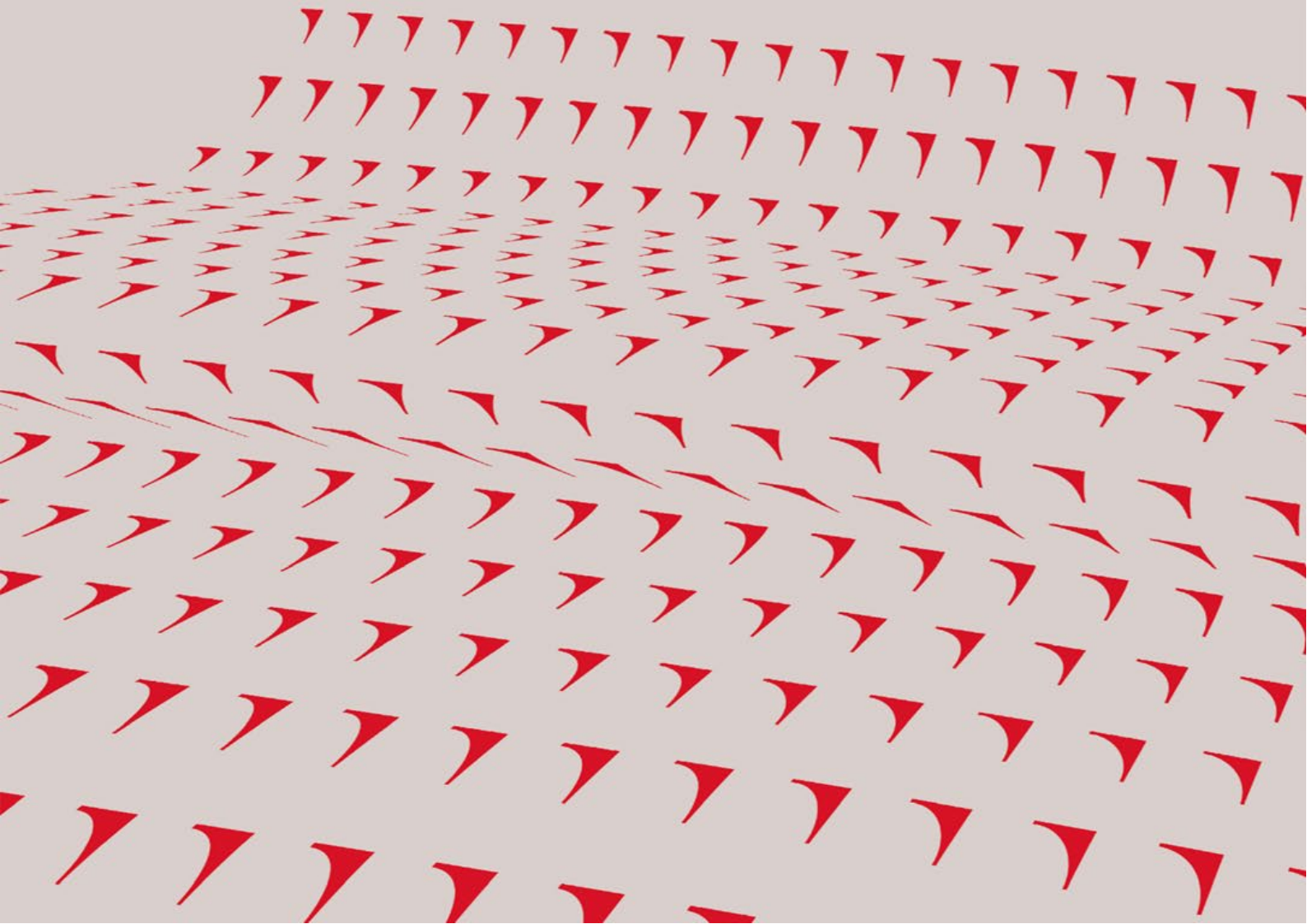




## **REPORT ON REMUNERATION POLICY AND COMPENSATION PAID - 2022**

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*As per the terms of Art. 123-ter of the Finance Consolidation Law,  
in compliance with Art. 84-quater of the Rules for Issuers  
and Art. 5 of the Corporate Governance Code*



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## GLOSSARY

<b>Term</b>	<b>Definition and/or paragraph of the Report containing the definition</b>
<b>“Chief Executive Officer”</b>	Means the Chief Executive Officer of CIR
<b>“Executive Directors”</b>	Means the Chairman of the Board of Directors and the Chief Executive Officer and General Manager
<b>“Shareholders’ Meeting”</b>	Means the General Meeting of the Shareholders of the Company
<b>“Shares”</b>	Means the shares of CIR
<b>“Beneficiaries”</b>	Means the persons identified as beneficiaries of the Plan
<b>“ARC” (or “Appointments and Remuneration Committee” or “Committee”)</b>	Means the Appointments and Remuneration Committee of CIR – point 1.4
<b>“CIR Code”</b>	Means the CIR Corporate Governance Code with the latest amendment dated January 29 2021 made to take into account the changes made by the Borsa Italiana Code
<b>“Code of Corporate Governance of Borsa Italiana” (or “Borsa Italiana Code”)</b>	Means the Code of Corporate Governance for listed companies produced by the Corporate Governance Committee and promoted by Business Associations, Borsa Italiana S.p.A. and Assogestioni
<b>“Board of Statutory Auditors”</b>	Means the Board of Statutory Auditors of CIR
<b>“Board of Directors” (or “Board”)</b>	Means the Board of Directors of CIR
<b>“Grant Date”</b>	Means the date on which the Units were assigned to the Beneficiaries
<b>“Executives with strategic responsibilities”</b>	Means the persons so defined in Annex 1 of Consob Regulation no. 17221 of March 12 2010 and subsequent amendments, giving rules on the subject of related-party transactions and identified in Art. 2.2.3 of the OPC Procedure
<b>“Executive Responsible”</b>	Means the executive responsible for the preparation of CIR’s corporate accounting and financial statements
<b>“Group”</b>	Means CIR and all the companies controlled directly or indirectly by CIR
<b>“Minimum Holding”</b>	Means the limit on the availability of the Shares for the Beneficiaries
<b>“Plan”</b>	Means the medium-long term variable compensation plan based on the shares of CIR S.p.A. here referring to Stock Grant Plan 2022 submitted to the approval of the Shareholders’ Meeting called to approve the Financial Statements as of December 31 2021
<b>“Policy 2022” (or “Policy”)</b>	Means Section II, entitled “Report on compensation paid in the year 2021” of the Report - Foreword
<b>“Chairman of the Board of Directors”</b>	Means the Chairman of the Board of Directors of CIR
<b>“OPC Procedure”</b>	Means CIR’s “ <i>Rules for Related-Party Transactions</i> ” dated June 28 2021

<b>“Regulations of the Plan”</b>	Means the regulations defining the criteria, terms and conditions for implementing the Plan
<b>“Consob’s Rules for Issuers” (or “Rules for Issuers”)</b>	Means the Rules adopted by Consob with resolution no. 11971 of May 14 1999 - Foreword
<b>“Consob’s Market Regulations”</b>	Means the regulations adopted with resolution no. 20249 of December 28 2017
<b>“Remuneration Report” (or “Report”)</b>	Means this report on remuneration policy and compensation paid – Foreword
<b>“Remuneration Report 2021” (or “Report on Remuneration”)</b>	Means Section I, entitled “Remuneration Policy for the year 2022” of the Report - Foreword
<b>“Schedule”</b>	Means Schedule no. 7-bis “ <i>Report on remuneration policy and compensation paid</i> ” included in Annex 3A of the Rules for Issuers
<b>“Company” (or “Issuer” or “CIR”)</b>	Means CIR S.p.A. – Foreword
<b>“Top Management”</b>	Means the Chief Executive Officer, the General Manager and the Executives with strategic responsibilities
<b>“TUF”</b>	Means Legislative Decree no. 58 of February 24 1998 - Foreword
<b>“Vesting”</b>	Means the period in which the Units vest
<b>“Units”</b>	Means the conditional rights that are the subject of the Plan. They are assigned free of charge and are not transferable <i>inter vivos</i> , and each unit gives the Beneficiaries the right to receive 1 Share free of charge in accordance with the terms and conditions set out in the Regulations of the Plan

## FOREWORD

This Report on remuneration policy and compensation paid (the “**Remuneration Report**” or “**Report**”) was approved, at the proposal of the Appointments and Remuneration Committee, by the Board of Directors of CIR S.p.A. – Compagnie Industriali Riunite (hereinafter also the “**Company**” or the “**Issuer**” or “**CIR**”) on March 11 2022.

