



Shareholders' Meeting
of 27 April 2023 (1st call)
and 28 April 2023 (2nd call)

Directors' Report
on items 1-2- and 3 of the agenda

1. Separate financial statements as at and for the year ended 31 December 2022, Directors' Report on Operations and Reports of the Board of Statutory Auditors and the Independent Auditing Firm of Arnoldo Mondadori Editore S.p.A.
Resolutions on the approval of the separate financial statements as at and for the year ended 31 December 2022;
2. Resolutions on the appropriation of the profit for the 2022 financial year;
3. Resolutions on the distribution of the dividend.

Shareholders' Meeting of 27 April 2023 - 28 April 2023

**Directors' Report
on items 1-2 and 3 of agenda**

1. **Separate financial statements as at and for the year ended 31 December 2022, Directors' Report on Operations and Reports of the Board of Statutory Auditors and the Independent Auditing Firm of Arnoldo Mondadori Editore S.p.A.**
Resolutions on the approval of the separate financial statements as at and for the year ended 31 December 2022;
2. **Resolutions on the appropriation of the profit for the 2022 financial year;**
3. **Resolutions on the distribution of the dividend.**

Shareholders,

The Shareholders' Meeting of Arnoldo Mondadori Editore S.p.A. has been called in an ordinary session to deliberate, pursuant to art. 2364, paragraph 1, no.1), Italian Civil Code, on the approval of the Separate Financial Statements of Arnoldo Mondadori Editore S.p.A. as at and for the year ended 31 December 2022, accompanied by the Directors' Report on Operations, the Report of the Board of Statutory Auditors, the Report of the Independent Auditing Firm and the Attestation of the Manager in charge of Preparation of the Company's Financial Reports.

In this connection, you are informed that the draft Separate Financial Statements of Arnoldo Mondadori Editore S.p.A. as at and for the year ended 31 December 2022 were examined and approved by the Board of Directors of Arnoldo Mondadori Editore S.p.A. at a meeting on 16 March 2023 and, on the same day, were the subject of a specific statement released to the public in compliance with law.

The Shareholders' Meeting is also called to deliberate on the appropriation of the net profit for the financial year of 52.067.225,12 Euro as reflected in the Financial Statements as at and for the year ended 31 December 2022, and on the distribution of the dividend.

All as by the draft resolutions set out below.

The documentation on the draft Financial Statements of Arnoldo Mondadori Editore S.p.A. as at and for the year ended 31 December 2022 and the additional documents pursuant to art. 154-ter of Lgs.Decree no. 58 of 24 February 1998 will be made available to the public as required by law on the authorised storage mechanism at www.1info.it, at the registered office, and also published on the Company website at www.gruppomondadori.it (Governance section).

Draft resolutions

Shareholders,

if you agree with our proposals, we invite you to approve the following resolutions:

“1. The Shareholders’ Meeting of Arnoldo Mondadori Editore S.p.A. in ordinary session, having examined the draft Separate Financial Statements as at and for the year ended 31 December 2022, the Directors’ Report on Operations, having viewed the attestation as per art. 154-bis, fifth paragraph, of Lgs.Decree no. 58/1998, presented by the Manager in charge of preparation of the corporate accounting documents, and having noted the Report of the Board of Statutory Auditors and the Report of the Independent Auditing Firm,

resolves:

- to approve the Separate Financial Statements as at and for the year ended 31 December 2022 and the Directors’ Report on Operations in all their parts and findings.”*

“2. The Shareholders’ Meeting of Arnoldo Mondadori Editore S.p.A., in ordinary session,
- in consideration of the separate financial statements as at and for the year ended 31 December 2022, as approved by today’s meeting;
- in consideration of the draft resolutions presented;
- having noted that the legal reserve stands at one fifth of the share capital in compliance with art. 2430 paragraph 1 of the Italian Civil Code;

resolves:

- to appropriate the net profit reflected in the separate financial statements of Arnoldo Mondadori Editore S.p.A. as at and for the year ended 31 December 2022, amounting to 52.067.225,12 Euro entirely to the non-distributable reserve arising from valuations of equity-accounted investees (art. 2426 paragraph 4 Italian Civil Code).”*

“3. The Shareholders’ Meeting of Arnoldo Mondadori Editore S.p.A., in ordinary session,
- in consideration of the draft resolutions presented;

resolves:

- to distribute a dividend to the Shareholders, before tax withholdings, for a unit amount of 0,11 Euro to each ordinary share (net of the treasury shares) outstanding as of the record date, by withdrawing the*

amount in question from the distributable portion of the extraordinary reserve (included in the line item “Other reserves and retained earnings” on the statement of financial position).

In compliance with the “Regulation governing markets organised and managed by Borsa Italiana S.p.A.”, the dividend will be paid as from 24 May 2023 (payment date), with ex-dividend date (coupon no. 22) 22 May 2023 and record date, pursuant to art. 83-terdecies of the TUF [Consolidated Finance Act], 23 May 2023.”

16 March 2023

Arnoldo Mondadori Editore S.p.A.
for the Board of Directors
The Chair
Marina Berlusconi



Shareholders' Meeting
of 27 April 2023 (1st call)
and 28 April 2023 (2nd call)

Directors' Report
on items 4 and 5 of the agenda

4. Approval of the first section of the Report on the Remuneration Policy and Fees Paid pursuant to art. 123-ter, paragraphs 3-bis and 3-ter of Lgs.Decree no. 58 of 24 February 1998;
5. Resolutions relating to the second section of the Report on the Remuneration Policy and Fees Paid pursuant to art. 123-ter, paragraph 6 of Lgs.Decree no. 58 of 24 February 1998.

Shareholders' Meeting of 27 April 2023 - 28 April 2023

Directors' Report

on items 4 and 5 of the agenda

4. **Approval of the first section of the Report on the Remuneration Policy and Fees Paid pursuant to art. 123-ter, paragraphs 3-bis and 3-ter of Lgs.Decree no. 58 of 24 February 1998;**
5. **Resolutions relating to the second section of the Report on the Remuneration Policy and Fees Paid pursuant to art. 123-ter, paragraph 6 of Lgs.Decree no. 58 of 24 February 1998.**

Shareholders,

the Board of Directors presents the Report on the Remuneration Policy and Fees Paid (the “**Report**”) drawn up in compliance with art. 123-ter of the TUF [Consolidated Finance Act], art. 84-quater and Annex 3A, Schedule 7-bis of the Issuers' Regulation.

In compliance with the laws and regulations referred to above, the Report sets out information on the remuneration policies adopted by Arnoldo Mondadori Editore S.p.A. with respect to the members of the Board of Directors and the Board of Statutory Auditors and to the Key Management Personnel.

Specifically, the Report is divided into two Sections, drawn up in compliance with Annex 3A, Schedule 7-bis of the Issuers' Regulation.

The first Section illustrates, in terms of principles, purposes, mechanisms and rules, the remuneration policy that will be adopted in 2023 and the procedures used to adopt and implement the policy.

The second Section illustrates the outcomes of the policy implemented in 2022. It includes tables showing the remuneration disbursed, individually, to the Directors and Statutory Auditors, and in aggregate form to Key Management Personnel.

The Report will be made available to the public as required by law, on the authorised storage mechanism at www.1info.it, at the registered office, and also published on the Company website at www.gruppomondadori.it (Governance section).

Pursuant to art. 123-ter, paragraphs 3-bis and 6, of Lgs.Decree 58/1998, the Shareholders' Meeting is invited:

- i) to approve, with a binding resolution, the first Section of the Report;
- ii) to carry a resolution in favour or against the second section of the Report. The resolution is non-binding.

Draft resolutions

Shareholders,

if you agree with our proposals, we invite you to approve the following resolutions:

Resolution on item 4 on the agenda

“The Ordinary Shareholders’ Meeting of Arnoldo Mondadori Editore S.p.A.

resolves:

to approve the first Section – pursuant to art. 123-ter paragraph 3 of Lgs.Decree 58/1998 – of the “Report on Remuneration Policy and Fees Paid”, which concerns the remuneration policy adopted for the members of the governing bodies, the Key Management Personnel and the control bodies, and the procedures used to adopt and implement said policy.”

