Exor

REMUNERATION POLICY OF EXOR N.V.

INTRODUCTION

This remuneration policy (this "**Policy"**) will, upon approval by the shareholders' meeting of Exor N.V. ("**Exor**" or the "**Company**") on 31 May 2023, replace the remuneration policy that was approved by Exor's shareholders' meeting on 24 May 2022. It describes the policies, structures and principles in the area of remuneration for the executive directors ("**Executive Directors**") and the non-executive directors ("**Non-Executive Directors**") of Exor.

Exor is a diversified holding company with a culture that combines entrepreneurial spirit and financial discipline. Our purpose is to build great companies, that perform to the highest standards, seek renewal and change, are distinctive and act in a responsible way, while providing opportunities for its people to grow, make a positive contribution to society and deliver superior returns to its investors.

This Policy supports Exor's strategy, is suited to its performance-driven and meritocratic culture and is aligned with the identity, mission and values of the Company. Its objective is to provide a compensation structure that allows the Company to attract and retain the most highly qualified members of the board of directors (the "**Board**") and to motivate them to achieve business and financial goals that create long-term value for shareholders in a manner consistent with the core business and leadership values of the Company.

Remuneration principles Executive Directors

In order to attract, retain and motivate with the right balance of qualities, capabilities, profile and experience needed to support and promote the growth and sustainable success of the Company and its business, this Policy aims to provide a total compensation opportunity that:

- is competitive as compared to the compensation paid by comparable companies;
- reinforces the Company's performance driven culture and meritocracy;
- assures that the interests of the Executive Directors are closely aligned to those of the Company, its business and its stakeholders; and
- creates long-term value for shareholders and other stakeholders in a manner consistent with the core business and leadership values of the Company.

The compensation structure for Executive Directors includes fixed components (base salary, general benefits and retirement benefits) and variable components based on the Company's short- and long-term performance. We believe that this structure promotes the identity, mission and values of the Company in view of its position as holding company and is designed to encourage the Executive Directors to act in the best interests of Exor in a sustainable manner.

Remuneration principles Non-Executive Directors

In order to attract qualified Non-Executive Directors with the required qualities, capabilities, profile and international experience, compensation is based on the following principles:

- remuneration levels are in line with peers and with levels adequate to attract qualified Non-Executives; and
- remuneration is aligned with the responsibilities of the position and time spent.

The remuneration arrangements for Non-Executive Directors provide a simple and transparent structure of cash fees. In receiving cash remuneration only, Non-Executive Directors can provide independent, objective stewardship of the Company with no conflict between individual financial interests and decisions made by the Board.

This Policy takes into account all applicable laws and regulations, such as, but not limited to, the requirements of the Shareholder Rights Directive and its implementation into the Dutch Civil Code, the Dutch Corporate Governance Code, Exor's articles of association (the "**Articles of Association**") and the regulations of the Board, as applicable from time to time. All amounts mentioned in this Policy are gross amounts.

SUMMARY OF CHANGES

The Policy was last amended by the general meeting of shareholders of the Company in May 2022 and was approved by over 94.1% of the votes cast. The amendments made to such remuneration policy focused on executive compensation.

Non-Executive compensation

The previous version of Exor's remuneration policy did not provide for a specific compensation package for the Chair of the Board. Exor's compensation and nomination committee (the "**CNC**") has referenced the compensation for this position to major one-tier board companies listed in the Netherlands and British peers of comparable size that are included in the FTSE100 index. Based on this reference, this Policy introduces an annual base fee for the Chair of the Board of up to EUR 500,000 (or an equivalent amount in another currency). This annual base fee can be applied with retroactive effect (to a current or former Chair of the Board) to the relevant date of appointment as Chair of the Board.

Furthermore, this Policy contains the possibility to grant the Chair of the Board exceptional awards to attract, retain and/or otherwise reward a Chair of the Board with exceptional competence and experience. The award, including its amount and any conditions, may be determined by the Board in its sole discretion. Such award can be made with retroactive effect (to a current or former Chair of the Board) to the relevant date of appointment as Chair of the Board.

No other changes to the remuneration policy are proposed. Since the previous amendment to this remuneration policy at the AGM in 2022, no particular votes and shareholder viewpoints relate to the proposed changes or would suggest other changes to our remuneration policy. We continuously take into account our shareholders' views, including on matters concerning executive and non-executive remuneration, and propose amendments where due and appropriate.

REMUNERATION POLICY EXECUTIVE DIRECTORS

This section will set out remuneration for Executive Directors. The remuneration for Non-Executive Directors will be presented in the next section.

EXECUTIVE COMPENSATION LEVEL

Exor monitors compensation levels and trends in the market and periodically benchmarks its executive compensation program and the compensation offered to Executive Directors against peer companies. To this end, a reference group of ten large listed investment companies has been composed with a comparable size and international portfolio, seven of which have a seat in Europe, two in the US and one in Asia. The level of Exor's executive total direct compensation ("**TDC"**, i.e. base salary plus STI and LTI at target) is aligned with the Company's relative position within the reference group.