In compliance with what set out in the rules and regulations currently in force, the Report is organized in two sections:

- > Section I, entitled “Policy on the subject of remuneration for the year 2022” (hereinafter also “**Policy 2022**” or the “**Policy**”);
- > Section II, entitled “Report on the compensation paid in the year 2021” (hereinafter also “**Compensation Report 2021**” or “**Compensation Report**”).

The Report was prepared in compliance with the terms of Art. 84-quater of Consob Regulation no. 11971/99 (“**Consob Rules for Issuers**” or “**Rules for Issuers**”) and of its relative Annex 3 schedule 7bis (as recently amended by Consob Resolution no. 21623/20) – in implementation of Art. 123-ter of D. Lgs. no. 58/98 (the “**TUF**”) with its latest update from D.Lgs. no. 49 of May 10 2019.

For the purposes of the Report we took into account the recommendations on the subject of remuneration adopted by the Code of Corporate Governance of listed companies, approved on January 31 2020 by the Corporate Governance Committee set up by the Business Associations (ABI, ANIA, Assonime, Confindustria) and professional investors (Assogestioni), together with Borsa Italiana S.p.A., which the Company follows, as well as the most recent recommendation of the Corporate Governance Committee. In this regard, the Report complies with the terms of Art. 5 of the Company’s Corporate Governance Code.

The Report was also prepared in accordance with Art. 4.1.1 of the Company’s Rules for Related-Party Transactions.

The Report will be available to the public at the Company headquarters, on the authorized storage mechanism ([www.emarketstorage.com](http://www.emarketstorage.com)) and on the Company website by the close of the twenty-first day before the date of the Shareholders’ Meeting called to approve the Financial Statements for the year ended December 31 2021.

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Policy 2022, submitted to a binding vote at the Shareholders’ Meeting called to approve the Financial Statements for the year ended December 31 2021 as per the terms of Art. 123-ter, paragraph 3-ter, of the TUF, defines the principles and guidelines for the year 2022 in relation to the remuneration of the members of the Board of Directors, the Board of Statutory Auditors, the General Manager and the Executive with strategic responsibilities.

Furthermore, the Report **(i)** describes the contribution of Policy 2022 to the Company’s strategy, the pursuit of its long-term interests and the sustainable success of CIR, in the sense of creation of value in the long term for the benefit of the shareholders, taking into account the interests of other stakeholders important for the Company; **(ii)** sets out the objectives that it follows, particularly the need to recruit, retain and motivate people with the competence and professionalism required by the position they hold in the Company; and **(iii)** explains the aims, the procedures and the beneficiaries of remuneration, the bodies involved and the procedures used for its adoption and implementation.

As already stated, Policy 2022 was prepared according to schedule no.7-bis as per Annex 3 of the Rules for Issuers valid as of the date of approval of Policy 2022. This schedule requires that the Report, in

Section I, should contain at least the same information as that contained in the same schedule. Below is a chart showing the information required and the part of the Report in which the information is given:

INFORMATION REQUIRED BY SCHEDULE 7-BIS	PARAGRAPHS OF THE POLICY WHERE THE REQUIRED INFORMATION IS GIVEN
a) bodies or persons involved in the preparation and approval of the Remuneration Policy, specifying their respective roles together with the bodies or persons responsible for the correct implementation of the Policy.	1. Persons involved in the process of preparation, adoption and implementation of the remuneration policy
b) any intervention by a Remuneration Committee or another committee with competence on the subject, describing the composition of the said committee (specifying which members are non-executive or independent), its competences and the way in which it functions;	1. Persons involved in the process of preparation, adoption and implementation of the remuneration policy
c) the name of any independent experts who may have taken part in the preparation of the Remuneration Policy;	1. Persons involved in the process of preparation, adoption and implementation of the remuneration policy
d) the aims pursued with the Remuneration Policy, the principles that inspire it and any changes in remuneration policy compared to the previous financial year;	2. Aims and principles of the Remuneration Policy 2022
e) a description of policies regarding fixed and variable parts of remuneration with particular reference to the relative weighting of the same in the overall compensation and distinguishing between short-term and medium-long term variable components;	3. Remuneration of the directors 4. Remuneration of the members of the Board of Statutory Auditors 5 Remuneration of the Executive with strategic responsibilities 6. Characteristics of the variable components of remuneration
f) the policy followed with regard to non-monetary benefits;	3. Remuneration of the directors 4. Remuneration of the members of the Board of Statutory Auditors 5 Remuneration of the Executive with strategic responsibilities
g) with reference to the variable items of remuneration, a description of the performance objectives on the basis of which they are assigned, distinguishing between short-term and medium-long term variable elements and information on the link between variance in results and a change in remuneration;	3. Remuneration of the directors 5. Remuneration of the Executive with strategic responsibilities 6. Characteristics of the variable parts of remuneration
h) the criteria used to evaluate performance objectives on which the grant of shares, options, other financial instruments or other variable parts of remuneration is based;	6. Characteristics of the variable parts of remuneration
i) information aimed at showing that the Remuneration Policy is consistent with the pursuit of the company's long-term interests and with risk management policy, where this has been formalized;	2. Aims and principles of the Remuneration Policy 2022 6. Characteristics of the variable parts of remuneration
j) the vesting period of the rights, any deferred payment systems with an indication of the deferral periods and the criteria used for establishing such periods and, if applicable, any retroactive corrective mechanisms;	6. Characteristics of the variable parts of remuneration
k) information on the possible inclusion of clauses for keeping financial instruments in the portfolio after they have been acquired, with an indication of the periods they can be kept for and the criteria used for establishing such periods;	6. Characteristics of the variable parts of remuneration
l) the policy regarding indemnity in the event of termination of a directorship or of the employment, specifying which circumstances give rise to the right to such indemnity and any link between such indemnity and the performance of the company;	3. Remuneration of the directors 4. Remuneration of the members of the Board of Statutory Auditors 5 Remuneration of the Executive with strategic responsibilities 6. Characteristics of the variable parts of remuneration
m) information as to the presence of any insurance cover, welfare or pension rights other than those that are obligatory;	3. Remuneration of the directors 4. Remuneration of the members of the Board of Statutory Auditors 5 Remuneration of the Executive with strategic responsibilities
n) any remuneration policy followed with regard to: (i) independent directors, (ii) being a member of committees and (iii) the holding of special positions (chairman, deputy chairman etc.);	3. Remuneration of the directors 4. Remuneration of the members of the Board of Statutory Auditors
o) whether the compensation policy was set using the compensation policies of other companies as benchmarks, and if so the criteria used to select such companies.	1. Persons involved in the process of preparation, adoption and implementation of the remuneration policy

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The Remuneration Report 2021, which is put to a consultative, non-binding vote by the Shareholders' Meeting as per the terms of Art. 123-ter, paragraph 6, of the TUF, for the members of the Board of Directors, the members of the Board of Statutory Auditors, the General Manager and the Executive with strategic responsibilities of the Company, gives the following information:

- > An adequate description of each of the items that make up the remuneration, including any indemnities in the event of termination of the position or of the employment, specifying that it

complies with the policy adopted by the Company on the subject of remuneration in relation to financial year 2021;

- > A breakdown of the compensation paid in the year 2021 on any account and in any form by the Company and its subsidiaries, noting whether any items of compensation refer to activities carried out in years prior to 2021 (and also showing any compensation to be paid in one or more subsequent years for activities carried out in 2021, where applicable giving and estimate of the amount for any items that could not be quantified objectively in the year 2021);
- > A description of how the Company took into account the vote expressed by the Shareholders' Meeting in 2021.