Resolution on item 5 on the agenda

“The Ordinary Shareholders’ Meeting of Arnoldo Mondadori Editore S.p.A.

resolves:

in favour of the second Section – pursuant to art. 123-ter paragraph 4 of Lgs.Decree 58/1998 – of the “Report on Remuneration Policy and Fees Paid.”

16 March 2023

Arnoldo Mondadori Editore S.p.A.
for the Board of Directors
The Chair
Marina Berlusconi



Shareholders' Meeting
of 27 April 2023 (1st call)
and 28 April 2023 (2nd call)

Directors' Report
Item 6 of the agenda

6. Authorisation to buy back and dispose of Company shares pursuant to the combined provisions of arts. 2357 and 2357-ter of the Italian Civil Code.

Shareholders' Meeting of 27 April 2023 - 28 April 2023

**Directors' Report
on item 6 of the agenda**

6. Authorisation to buy back and dispose of Company shares, pursuant to the combined provisions of arts. 2357 and 2357-ter of the Italian Civil Code.

Shareholders,

the Board of Directors of Arnoldo Mondadori Editore S.p.A. (the “**Company**”) has called you to an ordinary Shareholders' Meeting to approve the proposal to authorise the purchase and disposal of ordinary shares of the Company pursuant to arts. 2357 and 2357-ter of the Italian Civil Code, and in compliance with art. 132 of Lgs.Decree no. 58 of 24 February 1998, as subsequently amended (the “**TUF**”) and art. 144-bis paragraph 1 heads b) and d-ter) of the Consob regulation adopted with deliberation no. 11971 of 14 May 1999, as subsequently amended (“**Issuers' Regulation**”).

With the Shareholders' Meeting called to approve the financial statements as at and for the year ended 31 December 2022, the term of the previous own-share buyback authorisation approved by the ordinary Shareholders' Meeting on 28 April 2022 expires.

Since the above-mentioned authorisation was granted and in execution thereof, the Company has bought back a total of 410,000 ordinary own shares, representing 0.156% of the share capital, on the regulated market, to service the existing Performance Share Plans. Over the same period, a total of 311,847 shares already held in portfolio as treasury shares have been assigned to the Beneficiaries of the 2019-2021 Performance Share Plan.

Including the 1,049,838 treasury shares in portfolio at the date of the Shareholders' Meeting of 28 April 2022, the Company holds a total of 1,147,991 treasury shares, representing 0.440% of the share capital, as of the date of this Report.

In view of the expiry of the above-mentioned previous authorisation given by the Shareholders' Meeting of 28 April 2022 and in order to renew the assignment to the Board of Directors of the power to take any investment or operating opportunities on treasury shares as detailed below, we propose that you approve the authorisation pursuant to arts. 2357 and 2357-ter of the Italian Civil Code to buy back own shares and to dispose of bought-back shares or treasury shares in the Company portfolio.

1. Reasons for the request to authorise the buy-back and disposal of Company shares.

The request to authorise the buy-back and disposal of Company shares is intended to enable the Company to buy back and dispose of own ordinary shares, as determined from time to time by the Board of Directors, in accordance with the shareholder authorisation. This in accordance with the previous shareholder authorisations and in compliance with current European and national law, and with the Allowed Market Practices, including the New Market Practice no. 1 adopted by Consob with Resolution no. 21318 of 7 April 2020 subsequent to the favourable opinion expressed by the ESMA on 22 January 2020.

The specific reasons for the request to authorise the buy-back and disposal of Company shares are as follows:

- to use bought-back shares or existing treasury shares as consideration for the acquisition of equity investments under the Company's investment policy;
- to use bought-back shares or existing treasury shares in relation to the exercise of conversion rights or other rights on financial instruments issued by the Company, subsidiaries or third parties, and to use the treasury shares for loan, exchange or conferral transactions or to service extraordinary capital transactions or financing transactions or incentives that involve the assignment or disposal of treasury shares;
- to carry out, directly or through brokers, investment transactions in order to contain sharp swings in listed share prices, normalise trading and share price trends and support the stock's liquidity on the market, so as to promote regular trading independently of the normal variations associated with market trends, all in compliance with current regulations;
- to take investment or disinvestment opportunities, also in relation to available liquidity, when deemed by the Board of Directors to be of strategic interest;
- to use the treasury shares to service share-based incentive plans set up pursuant to art. 114-*bis* of the TUF, as well as issues of bonus shares to the employees or to the members of the Company's governing bodies or to the Shareholders.

In this last connection, the Board of Directors has asked the Shareholders' Meeting called for 27 April 2023, and for 28 April 2023 on second call, to approve, pursuant to art.114-*bis* of the TUF, the 2023-2025 Performance Share Plan.

Under the Plan, the financial instruments on which the Plan is based are exclusively Mondadori treasury shares (see the Information Document published pursuant to art. 84-*bis* of the Issuers' Regulation and available on the website www.gruppomondadori.it). Consequently, under the authorisation that may be issued by the Shareholders' Meeting further to this proposal, the Board of Directors will be authorised to, among other things, organise a share buy-back program for a maximum amount equivalent to 0,357% of the share capital, in order to provide the Company with the 933.548 shares required to fulfil its obligations under the 2023-2025 Performance Share Plan: (i) the details of which will be announced before trading begins, (ii) whose purchase and sale transactions will be notified to Consob and to the public, and (iii) whose purchase prices and volumes comply with the limits established by Regulation (EU) no. 596/2014 and related implementing regulations.

Attention is also drawn to the fact – consistently with previous disclosures to the market – that (i) the Shareholders' Meeting of 22 April 2020, approved, pursuant to art.114-*bis* of the TUF, the Performance Share Plan for the three-year period 2020–2022 (the “2020-2022 Plan”) based exclusively on the attribution of Mondadori treasury shares (in accordance with the contents of the Information Document published on 17 March 2020 which is recalled in full); (ii) the Shareholders' Meeting of 27 April 2021, approved, pursuant to

art.114-*bis* of the TUF, the Performance Share Plan for the three-year period 2021–2023 (the “2021-2023 Plan”) based exclusively on the attribution of Mondadori treasury shares (in accordance with the contents of the Information Document published on 18 March 2021 which is recalled in full); (iii) the Shareholders’ Meeting of 28 April 2022, approved, pursuant to art.114-*bis* of the TUF, the Performance Share Plan for the three-year period 2022–2024 (the “2022-2024 Plan”) based exclusively on the attribution of Mondadori treasury shares (in accordance with the contents of the Information Document published on 28 March 2022 which is recalled in full).

Consequently, under the authorisation that may be issued by the Shareholders’ Meeting further to this proposal, the Board of Directors will also be able to buy back own shares to service the above-mentioned Plans, in accordance with the procedures and the limits set out in the respective Regulations.

2. Maximum number, category and nominal value of the shares to which the authorisation refers.

The authorisation refers to the purchase, on one or more occasions and also in multiple tranches, of a maximum number of ordinary shares with a nominal per-share value of 0.26 Euro, which – taking account of the treasury shares already held by the Company and of the shares that might be acquired by subsidiaries – does not overall represent more than 10% of the share capital.

In accordance with art. 2357 paragraph 1 of the Italian Civil Code, the share buy-backs shall be within the limits of the distributable profits and available reserves reflected in the most recently approved financial statements at the time of the execution of each purchase transaction. The authorisation includes the power to dispose subsequently of the shares that have been bought back, in whole or in part, on one or more occasions and also before reaching the maximum number of shares that may be bought back.

3. All useful information for the purposes of a full evaluation of compliance with art. 2357, paragraph 3, of the Italian Civil Code.

With reference to the indications of point 2 above, the maximum number of own shares that may be bought back under the proposed shareholder authorisation is determined at a level below the limit of one fifth of the share capital envisaged by art. 2357 paragraph 3 of the Civil Code, also including treasury shares already held by the Company and any shares bought back by subsidiaries of Arnoldo Mondadori Editore S.p.A

At the date of this report, the Company’s fully subscribed and paid-in share capital amounts to 67,979,168.40 Euro, represented by 261,458,340 ordinary shares with a per-share nominal value of 0.26 Euro. As indicated above, at the date of this report the Company directly holds a total of 1,147,991 ordinary treasury shares representing 0.440% of the share capital. The subsidiaries do not hold shares of the Company.

