances, if applicable, relating to the assumption of non-competition undertakings;
5. any compensation for the office of Director in the Company and/or in another company in which Servizi Italia holds an interest (where, in relation to the subsidiaries, there is no obligation to report to Servizi Italia);
6. non-monetary benefits, depending on the role, most of which are provided for by the National Collective Labour Agreements applied and recognised by corporate practices provided for in specific regulations approved by the Board of Directors, in compliance with the principles of sobriety, cost containment and proportionality with respect to the aims pursued.

#### ***Senior Managers, Middle Managers and special/key staff***

The remuneration of Senior Managers, Middle Managers and special/key staff in the organisation generally, is composed of the following elements:

1. a fixed monetary component;
2. any annual variable component that can be achieved on the basis of the achievement of pre-established corporate objectives envisaged in the short-term incentive scheme (MBO Plan for the year in question), if the resource is identified as the beneficiary of the plan;
3. a possible medium/long-term variable component (LTI Cash Plan), if the resource is identified as a beneficiary of the plan;
4. any compensation, for the office of director in another company in which Servizi Italia holds an interest (where there is no obligation to report to Servizi Italia);
5. allowances, if applicable, relating to the assumption of non-competition undertakings;
6. non-monetary benefits, depending on the role, most of which are provided for by the National Collective Labour Agreements applied and recognised by corporate practices provided for in specific regulations approved by the Board of Directors, in compliance with the principles of sobriety, cost containment and proportionality with respect to the aims pursued.

#### ***Remuneration of the Board of Statutory Auditors***

Pursuant to Article 2402 of the Italian Civil Code, when appointing the Board of Statutory Auditors of Servizi Italia S.p.A., the Shareholders' Meeting shall determine the annual compensation due to the Statutory Auditors for the entire duration of their office.

With regard to determining the remuneration of the Board of Statutory Auditors, the Board of Directors refrains from formulating specific proposals in this regard and invites the Shareholders' Meeting, in which the appointment of the Board of Statutory Auditors is on the agenda, to resolve the issue on the basis of proposals made by the shareholders themselves, within the context of the lists presented or during the above-mentioned Shareholders' Meeting.

Without prejudice to the provisions of Article 2402 of the Italian Civil Code, if the outgoing control body, in view of the formulation by the Shareholders of proposals to the Shareholders' Meeting regarding the remuneration of the auditing body, has provided the Company in due time with detailed information on the quantification of the commitment required to carry out the appointment, the Board of Directors shall provide a summary of such information in the Explanatory Report pursuant to Article 125-ter of the Consolidated Law on Finance concerning the renewal of the auditing body and in the Report on the remuneration and compensation policy.

Note that at the Shareholders' Meeting of 20 April 2023, with the renewal of the Board of Statutory Auditors for the three-year period 2023-2024-2025, the fixed annual gross remuneration of its Chairperson was set at Euro 30 thousand per year, and that of the Statutory Auditors at Euro 23 thousand per year.

The remuneration of Statutory Auditors should be appropriate to the competence, professionalism and commitment required by the importance of the role covered and the Company's size and sector specifications. The compensation commences on the date of appointment and is paid on a pro rata temporis basis until the date of termination of office.

The members of the Board of Statutory Auditors are precluded from any form of variable remuneration, while recognising a social security fund and/or reimbursement of expenses for the exercise of the office of Statutory Auditor.

In line with best practices, a D&O (Directors & Officers) insurance policy is envisaged to cover third-party liability for the management, including members of corporate bodies and Executives with strategic responsibilities, for the exercise of their functions.

### ***Collaboration agreements and/or Directorship contracts***

In order to provide for the correct organisational development of its functions, the Company may conclude collaboration or directorship contracts, governed by the rules of self-employment provided for by current legislation.

It is company practice, in the event that, due to the particular nature of the collaboration contract, it is not possible in any way to recognise a subordinate employment relationship between the Company and the collaborator (not subjecting the collaborator to the organisational, hierarchical and disciplinary power of the employer), not to recognise any further accessory benefits in both economic and social security or welfare terms, in addition to the remuneration defined for the service. For the services required and for the proper performance of the function, the employee may be assigned benefits (e.g. car, telephone, computer) recognised by company practices and identified in a special regulation approved by the Board of Directors, the operating costs of which will be borne by the company.

### ***3. Balancing elements of the management remuneration package***

In determining the remuneration and its individual components, the Board of Directors, delegated body and the Manager of Human Resources take into account a balance of the Overall Remuneration consisting of a fixed monetary component and both short and medium/long-term variable monetary components, whose weight shall take into account the specific content of the powers delegated to individual beneficiaries and/or the functions and role they actually perform within the Company.

Specifically, with regard to Executive Directors and Executives with strategic responsibilities, the Board of Directors – with the support of the Committee – evaluates the specific office assigned and any specific powers delegated. In particular, the remuneration shall be determined on the basis of the following indicative criteria:

- the fixed monetary component tends to have an average weight of 56% of the Total Remuneration;
- the target monetary remuneration of the MBO Plan is equal to a pre-established percentage of the Fixed Monetary Component and tends to have an average weight of approximately 11% of the Total Remuneration; in general, the target monetary remuneration of the MBO Plan for all beneficiaries ranges from a minimum of 6% (for the sixth bracket) to a maximum of 20% (for the first bracket) of the Beneficiary's Fixed Monetary Component;
- the target monetary remuneration of the LTI Cash Plan (annualised) is equal to a pre-established percentage of the Fixed Monetary Component which, with reference to the LTI Cash Plan 2024-2026, tends to have an average weight of about 33% of the Total Remuneration; in general, the target monetary remuneration of the medium/long term incentive plan for all beneficiaries ranges from a minimum of 30% (for the fourth bracket) to a maximum of 60% (for the first bracket) of the Beneficiary's Fixed Monetary Component.

In addition, with regard to the beneficiaries (Executive Directors and/or Executives with strategic responsibilities and special/key staff), the Company, as anticipated, has promoted the introduction of clauses in the letters of appointment or in the MBO and LTI Cash Plans, known as “claw-back” clauses, which allow the Company to request the return, in whole or in part, of the variable remuneration components paid (or to withhold sums subject to deferral), if within a three year term from the payment of the variable remuneration component, the Company has ascertained that its allocation was made on the basis of data that subsequently turned out to be clearly erroneous or subject to malicious alteration or obtained through committing fraudulent or excessively risky conduct, serious violations of the law and/or regulations, of the Code of Ethics, of 231 Model, of the Anti-Corruption Policy, of the Anti-Corruption Guidelines, of the Antitrust Code of Conduct or of the company's rules that are relevant or have an impact within the context of the employment relationship, affecting the related fiduciary basis, without prejudice, however, to any action permitted by the law to protect the interests of the Company.

For the purposes of the above, the assessment of the relevant prerequisites is delegated to the Committee and the Board of Statutory Auditors, which shall meet and deliberate collectively under the chairmanship of the most senior independent Director.

The Company has the right to offset sums that are the subject of the request for restitution against any sums that may be due for any reason to the beneficiary of the variable remuneration; in this case the set-off shall be effective, after ascertaining the relevant conditions, from the time of notification of the exercise of compensatory power by the Company to the other party; this shall be without prejudice to any other action provided for by law to protect the Company's assets and interests, including in terms of its reputation and image.

#### **4. Criteria for variable remuneration**

##### **MBO Plan**

The Company, in line with best remuneration practices, adopts an MBO Plan described in the criteria, terms and conditions in a specific regulation examined in advance by the Governance and Related-Party Committee and approved by the Board of Directors. The regulations of the current MBO Plan were approved by the Board of Directors on 14 March 2024, with the support of the Governance and Related-Party Committee in the capacity of remuneration committee. The purpose of the MBO Plan, substantially in line with the previous one (subject to a slight increase in MBO bonuses for all beneficiary brackets and the introduction of an Objective Guarantee Value to protect the lowest brackets), is still to continue to support the corporate strategy, the management of sustainability issues and the improvement of short-term economic performance, promoting and spreading a

culture of value creation in all strategic and operational decisions, as well as to encourage the retention of strategic management figures.