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The result of the vote on Policy 2022 and on the Compensation Report 2021 will be made available to the public on the Company's website within 5 days of the date of the Shareholders' Meeting.



## **SECTION I – REMUNERATION POLICY FOR THE YEAR 2022**

### **1. PERSONS INVOLVED IN THE PREPARATION, ADOPTION AND IMPLEMENTATION OF THE REMUNERATION POLICY PROCESS**

#### **1.1. Persons involved in the process**

The Company has adopted a governance model aimed at guaranteeing transparency and adequate control with regard to remuneration policy, any changes in the same and its implementation and ensures that these activities involve a number of individuals and corporate bodies in line with what is set out in the Company Bylaws, the Corporate Governance Code, internal rules for implementing the same Corporate Governance Code (mainly the regulations of the Appointments and Remuneration Committee) and, more in general, with applicable rules and regulations.

More specifically, the remuneration policy **(i)** is set each year by the Board of Directors at the proposal of the Appointments and Remuneration Committee after hearing the opinion of the Board of Statutory Auditors, and **(ii)** is then submitted by the Board of Directors to a binding vote at the Shareholders' Meeting.

With regard to Policy 2022, and specifically for the definition of the remuneration of the Executive Directors, the Company used the consultant Key2People S.r.l. to set a benchmark. This benchmark was established by identifying an ample panel of peers (a total of 21 listed companies) selected according to whether they had characteristics in common with those of CIR. These were then divided into clusters (industrial holding companies, companies operating in the automotive and healthcare sectors and businesses with an industry diverse profile) in order to enable more structured evaluations to be made on the alignment of the remuneration of Executive Directors with that of their counterparts.

Policy 2022 was drawn up without any reference to the policies of other companies and is in any case in line with the market practice of listed companies.

Below is a description of the individual persons or bodies involved in the process and of their respective roles.

#### **1.2. Shareholders' Meeting**

The Shareholders' Meeting:

- > Establishes the fee for the members of the Board of Directors when they are appointed and for the whole duration of their mandate, excluding remuneration for special positions and/or for being on one or more committees, decisions on which are taken by the Board of Directors.
- > Establishes the fee for the members of the Board of Statutory Auditors when they are appointed and for the whole duration of their mandate;
- > Approves the first section of the Remuneration Report, i.e. the Policy;
- > Expresses a consultative vote on the second section of the Remuneration Report, i.e. the Compensation Report;
- > Votes on share-based compensation plans, fixing the main characteristics of the same and delegating the Board of Directors to draw up the regulations and decide on the beneficiaries and the number of rights to assign to each of them, taking into account the total amount approved by the Shareholders' Meeting.

#### **1.3. Board of Directors**

The Board of Directors, at the proposal of or having heard the opinion of the Appointments and Remuneration Committee, establishes:


- > The remuneration of the directors holding special positions as per the terms of Art. 2389, paragraph 3, of the Civil Code;
- > The fees for the directors who sit on one or more committees, having heard the opinion of the Board of Statutory Auditors;
- > The remuneration of the General Manager;
- > At the proposal of the Chief Executive Officer, the remuneration of the Executive with strategic responsibilities;
- > The regulations of the share-based remuneration plans, as well as the beneficiaries and the number of rights to assign to each of them, taking into account of what has been approved by the Shareholders' Meeting and after having heard the Chief Executive Officer for the beneficiaries other than the same CEO.

#### 1.4. Appointments and Remuneration Committee

The Appointments and Remuneration Committee was set up by the Board of Directors from among its members in accordance with what is set out in Art. 3 of the Company's Corporate Governance Code.

The Committee consists of a minimum of three non-executive directors, all of whom are independent, and is appointed by the Board of Directors, who ensures that its members have competence and/or experience in finance and/or compensation policy.

The Appointments and Compensation Committee currently has the following members:

	FIRST NAME AND LAST NAME	POSITION
	<b>Francesca Pasinelli</b>	Chairman of the Committee – non-executive independent Director
	<b>Philippe Bertherat</b>	Member of the Committee – non-executive independent Director
	<b>Silvia Giannini</b>	Member of the Committee – non-executive independent Director
	<b>Maria Serena Porcari</b>	Member of the Committee – non-executive independent Director

As can be seen from the *curricula vitae* of the members (available on the Company website in the section Governance/Board of Directors), the Committee has adequate competence in finance and/or compensation policies.

With specific reference to the subject of “remuneration”, as set out in the regulations approved by the Board of Directors and recently, on October 26 2021, published on the Company website, the Appointments and Remuneration Committee has the following competences:

- > It assists the Board of Directors in drawing up the remuneration policy and monitors that it is being applied in practice;
- > It makes proposals or expresses an opinion on the remuneration of the Directors holding special positions, of the General Manager and the Executives with strategic responsibilities. More specifically, it makes proposals or expresses opinions:
  - on the criteria and objectives used to calculate the variable part of the remuneration package;
  - on share-based plans, including **(i)** the regulations of the plans, with particular regard to the terms and conditions for the rights to vest, **(ii)** the beneficiaries and **(iii)** the number of rights to be granted;
- > It checks that the objectives established for the variable part of remuneration to mature and for the rights to vest have actually been reached and puts the relative proposal before the Board of Directors;
- > It periodically evaluates the adequacy and the consistency of the remuneration policy for Directors and Top Management and ensures that it is being implemented.

Regarding the functioning of the Appointments and Remuneration Committee, again in accordance with the regulations, the following list summarizes the Committee’s main activities:

- > The Committee meets when convened by its Chairman when the latter deems it opportune, or at the request of the Chairman of the Board of Directors;
- > The Board of Statutory Auditors attends the meeting (in the person of its Chairman but all the members may attend);
- > The Chairman coordinates the proceedings of the meetings;
- > Whenever the Chairman deems it necessary, he or she can invite executive and non-executive directors to the meetings, and after first informing the Chief Executive Officer, the managers of the Company who have competence on the topics to be dealt with at the meeting;
- > Within the sphere of measures to avoid or manage conflict of interest (and also in compliance with the Corporate Governance Code), no director or executive attends committee meeting during which proposals for the Board of Directors regarding his or her own remuneration are to be drawn up;
- > Minutes are taken of the committee meetings by a secretary who, in this specific case, is the Secretary to the Board of Directors;
- > The Committee has the right to access information and the company departments necessary for it to carry out its duties;
- > The Company gives the Committee the financial resources that it needs to carry out its duties;
- > The Chairman of the Committee informs the Board of Directors of any action taken at the first convenient Board meeting.

### **1.5. Committee for Related-Party Transactions**

The Committee for Related-Party Transactions could be involved in order to carry out any evaluations required of this committee under the Company's Rules for Related-Party Transactions, should the Company plan to take any decisions in waiver of the Policy.

On this subject, in the event of any waivers of the Policy applied under exceptional circumstances, as described in point 7 below, the Company would be required to provide information regarding any such waivers following the procedures and terms set out in the rules and regulations in force at the time.

As far as the functioning of the Committee for Related-Party Transactions is concerned, see the Report on Corporate Governance and the Ownership Structure.

## **2. AIMS AND PRINCIPLES OF POLICY 2022**

### **2.1. Aims of Policy 2022**

Policy 2022 meets the objective of guaranteeing that the Company is competitive in the labour market, enabling it to attract, motivate and retain people with the right professional qualities to **(i)** manage the Group, which operates in various sectors that are highly complex, and **(ii)** contribute to the formulation and implementation of the strategy of the Company as a holding company that aims to create value for the Company and the Group in the medium and long term.