The subsidiaries will be given specific instructions for the prompt reporting of any purchases of the controlling company’s ordinary shares pursuant to art. 2359-*bis* of the Italian Civil Code.

4. Term for which the authorisation is requested.

The term of the purchase authorisation is requested beginning from the date of the eventual resolution approving the proposal set out herein by the Shareholders’ Meeting until the Shareholders’ Meeting called to

approve the financial statements as at and for the year ended 31 December 2023, and in any case for a period not exceeding 18 months from the date of approval.

Within the term of the authorisation that may be granted, the Board of Directors will be empowered to buy back own shares on one or more occasions and at any time, in freely determined volumes and times subject to applicable laws and allowed market practices, with the graduality deemed to be in the interest of the Company. The term of the authorisation for the disposal of treasury shares is requested without time limits, in view of the absence of time limits under current law and of the advisability of enabling the Board of Directors to act with the greatest flexibility, also as regards timing, when disposing of shares.

5. Minimum and maximum consideration.

The proposed authorisation envisages that the purchases be made at a per-share price in accordance with any applicable national and community regulations and allowed market practices, provided that the minimum and maximum purchase consideration be set at a per-share price that is not more than 20% below the official Mondadori share price on the day preceding the day of the purchase, and not more than 10% above the official share price on the day preceding the purchase. In any case – unless prices and volumes are otherwise determined through application of the conditions envisaged by Allowed Market Practices as defined in point 6 below – the price shall be set in compliance with the trading conditions established by Delegated Regulation (EU) no. 1052 of 8 March 2016 and, specifically:

- shares shall not be purchased at a price that is greater than the price of the last independent trade or the price of the highest current independent bid on the trading floor where the purchase is carried out, whichever is the higher; and
- in terms of volumes, the daily purchased amounts shall not exceed 25% of the average daily trading volume for Mondadori shares in the 20 trading days preceding the purchase dates or in the month preceding the month of the notice required by art. 2.1 of Regulation (EU) no. 1052/2016.

With regard to considerations, sale transactions or other disposals of treasury shares shall be executed:

- if arranged in cash, at a price that is not more than 10% below the share price recorded on the Mercato Telematico Azionario - Euronext Milan market organised and managed by Borsa Italiana S.p.A. in the trading session that precedes each transaction;
- if arranged as part of extraordinary transactions, on financial terms to be determined by the Board of Directors based on the nature and characteristics of the transaction, also taking into account the Mondadori share price trend;
- if arranged to service the Performance Share Plans referred to in point 1 above, in accordance with the conditions and procedures set out in the Shareholder resolutions that established the Plans and in the respective regulations.

6. Procedures for the purchase and disposal of Company shares.

Purchases shall be organised in compliance with arts. 132 of the TUF and 144-bis, paragraph 1, heads b) and d-ter) of the Issuers' Regulation, and therefore:

(i) on regulated markets or through multilateral trading systems, in accordance with operating procedures established in the organisation and management regulations of the markets themselves that do not allow the direct pairing of purchase bids with predetermined offers to sell, and in accordance with any other national and community laws;

(ii) with the procedures established by the market practices allowed by Consob, as per the combined provisions of art. 180, paragraph 1, head c) of the TUF and art. 13 of Regulation (EU) no. 596 of 16 April 2014 (“**Allowed Market Practices**”).

Furthermore, share buybacks may also be executed through the procedures envisaged by art. 3 of the Delegated Regulation (EU) no. 2016/1052 in order to benefit, where there are appropriate grounds, from the exemption as per art. 5, paragraph 1 of Regulation (EU) no. 596/2014 relating to market abuse with reference to insider dealing and market manipulation.

Disposals of treasury shares may be executed, on one or more occasions and also before eventually reaching the maximum number of own shares that may be bought back, both through the sale of the shares on regulated markets and by means of other trading procedures compliant with applicable Italian and community law and Allowed Market Practices.

7. Information on the use of buy-backs with respect to the reduction of the share capital.

The buy-backs to which the authorisation refers are not intended for the purpose of reducing the share capital through the cancellation of the bought-back shares.

Draft resolutions

Shareholders,

if you agree with our proposals, we invite you to approve the following resolutions:

“The Ordinary Shareholders’ Meeting of Arnoldo Mondadori Editore S.p.A.

- *having viewed the Report of the Board of Directors;*
- *having viewed the separate financial statements as at and for the year ended 31 December 2022, approved by today’s Shareholders’ Meeting;*
- *having noted the draft resolutions presented to it;*

resolves:

1. to authorise, pursuant to art. 2357 of the Italian Civil Code, the Board of Directors to buy back ordinary Company shares with a per-share nominal value of 0.26 Euro, on one or more occasions, for the purposes, within the limits and on the conditions set out in this Report of the Board of Directors referenced herein in their entirety, and specifically as follows:

- the maximum number of shares that may be bought back shall not exceed 10% of the share capital, taking into account the treasury shares already held by the Company and any shares that might be purchased by subsidiaries;

- the term of the authorisation is established until the Shareholders' Meeting to approve the financial statements as at and for the year ended 31 December 2023 and in any case for a period of not more than 18 months from the date of this resolution;

- purchases – without prejudice to the limit of the distributable profits and available reserves as reflected in the most recently approved financial statements pursuant to art. 2357 paragraph 1 Italian Civil Code – shall be arranged at a per-share price that is not more than 20% below the official Mondadori share price on the day preceding the day of the purchase and not more than 10% above the official share price on the day preceding the day of the purchase, and in compliance in any case, in terms of purchase prices and volumes, with the conditions established by Delegated Regulation (EU) no. 1052 of 8 March 2016, as referenced in the above-mentioned report of the Board of Directors. The purchases shall, furthermore, be arranged in compliance with art. 132 of the TUF, art. 144-bis, paragraph 1 heads b) and d-ter) of the Issuers Regulation and any other applicable community laws. Any additional purchases carried out to support market liquidity shall also be executed in compliance with the conditions established by the market practices pursuant to the combined provisions of art. 180 paragraph 1 head c) of the TUF and art. 13 of Regulation (EU) no. 596 of 16 April 2014 ("Allowed Market Practices");

2. to authorise, pursuant to art. 2357-ter of the Italian Civil Code, the disposal of shares bought back under this resolution or already held by the Company, for the purposes, within the limits and on the conditions set out in the above-mentioned Report of the Board of Directors, referenced herein in their entirety, and specifically as follows:

- the treasury shares may be disposed of, in whole or in part, on one or more occasions and without time limits, even before the maximum number of own shares that may be bought back as indicated in these resolutions has been reached, through sale on the regulated markets or through other forms of trading compliant with applicable Italian and community laws;

- if arranged in cash, sales may not be transacted at a price more than 10% below the share price recorded on the Mercato Telematico Azionario - Euronext Milan - market organised and managed by Borsa Italiana S.p.A. in the trading session that precedes each transaction;

- if the shares are used as part of extraordinary transactions, including but not limited to swaps, exchanges, transfers, operations on the capital and/or other extraordinary transactions or for any other non-cash disposal transaction, the financial terms shall be determined by the Board of Directors in relation to the nature and characteristics of the transaction, also taking account of the market performance of the Arnoldo Mondadori Editore S.p.A. share price;

- shares servicing the 2023-2025 Performance Share Plan as eventually established by today's Shareholders' Meeting shall be assigned in accordance with the conditions and procedures set out in the resolution establishing the Plan;

- *shares servicing any other remuneration plans based on financial instruments as at art. 114-bis of the TUF shall be assigned in accordance with the conditions and procedures set out in the Regulations of the plans themselves;*

- *disposals of treasury shares shall in any case be arranged in accordance with the terms, conditions and requirements established by Italian and community laws and with the applicable Allowed Market Practices;*

3. when shares are bought back or disposed of, to record the necessary accounting entries, in compliance with the applicable laws and accounting standards;

4. to confer on the Board of Directors and, for the Board of Directors, on the Chair and the Chief Executive Officer severally and with the power to sub-delegate, all necessary or opportune powers to arrange the buy-backs and/or disposals of Company shares in accordance with the procedures indicated in the resolutions as set out in the preceding points, fulfilling any disclosure and other obligations pursuant to the applicable Italian and community laws.”