A summary description of the MBO Plan is provided below.

The beneficiaries of the incentive provided for in the MBO Plan are: Executive Directors, the General Manager, Executives with strategic responsibilities, Senior Managers, Middle Managers and key/special staff in the organisation who, at the sole discretion of the Board of Directors and/or the delegated body, assisted by the General Manager and the Manager of the Human Resources, hold the managerial levers required to influence the determining factors in the Company's value creation during the vesting period.

The Monetary Bonus is determined as a percentage of the Total Fixed Monetary Component of the remuneration (Gross Annual Remuneration and Total Fixed Gross Annual Remuneration/Earnings) to which the Beneficiary is ordinarily entitled for the role played in the Company.

It should be noted that the calculation basis does not include remuneration for assignments in Group companies, as well as other variable items (i.e. non-competition agreement) that are not part of the Gross Monthly Remuneration.

The Board of Directors identifies the Executive Directors Beneficiaries of the Plan, assigning to each of them the bracket and the correspondent Monetary Bonus based on targets achievement.

The delegated body and the General Manager, with the support of the Human Resources Manager, identify the employees who are Beneficiaries of the Plan and attribute to each of them the bracket and the corresponding Monetary Bonus based on the achievement of targets, taking into account:

- the organisational role and functional guarantees (Italy/Abroad), the complexity of the individual targets set, external fairness and internal fairness also in relation to the total gross remuneration of each beneficiary;
- the implementation of individual remuneration plans of the beneficiary, if the same is included in a succession plan.

For the calculation of the target Monetary Bonus, the following brackets were identified:

<b>Bracket</b>	<b>Target Monetary Bonus</b>	<b>Beneficiaries</b>
Bracket 1	20.0%	Executive Directors and Executives with strategic responsibilities
Bracket 2	18.0%	Customers Division and Head of Area Sales
Bracket 3	15.0%	Management Committee (with the exception of Executives in bracket 2)
Bracket 4	10.0%	Sales Area Managers
Bracket 5	8.0%	Middle Manager, Professional
Bracket 6	6.0%	Key staff in the organisation

The MBO Plan is intended to connect the variable component of beneficiaries' remuneration to corporate strategy and results actually achieved, over a one-year period, emphasising the focus on value creation, management by objectives and a culture of integration and efficiency.

The essential conditions for the activation of the MBO Plan and the disbursement of the Monetary Bonus are the following two:

- (i) *Gate 1* – the Group's Consolidated Net Profit resulting from the Consolidated Financial Statements for the year of reference must be non-negative and
- (ii) *Gate 2* – Group consolidated EBIT resulting from the Consolidated Financial Statements for the year of reference must be at least equal to:
  - (a) the Objective Threshold Value for the Beneficiaries in brackets 1, 2 and 3,
  - (b) the Guarantee Objective Value for Beneficiaries in brackets 4, 5 and 6.

### **Financial Gate**

The system is based on a structured process of defining the objectives and the incentives linked to them, with a financial access condition (the so-called on/off condition for activating the MBO Plan) linked to the Group Consolidated Net Result resulting from the Consolidated Financial Statements of the year of reference, approved by the Board of Directors, which must not be negative.

If Gate 1 is not reached, the MBO Plan is not activated for any Beneficiary and no Monetary Bonus is paid.

### **Performance Gates**

The system provides for a mechanism linking it to the Group's results and in particular with the consolidated EBIT of the Group, for which there is an Objective Threshold Value and a Guarantee Objective Value, the attainment of which enables the Beneficiaries to obtain the bonus that may have been accrued by virtue of the objectives assigned and the bracket to which they belong.

Executive Directors shall abstain from voting on the definition of the Objective Threshold Value and the definition of all other guarantee/threshold/target/over-performance levels of performance indicators of the short-term incentive system, as well as the long-term incentive system, if there is an impact on their own remuneration.

The second condition for access to the MBO Plan is identified in the achievement in the reference financial year of a Group consolidated EBIT resulting from the relevant Consolidated Financial Statements of at least equal to:

- (a) the Objective Threshold Value for the Beneficiaries in brackets 1, 2 and 3,
- (b) the Guarantee Objective Value for Beneficiaries in brackets 4, 5 and 6.

In the event that (i) the Guarantee Objective Value is not achieved for Beneficiaries in the brackets 4, 5 and 6, and (ii) the Objective Threshold Value for Beneficiaries in the brackets 1, 2 and 3, the MBO Plan is not activated and no Monetary Bonus is granted.

Gate 2 coincides with the minimum accrual rates of the collective performance target, which is divided into the following performance levels:

- A Guarantee Objective Value equal to 80.0% of the Objective Target Value, which represents Gate 2 applicable only to Beneficiaries in brackets 4, 5 and 6;
- An Objective Threshold Value equal to 90.0% of the Objective Target Value, which represents Gate 2 applicable to Beneficiaries in brackets 1, 2 and 3;

- An Objective Target Value, corresponding to the consolidated EBIT of the Group, different from the budget value of the reference year, to which a target value is added, identified annually by the delegated body, consistent with the budget defined for the reference financial year, and approved by the Board of Directors;
- An Over-Performance Value equal to 110.0% of the Objective Target Value.

If both Gate 1 and Gate 2 are achieved, the Beneficiary will accrue the Monetary Bonus based on the level of performance achieved in relation to the assigned objectives, according to a predetermined grading scale.

Upon achievement of the Guarantee Objective Value (and without prejudice to the achievement of Gate 1), the Beneficiaries in brackets 4, 5 and 6 will be entitled to the disbursement of 25% of the Monetary Bonus accrued according to the degree of achievement (minimum level, target level, maximum level).

Upon achievement of the Objective Threshold Value (and without prejudice to the achievement of Gate 1), the Monetary Bonus payable corresponds to 50% of the target bonus.

Upon achievement of the Objective Target Value, the payable Monetary Bonus corresponds to 100% of the target bonus.

Exceeding the Objective Target Value allows for the payment of the Monetary Bonus up to a maximum of 150% of the target bonus upon reaching (or exceeding) the Over-Performance Value

In the event that the total performance achieved by each Beneficiary falls between two values (i.e. between Objective Threshold Value and Objective Target Value or between Objective Target Value and Over-Performance Value), the Monetary Bonus will be calculated proportionally (using a pure linearity mechanism).

For performances higher than the Over-Performance Value, no further increase in the Monetary Bonus is recognised, this means that the maximum achievable Monetary Bonus will be that indicated in the table in which, for each of the allocation brackets of the Beneficiaries, the incentive curve is shown.

The Performance Gate is structured in such a way as to ensure the economic sustainability of the MBO Plan, so that the costs of the entire incentive relating to the Plan are included in the objectives of the Business Plan, where the cost of the plan is "self-financed" by the achievement of the objectives; to this end, the financial statements of the year in question will indicate the aforesaid costs for which provision is made.

The Objective Threshold Value may be modified by the Board of Directors, subject to the opinion of the Governance Committee in its capacity as Remuneration Committee, in the event of changes to the Budget for the year in question and/or the Business Plan, and of course in the event of changes in the macroeconomic and/or business scenario and in consideration of potential one-off events, both negative and positive, which may occur during the reference financial year and which are independent from the actions of the Beneficiaries. In addition, extraordinary effects, both negative and positive, will be assessed in the final balance at the sole discretion of the Board of Directors with the support of the Governance Committee acting as the Remuneration Committee.