Policy 2022 is also a fundamental tool for CIR to achieve sustainable success, incentivizing the implementation of the business and ESG plans approved by the Board of Directors.

### **2.2. Principles underpinning Policy 2022**

The remuneration of the Directors, the members of the Board of Statutory Auditors and Top Management is above all determined according to the competence, professionalism and the commitment required by the tasks assigned and the responsibility attributed to the same.

For Top Management, the Policy is based on the following further principles, which are in line with the recommendations of the Corporate Governance Code:

- > Aligning levels of pay with the performance and interests of the Company and of the Group, its shareholders and all its stakeholders;
- > Acting to guarantee that pay meets rewarding criteria, by ensuring that the variable part **(i)** has a significant weighting in the total remuneration and **(ii)** is linked to the success of the business in a short and medium-long term time horizon;
- > Setting objectives to which the payment of the variable part is linked; these must be pre-defined, measurable and consistent with the strategic objectives of the Company and the Group;
- > Establishing maximum limits to the amounts that can be paid out.

### **2.3. Results of voting and feedback from investors**

The Policy also takes into consideration analyses and studies carried out on the results of AGM votes and the feedback from shareholders on Remuneration Policy 2021 and on the Report on Compensation Paid in the year 2020. The result of the binding vote expressed by the Shareholders' Meeting on April 30 2020 on the Remuneration Report 2020 and the non-binding vote on the Report on Compensation Paid in the year 2019 was 78% in favour and 22% against.

CIR gives a great deal of importance to the analysis of the outcome of this vote and the feedback received and in 2021 and in the early months of 2022 it took the action necessary to improve the Report and make it even clearer to understand.

In terms of content this Policy 2022 is a continuation of that of the previous year, partly in the light of the votes in favour mentioned above expressed by the Shareholders' Meeting.

### 3. REMUNERATION OF THE DIRECTORS

#### 3.1. General

All the directors (including the Executive Directors) receive a fixed annual fee set by the Shareholders' Meeting when they are appointed, for the whole duration of their mandate.

Moreover, the members of the committees, all of whom are currently independent, receive an additional fixed annual fee for each committee (limited to the Control Risk and Sustainability Committee and the Appointments and Remuneration Committee) and a fixed amount for attending each meeting of each committee they sit on.

Lastly, in line with best practice, the committee members are covered by a *Directors & Officers Liability* ("D&O") insurance policy against third party risk.

Below is a list of the additional remuneration for the directors who hold special positions or who are on one or more committees.

#### 3.2. Chairman of the Board of Directors

The compensation assigned by the Board of Directors to the Chairman for his position (as per Art. 2389, paragraph 3, of the Civil Code):

- > is determined annually;
- > is determined as a fixed sum;
- > does not include any variable parts;
- > does not include any other fees or any equity compensation.

The Chairman also has the following non-monetary benefits: **(i)** life insurance cover, invalidity, accident and illness cover (even extra-professional); **(ii)** health insurance; **(iii)** exclusive use of two vehicles for work and leisure use.

Lastly, for the Chairman there is an end of mandate indemnity ("*TFM*"), paid in the form of an annual insurance premium for a fixed amount paid by the Company to a policy ("*collective capitalization contract with revaluation of the capital and with a single premium to accrue an end of mandate indemnity*") of which the Chairman is the beneficiary and the pay-out of which can be claimed only when the mandate terminates.

#### 3.3. Chief Executive Officer

It should be noted that in the Company's governance the "*Amministratore Delegato*" is the Chief Executive Officer, as per the terms of the Corporate Governance Code.

The compensation assigned by the Board of Directors to the Chief Executive Officer for her position (as per Art. 2389, paragraph 3, of the Civil Code), is as follows:

- > An emolument, set each year by the Board of Directors as a fixed sum;
- > A variable annual emolument (MBO), set by the Board of Directors each year, linked to reaching **(i)** specific objectives in terms of economic and financial performance based on the budget of the Group (e.g. EBITDA, EBIT, Free Cash Flow etc.) functional to reaching the objectives set out in the medium-long term business plans of the Company, and **(ii)** specific objectives in terms of non-financial performance functional to reaching the objectives set out in the Company's ESG Plan.

The Board of Directors reserves the right to award a one-off bonus to the Chief Executive Officer in the event of transactions or performance that it deems worthy of extra compensation.

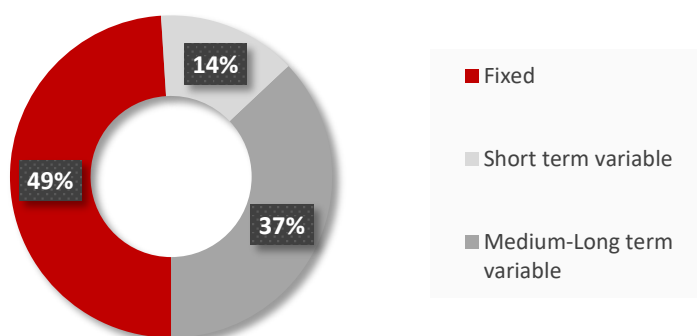
It should be noted that the Chief Executive Officer of the Company is the General Manager of CIR; for this employment position the General Manager:

- > Receives a fixed annual salary;
- > Is the beneficiary of share-based incentive plans (LTI) and more precisely of stock grant plans.

The General Manager also benefits (in line with the other executives of the Company) **(i)** from compensation paid out by the Company in the event of death, invalidity, accident (even if extra-professional) and illness, under the collective contract (CCNL) for managers in the industry sector and CIR's regulations for its managerial staff **(ii)** healthcare insurance according to the terms of CIR regulations for its managerial staff (paid out through a dedicated fund to which the Company and its managerial beneficiaries, including the General Manager, contribute,) **(iii)** supplementary social security cover (to which both the Company and the General Manager contribute) in line with what is stipulated in the CCNL for managers in the industry sector.

The diagram below shows the pay mix of the total compensation accrued for the year 2021 by the Chief Executive Officer and General Manager – including the fees for positions held in subsidiaries – details of which are shown in Section II, 1.3 below, considering for the long-term variable part (stock grant plan) the notional value for the year 2021 (for details of this see below point 6)<sup>(1)</sup>.

**Fig. 1: Pay Mix Chief Executive Officer and General Manager  
Financial year 2021 (for illustration purposes)**



Lastly, it should be noted that in line with the recommendations contained in the Corporate Governance Code for listed companies, the Company decided to establish rules for the termination of the position and/or the employment of the Chief Executive Officer and General Manager. In this regard, this list below shows the specific rights of the General Manager in the event of termination of employment with the Company, according to which, in the event of:

- > Withdrawal of company from the managerial employment contract, with the sole exclusion of dismissal for a just cause;
- > Withdrawal of the manager from the contract when his or her mandate has been revoked without a just cause, when there has been a failure to reappoint or give the powers and the duties that were agreed upon or when the same have been reduced in the role of Chief Executive Offer of CIR;

<sup>(1)</sup> For the year 2022, to which this Policy refers, the new Plan 2022 has been submitted to a vote at the next Shareholders' Meeting, regarding which the Board of Directors, at the proposal of the Appointments and Remuneration Committee, at its own discretion and in compliance with the information document of the same Plan 2022, will decide upon the number of rights to assign to the Chief Executive Officer and General Manager. It is not therefore possible at this time to give the precise percentage that the long-term variable part will represent in the pay mix of the Chief Executive Officer and General Manager for the year 2022.