16 March 2023

Arnoldo Mondadori Editore S.p.A.
for the Board of Directors
The Chair
Marina Berlusconi

Arnoldo Mondadori Editore S.p.A.
Registered office: Via Bianca di Savoia 12, Milan
Share capital € 67,979,168.40 fully paid-up
Milan - Monza - Brianza - Lodi Companies Register and tax code no. 07012130584 – VAT no. 08386600152

GRUPPO  MONDADORI



Shareholders' Meeting
of 27 April 2023 (1st call)
and 28 April 2023 (2nd call)

Directors' Report
Item 7 of the agenda

7. Resolutions, pursuant to art. 114-*bis* of Lgs.Decree 58/1998, on adoption of a Performance Share Plan for the three years 2023-2025.

Shareholders' Meeting of 27 April 2023 - 28 April 2023

**Directors' Report
on item 7 of the agenda**

7. Resolutions, pursuant to art. 114-*bis* of Lgs.Decree 58/1998, on adoption of a Performance Share Plan for the three years 2023-2025.

Shareholders,

this Report has been prepared pursuant to arts. 114-*bis* and 125-*ter* of Legislative Decree no. 58 of 24 February 1998, as subsequently amended ("**TUF**"), and art. 84-*ter* of the Consob Issuers' Regulation adopted by Resolution no. 11971 of 14 May 1999, as subsequently amended ("**Issuers' Regulation**").

The Board of Directors has called you to an ordinary session on 27 April 2023 and, if necessary, on 28 April 2023 on second call, to submit for your approval pursuant to article 114-*bis* of the TUF, the adoption of a Performance Share Plan for 2023-2025 (the "**Plan**"), for the Chief Executive Officer, the CFO-Executive Director and certain Managers of the Company.

In general terms, the Plan is organised over a single three-year cycle relating to the financial years 2023-2024-2025 and concerns the assignment to the beneficiaries of rights to the free attribution of shares of the Company that may be exercised upon and subject to attainment of specific performance targets measured at the end of the three-year cycle in question.

This Report sets out the rationale and content of the proposal to the Meeting on the adoption of the Plan. For the detailed illustration of the content and provisions of the Plan, you are referred to the Information Document on the Plan, drafted pursuant to art. 114-*bis* of the TUF and art. 84-*bis* of the Issuers' Regulation, and attached to this report.

The shares servicing the Plan are issued Mondadori ordinary shares held in the Company portfolio or to be bought back as treasury shares.

The proposal for the authorisation to purchase own shares to be used to service the Plan is set forth in a separate explanatory report prepared pursuant to art. 125-*ter* of the TUF, which – together with this report – is available to the public at the registered office of Arnoldo Mondadori Editore S.p.A., on the 1Info authorised storage mechanism (www.1info.it), and in the "Governance" section of the Arnoldo Mondadori Editore S.p.A. website (www.mondadori.it) as required under current law.

1. Rationale for the Plan

The Plan is established for the following purposes:

- a. to create a stronger bond between the creation of value in the medium and long term and the remuneration of management;
- b. to foster a fair and non-discriminatory remuneration system that is consistent with the levels of responsibility;
- c. to sustain the growth of Mondadori, identifying a tool that reflects the growth of the value of the Company;
- d. to motivate and retain the beneficiaries of the Plan by supporting the common goal of growing value and consolidating the alignment between the interests of the beneficiaries and those of the shareholders over a medium/long-term timeframe.

Furthermore the adoption of a share-based Plan is fully aligned with the Principles and Recommendations of art. 5 of the Corporate Governance Code.

The Plan is an integral part of Mondadori's remuneration policy and is consistent with the progressive and constant alignment with best market practices regarding long-term incentive schemes.

2. Features of the Plan

The Plan provides for the assignment of rights to the free allocation of Company shares upon the achievement of specific and pre-set performance objectives measured at the end of the three-year performance period.

The maximum number of Arnoldo Mondadori Editore S.p.A. ordinary shares servicing the Plan is 933.548, arising from treasury shares bought back from the market.

As the shares in question are treasury shares, the Plan has no dilutive effects; in general terms, the maximum percentage of shares used to service the Plan is equivalent overall to 0,357% of the share capital.

3. Beneficiaries

The Plan is reserved for the CEO, the CFO-Executive Director and others senior executives with an existing employment and/or administration contract with the Company or its subsidiaries as at the date of allocation of the shares.

The beneficiaries will be identified by name by the Chief Executive Officer, after obtaining the opinion of the Remuneration & Appointments Committee, under a mandate from the Board of Directors. The operational management of the Plan is delegated to the Group Central Human Resources & Organisation, Legal & Corporate Affairs Division.

The names of the beneficiaries and the other information required by paragraph 1 of Schedule 7, Annex 3A of the Issuers' Regulation, will be provided subsequently, during implementation of the Plan, in accordance with the procedures set forth under art. 84-bis, paragraph 5, head a) of the aforementioned Issuers' Regulation.

4. Plan implementation procedures and clauses, specifying whether implementation is subject to conditions and, in particular, to attainment of specific results

Shares will be allocated to the beneficiaries at the end of the vesting period, on attainment of pre-defined Performance Objectives. In particular, these objectives will refer to:

- i) Total Shareholder Return (TSR) with respect to the companies listed in the FTSE Italia All Share index, with a weighting of 25%;
- ii) Cumulative EBITDA for the three-year period, with a weighting of 20%;
- iii) Cumulative Net Profit for the three-year period, with a weighting of 25%;
- iv) Cumulative Ordinary Cash Flow for the three-year period, with a weighting of 20%;
- v) Impact Inclusion Index, with a weighting of 10%.

Minimum, target and maximum result levels have been set for each of the above performance conditions.

On attainment of the minimum result level (90%) for EBITDA, Net Profit and Ordinary Cash Flow, the number of shares allocated will equal 50% of the target number of assigned rights. On attainment of the target performance level, the shares allocated will equal 100% of the target number of assigned rights, whereas if the maximum result level is met, the number of shares allocated will be 120% of the target number of assigned rights.

TSR is defined in relation to the companies listed in the FTSE Italia All Share index, with performance measured throughout the Plan performance period. On attainment of a TSR equal to or higher than the median, the objective will be deemed to have been achieved and the number of shares allocated will correspond to the above-median percentage up to 120% of the assigned rights. If TSR is lower than the median, no shares will be allocated.

Since the Impact Inclusion Index comprises three independent areas of action measured individually on a prior basis, it may have a result indicator value ranging from 0% to 120%, with allocation of a corresponding number of shares.

The number of Shares to be allocated on attainment of the Performance Objectives will be rounded up to the next highest whole unit.

The Board of Directors sets the Performance Objectives and may, in the presence of extraordinary and/or unforeseen situations or circumstances that could have a material impact on the results and/or the scope of Group operations, make changes to conserve the substantial and economic content of the plans. These situations and circumstances include but are not limited to transactions such as mergers, demergers, acquisitions, sales, spin-offs, impairment, accounting criteria uniformity or natural or exogenous events that could render the Plan no longer meaningful.