### ***Performance Targets***

The system is the sum of the results of 2 sets of Performance Targets:

1. Collective performance objective, which coincides with the Objective Target Value and has a differentiated weight according to the Organisational Role held by the Beneficiary:
  - a. 40% for Beneficiaries in bracket 1 and 2;
  - b. 30% for Beneficiaries in bracket 3;
  - c. 20% for Beneficiaries in brackets 4, 5 and 6;

2. Individual performance objectives assigned on the basis of the role held, that have a weight equal to the difference between 100% and the value assigned to the Objective Threshold (i.e. 60% for bracket 1 and 2, 70% for bracket 3, 80% for the remaining brackets).

The objectives for each Beneficiary will be a maximum of 3 and they include at least one ESG objective with a fixed weight of 10%.

More specifically, consider the following:

- the impact of the collective performance objective will be differentiated in percentage terms based on the role and function and based on the real capacity of the Beneficiary to influence the company profitability result;
- The individual performance objectives will be allocated according to organisational function and role, to be defined through a cascading type logic starting from the objectives assigned to Management, consistent with those set in the annual budget and then with the Business Plan and the Sustainability Plan. Therefore, the objectives is not only of an economic and financial nature, but also linked to the operational action of the organisational function to which the Beneficiary belongs. Individual performance objectives may, therefore, be either quantitative or qualitative, and the way in which they are measured must be made explicit in the individual file. By way of example only, some possible objectives may be:
  - i. the Sales Area Margin;
  - ii. the Area DSO;
  - iii. the reduction in the number of penalties received by the customer;
  - iv. the reduction of linen waste;
  - v. cross-functional projects;

The scheme of objectives is as follows:

<b>Role of Beneficiaries</b>	<b>Condition On/Off activation Plan/Bonus payment</b>	<b>Collective Performance</b>	<b>Individual Performance</b>
Executive Directors, General Manager, Executive with strategic responsibilities, Sales Manager and Sales Area Managers	Gate 1 - Net consolidated non- negative result of the Group resulting from the Consolidated Financial Statements for the year of reference.  Gate 2 - Achievement of the Objective Threshold Value	Weight 40%: • Objective Target Value	Weight 60%: • strategic departmental objectives • ESG sustainability target
Function or Line of Business Managers	Gate 1 - Net consolidated non- negative result of the Group resulting from the Consolidated Financial Statements for the year of reference.  Gate 2 - Achievement of the Objective Threshold Value	Weight 30%: • Objective Target Value	Weight 70%: • strategic departmental objectives • ESG sustainability target
Sales Area Managers, Middle Managers, Professionals and key staff in the organisation	Gate 1 - Net consolidated non- negative result of the Group resulting from the Consolidated Financial Statements for the year of reference.  Gate 2 - Achievement of the Guarantee Objective Value	Weight 20%:  Objective Target Value	Weight 80%: • strategic departmental objectives • ESG sustainability target

Each Beneficiary is entitled to receive their awarded Monetary Bonus on condition that the specific Performance Targets assigned on the basis of the role held have been achieved.

At the finalisation stage, once both Gate 1 and Gate 2 have been reached, each Beneficiary shall be granted a Monetary Bonus in relation to the degree of achievement of the assigned objectives, according to the following criteria

- for each objective, a minimum level (which, for the collective performance objective, coincides with the Threshold Target Value), a target level (which, for the collective performance objective, coincides with the Target Objective Value) and a maximum level (which, for the collective performance objective, coincides with the Overperformance Value) shall be established
- upon reaching the Target Objective Value, the Beneficiaries falling within bands 4, 5 and 6 shall receive 25% of any Monetary Bonus accrued according to the degree of achievement (minimum level, target level, maximum level)
- upon reaching the Target Threshold Value and the minimum level of the individual performance objectives, a Monetary Bonus equal to 50.0% of the target bonus shall be due;
- upon reaching the Target Objective Value and the target level of the individual performance objectives, a Monetary Bonus equal to 100.0% of the target bonus will be due;
- upon reaching the Overperformance Value (equal to 110.0% of the Target Objective Value) and the maximum level of the individual performance objectives, a Monetary Bonus equal to 150.0% of the accrued bonus will be due.

In the event that the total performance achieved by each Beneficiary is between two values, the Monetary Bonus shall be calculated proportionally (with a pure linearity mechanism).

Every year, the Company's management promotes plenary and individual meetings with the people identified as beneficiaries, in order to illustrate the incentive system for the year in question and assign economic and qualitative targets the Company sets out to achieve.

#### **Medium/long-term incentive system: LTI-Cash Plan**

As common practice, the Company adopts an LTI-Cash Plan described in the criteria, terms and conditions in a specific regulation examined in advance by the Committee and approved by the Board of Directors. The regulations of the current LTI-Cash Plan were approved by the Board of Directors on 14 March 2024, with the support of the Governance and Related-Party Committee in the capacity of remuneration committee. The purpose of the LTI-Cash Plan 2024-2025-2026, which is broadly in line with the previous one (subject to a slight increase in LTI premiums for lower beneficiary brackets and the elimination of the multiplier/demultiplier linked to total shareholder return), is always to continue to support the corporate strategy, the management of sustainability issues and the improvement of mid/long-term economic performance, promoting and spreading a culture of value creation in all strategic and operational decisions, as well as to encourage the retention of strategic management figures.

A summary description of the LTI-Cash Plan is provided below.

The beneficiaries of the incentive provided for in the LTI-Cash Plan are: Executive Directors, General Manager, Executives with strategic responsibilities, Senior Managers, Middle Managers and Special/Key Staff in the organisation, who, at the sole discretion of the Board of Directors and/or the delegated body, assisted by the Human Resources Manager, hold the managerial levers required to influence the determining factors in the Company's value creation, for the 2024-2025-2026 reference period.

The Monetary Bonus is determined as a percentage of the Fixed Monetary Component of the remuneration (Gross Annual Remuneration and Gross Annual Compensations/Emoluments) to which the Beneficiary is ordinarily entitled.

It should be noted that the calculation basis does not include remuneration for assignments in Group companies, as well as other variable items (i.e. non-competition agreement) that are not part of the Gross Monthly Remuneration.

The Board of Directors identifies the Executive Directors (Chief Executive Officer or director as a member of the Executive Committee, Directors vested with special offices and who hold specific delegated powers) Beneficiaries of the Plan, assigning to each of them the bracket and the correspondent Monetary Bonus based on targets achievement.

The delegated body and the General Manager, with the support of the Human Resources Manager, identify the employees who are Beneficiaries of the Plan and attribute to each of them the bracket and the corresponding Monetary Bonus based on the achievement of targets, taking into account:

- the organisational role held and the functional guarantees (Italy/Abroad), the complexity of the individual targets set, external fairness and internal equity, but especially in relation to the total gross remuneration of each beneficiary;
- the implementation of individual remuneration plans of the beneficiary, if they are identified as a strategic/key staff in a succession plan.

In terms of target Monetary Bonus, the following brackets were identified:

Bracket	Target Monetary Bonus	Beneficiaries
Bracket 1	60.0%	Executive Directors and Executives with strategic responsibilities
Bracket 2	50.0%	Customers Division and Head of Area Sales
Bracket 3	40.0%	Management Committee (with the exception of Executives in bracket 2)
Bracket 4	30.0%	Senior Managers, Middle Managers, Professional and Key staff.

### **Financial Gate**

The system is based on a structured process of defining the objectives and related incentives with a financial access condition (so-called on/off condition for the activation of the LTI-Cash plan) established in the Group's consolidated net result for the financial years 2024-2025-2026, which, at the date of approval of the Consolidated Financial Statements for the relevant financial years, is not negative (pre-requisite for the activation of the Plan – Financial Gate).

### **Performance Gates**

The system provides for a mechanism linking it to the Group's results and in particular with the consolidated EBIT of the Group, for which an Objective Target Value and an Objective Threshold Value is foreseen, whose achievement and/or exceedance enables the Beneficiaries to access any bonus accrued by virtue of assigned objectives.