REMUNERATION COMPONENTS

Executive remuneration may consist of the following primary components:

	Purpose & link to strategy	Quantum
Fixed components		
Base salary	The primary objective of the base salary (the fixed part of the annual cash compensation) is to attract and retain highly qualified Executive Directors	Well below market level
General benefits	A range of benefits may be provided to Executive Directors in order to place Exor in a competitive position (e.g. medical insurance, liability insurance, external advice)	Aligned with market practice
Retirement benefits	Provides cost-effective, competitive post-retirement benefits in order to attract and retain highly qualified Executive Directors	Well below market level
Variable components		
Short-term incentive	The primary performance objective is to incentivise Executive Directors to focus on the short-term financial or other business priorities as set by the CNC for the current year that serve Exor's strategy and to enhance alignment with the value creation objectives	Well below market level at 100% of base salary
Long-term incentive	The objective of long-term PSU grant is to (i) align the interests of the Executive Directors with those of our shareholders and other stakeholders; (ii) motivate the attainment of the Company's financial and other performance goals and reward sustained long-term value creation; and (iii) serve as an important attraction and long-term retention tool that is being used to strengthen on-going commitment to the Company	At target value of EUR 6M brings TDC in line with peer group

The composition of the remuneration package is designed to fit the Company's performance-driven nature. By its DNA, the Company's focus is long-term and its purpose is to build great companies that perform to the highest standards in order to make a positive contribution to society and deliver superior returns to its investors over the long term.

In line with our purpose and strategy, the remuneration package consists primarily of variable components that are conditional on a long-term performance targets. When all performance targets are met in full, the base salary contributes 7% of TDC, the short-term incentive another 7% and the long-term incentive the remaining 86%.

The actual ratio between fixed and variable pay for the Executive Director will be influenced by the extent to which targets are met. The graph below presents the TDC granted at different performance levels, compared to the compensation under the previous remuneration policy including Stock Options ("**SOs**") that is presented in the bar on the left:

The different components of the remuneration package will be described in the following paragraphs.

Base Salary

The fixed base salary takes into consideration the Executive Director's skills, experience, scope of responsibilities and is set below competitive market levels. The Company's policy is to periodically benchmark comparable salaries paid to other executive directors in its compensation reference group. Base salary increases are not guaranteed for Executive Directors. Salary increases will be made taking into account those awarded to the Company's wider employee population. For 2022, the CEO's base salary is set at EUR 500,000.

General benefits

Executive Directors may also be entitled to fringe benefits, including but not limited to, medical insurance, liability insurance, external advice and discounted fund management charges on funds managed by Exor. The CNC may grant other benefits to the Executive Directors in particular circumstances.

Retirement benefits

Provision of market competitive pension arrangements or a cash alternative based on a percentage of base salary. Currently, the CEO does not receive any retirement benefits.

Short-term incentive (STI)

Each year Executive Directors may be awarded an STI, depending on the performance delivered in the year. A balanced set of financial and non-financial performance measures referenced to the financial and strategic objectives of the Company for the financial year are set annually by the CNC, with appropriately stretching targets for each measure. The STI only pays out when the targets are fully met or exceeded. There is no reward for below-target performance, nor an extra award for over performance.

The STI performance metrics are directly related to the Company strategy of building great companies that perform at the highest standards. The financial metrics will always be directly related to the value for shareholders, the Company capital structure and the cash returns realized. In principle, the Loan to Value ratio, the Free Cash Flow and overall cost control will be used. The CNC will review the adequacy of these metrics each year to ensure they support the situation and challenges at the time.

Any non-financial metrics will always be aimed at strategic priorities and be subject to pre-set targets. These metrics will be defined at the beginning of the year and rooted in the strategic plan of the Company.

Details of the performance measures, targets and the performance achieved will be disclosed in the remuneration report for the relevant financial year. The award is paid out either in cash or in Exor shares as soon as reasonably practical after the end of the financial year. If delivered in shares, the number of shares will be calculated by the market value on the date of grant up to the maximum allowable under this Policy.

Long-term incentive (LTI)

Each year, a grant of PSUs to a value of EUR 6 million can be awarded to the Executive Director. The number of PSUs to be conditionally granted will be calculated by taking the average closing price of a Share over the last 30 trading days prior to the date of grant. Appropriate stretching targets will be set at grant over a 3-year period for the two equally weighted performance measures: absolute total shareholder return ("**TSR**") and net asset value ("**NAV**") relative to the MSCI-World Index. An additional vesting requirement is continued employment, subject to the leaver arrangements set out in this Policy.