Draft resolutions

Shareholders,

if you agree with our proposals, we invite you to approve the following resolutions:

“The ordinary Shareholders’ Meeting of Arnoldo Mondadori Editore S.p.A.,

- *having examined the report of the Board of Directors drawn up pursuant to arts. 114-bis and 125-ter of Lgs.Decree no. 58 of 24 February 1998, as subsequently amended (“TUF”);*

- *having examined the Information Document prepared pursuant to art. 84-bis of the Regulation adopted by Consob with Resolution no. 11971 of 14 May 1999, as amended, which was made available to the public in accordance with the procedures prescribed in the applicable regulatory provisions,*

resolves:

1. *to approve, pursuant to art. 114-bis of the TUF, the adoption of an incentive plan named 2023-2025 Performance Share Plan of Arnoldo Mondadori Editore S.p.A. (the “**Plan**”), the terms, conditions, and implementation procedures of which are described in the Plan Information Document annexed to the report of the Board of Directors, to which reference should be made;*
2. *to grant to the Board of Directors all necessary and appropriate powers for the implementation, integration or amendment of the Plan, including, but not limited to, the power to: (i) assign rights to the Chief Executive Officer and the CFO-Executive Director; (ii) identify, or delegate the Chief Executive Officer to identify, after obtaining the opinion of the Remuneration & Appointments Committee, the Beneficiaries not belonging to the Board of Directors and the number of rights to be assigned to the Beneficiaries; (iii) set any other term or condition, directly or by delegation, for the implementation of the Plan, including procedures for the procurement of the financial instruments to service the Plan, to the extent that this is not in contrast with the decisions approved by the Shareholders’ Meeting; (iv) perform, directly or by delegation, any action, formality or notification necessary or advisable for the management and/or implementation of the Plan, in accordance with the terms and conditions set out in the Information Document on the 2023-2025 Plan, to which reference should be made;*
3. *to confer upon the Chair of the Board of Directors and the Chief Executive Officer, severally, full powers, including the power of sub-delegation, to execute the legislative and regulatory requirements arising from the resolutions adopted.”*

16 March 2023

Arnoldo Mondadori Editore S.p.A.
on behalf of the Board of Directors
The Chair
Marina Berlusconi

Information Document

DRAFTED PURSUANT TO ART 114-BIS OF LEGISLATIVE DECREE NO.58/1998 (TUF) AND ART 84-BIS
CONSOB REGULATION NO. 11971 OF 1999 AS SUBSEQUENTLY AMENDED (ISSUERS' REGULATION)

2023-2025 Performance Share Plan

Introduction

This Information Document, drafted pursuant to art. 84-bis (Annex 3 A, schedule no.7) of the Issuers' Regulation, has been prepared by Arnoldo Mondadori Editore S.p.A. in order to provide its Shareholders and the market with information on the proposed adoption of the 2023-2025 Performance Share Plan (the "**Plan**"), drawn up, with the advisory support of the Remuneration and Appointments Committee, by the Board of Directors of Arnoldo Mondadori Editore on 16 March 2023, which will be submitted pursuant to art.114-bis of the TUF for the approval of the ordinary Shareholders' Meeting convened on first call on 27 April 2023, in Segrate (MI), via Mondadori 1 and, if necessary, on second call on 28 April 2023 for the approval of the financial statements as at and for the year ended 31 December 2022.

The Plan provides for assignment to the Beneficiaries of rights to the allocation, free of charge, of Company Shares – held in portfolio or to be purchased as treasury shares pursuant to art. 2357 *et seq.* of the Italian Civil Code – upon the achievement of predetermined three-year Performance Objectives.

The Plan is organised over a three-year cycle, covering the 2023-2024-2025 financial years. It applies to the management of Arnoldo Mondadori Editore S.p.A. and its subsidiaries – as defined below – and is to be considered "of particular significance" since the Beneficiaries also include the parties as per art. 84-bis, paragraph 2, of the Issuers' Regulation. Specifically, the Beneficiaries of the Plan, to be identified as detailed in section 1 below, include:

- i) the Chief Executive Officer of Arnoldo Mondadori Editore S.p.A.;
- ii) the other executive members of the Board of Directors of Arnoldo Mondadori Editore S.p.A.;
- iii) the Key Management Personnel and other senior executives of Arnoldo Mondadori Editore S.p.A. or of subsidiaries of Arnoldo Mondadori Editore S.p.A.

This Information Document is made available to the public at the registered office of Arnoldo Mondadori Editore S.p.A., on the 1Info authorised storage mechanism (www.1info.it), as well as in the "Governance" section of the Arnoldo Mondadori Editore website (www.gruppomondadori.it) as provided by current legislation.

Definitions

Below is a description of the meaning of some of the terms used in the information document:

Chief Executive Officer	The Chief Executive Officer of Arnoldo Mondadori Editore S.p.A.
Assignment	The assignment to the Beneficiaries of the Rights to the allocation of the Company's Shares on the basis of the conditions, methods and terms of implementation of the Plan, as provided in this Document
Allocation	The determination of the Shares constituting the Bonus at the end of the Vesting Period based on the degree of achievement of the Performance Objectives
Payment	The actual delivery of the Shares due as a result of the Allocation
Share	Ordinary share issued by Arnoldo Mondadori Editore S.p.A., listed on

	the electronic stock exchange of Borsa Italiana S.p.A., ISIN code IT0001469383
Rights or Assigned Rights or Bonus	The number of Rights to the allocation of the Company's Shares assigned to the Beneficiaries that may be effectively exercised after the Allocation date according to pre-established performance and retention conditions defined in the Regulation
Accrued Shares or Allocated Shares	The actual number of Shares accrued by the Beneficiaries at the end of the pre-established period (Vesting Period) determined in relation to the performance levels achieved under the terms and conditions of the Plan, that could actually be paid subject to approval of the Financial Statements by the Shareholders' Meeting
Beneficiaries / Recipients	The recipients of the Plan
Plan Cycle	The three-year performance cycle on which the Plan is based covering the financial years 2023-2024-2025
Board of Directors or Board	The Board of Directors of Arnoldo Mondadori Editore S.p.A.
Remuneration & Appointments	The Remuneration & Appointments Committee of Arnoldo Mondadori Editore S.p.A., consisting exclusively of Non-executive Directors, the majority of whom are Independent, whose composition, appointment, duties and operating procedures are governed by a specific Regulation approved by the Board of Directors and whose purpose is to make proposals and provide advice on remuneration matters
Key Management Personnel	Pursuant to art. 65, paragraph 1, <i>quater</i> of the Issuers' Regulation, the managers of Arnoldo Mondadori Editore S.p.A. who have the power and responsibility, directly and indirectly, for the planning, management and control of Arnoldo Mondadori Editore S.p.A.
Assignment Date	The date on which the identification of the Beneficiaries and the Assignment of Rights to each of them takes place
Allocation Date	The date on which the Board resolves to allocate the Shares to the Beneficiaries based on achievement of the Performance Objectives
Payment Date	The date on which the allocated shares are actually transferred to the Beneficiary
Group	Mondadori and its Subsidiaries pursuant to art. 2359 of the Italian Civil Code
Letter of Assignment	The written notice sent to the Beneficiary pursuant to the Regulation, informing them of participation in the Plan, the amount of the Bonus and the related terms and conditions
Mondadori or Company	Arnoldo Mondadori Editore S.p.A. (with registered office in Via Bianca di Savoia 12, Milan)
Performance Objectives	The objectives of the Plan, the level of achievement of which determines the number of Shares to be allocated to each Beneficiary at the end of the Vesting Period. The economic and financial objectives are defined with reference to Mondadori's 2023-2025 Three-Year Plan and to the performance of the TSR in the same three-year period
Vesting period	Period from the time the Bonus is assigned through the Letter of Assignment until the Board of Directors approves the consolidated financial statements and draft financial statements for the last financial year covered by the Plan
Performance Period	The three-year period (from 01/01/2023 to 31/12/2025) against which the achievement of the Performance Objectives is measured
Lock-up Period or Lock-up	Period in which part of the allocated Shares may not be transferred by the Beneficiary, nor be subject to restrictions or the subject of other acts of disposal <i>inter vivos</i> for any reason whatsoever
Plan	The Company's Performance Share Plan, which entitles Beneficiaries

	to receive Company Shares free of charge upon achievement of predetermined Performance Objectives
Relationship	Indicates the employment or directorship relationship between the Beneficiary and the Group
Regulation	The document, approved by the Board of Directors, governing the terms and conditions and procedures of operation of the Plan.
Subsidiaries	Subsidiaries of Arnoldo Mondadori Editore S.p.A. pursuant to art. 2359 of the Italian Civil Code.
Total Shareholder Return (TSR)	Rate of return for shareholders calculated, within the three-year reference period, as the difference in value between the share price at the beginning and at the end of the performance period and considering the value of the dividends distributed in the same period, compared with the performance of the securities listed on the FTSE-MIB All Share index calculated with the same criterion

1. **Beneficiaries**

1.1 Indication of the names of the recipients who are members of the Board of Directors of the issuer, of parent companies and of direct or indirect subsidiaries.