The Executive Directors shall abstain from voting on the definition of the Objective Threshold Value and the definition of all other threshold/target/over-performance levels of the performance indicators for the short-term incentive system, as well as for the long-term one where there is an impact on their own remuneration.

The objective for the LTI Cash Plan is identified in the consolidated EBIT of the Group, which differs from the Business Plan and to which a target value (“Objective Target Value”) is added. The Delegated Body proposes the

target value, in accordance with the Business Plan defined for the period of reference and approved by the Board of Directors. In particular, the performance gate curve of the bonus system envisages a Objective Threshold Value equal to 95.0% of the Objective Target Value ("Objective Threshold Value") and a maximum value equal to 110.0% of the Objective Target Value. If the LTI Objective Threshold Value is reached, the monetary bonus payable corresponds to 50% of the bonus accrued, while if it is not reached, no monetary bonus is paid. Exceeding the Objective Target Value allows the bonus to be paid up to a maximum of 150% of the target monetary bonus (over-performance).

In addition, the accrued Monetary Bonus is also affected by an **ESG objective** of a non-financial nature assigned to the Beneficiary, which acts as a multiplier/demultiplier of the accrued monetary bonus and has a value of +5%/-5%. This target works as reference for non-financial targets assigned to the Beneficiaries, identified to promote the sustainable success of the Group's Sustainability Plan (described within the Consolidated Non-Financial Statement pursuant to Italian Legislative Decree No. 254/2016) and for which policies, strategies and actions/commitments are implemented.

The Objective Threshold Value may be modified by the Board of Directors, subject to the opinion of the Governance Committee in its capacity as Remuneration Committee, in the event of changes to the Business Plan, and of course in the event of significant changes in the macroeconomic and/or business scenario and in consideration of potential one-off events, both negative and positive, which may occur during the vesting period and which are independent from the actions of the Beneficiaries. In addition, extraordinary effects, both negative and positive, will be assessed in the final balance at the sole discretion of the Board of Directors with the support of the Governance Committee acting as the Remuneration Committee.

In the final assessment phase, each Beneficiary will be awarded a Monetary Bonus, in relation to the achievement of the objectives, according to the following criteria:

- when the Objective Threshold Value is achieved, the target Monetary Bonus will be halved (50.0% of the Monetary Bonus);
- upon achievement of the performance relating to the Group's consolidated cumulative EBIT Objective Target Value, the Monetary Bonus will be equal to 1 time the Target Monetary Bonus (100.0% of the Monetary Bonus);
- if 110.0% of the Objective Target Value is achieved, the Target Monetary Bonus will be increased by half (150.0% of the Monetary Bonus)

In the event that the total performance achieved is between the Objective Threshold Value and the Objective Target Value, or between the Objective Target Value and the maximum Target Value (over performance) respectively, the Monetary Bonus is calculated on a pro rata basis (using a pure linearity mechanism).

For performances higher than 110.0% of the Objective Target Value, a cap is set out, meaning that the maximum achievable Monetary Bonus will be that indicated in the table in which, for each of the allocation brackets of the Beneficiaries, the incentive curve is shown.

The performance gate is structured in such a way as to ensure the economic sustainability of the LTI-Cash Plan, whereby the costs of the entire incentive relating to the Plan are included in the objectives of the Business Plan, so that the cost of the plan is "self-financed" by the achievement of the objectives; to this end, the financial statements of the relevant financial year will indicate the aforesaid costs for which provision is made.

For each of the previously identified brackets, the incentive curve is shown.

<b>Bracket</b>	<b>Monetary Bonus at Objective Threshold Value</b>	<b>Monetary Bonus at Objective Target Value</b>	<b>Monetary Bonus Over-performance</b>
Bracket 1	30%	60%	90%
Bracket 2	25%	50%	75%
Bracket 3	20%	40%	60%
Bracket 4	15%	30%	45%

The Company's management promotes plenary and individual meetings with the people identified as Beneficiaries, in order to illustrate the incentive system for the vesting period in question, and assign the economic and qualitative objectives that the Company sets out to achieve.

### ***5. Indemnities in the event of resignation, dismissal or termination of employment***

In Servizi Italia, it is common practice not to enter into agreements with Directors, Executives with strategic responsibilities and Senior Managers that regulate ex ante the economic aspects of any early termination of the relationship at the initiative of the Company or the individual (so-called parachutes).

In the event of termination of the existing relationship with the Company or Group companies, for reasons other than just cause, the orientation is to seek agreements for the termination of the relationship by mutual consent. In the presence of variable components of any remuneration package paid, the contractual agreements foresee that the Company may request their return, in whole or in part, where such variable components have been paid on the basis of data that later proved to be manifestly incorrect.

Without prejudice, in any case, to legal and/or contractual obligations, the agreements for the termination of the relationship with the Group are based on the reference benchmarks on the subject, within the limits defined by the jurisprudence and practices of the country in which the agreement is concluded.

On the termination of office and/or dissolution of the relationship with an Executive Director or a General Manager, Servizi Italia shall publish detailed information regarding the internal processes relating to the allocation or recognition of indemnities and/or other benefits, in compliance with the provisions of the Corporate Governance Code, in a specific press release circulated to the market.

With regard to Executive Directors who are not linked by executive employment relationships, generally the Company does not provide for the payment of indemnities or compensation of an extraordinary nature linked to the end of their mandate.

In the event that Servizi Italia S.p.A. decides to adopt, in the interest of the Company, specific indemnities or determines to stipulate specific consulting contracts with a Director or Executive with strategic responsibilities who has ceased to hold office, such decisions shall be adopted in coherence with the strategy, the values and the medium-long term interests of the Servizi Italia Group and, in any case, shall take into account the following guiding principles:

- i) the indemnity (except, where applicable, that relating to non-competition agreements and severance pay provided for under the applicable CCNL) shall not be paid if the termination of the relationship is due to the achievement of objectively inadequate results;

- ii) any consultancy contracts shall be limited to predefined periods of time, and limited to what is strictly necessary in the interest of Servizi Italia S.p.A. in order to guarantee continuity of action within the context of the Group's efficient and effective management;
- iii) as a general rule, and save in exceptional cases, the amounts to be paid to an Executive Director or to an Executive with strategic responsibilities (not including those relating to non-competition agreements and severance pay provided for in the applicable CCNL) may not exceed the total remuneration paid to them during the 24-month period;
- iv) In addition, contractual agreements are in place that allow the Company to request the return, in whole or in part, of variable components of remuneration paid (or to withhold sums subject to deferment), determined on the basis of data that subsequently proved to be manifestly incorrect.

The General Manager and Executives with strategic responsibilities are bound to the Company by virtue of employment contracts of indefinite duration, with the following notice periods: (i) 6 months, for seniority up to 6 years; (ii) 8 months, for seniority up to 10 years; (iii) 10 months, for seniority up to 15 years; (iv) 12 months, for seniority over 15 years. The total time limit must not exceed 12 months. A resigning manager must give notice, the terms of which will be 1/3 of those indicated above, as provided for in the CCNL Industry Managers agreement.

## **6. Non-competition agreements**

The Company may enter into confidentiality and non-competition agreements with its Executive Directors, Executives with strategic responsibilities, Senior Managers or with collaborators with particularly strategic professional skills. These provide for: (i) the recognition of an additional consideration in relation to the G.A.R./fixed remuneration component set in accordance with market practice, which, as a general rule and save in exceptional cases, does not exceed for each year of the duration of the non-competition agreement the annual G.A.R./fixed remuneration component recognised under the agreement; (ii) the duration and extent of the obligation arising from the agreement. The constraint refers to the reference sector in which the Group operates at the time of defining the agreement, and to the territorial/geographical extension.

The Company has entered into a confidentiality and non-competition agreement with Andrea Gozzi (General Manager) for a period of 12 months following the termination of the employment relationship (resignation of the executive or for just cause or justified subjective reason), for which the consideration corresponds to a gross annual sum of Euro 50,000 for the entire duration of the employment relationship with the Company.