Performance level	TSR (CAGR)	NAV (CAGR) vs MSCI-WI
Threshold (0.5x target)	4%	Not applicable*
Target	8%	0%
Maximum (3x target)	20%	10%

* For NAV, the target level is in effect threshold: when NAV growth falls short of MSCI growth, no vesting takes place.

At the end of the three-year plan period, when the performance targets are met in full, all PSUs granted will vest, which means that the relating Shares will be delivered to the Executive Director. The maximum vesting opportunity is equivalent to 3 times the number of Shares corresponding to the PSUs granted and will be awarded when the TSR has a compounded annual growth rate of at least 20% and the NAV has an CAGR of 10% or more above the index. When TSR performance is at threshold, half of the PSUs granted in respect of the TSR target, i.e. 25% of the total PSUs granted, will vest, whereas, when performance is below threshold, no vesting takes place and the part of the grant is forfeited. With respect to the NAV performance target, the target level is in effect the threshold, i.e. when NAV growth falls short of MSCI growth, no vesting takes place and the part of the grant is forfeited. Subsequent to vesting, an additional 2-year holding period applies to the Shares to ensure sustainable performance and bringing the total holding period after grant to five years in compliance with the Dutch Corporate Governance Code.

In designing this Policy, the CNC has considered to include Environment, Social and Governance targets that are pertinent to Exor's strategy. The CNC has found however that to date no measurable and sufficiently pertinent metrics are available, although their development is in progress. If and when relevant measurable and predictable ESG metrics become available, the CNC will submit a proposal for their inclusion in the LTI metrics through an update of this Policy to the AGM.

ADJUSTMENT OF VARIABLE COMPENSATION

Claw back and hold back

The Company is entitled to recover variable remuneration either in full or in part to the extent that payment thereof has been made on the basis of incorrect information about the realization of the underlying goals or about the circumstances from which the entitlement to the variable award was made dependent in accordance with article 2:135(8) Dutch Civil Code. Furthermore, in accordance with article 2:135(6) Dutch Civil Code, Exor may apply hold back measures in relation to all variable remuneration of the Executive Directors.

Reasonable and fair payout

Is it expedient to include a discretionary authority of the Board to adjust payout or vesting if and when actual outcomes of strict policy implementation are not reasonable or fair.

Leaver provisions

Under the variable incentive plans, good leavers may be entitled to retain a portion of their awards on cessation of appointment on a pro-rated basis. Good leavers are defined as those who leave because of death, injury, ill-health, disability or the sale of the Company. The CNC will also have the discretion to determine that any other leaver should be treated as a good leaver. Bad leavers' awards will lapse without any consideration being due.

CONTRACT INFORMATION AND TERMINATION

Exor has not entered into written agreements with its Executive Directors and Non-Executive Directors. Pursuant to the Articles of Association and the Dutch Corporate Governance Code, the term of office of Directors may not exceed a maximum period of four years at a time. A Director who ceases office in accordance with the previous provisions is immediately eligible for re-appointment.

There are no severance agreements between the Company and its Executive Directors which provide for indemnities in the event of early termination of the relationship, or for the granting or maintaining of non-monetary benefits for Directors who have left the Company, or for consulting arrangements covering periods after termination of the relationship or for compensation for non-competition agreements.

Recruitment

In the event that Exor wishes to recruit and appoint an Executive Director to the Board, the Board's approach to remuneration is to pay no more than is necessary to attract the best candidates to the role. The approach to the recruitment of a new executive director aims to be competitive and to structure ongoing remuneration arrangements in line with this Policy.

The Board retains the flexibility to provide compensation (a 'buy-out') to replace variable remuneration awards forfeited or payments foregone. The Board will minimize buy-outs wherever possible and ensure they are no more generous than, and on substantially similar terms to, the original awards or payment they are replacing. Depending on individual circumstances at the time, the CNC has the discretion to determine the type of award (i.e. cash, shares, lock-up period and whether or not performance conditions would apply).

In the event that an internal candidate is promoted to Executive Director, legacy terms and conditions would normally be honored.

Legacy arrangements

The Board will respect any agreements made between Exor and the Executive Directors, irrespective of whether they are in line with this Policy, if the terms were agreed:

- Prior to the implementation of the Executive Board remuneration policy at the 2022 General Meeting of Shareholders; and
- At a time when the relevant individual was not an Executive Director of the Company nor agreed in respect of joining the Board as an Executive Director.

At the time of approval, the sole Executive Director of Exor, the CEO is a beneficiary of the 2016 Long Term Stock Option Plan - approved at the shareholder meeting of the Company's predecessor, EXOR S.p.A. held on 29 May 2016.

Under the 2016 Long Term Stock Option Plan, the CEO was awarded a number of options in 2016 made in lieu of annual long-term incentive awards for the five years 2016 through to 2020. The final tranche of SOs granted to the CEO has vested in 2021, leaving 2,013,950 options outstanding of which 805,580 exercisable. Options that are not exercised by 31 December 2026 will be forfeited.