The Plan's Beneficiaries include the Chief Executive Officer Antonio Porro and the CFO-Executive Director, Alessandro Franzosi.

Participation in the 2023-2025 Plan does not, however, imply an obligation on the part of the Company to include the same Beneficiaries in any subsequent plans.

1.2 Categories of employees or collaborators of the issuer and the parent or subsidiary companies of the issuer

The Plan addresses Key Management Personnel and other Group senior executives identified on a name basis. The basic eligibility criterion for identification as a Beneficiary of the Plan is to hold a position with a material impact on the achievement of the Company's results.

After approval of the Plan by the Shareholders' Meeting, the Beneficiaries as per this point 1.2 will be identified on a name basis by the Chief Executive Officer, who is so empowered by the Board of Directors.

Participation does not result in any obligation to identify the same Beneficiary in any subsequent plans.

While some potential Plan Beneficiaries might be members of the Board of Directors of Company subsidiaries pursuant to art. 2359 Italian Civil Code, their identification would be exclusively with specific reference to their role as a Key Manager or Group senior executive.

1.3 Indication of the names of the beneficiaries of the plan in the following groups:

a) General managers of the issuer of financial instruments:

Not Applicable.

b) other Key Managers of the issuer of financial instruments that is not "smaller", pursuant to art. 3, paragraph 1, head f) of Regulation no. 17221 of 12 March 2010, if, during the financial year, they

received total remuneration (obtained by summing monetary remuneration and remuneration based on financial instruments) higher than the highest total remuneration attributed to the members of the Board of Directors, or the Management Board and to the General Managers of the issuer of financial instruments

Not Applicable.

During the year, none of the Group's Key Managers received total remuneration higher than the highest total remuneration attributed to the members of the Board of Directors of Arnoldo Mondadori Editore S.p.A.

- c) natural persons controlling the share issuer, who are employees or who collaborate with the share issuer

Not Applicable.

1.4 Description and numerical indication, broken down by category:

- a) of Key Managers other than those indicated in paragraph 1.3 (b);

The Company currently has six Key Managers, excluding Executive Directors.

- b) in the case of "smaller" companies, pursuant to art. 3, paragraph 1, head f) of Regulation no. 17221 of 12 March 2010, the aggregate indication of all Key Managers of the issuer of financial instruments;

Not Applicable.

- c) of any other categories of employees or collaborators for whom differentiated characteristics of the Plan have been envisaged

Not Applicable.

2 Rationale for the Plan

2.1 Objectives to be achieved through the allocation of the Plan

In adopting the Plan, the Company aims to incentivise management to improve its performance, from a perspective of medium/long-term sustainability, with reference to both industrial performance levels and the growth of the Company's value.

Specifically, the Plan aims to pursue the following objectives:

- a) to create a stronger link between the creation of value in the medium and long term and the remuneration of management;
- b) to foster a fair and non-discriminatory remuneration system that is consistent with the levels of responsibility;
- c) to sustain the growth of Mondadori, identifying a tool that reflects the growth of the sustainable value of the Company;

- d) to motivate and retain the Plan Beneficiaries by supporting the common goal of growing value and consolidating the alignment of the interests of the Beneficiaries with those of the Shareholders over a medium/long-term time horizon.

Each Beneficiary will be assigned a number of Rights, established on the basis of the levels of fixed and annual variable remuneration received, so as to define an overall remuneration package that is consistent and balanced in its various components and in the instruments used (cash/equity), in line with the best market practices, taking into account the role of each Beneficiary.

The Plan covers a time horizon of 3 years, a period considered consistent with the Plan's objective of measuring the growth of the Group's value in the medium/long term.

2.2 Key variables, including performance indicators, considered for the purposes of assigning share-based plans

Through the Letter of Assignment, Beneficiaries receive the right to participate in the Plan. Accrual of the Bonus presupposes, in addition to achievement of the specific Performance Objectives, as identified in the 2023-2025 Three-Year Plan approved by the Board of Directors and in the TSR, the constancy of the Relationship and the effective performance of work until the Allocation date following the approval of the draft financial statements and the consolidated financial statements for financial year 2025 by the Board of Directors (end of the Vesting Period). The actual payment of the Bonus will take place within 90 days of approval of the 2025 financial statements by the Shareholders' Meeting.

Minimum, target and maximum result levels have been set for each of the above performance conditions. On attainment of the minimum result level (equal to 90%) for EBITDA, Net Profit and Ordinary Cash Flow, the number of shares allocated will equal 50% of the target number of assigned Rights. On attainment of the target performance level (equal to 100%), 100% of the bonus will vest, whereas if the maximum level is met (equal to 120%), the Beneficiaries will be entitled to 120% of the target number of assigned Rights.

TSR is defined in relation to the companies listed on the FTSE All Share index, with performance measured throughout the Plan Performance Period. On attainment of a TSR equal to or higher than the median, the objective will be deemed to have been achieved and the number of Shares allocated will correspond to the above-median percentage up to 120% of the assigned Rights. If TSR is lower than the median, no Shares will be allocated.

Since the Inclusion Index comprises three independent areas of action measured individually on a prior basis, it may have a result indicator value ranging from 0% to 120%, with allocation of a corresponding number of shares.

The number of Shares to be allocated to Beneficiaries is determined by the level of achievement of the Performance Objectives described above.

With the advisory support of the Remuneration & Appointments Committee, the Board of Directors sets the Performance Objectives and, in the presence of extraordinary and/or unforeseen situations, extraordinary transactions or legislative or regulatory changes that could have a material impact on the Performance Objectives, the Bonus, the results and/or the scope of Group operations, may, subject to consultation with the Committee, make changes to conserve the material and economic content of the Plan. These situations and circumstances, specifically identified in the Regulation, include but are not limited to transactions such as mergers, demergers, acquisitions, sales, spin-offs, impairment, accounting criteria uniformity or natural or exogenous events that could render the Plan no longer meaningful.

2.3 Elements underlying determination of the amount of share-based remuneration, or the criteria for its determination

Under the Plan, the Beneficiaries are divided into groups according to their position and the corresponding impact on company results. The Plan envisages that the Beneficiaries are assigned a Target Bonus, consisting of Rights to receive Company shares free of charge, which is individually defined according to position and market benchmarks, and will be allocated upon the occurrence of the performance conditions illustrated in point 2.2 above.

The characteristics of the Plan, including the Performance Objectives and the amount of the Bonuses, have been defined in continuity with the previous cycles, since they are still consistent with the Group's strategic priorities.

2.4 Reasons for any decision to allocate remuneration plans based on financial instruments not issued by the issuer

Not Applicable.

2.5 Assessments of significant tax and accounting implications that affected the definition of the plans

The structure of the Plan was not affected by applicable tax laws or accounting implications.

2.6 Any support from the special Fund for the incentivisation of worker participation in companies, pursuant to art. 4, paragraph 112, of Law no. 350 of 24 December 2003

Not Applicable.

3 Approval process and timing of share assignment

3.1 Scope of the powers and functions delegated by the Shareholders' Meeting to the Board of Directors for the implementation of the Plan

On 16 March 2023, with the abstention of the Chief Executive Officer and the CFO-Executive Director, the Board of Directors of the Company approved the Plan, at the proposal of the Remuneration & Appointments Committee, and resolved to submit it to the Shareholders' Meeting for approval pursuant to art. 114-*bis* of the TUF.