- > Withdrawal of the manager from the contract in the event of termination for any reason other than resignation and/or revocation for a just cause, for the position of Director and/or Chief Executive Officer of CIR;
- > Withdrawal of the manager if there is a just cause for resignation from the managerial employment with CIR and/or a just cause for withdrawal from the position of Director and/or Chief Executive Officer of CIR;
- > Withdrawal of the manager because of a change in control compared to that existing when the contract was signed;
- > Withdrawal of the manager for the Company's failure to respect the financial obligations set out in the contract;

she will receive **(i)** payment of a one-off gross indemnity of twice her overall remuneration (i.e. the sum of the gross fixed salary received as an employee as of the date of termination and the fixed compensation received for the position of director as of the date of termination and the average for the last three years of the amount paid out as an annual variable emolument) and **(ii)** she will keep the Units assigned by the Plans which have not yet vested, as per the right of waiver given in the regulations of the stock grant plans, in order that the plans remain fully effective as an instrument of incentivization.

#### **4. REMUNERATION OF THE MEMBERS OF THE BOARD OF STATUTORY AUDITORS**

The remuneration of the members of the control body is determined by the Shareholders' Meeting as a fixed annual fee based on the competence, professionalism and commitment required by the duties and responsibilities assigned to them. This fee is shown below in Section II, 1.4.

In addition to the fee, the members of the Board of Statutory Auditors are entitled to reimbursement of the expenses they incur for their work.

Moreover, in line with best practice, the members of this board have a Directors & Officers Liability ("D&O") insurance policy to cover any liability towards third parties.

#### **5. REMUNERATION OF THE EXECUTIVE WITH STRATEGIC RESPONSIBILITIES**

The compensation of the Executive with strategic responsibilities consists of the following elements:

- > A fixed salary;
- > Variable pay, determined by the Board of Directors each year (MBO), linked to reaching **(i)** specific objectives in terms of economic and financial performance based on the budget of the Group (e.g. EBITDA, EBIT, Free Cash Flow etc.) functional to the achievement of the objectives contained in the Company's medium-long term business plans, and **(ii)** specific objectives relating to the organization of the Group;
- > He is a beneficiary of share-based medium-long term incentive plans (LTI) and more specifically stock grant plans.

The Board of Directors reserves the right to give one-off bonuses to the Executive Responsible in the event of transactions or performance that it deems worthy of extra compensation.

The same person also has the benefit (together with the other executives of the Company) **(i)** of compensation paid by the Company in the event of death, invalidity, accidents (even those that are not in a professional capacity), healthcare (provided through a dedicated healthcare fund, to which both the Company and the beneficiaries contribute, including the Executive with strategic responsibilities), **(ii)** of additional pension cover (accumulated through contributions by both the Company and the

Executive) in both cases in line with what is laid down in the CCNL labour agreement for executives in the industry sector, **(iii)** a car for professional and leisure use and **(iv)** a Company welfare programme.

It should also be noted that the Executive with strategic responsibilities is entitled to any treatment and indemnity under the rules of law and the CCNL for industry executives applicable in the event of termination of the employment.

## **6. CHARACTERISTICS OF THE VARIABLE PARTS OF REMUNERATION**

### **6.1. Foreword**

The Policy contains two distinct types of variable remuneration (granted exclusively to the Chief Executive Officer and General Manager and the Executive with strategic responsibilities, and these are:

- > The variable component determined on an annual basis (“MBO”);
- > The variable component in the medium-long term (“LTI”).

The above variable components constitute the main way in which Policy 2022 aims at contributing **(i)** to Company strategy and **(ii)** to the pursuit of medium and long-term interests.

Every year the Board of Directors, at the proposal of the Appointments and Remuneration Committee, sets the performance criteria and objectives for obtaining the variable components of remuneration in the light of the business plan and the ESG Plan approved by the same Board, thus guaranteeing that they are consistent with the Group’s objectives in the medium-long term.

With specific reference to the evaluation of whether the objectives have been achieved, the Appointments and Remuneration Committee, for each component of variable pay and at the appropriate time intervals, with the support of the Executive Responsible checks whether the defined objectives have been reached and submits its proposal to the Board of Directors on any compensation that has matured.

As already mentioned, the Board of Directors does in any case reserve the right to grant one-off bonuses to the Chief Executive Officer and/or to the Executive with strategic responsibilities in the event of transactions or performance that it deems worthy of extra compensation.

### **6.2. Variable component determined on an annual basis (“MBO”)**

The annually variable component (MBO) depends on the achievement **(i)** of specific objectives, which for the Chief Executive Officer refer to economic and financial performance based on the Group’s budget (e.g. EBITDA, EBIT, Free Cash Flow etc.) that are functional to reaching the objectives of the medium-long term business plans and **(ii)** of other (even qualitative) objectives of a non-financial nature.

100% of the variable compensation will be paid out on achievement of 100% of the defined objectives; the amount can vary between a minimum of 0% and a maximum of 150% according to the degree to which the objectives assigned have been achieved. The MBO compensation vests on the date of approval by the Shareholders’ Meeting of the financial statements for the year to which the compensation refers, provided that the employment or directorship (for the Chief Executive Officer) with the Company still exists and depends on the degree to which the objectives have been met. This is subject to verification by the Board of Directors after an examination carried out by the Appointments and Remuneration Committee.

There is no further time deferral for pay-out as the Board of Directors is of the opinion that the medium-long term variable compensation (see below), which is per se deferred, has sufficient weighting to incentivize the pursuit of medium and long term management policies.



The Board of Directors ensures that the objectives set, and especially the method of evaluating the results obtained, are such as to avoid their being reached through short-term management action, which could undermine sustainability and/or the ability to generate profit in the long term.

There are however ways of correcting the short-term variable component ex-post (claw-back mechanisms) that allow the Company to request return of all or part of the variable remuneration paid out when it was based on accounting figures that proved to be incorrect. This provision is stated at the foot of the form giving the objectives to which the short-term variable component is linked.

### **6.3. Medium-long term variable component (“LTI”)**

The medium-long term variable component (LTI) is in the form of stock grant plans and, with particular reference to Policy 2022, to Stock Grant Plan 2022, which is being submitted to the approval of the Shareholders’ Meeting.

The Board of Directors is of the opinion that incentive plans based on the conditional vesting of rights to be assigned Shares free of charge in the medium-long term of the type that Plan 2022 belongs to are the most effective instrument which best meet the interests of the Company and the Group, for the following reasons:

- > First and foremost, they constitute a way of incentivizing that involves a pay-out deferred over an appropriate time horizon, bearing in mind that Plan 2022 contains a period of time (from the Grant Date) of 2 years before the Units can start to vest, a subsequent period of almost three years during which the Units gradually vest (twelve tranches equal to one twelfth of the total number vesting every quarter, provided the other conditions are fulfilled, see below) and, lastly, a Minimum Holding period of 6 years (from the Grant Date), for part of the Shares assigned. The combination of the vesting period (which takes place over a total of five years) and the Minimum Holding period makes this instrument an incentive that is clearly aimed at fostering the pursuit of medium and long-term objectives;
- > Furthermore, the vesting of the rights over the time horizon indicated, is subject to the Beneficiaries (including the Chief Executive Officer and General Manager and the Executive with strategic responsibilities) remaining with the Group, thus strengthening management’s relationship with the Company and fostering the consolidation of professional people with experience, which is one of the Company’s main strengths;
- > Lastly, the benefit will depend on the creation of value over a medium long-term time horizon as: (y) Shares of the Company are assigned and thus the amount of the same will depend on the value of the shares at the moment of assignment and (z) the vesting of the rights is subject to a great extent not only to the passage of time, but also to the achievement of objectives in terms of creation of value, measured by the value of the Share.

