

# REMUNERATION COMMITTEE

## TERMS OF REFERENCE

APRIL, 2022



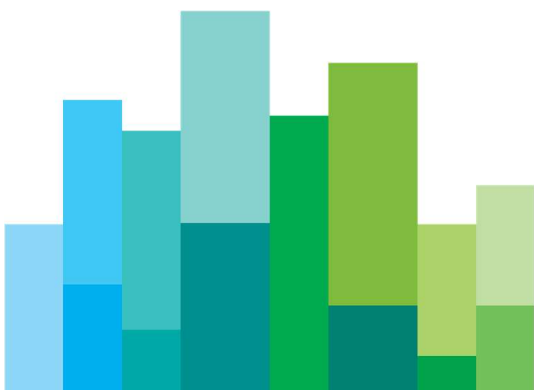
**CC&G**

A EURONEXT COMPANY

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# 1. DOCUMENT SUMMARY



## Document Summary

Document Summary	
Document status	Updated reflecting the new composition of the Committee approved by the Board of Directors' meeting on 27 April 2022
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Effective Date	27 April 2022
Executive Responsible	Giorgio Modica
Document Owner	Marina Famiglietti
Approval(s)	Board of Directors approval
Approval date (s)	27 April 2022

# 2. VERSION CONTROL



## Version Control

Date	Version	Summary of changes
15 July 13	0.1	Board of Directors TOR approval
11 Sept. 13	0.2	Board of Directors TOR amendments
10 June 14	0.3	Board of Directors TOR proposal
18 Sept. 14	0.4	Remuneration Committee revision and approval
10 May 2017	0.5	Remuneration Committee revision and approval
14 Feb 2019	0.6	Remuneration Committee revision and approval
22 Mar 2019	0.7	Board of Directors TOR approval
15 June 2021	0.8	Board of Directors TOR approval
9 July 2021	0.9	Board of Directors TOR approval
27 April 2022	1.0	Board of Directors TOR approval

# 3. CONTENTS



## 3.1 Membership and attendees

### 3.1.1 Members

Board Directors position	Remuneration Committee	Name
Vice Chairman	Chairman	Giorgio Modica
Independent non executive Director	Member	Paolo Marullo Reedtz
Independent non executive Director	Member	Alfredo Maria Magri

### 3.1.2 Supplementary Invitees

Position
CEO / General Manager
Head of Human Resources Italy
Statutory Auditors Chairman or members
External Advisors if any

### 3.1.3 Secretary

Position	
Head of Human Resources Italy	Marina Forquet Famiglietti or his/her nominee shall act as the Secretary



### 3.1.4 Governance

The Remuneration Committee members shall be appointed by the Board of Directors. The Committee shall be made up of at least 3 members, two of whom independent non-executive directors.

Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive Officer /the General Manager, the Head of Human Resources Italy, Statutory Auditors and external advisors may be invited by the Committee to attend for all or part of any meeting as and when appropriate.

The Board of Directors shall appoint the Committee Chairman. In the absence of the Committee Chairman and/or an appointed deputy, the remaining attending member with longer service in the office shall chair the meeting.

## 3.2 Scope

The scope of the Remuneration Committee is to exercise its competent and independent judgment in putting forward proposals to the CC&G Board of Directors on designing and further developing the CC&G remuneration policy, overseeing its implementation by senior management and reviewing its practical operation on a regular basis, so that the incentives underlying the remuneration system are consistent with the management of business, risks, capitals and assets of CC&G.

## 3.3 Quorum

The quorum necessary for the transaction of business shall be 2. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

The Committee shall adopt resolutions with the favourable vote of the majority of the participants and, in the event of a tied vote, the vote of the Chairman shall prevail.

## 3.4 Authority

The Authority of the Committee is invested in the Chairman. The Committee is authorized to:

- meet to carry out its responsibilities as set out within this terms of reference
- shall make whatever recommendations to the Board of Directors it deems appropriate on any area within its responsibility where action or improvement is needed
- obtain at company's expenses any outside legal or other professional advice and to commission any reports or surveys which it deems necessary to help it fulfill its duties.

## 3.5 Meeting Frequency and Minutes

The Remuneration Committee meets at least once a year and at such other times as the Chairman shall require, generally after Group Remuneration Committee meeting.

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded five days prior to the date of the meeting by the Secretary to each member of the Committee and any other person required to attend. Supporting papers shall be sent at the same time to Committee members and to other attendees as appropriate.

The Secretary shall minute the proceedings and resolutions of all committee meetings, including the names of those present and in the attendance.

Finalized minutes are sent within five business days to all Committee members and attendees.

## 3.6 Responsibility

The Committee is responsible for submitting recommendations by approval of the Board of Directors on the following matters taking into consideration the group remuneration framework and policies, the preparatory work of HR function and any relevant legal and regulatory requirements, provisions and recommendations:

- the **remuneration policy**, as proposed by the HR function, ensures that will be designed, implemented and monitored accordingly to:
  - align the level and structure of remuneration with regard to sound, effective and prudent risk management and in line with the CC&G risk framework
  - support the growth of the company and the business in the short and long-term interests of the Group's stakeholders
  - be competitive with remuneration packages in the international financial sector
  - be fair to any payments made to the individual, and the company, guaranteeing that failure is not rewarded and that the duty to mitigate loss is fully recognized
- the **annual variable compensation pool of CC&G**, ensuring balance between fixed remuneration and variable remuneration and alignment with the CC&G risk framework

- upon Board's request, the fees of the Chairman of the Board and of the additional fees of the Non Executive Directors appointed to special offices or to whom specific powers have been delegated
- the remuneration of the **Chief Executive Officer** and/or the **General Manager**, ensuring that the managers are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contribution to the success of the company
- the remuneration of the **Head of Internal Audit**, the **Chief Risk Officer** and the **Chief Compliance Officer**, where employed by the company, ensuring that they will be remunerated in a manner that is independent of the business performance of the CC&G and adequate in terms of responsibility compared to the remuneration in the business area.

The Committee Chairman shall report formally to the CC&G Board of Directors after each meeting on all matters within duties and responsibilities of the Remuneration Committee.

### 3.7 Confidentiality and conflicts of interests

All confidential matters considered by the Committee and any confidential information disclosed by the members of the Committee in connection with their position as a member of the Committee must remain confidential. Any other persons involved in the Committee's work shall either be bound by undertakings of professional secrecy or by specific confidentiality agreements with the Committee.

No director or manager shall be involved in any decisions as to their own remuneration.

### 3.8 Review of the Terms of Reference

The Terms of Reference for the Committee will be reviewed and where necessary updated on annual basis.

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