Following approval of the Plan by the Shareholders' Meeting and the resolution concerning the financial instruments to be used for its implementation, the Board of Directors, exercising the powers granted by the Shareholders' Meeting, may implement the Plan by resolving upon i) assignment of the Rights in favour of the Chief Executive Officer and of the CFO-Executive Director; ii) delegation of powers to the Chief Executive Officer for identification of the Beneficiaries who are not members of the Board of Directors and the related number of Rights to be assigned to the Beneficiaries; iii) also by means of delegation, any other term and condition for implementation of the Plan, including the procedures for acquiring the financial instruments to service the Plan, to the extent that this does not conflict with the provisions of the Shareholders' Meeting.

3.2 Indication of parties charged with administering the Plan and their function and responsibility

The Board of Directors is responsible for the implementation of the Plan, with the preliminary and advisory support of the Remuneration & Appointments Committee, and has the power to delegate the operational management of the Plan to the Chief Executive Officer, with the right to sub-delegate, within the limits of the Plan's implementation Regulation, on the basis of the preliminary and/or advisory activity carried out by the Remuneration & Appointments Committee and without prejudice to the fact that any decision related and/or pertaining to the assignment and implementation of the Plan for the Chief Executive Officer and the Executive Director-CFO as Beneficiaries remains the exclusive responsibility of the Board of Directors.

3.3 Any procedures in place for reviewing plans, also in relation to any changes in the baseline objectives

Without prejudice to the responsibility of the Shareholders' Meeting in the cases provided for by law, the Board of Directors, having heard the opinion of the Remuneration & Appointments Committee, is the body responsible for making any changes to the Plan and to the Regulation.

In the presence of extraordinary and/or unforeseen situations, extraordinary transactions, legislative and regulatory changes that could have a material impact on the Performance Objectives, results and/or the scope of Group operations, the Board of Directors may, subject to consultation with the Committee, make changes to conserve the material and economic content of the Plan. These situations and circumstances, specifically identified in the Plan Regulation, include but are not limited to transactions such as mergers, demergers, acquisitions, sales, spin-offs, impairment, accounting criteria uniformity or natural or exogenous events that could render the Plan no longer meaningful.

3.4 Description of the procedures for determining the availability and assignment of the financial instruments on which the Plan is based

The Plan provides for the Allocation of Shares, free of charge, in a variable number in relation to the individual Assignment and the degree of achievement of the Plan's Performance Objectives. These Shares will consist of Shares already issued, to be purchased or already held by the Company as treasury shares pursuant to art. 2357 et seq. of the Italian Civil Code.

In this regard, on 16 March 2023 the Board of Directors resolved to submit the proposal to authorise the purchase and disposal of treasury Shares to service the Plan to the Shareholders' Meeting.

3.5 The role of each director in determining the characteristics of the Plan and any occurrence of situations of conflict of interest for the directors concerned

In line with the Principles and Recommendations of the Corporate Governance Code adopted by the Company, the conditions of the Plan were defined at the proposal of the Remuneration & Appointments Committee, exclusively composed of non-executive Directors, the majority of whom are Independent. The proposal to submit the Plan to the Shareholders' Meeting, pursuant to art. 114-bis of the TUF, was then approved by the Board of Directors, with the abstention of the Chief Executive Officer and the Executive Director-CFO, on 16 March 2023, subject to the favourable opinion of the Board of Statutory Auditors pursuant to art. 2389, paragraph 3, of the Italian Civil Code, within the terms indicated in said provision.

3.6 Date of the decision taken by the body responsible for proposing the approval of the plan to the shareholders' meeting and of any proposal of the remuneration committee

On a proposal formulated by the Remuneration & Appointments Committee on 2 March 2023, the Board of Directors decided on 16 March 2023 to submit the Plan to the Shareholders' Meeting.

3.7 Date of the decision taken by the body responsible for assigning the instruments and proposal to said body formulated by any remuneration committee

Pursuant to art. 114-*bis* of the TUF, the adoption of the Plan will be submitted for the approval of the Shareholders' Meeting called for 27 April 2023, on first call and, if necessary, on 28 April 2023 on second call. Following the Shareholders' Meeting, subject to the approval of the Plan, the Board of Directors, with the preliminary and advisory support of the Remuneration & Appointments Committee, will adopt the resolutions relating to the assignment of the Rights in compliance with the terms and conditions set out in the Regulation. Resolutions relating to the assignment of the Rights will be disclosed to the public in accordance with applicable regulatory provisions.

3.8 The market price, recorded on the aforesaid dates, for the financial instruments on which the plans are based, if traded on regulated markets

Official price of Mondadori shares on 2 March 2023 (date of approval by the Remuneration & Appointments Committee of the proposal to the Board of Directors regarding adoption of the Plan): 1,820 Euro.

Official price of Mondadori shares on 16 March 2023 (date of approval by the Board of Directors of the proposal to be submitted to the Shareholders' Meeting): 1,73 Euro.

3.9 For plans based on financial instruments traded on regulated markets, when establishing the timing of assignment of the financial instruments for implementation of the plans, how does the issuer take into account the possible simultaneity between: i) said assignment or any decision taken in this regard by the remuneration committee, and ii) the disclosure of any relevant information pursuant to art. 114, paragraph 1 of the TUF; for example, in the event that this information is: a) not already public and capable of positively influencing the market prices, or b) already published and capable of negatively influencing the market prices.

Any simultaneity between the disclosure of insider information and the Assignment of the Rights or the proposals defined in this regard by the Appointments & Remuneration Committee would have no impact on the Beneficiaries, since they will accrue the right to Allocation of the Shares only after a three-year Vesting Period and subject to achievement of the Performance Objectives.

In any event, in order to further limit the possibility of the disclosure of insider information as defined by art. 114, paragraph 1 of the TUF, coinciding or otherwise interfering with the assignment of the Rights, the Board of Directors will ensure that it does not take decisions during corporate transactions or other events that might significantly affect the price of the Shares or in conjunction with such events.

4. Characteristics of the allocated instruments

4.1 Description of the forms in which remuneration plans based on financial instruments are structured

The Plan consists of the Assignment of rights to receive a Bonus, consisting of Company Shares, upon the achievement of specific and pre-determined Performance Objectives measured at the end of a three-year Performance Period.

4.2 Indication of the period of actual implementation of the Plan with reference also to any planned cycles

The Plan envisages a single cycle structured as follows:

- implementation period between 2023 (Assignment of rights) and 2025 (end of the Vesting Period). The Shares may be allocated in 2026 based on the degree to which the Performance Objectives have been achieved.

20% of the Shares Allocated to each Beneficiary are subject to a Lock-up Period for a total of 24 months as specified in paragraph 4.6 below.

4.3 End of the Plan

The Plan will end in 2026 with the possible allocation of Shares.

4.4 Maximum number of financial instruments assigned in each financial year with respect to the individuals identified by name or the categories indicated

The Board of Directors has established the maximum number of Shares to service the Plan to be 933.548, calculated on the basis of the average share price of the last three months prior to the date of the Board of Directors' resolution on the proposal to adopt the Plan (16/12/2022 – 15/03/2023), which was 1,866 Euro.

If, at the time of the Share Allocation, the Company should not have a sufficient number of treasury Shares available to service the Plan, the actual payment of the Bonus may be made – in whole or in part – in cash. The actual amount of the Bonus will be determined according to the number of Shares to which each of the Beneficiaries would have been entitled under the mechanisms of the Plan Regulation and the average Share price in the 30 days prior to the Payment Date.

4.5 Plan implementation procedures and clauses, specifying whether the actual allocation of the instruments is subject to the occurrence of conditions or the achievement of certain results, including performance results; description of such conditions and results

The Performance Objectives to which accrual of the Bonus is subject are represented by:

- i) Total Shareholder Return (TSR) with respect to the companies listed in the FTSE All Share index, with a weighting of 25%;
- ii) Cumulative EBITDA for the three-year period, with a weighting of 20%;
- iii) Cumulative Net Profit for the three-year period, with a weighting of 25%;
- iv) Cumulative Ordinary Cash Flow for the three-year period, with a weighting of 20%;
- v) Impact Inclusion index, with a weighting of 10%.