## **7. Exceptions of the Remuneration Policy: exceptional circumstances and procedural conditions**

In exceptional circumstances, a temporary derogation from the Remuneration Policy is allowed, subject to the conditions laid down in this section.

The competent bodies of Servizi Italia S.p.A. may, in particular to:

- (i) award MBO and/or LTI bonuses to Executives in excess of the thresholds provided for each type of beneficiary by the Remuneration Policy, whenever they opt for the adoption of a reasonably low Fixed Monetary Component compared to the market benchmark, as well as whenever particularly challenging performance targets are identified;
- (ii) not assign MBO and/or LTI remuneration components to individual Executives;
- (iii) assign, including ex post, to individual Executives, bonuses and one-off payments of a discretionary nature, in relation to the achievement or the manner of achieving particular objectives (other than those assigned for the payment of variable remuneration components), achieved through exceptional individual contributions, as well as to favour the acquisition and retention of resources possessing specific skills and high-level professionalism deemed necessary for the achievement of the objectives of the Servizi Italia Group;

- (iv) grant to an individual Executive Director and/or Executive with strategic responsibilities an indemnity/compensation for the termination of the directorship and/or employment relationship with the Company (not taking into account the amounts relating to non-competition agreements and the severance pay provided for in application of the applicable CCNL agreement) higher than the global remuneration paid on termination of the relationship over a period of 24 months, as well as to recognise for non-competition agreements post termination of the relationship with the Company amounts higher, for each year of duration of the non-competition agreement, than the G.A.R./fixed annual remuneration component paid on termination of the relationship;
- (v) recognise to an individual Executive Director and/or Executive with strategic responsibilities to maintain the rights related to incentive plans (both MBO and LTI, whether monetary or based on financial instruments) after the termination of the relationship with the Company occurring prior to the expiry of the incentive plan's vesting period;
- (vi) waive, within the context of a settlement agreement with the person concerned, the application of claw-back mechanisms.

The exceptional circumstances in which the above exceptions are permitted are those in which an exception is necessary in order to pursue the long-term interests and sustainability of business operations of the Company and Group, or to ensure the Company's and the Group's ability to stay in the market, and include but are not limited to the following situations:

- (i) the need to acquire and/or retain individuals possessing skills and professionalism deemed strategic for the interests and/or sustainability of the operations by the Company and/or the Servizi Italia Group;
- (ii) the need to motivate resources deemed strategic where the failure to achieve the performance targets is linked to exogenous circumstances and/or extraordinary and/or unforeseeable factors and/or in any case independent of the actions of the individual recipient of the incentive bonus;
- (iii) the need to manage a turnover of persons in strategic roles and/or positions for the interests and/or sustainability of the operations of the Company and/or the Servizi Italia Group, where the constraints contained in the approved Policy could limit the Company's ability to attract managers with the most appropriate professional skills to manage the business;
- (iv) the need to protect corporate know-how;
- (v) the interest of the Company in settling a dispute that has already arisen and/or may arise;
- (vi) significant changes in the scope of the Company's operations during the validity of the Policy.

In the cases of exception of the Remuneration Policy provided for in this section, the Company will apply the procedure and obligations provided for in the TRP Regulation adopted by the Company in compliance with Consob Regulation No. 17221/2010 (as amended and supplemented), including in the case of an exception provided for in the TRP Regulation (by way of example, where the transaction qualifies as a small amount). In any case, it remains necessary to obtain the prior opinion of the Board of Statutory Auditors pursuant to Article 2389, paragraph 3 of the Italian Civil Code where the exception concerns the remuneration of Directors holding special offices.

## **8. Changes in the Remuneration Policy compared to the previous financial year**

The Remuneration Policy for the three-year period 2024-2026 and illustrated in Section I of this Report does not present substantial changes and is substantially in line with respect to that described in the Remuneration Report published in 2023 and approved by the Shareholders' Meeting on 20 April 2021. In particular, it should be noted that the new MBO Plan and LTI-Cash Plan set out in the Remuneration Policy for the three-year period 2024-2026, introduce the following changes compared to the previous ABS and LTI plans:

- (a) with regard to the MBO Plan:
  - (i) Slight decrease in MBO bonuses for all Beneficiary brackets;
  - (ii) Differentiation of the weight of the collective performance target for the beneficiary brackets;

- (iii) introduction of a Guarantee Objective Value (equal to 80% of the Target Objective Value) for the Beneficiaries in the lowest bands (4, 5 and 6);
- (b) with regard to the LTI-Cash Plan 2024-2026:
  - (iv) slight increase in LTI premiums for the lower brackets of Beneficiaries;
  - (v) derecognition of the multiplier/demultiplier linked to the Total Shareholder Return.

This Policy is in line with the regulatory changes introduced by CONSOB with resolution no. 21623 of 10 December 2020 implementing SHRD 2 (EU Directive 2017/828).

In compliance with the provisions of Article 123-ter, paragraph 3-bis of the Consolidated Law on Finance, the Company has made use of the option to provide for a three-year term of the Remuneration Policy.

In the opinion of the Board of Directors and the Committee, the Policy is suitable to allow a correct definition of competitive remuneration levels and to promote internal fairness and transparency.

## **9. Other Information**

In preparing the Policy, the Company was not aided by consulting firms and/or external experts.

At the date of this Report, Servizi Italia S.p.A. had no incentive plans based on financial instruments in place pursuant to Article 114-bis of the Consolidated Law on Finance.

## 10. Proposed resolution

Dear Shareholders,

We remind you that the Shareholders' Meeting is required to vote on the "first section" of the Remuneration Report, which refers to the remuneration policy adopted by the Company with regard to the remuneration of members of the administrative and control bodies and Executives with strategic responsibilities for the financial years 2024-2025-2026.

In preparing the Report, Servizi Italia S.p.A. has taken into account the provisions of current laws and regulations and the Code of Corporate Governance.

The following is the proposal for a resolution submitted to the Shareholders' Meeting by your Board of Directors, in compliance with the applicable legal provisions:

*"The Shareholders' Meeting:*

- having regard to Articles 123-ter of Italian Legislative Decree No. 58 of 24 February 1998 and 84-quater of the Regulation adopted with CONSOB Resolution No. 11971/99;*
- having acknowledged the Remuneration Policy illustrated in the first section of the Report on remuneration policy and compensation paid drawn up by the Board of Directors pursuant to Article 123-ter of Italian Legislative Decree No 58 of 24 February 1998;*
- considering that, pursuant to Article 123-ter, paragraph 3-ter of Italian Legislative Decree No 58 of 24 February 1998, this resolution shall be binding for the Board of Directors;*

RESOLVED

*to approve the Remuneration Policy of Servizi Italia S.p.A. illustrated in the first section of the Report on remuneration policy and compensation paid drawn up by the Board of Directors pursuant to Article 123-ter of Italian Legislative Decree No 58 of 24 February 1998".*

## SECTION II

This section, by name, for the members of the administrative and control bodies and for the General Manager, and in aggregate form for the other Executives with strategic responsibilities:

- a) provides an adequate representation of each of the items that make up their remuneration, highlighting their consistency with the Remuneration Policy for the year 2021 described in the first section of the Remuneration Report drawn up for the Shareholders' Meeting of 20 April 2021;
- b) analytically illustrates the compensation paid during the 2023 financial year for any reason and in any form by the Company and by subsidiary or associated companies.

There are no additional Executives with strategic responsibilities in the Company who during the year 2023 received higher total remuneration than the highest total remuneration received by the Directors and General Manager. It should also be noted that the Company qualifies as a smaller company pursuant to Article 3, paragraph 1, letter f) of Consob Regulation No. 17221/10. Therefore, for additional Executives with strategic responsibilities, information is provided in aggregate form.