More specifically and in addition to the above, Stock Grant Plan 2022, being submitted to the approval of the Shareholders’ Meeting, stipulates that:

- > Units are assigned free of charge and are non-transferable *inter vivos*; each Unit can give the right to be assigned one Share free of charge in the presence of certain circumstances. The Units are divided into two categories:
  - Time based Units, the vesting of which is subject to the beneficiary continuing his or her employment throughout the said period;
  - Performance Units, which will be at least 50% of the total number of Units assigned, the vesting of which is subject not only to reaching time limits but also to achieving objectives in terms of performance of the Share in the stock market vis-à-vis the FTSE Italia Mid Cap index;

- > The Units that have vested must however be exercised by the final maturity of 10 years from the Grant Date;
- > Without prejudice to what has been stated for the Chief Executive Officer and General Manager, in the event of termination of the employment relationship for whatever reason, the beneficiary shall keep entitlement to the Units that have already vested but shall lose entitlement to those that have not yet vested when the relationship ends, the sole exception being the death of the beneficiary, which involves the transfer to his or her heirs of all the Units, both those that have vested and those that have not yet vested. Without prejudice to the above, the Board of Directors has the right, at its own discretion and indisputable decision, to allow one or more beneficiaries to keep the rights under the Plan even in a situation in which the same rights would lose their validity, and more specifically to keep part or all of the Units that have not yet vested as of the date of termination;
- > The Minimum Holding requirement means a commitment by the Beneficiary to keep at least 10% of the Shares assigned to him or her continuously for 6 years from the Grant Date. During this period, the Shares will thus be subject to this inalienability restriction, unless the Board of Directors should authorize a waiver.

#### **7. EXCEPTIONAL CIRCUMSTANCES THAT ALLOW A WAIVER OF THE POLICY**

The Board of Directors can, without prejudice to the terms of Regulation no. 17221 of March 12 2010, can waive the terms of this Policy 2022 temporarily and in the presence of exceptional circumstances, meaning, as per the terms of Art. 123-ter, paragraph 3-bis of the TUF, situations in which waiving the compensation policy is necessary to pursue the long-term interests and sustainability of the Company as a whole and to ensure that it is able to remain in the market.

In the presence of such circumstances, the Appointments and Remuneration Committee will give the Board of Directors its opinion on the proposed waiver so that the same Board can adopt a reasoned resolution and the Company will give an indication of the specific elements that it has waived and of the circumstances that led to the waiver, providing evidence of their exceptional nature, of the specific purpose and of the procedure followed.

Waivers of the Policy are approved in compliance with the Company's Rules for Related-Party Transactions in force at the time.

## SECTION II – REPORT ON THE COMPENSATION PAID IN THE YEAR 2021

This section describes each of the items that make up remuneration and the compensation actually paid in the year 2021 to the Members of the Board of Directors (including the Chief Executive Officer and General Manager), the Board of Statutory Auditors and the Executives with strategic responsibilities in the Company.

### 1. DESCRIPTION OF THE ITEMS OF REMUNERATION

#### 1.1. Members of the Board of Directors

All of the directors received the gross fixed annual fee of € 20,000, established by the Shareholders' Meeting on June 8 2020 for the whole duration of their mandate.

The directors who are also members of the Appointments and Remuneration Committee or the Control, Risk and Sustainability Committee were paid a gross fixed annual fee of € 10,000 for being on each of these committees and a gross fixed fee of € 1,000 for their presence at each of the meetings of the above-mentioned committees.

For the year 2021 no fee was paid for being a member of or for attending the meetings of the Committee for Related-Party Transactions.

#### 1.2. Chairman of the Board of Directors

The Chairman of the Board of Directors, Mr Rodolfo De Benedetti, received the following items of compensation:

- > Fixed fees totalling € 1,700,000, consisting of the following: **(i)** the aforesaid gross fixed fee of € 20,000 for his position of Director of the Company, **(ii)** a gross fixed fee of € 1,660,000 for the position of Chairman of the Company, and **(iii)** a gross fixed fee of € 20,000 for the position of Director of the subsidiary Sogefi S.p.A.;
- > Non-monetary benefits of € 35,898, in the form of life insurance policies, and policies covering the risk of invalidity, accident and illness, private healthcare and two cars for professional and leisure use;
- > Other compensation of € 165,000 for end of mandate indemnity in the form of an insurance premium paid by the Company on a policy ("*collective capitalization contract with revaluation of the capital and with a single premium to accrue an end of mandate indemnity*") of which the Chairman is the beneficiary and the pay-out will take place only when his position terminates.

#### 1.3. Chief Executive Officer and General Manager

The Chief Executive Officer and General Manager, Ms Monica Mondardini, received/vested the following items of compensation:

- > Fixed fees totalling € 1,420,163, consisting of the following: **(i)** the aforesaid gross fixed fee of € 20,000 for her position of Director of the Company; **(ii)** a gross annual salary for the position of General Manager and Executive of the Company of € 700,163; **(iii)** an amount of € 466,667 as the fixed part of the fee for the position of Chief Executive Officer of the Company and **(iv)** a gross fixed fee of € 233,333 for her position as Chairman of the subsidiary Sogefi S.p.A.;
- > An amount of € 471,591 as the variable part of the compensation for the position of Chief Executive Officer of the Company (MBO), as the financial and non-financial (qualitative) performance objectives established by the Board of Directors at the proposal of the Appointments and Remuneration Committee were achieved. The Chief Executive Officer and General Manager is also one of the beneficiaries of compensation plans based on financial instruments in the medium-long

term (i.e. the various stock grant plans adopted over the years); see Table 3A) for the rights assigned to and matured by the Chief Executive Officer and General Manager.

She also has insurance and healthcare plans in line with the terms of the applicable National Labour Contract for Managers in the industry sector.

For the pay mix of the Chief Executive Officer and General Manager see Section I, point 3.3.

#### **1.4. Board of Statutory Auditors**

The Chairman of the Board of Statutory Auditors was paid a fixed fee of € 75,000.

The Statutory Auditors in office were each paid a fixed fee of € 50,000.

#### **1.5. Executives with strategic responsibilities**

The Executive with strategic responsibilities, Mr Michele Cavigioli, Chief Financial Officer and Executive responsible for the preparation of the Company's financial statements received/matured the following items of compensation:

- > A gross annual salary of € 251,039;
- > An amount of € 50,000 as the variable part of his compensation package (MBO), as the objectives linked to the internal organization of the Company were reached;
- > Non-monetary benefits of € 6,941 in the form of a car for professional and leisure use and of a programme of Company welfare.

The Executive with strategic responsibilities is also one of the beneficiaries of the share-based compensation plans (i.e. the various stock grant plans adopted over the years); see Table 3A) for the rights assigned to and matured by the Executive with strategic responsibilities.

He also has insurance and healthcare plans in line with the terms of the applicable National Labour Contract for Managers in the industry sector.

#### **1.6. Compensation for the early termination of the employment or directorship**

In 2021, in relation to the directors, the General Manager and the Executives with strategic responsibilities: **(i)** no new agreements were signed involving compensation in the event of termination of the directorship or the employment; **(ii)** no compensation and/or other benefits were paid for the termination of a position or of an employment contract; **(iii)** no agreements were signed involving the granting or maintaining of non-monetary benefits in favour of persons whose position or consultancy contract had been terminated for a period following the termination of the relationship; **(iv)** no agreements were signed involving compensation for non-compete commitments.

## **2. OTHER INFORMATION**

### **2.1. Waivers of the Remuneration Policy during the year**

During 2021 there were no waivers of the Remuneration Policy.

### **2.2. Application of malus or claw-back mechanisms**

During 2021 there were no circumstances that could have led to application of the claw-back mechanism.

### **2.3. Remuneration, results and average remuneration of employees**

The Company's status as a holding company and its profile mean that such comparisons are of little significance.

Indeed, the results of the Company and the consolidated results of the Group are highly dependent not only on the performance of the two main subsidiaries but also on any extraordinary transactions effected.

As regards the analysis of the evolution of the remuneration of persons affected by the Policy in relation to the evolution of the average remuneration of the Company's employees, it should be noted that the remuneration of the members of the Board of Directors remained stable as did that of the Company's employees in the same period.

However it is thought that an analysis of the average compensation carried out at Group level rather than just for the Company, is not a valid indicator for comparison given that the companies of the Group have a significant part of their labour force in countries where levels of pay are totally out of alignment with Italian levels.