REMUNERATION POLICY NON-EXECUTIVE DIRECTORS

The remuneration of Non-Executive Directors may be periodically reviewed by the CNC and is as follows:

- up to EUR 500,000 annual base fee for the Chair of the Board;
- EUR 50,000 annual base fee for each Non-Executive Director, other than the Chair of the Board;
- An additional EUR 15,000 for each member of the Audit Committee and EUR 20,000 for the committee's Chair;
- An additional EUR 7,500 for each member of the Compensation and Nominating Committee and EUR 10,000 for the committee's Chair; and
- An additional EUR 7,500 for each member of the Environmental, Social and Governance Committee and EUR 10,000 for the committee's Chair.

The fees may be fixed at or paid in other currencies, as deemed appropriate.

Additionally, the Chair of the Board may be granted exceptional awards to attract, retain or otherwise reward a Chair with exceptional competence and experience and as such, the grant of such exceptional award contributes to Exor's growth strategy and long-term interests. The award, including its amount and any conditions, may be determined by the Board in its sole discretion.

In compliance with the Dutch Corporate Governance Code, Non-Executive Directors are not eligible to compensation that is dependent on the results of the company nor compensation in the form of shares and/or rights to shares.

Non-monetary benefits and supplementary insurance coverage

The remuneration of Non-Executive Directors includes non-monetary benefits, such as, but not limited to reimbursement of out-of-pocket expenses and expenses for travelling required for the performance of the activities associated with the specific responsibilities assigned. For all Non-Executive Directors there is also an insurance cover for directors' civil liability relating to claims for compensation for non-fraudulent acts performed in the performance of the director's duties.

Contract information

The same contract and termination conditions apply for all Board members, as specified above Executive Directors i.e. no written agreement, a term of office of up to four years at a time, with immediately eligible for re-appointment.

GOVERNANCE & PROCESS

ROLE OF THE COMPENSATION AND NOMINATING COMMITTEE

The CNC is responsible for submitting a clear and understandable proposal to the Board concerning the Executive Directors remuneration policy. The Board determines the compensation for the Executive and Non-Executive Directors of the Company in accordance with this Policy.

The CNC may invite members of the Board, other competent functions (for example, legal or finance) or other relevant employees to their meetings. To avoid any conflicts of interest, the CNC meetings usually include a so-called 'closed' session, during which only members of the CNC are present and the other meeting attendees, including Executive Directors, are requested to leave. In this way, Executive Directors, other Board members and other meeting attendees are not involved in any decisions, and are not present at any discussions regarding their own remuneration to avoid any conflicts of interest.

At least once every four years, the Committee will review the adequacy, overall coherence and effective application of the Policy and make recommendations to the Board in respect of any proposed changes, after which it will be submitted for approval to the general meeting of shareholders.

EMPLOYEE, SHAREHOLDER AND PUBLIC CONSIDERATIONS

In determining this Policy, the CNC has taken into account different scenario assumptions, the relationship between the performance criteria chosen and the possible results of the variable remuneration components and the manner in which this affects the remuneration of the Executive Directors (scenario analysis). As such, the Non-Executive Directors have assessed the functioning of the Policy taking into account the relationship between the Company's objectives, the chosen performance criteria and long-term value creation.

In line with the Dutch Corporate Governance Code and the requirements of the Shareholder Rights Directive and its implementation into the Dutch Civil Code the internal pay ratio is taken into consideration to determine the Policy for Executive Directors. This Policy also seeks to enable the Company to provide a well-balanced and performance- related remuneration package which takes into account the broader public debate on remuneration.

IMPLEMENTATION OF THIS POLICY

Upon approval by the AGM, this Policy will apply until a new policy will be submitted to and approved by the AGM, no later than the AGM of 2027. The implementation of the Policy in each financial year will be accounted for in the Remuneration Report.

Minor changes

The Board may make minor amendments to this Policy for regulatory, exchange control, tax or administrative purpose or to take account of a change in legislation without obtaining shareholder approval for that amendment. In the performance of this task, the Board receives input and support from the other Board committees.

Derogation

The Board may, in exceptional circumstances as deemed by the Board and within the statutory limits, decide to temporarily derogate from this Policy, and ultimately until a new remuneration policy is approved by a shareholders' meeting. Exceptional circumstances shall cover only situations in which the derogation from this Policy is necessary to serve the long-term interests and sustainability of Exor as a whole or to assure its viability. Amongst others, by making its decision, the Board intends to take into account stakeholder support.

In the event of a derogation, the Board will present the derogation and proposed new remuneration policy to the shareholders' meeting as soon as reasonably possible where it will be subject to a binding approval vote.

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