It should be noted that in 2023, in addition to the General Manager Andrea Gozzi, the following qualified as Company's Executives with strategic responsibilities: Ilaria Eugeniani, Manager of Administration, Finance and Control, Angelo Minotta, Financial Reporting Manager.

### *First part*

#### **Remuneration components for financial year 2023**

Details of the compensation paid in the financial year 2023 to the members of the administrative and control bodies, to the General Manager as well as to the other Executives with strategic responsibilities are illustrated in the tables below.

Please note that the Shareholders' Meeting held on 20 April 2021 resolved to establish in:

- maximum Euro 595 thousand for the total gross annual fixed remuneration for the Board of Directors, to be divided by the Board, after hearing the opinion of the Board of Statutory Auditors, among the Directors, including those vested with particular offices and those participating in Board Committees;
- maximum Euro 30 thousand for the total annual gross variable remuneration for the Board of Directors, to be divided by the Board, after hearing the opinion of the Board of Statutory Auditors, among the Executive Directors in accordance with the provisions of the Remuneration Policy from time to time applicable and linked to the achievement of the objectives set by the Board of Directors in accordance with the Company's applicable Annual Bonus System Plan;
- maximum Euro 60 thousand for the total gross medium/long-term remuneration for the Board of Directors, to be divided by the Board, after hearing the opinion of the Board of Statutory Auditors, among the Executive Directors in accordance with the provisions of the current Remuneration Policy from time to time applicable and linked to the achievement of the objectives set by the Board of Directors in accordance with the Company's applicable Long-Term Incentive Cash Plan;

Furthermore, the Shareholders' Meeting held on 20 April 2021 resolved, among other thing, to grant the Board of Directors the power to recognise to Directors the non-monetary benefits and additional indemnities contemplated by the remuneration Policy approved by the Shareholders' Meeting.

In accordance with the Policy, also with reference to the 2023 financial year, the distribution criterion adopted for the Board of Directors and the Committees was the following:

- a fixed annual basic component which is the same for all members of the Board of Directors of Euro 20,000;
- an additional annual gross fixed component for the following Directors vested with special offices: (i) Chairman of the Board of Directors Euro 50,000.00; (ii) Deputy Chairwoman of the Board of Directors Euro 25,000.00; (iii) Director in charge of the internal control and risk management system Euro

- 5,000.00; (iv) Director member of the Executive Committee 100,000.00 per year; (v) Director member of the Governance Committee Euro 20,000.00 per year; (vi) Chairwoman of the Governance Committee Euro 5,000.00 gross per year; (vii) Lead Independent Director Euro 5,000.00 per year;
- with reference to the variable remuneration of each member of the Executive Committee; (i) if not already identified as a beneficiary of variable remuneration by virtue of the role of Executive of the Company, a remuneration of a maximum of Euro 15,000.00 gross per year, in accordance with the provisions of the Remuneration Policy applicable from time to time and linked to the achievement the objectives set by the Board of Directors in accordance with the Company's applicable Annual Bonus System Plan/Management by Objectives (MBO) of the Company; (ii) if not already identified as beneficiary of the variable remuneration by virtue of the role of Executive of the Company, a remuneration of a maximum of Euro 30,000.00 as a total gross variable remuneration in the medium-long term in accordance with the provisions of the Remuneration Policy from time to time applicable and linked to the achievement of the objectives set by the Board of Directors in line with the Company's applicable Long-Term Incentive Cash Plan.

In line with the Remuneration Policy adopted by the Company, the remuneration of the General Manager and of the other Executives with strategic responsibilities for the year 2023 was composed of the following elements:

1. a fixed monetary component;
2. an annual variable monetary component, achievable on the basis of the achievement of pre-established corporate and individual targets provided for in the short-term incentive scheme (ABS Plan for the year 2023);
3. benefits (non-monetary benefits) recognised by company practices and identified in a specific regulation approved by the Board of Directors, in accordance with the principles of sobriety, cost containment and proportionality in relation to pursued objectives.

In compliance with the Remuneration Policy approved by the Shareholders' Meeting of 20 April 2021, it is noted that the Board of Directors of 14 March 2024, with the assistance of the Committee, finalised and approved the payment of the maximum level of monetary bonuses to Executive Directors and Executive with strategic responsibilities participating in the 2023 ABS Plan and the 2021-2023 LTI Cash Plan upon the achievement of access gates – both financial (as regards the ABS 2023 Plan, Group non-negative consolidated net result for the financial year 2023 and, as regards the LTI Cash 2021-2023 Plan, non-negative Group consolidated net result for the financial years 2021-2022-2023) and performance (linked to the Group consolidated EBIT) of the 2023 ABS Plan and of the LTI Cash Plan 2021-2023, as well as the exceeding of the maximum levels of the collective performance target (linked to the Group's consolidated EBIT) and of the individual and ESG performance objectives assigned (with regard to Executive Directors and the General Manager, in addition to the reported collective performance target, the strategic objectives linked to the consolidated NFP and the ESG objectives identified for the 2023 financial year by the Sustainability Plan of the Servizi Italia Group described within the Consolidated Non-Financial Statement information pursuant to Italian Legislative Decree Legislative Decree No. 254/2016, relating to the implementation in the Group's subsidiaries in Italy and abroad of the Servizi Italia Compliance Programme, were achieved). It should be noted that the Company avails itself of the option provided for in Annex 3A, Schedule 7-*bis* to the Issuers' Regulations to omit detailed information on the targets to which the payment of the variable remuneration component for Executive Directors and the General Manager is linked, since this is sensitive information and unpublished forecast data, whose disclosure could be prejudicial to the Company.

For details on the variable remuneration components of Executive Directors, the General Manager and Executives with strategic responsibilities accrued in the financial year 2023, refer to the tables in the second part of the second section of this Report.

The members of the Board of Statutory Auditors also receive an emolument, whose amount is determined by the Shareholders' Meeting at the time of their appointment. In particular, the Shareholders' Meeting of 20 April

2023, with the renewal of the Board of Statutory Auditors for the three-year period 2023-2024-2025, resolved to set the fixed annual gross remuneration of its Chairperson at Euro 30 thousand per year, and that of the members at Euro 23 thousand per year. In execution of the Remuneration Policy, the members of the Board of Statutory Auditors are precluded from any form of variable remuneration, while recognising a social security fund and/or reimbursement of expenses for the exercise of the office of Statutory Auditor.

***Allocation of indemnities and/or benefits for termination of office or termination of employment during the 2023 financial year, with reference to Executive Directors and the Chairperson***

In the 2023 financial year, no indemnities and/or benefits for the termination of office or for the termination of the employment relationship were attributed to executive directors or to the Chairperson of the management body.

***Exceptions to the Remuneration Policy for the year 2023***

No exceptions to the 2021-2023 Remuneration Policy approved by the Shareholders' Meeting of 20 April 2021 were applied during the 2023 financial year.

***Application of ex-post correction mechanisms (claw-back and/or malus)***

During the 2023 financial year, no ex-post correction mechanisms were applied to the variable remuneration components recognised for previous years.