#### **2.4. Information on how the vote expressed by the AGM on the second section of the Policy of the previous year was taken into account**

See above in Section I, point 2.3.

**1. TABLES: COMPENSATION PAID TO THE MEMBERS OF THE ADMINISTRATIVE BODIES (INCLUDING THE CHIEF EXECUTIVE OFFICER AND THE GENERAL MANAGER) TO THE MEMBERS OF THE CONTROL BODIES AND TO THE EXECUTIVE RESPONSIBLE**

**Table 1: Compensation paid to the Members of the administrative and control bodies, to General Managers and other Executives with strategic responsibilities**

(in euro)

Last name and first name	Position in CIR S.p.A.	Period in which the position was held 2021	End of mandate	Company that prepares the financial statements, subsidiaries & associates	Fixed fee or salary	Fees for sitting on committees	Variable compensation (non-equity)		Non-monetary benefits	Other pay	Total	Fair value of equity remuneration (2)	End of mandate or leaving indemnity	Notes	
							Bonuses & other incentives	Profit sharing							
DE BENEDETTI RODOLFO	Chairman	1.1-31.12	App. Fin. Stat. 2022	CIR S.p.A.	1,680,000				35,898	165,000	1,880,898			1a, 1b, 3	
				Subsidiaries	20,000					20,000					4
				<b>Total</b>	1,700,000				35,898	165,000	1,900,898				
MONDARDINI MONICA	Chief Executive Officer and General Manager	1.1-31.12	App. Fin. Stat. 2022	CIR S.p.A.	1,186,830		471,591				1,658,421	1,104,906		1a, 1b, 1c, 1d,	
				Subsidiaries	233,333					233,333					5
				<b>Total</b>	1,420,163		471,591			1,891,754	1,104,906				
BERTHERAT PHILIPPE	Director	1.1-31.12	App. Fin. Stat. 2022	CIR S.p.A.	30,000	8,000					38,000			1a, 1f	
BOTTICINI MARISTELLA	Director	1.1-31.12	App. Fin. Stat. 2022	CIR S.p.A.	30,000	7,000					37,000			1a, 1e	
DE BENEDETTI EDOARDO	Director	1.1-31.12	App. Fin. Stat. 2022	CIR S.p.A.	20,000						20,000			1a	
DEBENEDETTI FRANCO	Director	1.1-31.12	App. Fin. Stat. 2022	CIR S.p.A.	20,000						20,000			1a	
DE BENEDETTI MARCO	Director	1.1-31.12	App. Fin. Stat. 2022	CIR S.p.A.	20,000						20,000			1a	
DUBINI PAOLA	Director	1.1-31.12	App. Fin. Stat. 2022	CIR S.p.A.	30,000	7,000					37,000			1a, 1e	
GIANNINI SILVIA	Director	1.1-31.12	App. Fin. Stat. 2022	CIR S.p.A.	40,000	16,000					56,000			1a, 1e, 1f	

Last name and first name	Position	Period in which the position was held 2021	End of mandate	Company that prepares the financial statements, subsidiaries & associates	Fixed fee or salary	Fees for sitting on committees	Variable compensation (non-equity)		Non-monetary benefits	Other pay	Total	Fair value of equity remuneration (2)	End of mandate or leaving indemnity	Notes
							Bonuses and other incentives	Profit sharing						
MAROCCO PIA	Director	1.1-30.04		CIR S.p.A.	10,000	3,000					13,000			1a, 1e
PASINELLI FRANCESCA	Director	1.1-31.12	App. Fin. Stat. 2022	CIR S.p.A.	40,000	16,000					56,000			1a, 1e, 1f
PORCARI MARIA SERENA	Director	1.1-31.12	App. Fin. Stat. 2022	CIR S.p.A.	40,000	16,000					56,000			1a, 1e, 1f
MANTEGAZZA FRANCESCO	Chairman of Board of Statutory Auditors	1.1-31.12	App. Fin. Stat. 2022	CIR S.p.A.	75,000						75,000			
GNUDI MARIA-MADDALENA	Statutory Auditor in office	1.1-31.12	App. Fin. Stat. 2022	CIR S.p.A.	50,000						50,000			
REBECCHINI GAETANO	Statutory Auditor in office	1.1-31.12	App. Fin. Stat. 2022	CIR S.p.A.	50,000						50,000			
CAVIGIOLI MICHELE	Executive with strategic responsibilities			CIR S.p.A.	251,039		50,000		1,941	5,000	307,980	177,211		1c, 7, 8, 9

## NOTES

- (1) Fixed fee and fee for sitting on the committees of the company preparing the financial statements:
  - a) fee *pro-rata temporis* for the position of Director of € 20,000 approved by the Shareholders' Meeting
  - b) special positions as per Art. 2389 paragraph 3 approved by the Board of Directors in favour of De Benedetti Rodolfo and Mondardini Monica
  - c) employee salary
  - d) bonus as variable compensation linked to reaching objectives in terms of result
  - e) fee *pro-rata temporis* for sitting on the Control, Risk and Sustainability Committee
  - f) fee *pro-rata temporis* for sitting on the Appointments and Remuneration Committee
- (2) Fair value of equity compensation: this is the notional cost for the Company recognized to the income state in personnel costs, with offset in the appropriate equity reserve; IAS carrying values not received and for the moment just potential.
- (3) Non-monetary benefits in favour of the Chairman: insurance policies covering accident, illness and life (€ 24,725) and valuation of Company cars for business and leisure use (€ 11,173).
- (4) Fixed fee for the position of Director in Sogefi S.p.A.
- (5) This does not include the amounts for the position of Director of Sogefi S.p.A. (€ 20,000) and KOS S.p.A. (€10,000), as they are paid to CIR S.p.A.
- (6) Other compensation: end of mandate indemnity in the form of an insurance policy.
- (7) Non-monetary benefits: valuation of Company car for business and leisure use.
- (8) Other compensation: Company welfare programme.
- (9) This does not include the amounts for the position of Director with executive powers in CIR Investimenti S.p.A. (€120,000) and of Director of KOS S.p.A. (€10,000), as they are paid to CIR S.p.A.

**Table 2: Stock options assigned to the members of the Board of Directors, General Managers and other Executives with strategic responsibilities**

		Options held at start of the year				Options assigned during the year						Options exercised during the year			Options that expired during the year	Options held at end of the year	Options referring to the year
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) = (2)-(5)-(11)-(14)	(16)
Last name and first name	Position held	Plan	Number of options	Strike price	Period possible for exercise (from-to)	Number of options	Strike price	Period possible for exercise (from-to)	Fair value at grant date	Grant date	Market price of underlying shares at grant date	Number of options	Strike price	Market price of underlying shares at grant date	Number of options	Number of options	Fair value (amount in thousands of euro)
RODOLFO DE BENEDETTI	Chairman	2010 2nd tranche	3,517,500	0.7454	from 28/02/2011 to 28/02/2021										(3,517,500)	--	--



**Table 3A: Incentive plans based on financial instruments, other than stock options, in favour of members of the Board of Directors, General Managers and other Executives with strategic responsibilities**