Minimum, target and maximum result levels have been set for each of the above performance conditions. On attainment of the minimum result level (90%) for EBITDA, Net Profit and Ordinary Cash Flow, the number of Shares allocated will equal 50% of the target number of assigned Rights. On attainment of the target performance level, 100% of the bonus will be applied, whereas if the maximum level is met (120%), the beneficiaries will be entitled to 120% of the target number of assigned Rights.

TSR is defined in relation to the companies listed in the FTSE All Share index, with performance measured throughout the three-year Performance Period of the Plan. On attainment of a TSR equal to or higher than the median, the objective will be deemed to have been achieved and the number of Shares allocated will correspond to the above-median percentage up to 120% of the assigned Rights. If TSR is lower than the median, no Shares will be allocated.

Since the Impact Inclusion Index comprises three independent areas of action measured individually on a prior basis, it may have a result indicator value ranging from 0% to 120%, with allocation of a corresponding number of shares.

The number of Shares to be allocated on attainment of the Performance Objectives will be rounded up to the next highest whole unit.

In the presence of extraordinary and/or unforeseen situations, extraordinary transactions, legislative and regulatory changes that could have a material impact on the Performance Objectives, results and/or the scope of Group operations, the Board of Directors may, subject to consultation with the Committee, make changes to conserve the material and economic content of the Plan. These situations and circumstances, specifically identified in the Plan Regulation, include but are not limited to transactions such as mergers, demergers, acquisitions, sales, spin-offs, impairment, accounting criteria uniformity or natural or exogenous events that could render the Plan no longer meaningful.

Finally, the Plan provides for the adoption of claw-back clauses under which reimbursement of the countervalue of the Shares already paid may be requested, or the countervalue may be withheld from the amounts due to the Beneficiaries, if the accrual of such Shares took place on the basis of data that subsequently proved to be manifestly erroneous, or if the Shares prove not to be due to persons responsible for the fraudulent alteration of data in order to achieve the related objectives, or who have achieved the objectives by violating laws and regulations, the Code of Ethics or company rules, without prejudice to any action permitted by law to protect the interests of the Company.

4.6 Indication of any restrictions on the availability of the instruments allocated or on the instruments resulting from exercise of subscription rights, with particular reference to the terms within which the subsequent transfer to the company itself or to third parties is permitted or prohibited

20% of the Shares Allocated to each Beneficiary are subject to a Lock-up Period for a total of 24 months, structured as follows:

- (i) 10% of the Allocated Shares subject to a lock-up period of 12 months from the Payment Date;
- (ii) 10% of the Allocated Shares subject to a lock-up period of 24 months from the Payment Date.

Shares subject to Lock-up may not be transferred nor be subject to restrictions nor be the subject of other acts of disposal *inter vivos* for any reason whatsoever. In the event of termination of the relationship with the Company, the lock-up restriction remains in place until the time period as per the Regulation has passed in full.

4.7 Description of any termination conditions in relation to the allocation of the plans in the event that the beneficiaries carry out hedging transactions that make it possible to neutralise any prohibitions on the sale of the financial instruments assigned, also in the form of subscription rights, or of the financial instruments resulting from the exercise of such rights

The Beneficiaries are prohibited – on pain of forfeiture of the right to receive the Shares – from carrying out hedging transactions that alter or affect the risk alignment inherent in the incentive mechanisms based on financial instruments.

4.8 Description of the effects determined by termination of the Relationship

Termination of the Relationship during the Vesting Period and up to the time of actual allocation of the Bonus will result in the loss of the rights assigned under the Plan except in good-leaver cases.

The term good leaver refers to cases where the Relationship is terminated due to:

- a) total and permanent invalidity of the Beneficiary;
- b) death of the Beneficiary;
- c) retirement of the Beneficiary;
- d) resignation or termination of the Relationship at the initiative of the Beneficiary for just cause, provided that such just cause is not disputed by the Company;
- e) non-renewal of the mandate for Beneficiaries who are exclusively directors.

In the event of termination of the Relationship during the Vesting Period for good-leaver-related reasons, the Beneficiary retains the right to receive the Bonus, for an amount determined on a *pro-rata temporis* basis at the date of cessation of the Relationship, without prejudice to attainment of the performance objectives as per art. 4.5 considered over the normal three-year performance period envisaged by the Plan. The bonus actually accrued will be computed and assigned in accordance with this Regulation. The Board of Directors has the power to consider more favourable conditions.

In the event of agreements for consensual termination of the Relationship, the Chief Executive Officer, has the power, other than for him/herself and the CFO-Chief Executive Officer or other Executives with a Directorship, to make different determinations with respect to the provisions set forth in this article, defining on a lump-sum basis and at his/her sole discretion the amounts due in lieu of the Bonus, also through the identification of minimum and maximum infra-periodic results for the Performance Objectives, in order to permit an adequate assessment of the degree of achievement of the Performance Objectives.

In the event of transfer of the Relationship between Group companies, as well as in the event of termination of the Relationship with the Group and the simultaneous formation of a new relationship with the Group, the Beneficiary shall retain the rights deriving from the Plan in accordance with the provisions of this Regulation.

In the event of a change of control of the Subsidiary to which the Beneficiary's Relationship refers, the provisions set forth for the good-leaver case described above or any better treatment shall apply at the sole discretion of the Board of Directors, or of the Chief Executive Officer delegated by the same, after consultation with the Committee regarding the criteria used.

In addition to the cases envisaged by the applicable legal provisions, a change of control also includes the sale, transfer or other act of disposal concerning all or part of the assets to one or more third

parties that are not, immediately after the completion of such operations, subsidiaries of Arnoldo Mondadori Editore S.p.A.

4.9 Indication of any causes for cancellation of plans

In the event that, as a result of changes in such rules or regulations or changes in the interpretation or application thereof, implementation of the Plan results in the Company or the Beneficiaries incurring substantially higher taxes, higher pension costs, or charges of any other nature, the Board of Directors, in consultation with the Committee, shall have the right to unilaterally amend the terms of the Plan Regulation, including the right to cancel the Plan or terminate the Plan, giving adequate notice to the Beneficiaries.

4.10 Reasons for any provision for “redemption” by the Company of the financial instruments covered by the plans, pursuant to arts. 2357 *et seq.* of the Italian Civil Code; the Beneficiaries of the redemption, indicating whether it is intended only for certain categories of employees; the effects of termination of the relationship on said redemption

Not Applicable.

4.11 Any loans or facilities that are intended to be granted with the purchase of shares pursuant to Art. 2358 of the Italian Civil Code.

Not Applicable.

4.12 Indication of the assessments of the expected cost for the Company at the date of the related assignment, as determinable on the basis of the terms and conditions already defined, by total amount and in relation to each instrument of the plan

At present, on the basis of the terms and conditions already defined, the maximum number of Shares that may be allocated on achievement of the maximum level of results of the Performance Objectives is expected to be 933.548 Shares.

At the date of this document, the expected overall cost of the Plan cannot be determined with a sufficient degree of accuracy, since it is also affected by factors that cannot be foreseen; the administrative costs of managing the Plan are to be considered insignificant.

4.13 Indication of any dilutive effects on the capital resulting from the remuneration plans

As indicated in point 3.4 above, the Shares servicing the Plan will consist exclusively of Shares already issued, to be purchased or already held by the Company as treasury shares pursuant to art. 2357 *et seq.* of the Italian Civil Code. Consequently, there is no dilutive effect on the capital determined by the Plan.

4.14 Any limitations on the exercise of voting rights and on the allocation of equity rights

The Allocated Shares will have regular dividend entitlement, since there are no limitations on the exercise of equity or administrative rights, with particular reference to the associated voting rights.

4.15 In the event that the shares are not traded on regulated markets, any information useful for a full assessment of the value attributable to the same

Not Applicable.

4.16 – 4.23

Not applicable since these are not stock options.

4.24 Share issuers shall attach table 1 to the information document:

The Company will provide the market with table 1, when informing the public of the resolutions of the Board of Directors concerning implementation of the Plan, as provided for by art. 84-*bis*, paragraph 5 of the Issuers' Regulation.