***Change in salary and comparative information***

The following is a comparison for the last financial years (in compliance with Article 2 of Consob Resolution No. 21623 of 10 December 2020) of the annual change:

i) of the total remuneration of individuals who, during the 2023 financial year, held the position of Director, Statutory Auditor and General Manager, for which information is provided by name:

	2023	2022	2021	2020	2019
<b>Roberto Olivi</b>	20.3%	+6.3%	+21.1%	+58%	+8.4%
<b>Ilaria Eugeniiani</b>	31.7%	+1.1%	+14.7%	-1.5%	+4.6%
<b>Michele Magagna</b>	29%	+15.2%	+88.1%	+195%	-
<b>Umberto Zuliani</b>	-	-	-	-	-
<b>Antonio Aristide Mastrangelo</b>	-	-	+25%	+80%	-
<b>Anna Maria Fellegara</b>	-	+40.6%	-	-70%	-
<b>Benedetta Pinna</b>	-	+5.3%	+171.4%	-30%	-
<b>Antonino Girelli</b> Chairperson of the Board of Statutory Auditors appointed by the Shareholders' Meeting on 20 April 2023	-	-	-	-	-
<b>Roberto Cassader</b> Chairman of the Board of Board of Statutory Auditors no longer in office following the renewal of the Board of Board of Statutory Auditors at the Shareholders' Meeting of 20 April 2023	-68%	0%	+38.9%	-28%	-
<b>Gianfranco Milanesi</b> Reconfirmed as a member of the Board of Statutory Auditors for the three-year period 2023-2025 at the Shareholders' Meeting of 20 April 2023	10%	-	-9.1%	-12%	-
<b>Elena Iotti</b> Reconfirmed as a member of the Board of Statutory Auditors for the three-year period 2023-2025 at the Shareholders' Meeting of 20 April 2023	10%	+33.3%	-	-	-
<b>Andrea Gozzi</b>	47.4%	0%	+8.7%	+4.6%	-

ii) the Company's results:

	2023	2022	2021	2020	2019
<b>Consolidated revenues</b>	6.5%	+5.3%	+6.9%	-8.5%	+4.6%
<b>Consolidated EBITDA</b>	19.6%	-8%	+12%	-15.3%	+6.2%
<b>Consolidated EBIT</b>	412.3%	-70%	+152.2%	-72%	-3.5%
<b>Consolidated profit (loss)</b>	55.5%	-52.6%	+145%	-69%	-21.5%
<b>Group shareholders' equity</b>	3.9%	+9%	+2.9%	-14.2%	+0.01%

(iii) of the average gross annual remuneration, measured on full-time employees, of employees other than those whose remuneration is disclosed by name in this section of the Report:

	2023	2022	2021	2020	2019
<b>Average gross annual remuneration</b>	3.23%	+3.17	-6.46%	+0.49%	-0.95%

***Vote cast by the Shareholders' Meeting of 20 April 2023 on the second section of the Remuneration Report***

The Shareholders' Meeting held on 20 April 2023 approved by a majority vote the second section of the Report on remuneration policy and compensation paid in 2022 with the favourable vote of 18,886,319 (eighteen million eight hundred and eighty six thousand three hundred and nineteen), representing 93.032645% of the share capital present (and amounting to 59.373294% of the entire share capital). The Board of Directors consequently took positive note of this favourable vote and in the 2023 financial year complied with the Remuneration Policy approved by the Shareholders' Meeting of 20 April 2021.

***Second part***

The tabular report presented below for the information of the Shareholders' Meeting provides an overview of remuneration for the 2023 financial year.

The section below shows Tables 1 and 3B of Schedule 7-bis and Table 1 of Schedule 7-ter of Annex 3A of the Issuers' Regulations.

The information relating to Tables 2 and 3A of Schedule 7-bis of Annex 3A of the Issuers' Regulations is not shown, as stock option plans for Directors and Executives with strategic responsibilities were not approved by the Shareholders' Meeting.

Table 1 of Schedule 7-ter of Annex 3A of the Issuers' Regulations required by Article 84-*quater* of the Issuers' Regulations contains information on the shareholdings in Servizi Italia S.p.A. and in its subsidiaries, directly or through subsidiaries, trust companies or intermediaries, by members of the administrative and control bodies and their respective spouses who are not legally separated and minor children.

## Proposed resolution

Dear Shareholders,

We wish to remind you that the Shareholders' Meeting is required to vote on the "Second Section" of the Remuneration Report, which provides a representation of each of the items that make up the remuneration, by name, of the members of the administrative and control bodies and of the General Manager and in aggregate form of other Executives with strategic responsibilities.

In preparing the Report, Servizi Italia S.p.A. has taken into account the provisions of current laws and regulations and the Corporate Governance Code for listed companies to which the Company has adhered.

The following is the proposal for a resolution submitted to the Shareholders' Meeting by your Board of Directors, in compliance with the applicable legal provisions:

*"The Shareholders' Meeting:*

- *having regard to Articles 123-ter of Italian Legislative Decree No. 58 of 24 February 1998 and 84-quater of the Regulation adopted by Consob Resolution No. 11971/99;*
- *having acknowledged the Remuneration Policy for the three-year period 2021-2023 approved by the Shareholders' Meeting on 20 April 2021;*
- *having acknowledged the second section of the Report on remuneration policy and compensation paid, drawn up by the Board of Directors pursuant to Article 123-ter of Italian Legislative Decree No. 58 of 24 February 1998;*
- *that, pursuant to Article 123-ter, paragraph 6, of Italian Legislative Decree No. 58 of 24 February 1998, this resolution shall not be binding on the Board of Directors;*

### **RESOLVED**

*to express a favourable opinion on the second section of the Report on remuneration policy and compensation paid drawn up by the Board of Directors pursuant to Article 123-ter of Italian Legislative Decree No. 58 of 24 February 1998."*

**TABLE 1: Compensation paid to members of the Board of Directors and Board of Statutory Auditors, general directors and other Executives with strategic responsibilities (values expressed in thousands of Euros)**

Name	Position	Period for which the office was held	Expiration of the office	Fixed compensation	Compensation for participation in committees	Variable non-equity compensation			Total	Fair value of equity compensation	Indemnities upon termination of office or employment relationship	
						Bonuses and other incentives	Profit-sharing	Non-monetary benefits				
<b>Roberto Olivi</b>	Chairman of the BoD Chairman of the Executive Committee Director responsible for risk control	01/01/2022-31/12/2022	Approval of Financial Statements at 31/12/2023									
(I) Compensation in the company preparing the financial statements				75 <sup>1</sup>	100	45	-	-	-	220	-	-
(II) Compensation from subsidiaries and associates				-	-	-	-	-	-	-	-	-
(III) Total				75	100	45	-	-	-	220	-	-
<b>Ilaria Eugeniani</b>	Deputy Chairwoman Director member of the EC Executive with strategic responsibilities	01/01/2022-31/12/2022	Approval of Financial Statements at 31/12/2023									
(I) Compensation in the company preparing the financial statements				218 <sup>2</sup>	100	124	-	-	-	442	-	-
(II) Compensation from subsidiaries and associates				-	-	-	-	4	-	4	-	-
(III) Total				218	100	124	-	4	-	446	-	-
<b>Michele Magagna</b>	Director member of the EC	01/01/2022-31/12/2022	Approval of Financial Statements at 31/12/2023									
(I) Compensation in the company preparing the financial statements				20	100	45	-	-	-	165	-	-
(II) Compensation from subsidiaries and associates				-	-	-	-	-	-	-	-	-
(III) Total				20	100	45	-	-	-	165	-	-
<b>Umberto Zuliani</b>	Director	01/01/2022-31/12/2022	Approval of Financial Statements at 31/12/2023									
(I) Compensation in the company preparing the financial statements				20	-	-	-	-	-	20	-	-
(II) Compensation from subsidiaries and associates				-	-	-	-	-	-	-	-	-
(III) Total				20	-	-	-	-	-	20	-	-

1 Of which Euro 20 thousand as Director, Euro 50 thousand as Chairperson of the Board of Directors and Euro 5 thousand as Director in charge of the internal control and risk management system

2 Of which Euro 20 thousand as a Director, Euro 25 thousand as Deputy Chairperson of the Board of Directors and Euro 173 thousand as an Executive of the Company.