		Financial instruments granted in previous years that had not yet vested during the year			Financial instruments granted during the year						Financial instruments that vested during the year but were not assigned	Financial instruments that vested during the year and are assignable		Financial instruments that refer to the year
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Last name and first name	Position held	Plan	Number and type of financial instruments	Vesting period	Number and type of financial instrument	Fair value At grant date (theoretical value: see Note) (amounts in thousands of euro)	Vesting period	Grant date	Market price at grant date	Number and type of financial instrument	Number and type of financial instrument	Value at vesting date	Fair value (theoretical value: see Note) (amounts in thousands of euro)	
MONDARDINI MONICA	CEO/GM	2016	stock grant 2,038,057	from 29/04/2016 to 31/01/2020							1,033,057		--	
MONDARDINI MONICA	CEO/GM	2017	stock grant 1,790,897	from 28/04/2017 to 31/01/2021						(893,359)	897,538		3	
MONDARDINI MONICA	CEO/GM	2018	stock grant 2,540,136	from 27/04/2018 to 31/01/2022							1,270,068		114	
CAVIGIOLI MICHELE	ESR	2018	stock grant 393,976	from 27/04/2018 to 31/01/2022							--		18	
MONDARDINI MONICA	CEO/GM	2019	stock grant 2,502,316	from 29/04/2019 to 31/01/2023							469,185		329	
CAVIGIOLI MICHELE	ESR	2019	stock grant 388,110	from 29/04/2019 to 31/01/2023							--		51	
MONDARDINI MONICA	CEO/GM	2020	stock grant 2,900,407	from 08/06/2020 to 31/01/2024							--		420	
CAVIGIOLI MICHELE	ESR	2020	stock grant 449,856	from 08/06/2020 to 31/01/2024							--		65	
MONDARDINI MONICA	CEO/GM	2021			stock grant 2,785,284	1.121	from 30/04/2021 to 31/01/2026	30/04/2021	0.4695		--		239	
MICHELE CAVIGIOLI	ESR	2021			stock grant 500,000	201	from 30/04/2021 to 31/01/2026	30/04/2021	0.4695		--		43	

ESR: Executive with Strategic Responsibilities

(5) Notional cost for the Company of the whole plan assigned, determined at the time of assignment

(9) Units cancelled because the performance condition was not fulfilled by the maximum time limit

(10) Total Units vested and assignable at the end of the year

(12) Notional cost for the Company for the period (recognized to the Income Statement in personnel costs, with an offset in the appropriate equity reserve)

**Table 3B: Monetary incentive plans in favour of members of the Board of Directors, General Managers and other Executives with strategic responsibilities**

(in euro)

A Last name and first name	B Position	Company that prepares the financial statements	(1) Plan	(2) Bonus for the year			(3) Bonus of previous years			(4) Other bonuses	Notes
				Payable / Paid	Deferred	Period of deferral	No longer payable	Payable / Paid	Still deferred		
MONDARDINI MONICA	Chief Executive Officer & General Manager	CIR S.p.A.	April 30 2021	471,591	-	-	-	-	--	-	-
CAVIGIOLI MICHELE	Executive with strategic responsibilities	CIR S.p.A.	April 30 2021	50,000	-	-	-	-	-	-	-

## 2. SHAREHOLDINGS

In accordance with the fourth paragraph of Art. 84-quater of the Rules for Issuers, the table at the end of this Report shows the number of shares in the Company or in its subsidiaries held by Directors, Statutory Auditors and Executives with strategic responsibilities, as well as by their spouses, provided they are not legally separated, and by their dependent children (minors). The shares may be held directly, through a controlled or fiduciary company or through a third party and are the names as recorded in the shareholder book, the names communicated or they may be from other information acquired from the same Directors, Statutory Auditors or Executives with strategic responsibilities (Tables 1 and 2 of Schedule no. 7-ter of the Rules for Issuers).

Last name and first name	Position	Period in which the position was held	Investee company	Number of shares owned at December 31 2020	Number of share purchased in the year 2021	Number of shares sold in the year 2021	Number of shares owned at December 31 2021	Notes
DE BENEDETTI Rodolfo	Chairman	1.1-31.12	CIR S.p.A.	16,497,569	--	--	16,497,569	(1)
MONDARDINI Monica	Chief Executive and General Manager	1.1-31.12	CIR S.p.A.	--	3,244,657	3,244,657	--	(2)
BERTHERAT Philippe	Director	1.1-31.12	CIR S.p.A.	--	--	--	--	
BOTTICINI Maristella	Director	1.1-31.12	CIR S.p.A.	--	--	--	--	
DEBENEDETTI Franco	Director	1.1-31.12	CIR S.p.A.	753,570	--	--	753,570	
DUBINI Paola	Director	1.1-31.12	CIR S.p.A.	--	--	--	--	
DE BENEDETTI Edoardo	Director	1.1-31.12	CIR S.p.A.	--	--	--	--	
DE BENEDETTI Marco	Director	1.1-31.12	CIR S.p.A.	--	--	--	--	
GIANNINI Silvia	Director	1.1-31.12	CIR S.p.A.	--	--	--	--	
MAROCCO Pia	Director	1.1-31.12	CIR S.p.A.	--	--	--	--	(3)
PASINELLI Francesca	Director	1.1-31.12	CIR S.p.A.	--	--	--	--	
PORCARI Maria Serena	Director	1.1-31.12	CIR S.p.A.	--	--	--	--	
MANTEGAZZA Francesco	Chairman of Board of Statutory Auditors	1.1-31.12	CIR S.p.A.	--	--	--	--	
GNUDI Maria Maddalena	Statutory Auditor in office	1.1-31.12	CIR S.p.A.	--	--	--	--	
REBECCHINI Gaetano	Statutory Auditor in office	1.1-31.12	CIR S.p.A.	--	--	--	--	
EXECUTIVE WITH STRATEGIC RESP.			CIR S.p.A.	37,561	188,584	185,313	40,832	(2)

### NOTES

(1) The shares owned at December 31 2021 were all held with title of ownership of which: 2,025,569 shares directly and indirectly, 10,452,000 shares through Rodolfo De Benedetti Società Semplice and 4,020,000 shares through Rodolfo De Benedetti S.r.l.

(2) The shares purchased refer to the subscription of share-based incentive plans other than stock options.

(3) Refers to the period up to April 30 2021

### 3. PROPOSED RESOLUTIONS

#### PROPOSED RESOLUTIONS

##### On the Report on Remuneration Policy and Compensation Paid as per Art. 123-ter of the TUF

Dear Shareholders,

As per the terms of Art. 123-ter of the TUF – as amended by D.Lgs. 49 of May 10 2019 - you are called upon to adopt a resolution on the Report on Remuneration Policy and Compensation Paid (hereinafter also referred to as the “Report”) prepared in accordance with the terms of Art. 84-quater of Consob’s Rules for Issuers, in conformity with Annex 3A, Schedule 7-bis of the above-mentioned Rules.

After the amendments introduced by the above-mentioned D.Lgs. no. 49 of May 10 2019 you are being called upon to express your vote as follows:

- **with a binding resolution** in compliance with Art. 123-ter paragraph 3-ter of the TUF on Section I of the Report on the Company’s policy in relation to the remuneration of the members of the Board of Directors, the Board of Statutory Auditors, the General Manager and the Executives with strategic responsibilities and the procedures used to adopt and implement the said policy;
- **with a non-binding resolution** in compliance with Art. 123-ter paragraph 6 of the TUF on Section II of the Report on the compensation paid in 2021 to the individuals specified in Art. 123-ter paragraph 4 of the TUF.

The Board of Directors therefore submits to you the following proposed resolutions:

#### ON SECTION I

“The Ordinary General Meeting of the Shareholders of CIR S.p.A.,

- having seen the terms of current regulations,
- having acknowledged the Report on Remuneration Policy and Compensation Paid,
- given that the Report on Remuneration Policy and Compensation Paid was filed and made available within the time limits laid down by law,

#### RESOLVES

To approve the Company’s Policy on Remuneration as per Section I of the Report on Remuneration Policy and Compensation Paid”

#### ON SECTION II

“The Ordinary General Meeting of the Shareholders of CIR S.p.A.,

- having seen the terms of current regulations
- having acknowledged the Report on Remuneration Policy and Compensation Paid
- given that the Report on Remuneration Policy and Compensation Paid was filed and made available within the time limits laid down by law
- given that Section II of the same Report has been verified by the firm of auditors KPMG S.p.A. in compliance with Art. 123-ter paragraph 8-bis of the TUF,

#### RESOLVES

To express a favourable opinion on Section II of the Report on Remuneration Policy and on Compensation Paid approved by the Board of Directors at the meeting held on March 11 2022.”