**TABLE 1: Compensation paid to members of the Board of Directors and Board of Statutory Auditors, general directors and other Executives with strategic responsibilities (values expressed in thousands of Euros)**

Name	Position	Period for which the office was held	Expiration of the office	Variable non-equity compensation							Indemnities upon termination of office or employment relationship	
				Fixed compensation	Compensation for participation in committees	Bonuses and other incentives	Profit-sharing	Non-monetary benefits	Other compensation	Total		Fair value of equity compensation
<b>Anna Maria Fellegara</b>	Independent Director – Chairperson of the GC	01/01/2022-31/12/2022	Approval of Financial Statements at 31/12/2023									
(I) Compensation in the company preparing the financial statements				20	25	-	-	-	-	45	-	-
(II) Compensation from subsidiaries and associates				-	-	-	-	-	-	-	-	-
(III) Total				20	25	-	-	-	-	45	-	-
<b>Benedetta Pinna</b>	Independent Director – Member of the GC	01/01/2022-31/12/2022	Approval of Financial Statements at 31/12/2023									
(I) Compensation in the company preparing the financial statements				20	20	-	-	-	-	40	-	-
(II) Compensation from subsidiaries and associates				-	-	-	-	-	-	-	-	-
(III) Total				20	20	-	-	-	-	40	-	-
<b>Antonio Aristide Mastrangelo</b>	Independent Director – Member of CRC – Member of ARC – Member of GC – Lead Independent Director	01/01/2022-31/12/2022	Approval of Financial Statements at 31/12/2023									
(I) Compensation in the company preparing the financial statements				25 <sup>3</sup>	20 <sup>4</sup>	-	-	-	-	45	-	-
(II) Compensation from subsidiaries and associates				-	-	-	-	-	-	-	-	-
(III) Total				25	20	-	-	-	-	45	-	-
<b>Andrea Gozzi</b>	General Manager Executive with strategic responsibilities	01/01/2021-31/12/2021	Indefinite term									
(I) Compensation in the company preparing the financial statements				318	-	191	-	4	-	513	-	-
(II) Compensation from subsidiaries and associates				-	-	-	-	-	-	-	-	-
(III) Total				318	-	191	-	4	-	513	-	-

<sup>3</sup> Of which Euro 20 thousand as Director and Euro 5 thousand as Lead Independent Director

<sup>4</sup> Of which Euro 10 thousand as a component of the ARC and the CRC and Euro 10 thousand as a component of the CG

**TABLE 1: Compensation paid to members of the Board of Directors and Board of Statutory Auditors, general directors and other Executives with strategic responsibilities (values expressed in thousands of Euros)**

Name	Position	Period for which the office was held	Expiration of the office	Fixed compensation	Compensation for participation in committees	Variable non-equity compensation			Total	Fair value of equity compensation	Indemnities upon termination of office or employment relationship
						Bonuses and other incentives	Profit-sharing	Non-monetary benefits			
<b>Roberto Cassader</b>	Chairman of the Board of Statutory Auditors	01/01/2022-20/04/2023	Approval of Financial Statements at 31/12/2022								
(I) Compensation in the company preparing the financial statements				25	-	-	-	-	25	-	-
(II) Compensation from subsidiaries and associates				-	-	-	-	-	-	-	-
(III) Total				25	-	-	-	-	25	-	-
<b>Antonino Girelli</b>	Chairman of the Board of Statutory Auditors	20/04/2023 – 31/12/2023	Approval of Financial Statements at 31/12/2022								
(I) Compensation in the company preparing the financial statements				20	-	-	-	-	20	-	-
(II) Compensation from subsidiaries and associates				-	-	-	-	-	-	-	-
(III) Total				20	-	-	-	-	20	-	-
<b>Gianfranco Milanesi</b>	Standing Auditor	01/01/2022-31/12/2022	Approval of Financial Statements at 31/12/2022								
(I) Compensation in the company preparing the financial statements				15	-	-	-	-	15	-	-
(II) Compensation from subsidiaries and associates				-	-	-	-	-	-	-	-
(III) Total				15	-	-	-	-	15	-	-
<b>Elena Iotti</b>	Standing Auditor	01/01/2022-31/12/2022	Approval of Financial Statements at 31/12/2022								
(I) Compensation in the company preparing the financial statements				-	-	-	-	-	-	-	-
(II) Compensation from subsidiaries and associates				-	-	-	-	-	-	-	-
(III) Total				-	-	-	-	-	-	-	-
<b>Davide Barbieri</b>	Alternate Auditor	01/01/2022-31/12/2022	Approval of Financial Statements at 31/12/2022								
(I) Compensation in the company preparing the financial statements				-	-	-	-	-	-	-	-
(II) Compensation from subsidiaries and associates				-	-	-	-	-	-	-	-
(III) Total				-	-	-	-	-	-	-	-
<b>Valentina Gasparini</b>	Alternate Auditor	20/04/2022-31/12/2022	Approval of Financial Statements at 31/12/2022								
(I) Compensation in the company preparing the financial statements				-	-	-	-	-	-	-	-
(II) Compensation from subsidiaries and associates				-	-	-	-	-	-	-	-
(III) Total				-	-	-	-	-	-	-	-

**TABLE 1: Compensation paid to members of the Board of Directors and Board of Statutory Auditors, general directors and other Executives with strategic responsibilities (values expressed in thousands of Euros)**

Name	Position	Period for which the office was held	Expiration of the office	Fixed compensation	Variable non-equity compensation					Total	Fair value of equity compensation	Indemnities upon termination of office or employment relationship
					Compensation for participation in committees	Bonuses and other incentives	Profit-sharing	Non-monetary benefits	Other compensation			
No. 1	Executive with strategic responsibilities	01/01/2023-31/12/2023	Indefinite term									
	(I) Compensation in the company preparing the financial statements			146	-	61	-	3	-	210	-	-
	(II) Compensation from subsidiaries and associates			-	-	-	-	-	36	36	-	-
	(III) Total			146	-	61	-	3	36	246	-	-

**TABLE 3B: Compensation paid to members of the Board of Directors and Board of Statutory Auditors, general directors and other executives with strategic responsibilities (values expressed in thousands of Euros)**

A Name	B Position	(1) Plan	(2) Year's bonus			(3) Previous years' bonus			(4) Other bonuses
			(A)	(B)	(C)	(A)	(B)	(C)	
			Payable/Paid	Deferred	Deferral period	No longer payable	Payable/Paid	Still deferred	
Roberto Olivi	Chairman of the BoD Chairman of the Executive Committee Director responsible for risk control	ABS Plan – Financial year 2023	15			-	-	-	-
		LTI Cash Plan – Financial years 2021-2023	30						
Ilaria Eugeniani	Deputy Chairwoman Director member of the Executive Committee Executive with strategic responsibilities	ABS Plan – Financial year 2023	46			-	-	-	-
		LTI Cash Plan – Financial years 2021-2023	77						
Michele Magagna	Director member of the Executive Committee	ABS Plan – Financial year 2023	15			-	-	-	-
		LTI Cash Plan – Financial years 2021-2023	30						
Andrea Gozzi	General Manager Executive with strategic responsibilities	ABS Plan – Financial year 2023	71			-	-	-	-
		LTI Cash Plan – Financial years 2021-2023	121						
No. 1 Executive with strategic responsibilities		ABS Plan – Financial year 2023	26			-	-	-	-
		LTI Cash Plan – Financial years 2021-2023	35						
(I) Compensation in the company preparing the financial statements		ABS plan – Financial year 2023 – 14/03/2024	178			-	-	-	-
		LTI Cash Plan – Financial years 2021-2022-2023	288						
(II) Compensation from subsidiaries and associates			-	-	-	-	-	-	-
(III) Total			-	466	-	-	-	-	-

**SCHEDULE 7-ter – TABLE 2: Equity investments of other Executives with strategic responsibilities**

Number of Executives with strategic responsibilities	Subsidiary	No. of shares held at the end of the previous year	No. of shares purchased	No. of shares sold	No. of shares held at the end of the current year
3 (three)	Servizi Italia S.p.A. Title of ownership: <i>direct</i> Method of ownership: <i>direct</i>	none	none	none	none