

CY4Gate S.p.A.

REPORT ON REMUNERATION POLICY AND COMPENSATION PAID 2026

*pursuant to Articles 123-ter of the TUF and 84-quater of the Issuers'
Regulation*



year ended December 31, 2025

<https://www.cy4gate.com/it/>

This report on CY4GATE S.p.A.'s remuneration policy and compensation paid was approved by the Board of Directors on March 12, 2026

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GLOSSARY

Actions	Ordinary shares of the Parent, without principal amount, listed on the Mercato Telematico Azionario of Borsa Italiana.
Actions Attributed	Actions granted free of charge to Beneficiaries at the time of the conclusion of the Vesting Period.
Adjusted EBIT	Adjusted means the EBIT value determined net of extraordinary, non-recurring items or not directly attributable to the core management, in order to more appropriately represent the Group's underlying operating performance. Adjustments shall be determined on the basis of criteria consistent with the Parent's management practice and applied in a uniform manner and shall be subject to verification and approval by the Council, after obtaining the opinion of the Nomination and Remuneration Committee.
Capex R&D	Indicator for long-term investment in fixed assets that support innovation.
Committee	The Appointments and Remuneration Committee of the Parent.
Corporate Governance Code	Corporate Governance Code for listed companies promoted by the Corporate Governance Committee, in its current version.
CY4 or the Parent	CY4GATE S.p.A., with registered office in Rome, Via Coponia No. 8, tax code and enrolled to the Register of Companies of Rome under number, 13129151000.
EBIT	Operating profit (loss before interest and taxes.)
EBITDA	Operating profit (loss before interest, taxes, impairment losses, amortization and depreciation.
ESG	Acronym that refers to environmental sustainability (Environmental), social development (Social) and corporate governance (Governance).
Executive Directors	Directors who receive operational or management powers or specific assignments from the Council.
Independent Directors	Directors who meet the independence requirements set out in the Corporate Governance Code.
Issuers' Regulation	Regulation adopted by Consob Resolution no. 11971 of May 14, 1999 and subsequent amendments.
Key Executives	Entities that have the power and responsibilities, directly or indirectly, of the planning, management and control of the Parent's activities, including the Directors of the Parent itself, according to the definition of the Appendix to the Consob Regulation no. 17221 of March 12, 2010 (as subsequently

	amended and supplemented) for the Related-Party Transactions Regulation (the “RPT Regulation”).
Key Performance Indicators (KPIs)	Indicator used to measure performance and verify the achievement of targets.
Long Term Incentive (LTI)	Long-term incentive plan.
Management	Managers of company departments designated via specific organizational structures.
Management by Objective (MBO)	Annual incentive plan that awards a cash bonus based on the achievement of objectives agreed in advance.
Non-Executive Directors	Directors without operational or management powers and without specific tasks conferred by the Council.
Pay Mix	Structure of individual remuneration, consisting of fixed, short-term and medium-long-term variables.
Payout	Amount paid to beneficiaries upon fulfilment of performance conditions.
Policy	Parent remuneration policy approved by the Shareholders’ Meeting pursuant to Article 123-ter of the TUF, relating to the 2026 fiscal year.
RAL	Gross annual remuneration including only fixed elements, excluding benefits, reimbursements, incentives, variable components, post-employment benefits and indemnities provided for by law or the collective agreement.
Regulation	Document defining the terms and conditions of MBO and LTI and governing their implementation, approved by the Council on the recommendation of the Nomination and Remuneration Committee.
Report	<i>This Report on Remuneration Policy for the fiscal year 2026 and compensation paid in the year 2025</i>
TUF (or Consolidated Finance Act)	Italian Legislative Decree No. 58 of February 24, 1998 (Consolidated Law on Finance), as amended and supplemented.
Vesting Period	Period between the assignment of the rights referred to in the LTI and the accrual of the related rights to subscribe the Shares.

Letter from the Chairperson of the Appointments and Remuneration Committee

Dear Shareholders,

As Chairperson of the Nomination and Remuneration Committee, I am pleased to present to you CY4GATE S.p.A.'s Report on the 2026 Remuneration Policy and Remuneration Paid in 2025, approved by the Board of Directors on March 12, 2026, on the recommendation of the Committee that I chair.

During the last fiscal year, the Parent operated in an environment that was characterized by remarkable change in the cybersecurity and defense sector, marked by a growing technological complexity and strong competition for the attraction and *retention* of highly specialized skills. In this scenario, a key task is to ensure consistency between Policy, corporate strategy, and long-term value creation.

The Committee played an active role not only in ensuring that the Policy adhered to the regulatory framework and the recommendations of the Corporate Governance Code, but also in assessing how effective the remuneration tools were in supporting the strategy and creation of long-term value.

During the year, the Committee also carefully assessed the application of some detailed exceptions to the previous Policy, applied in specific circumstances and motivated by the need to reorganize and *retain* key people, ensuring consistency with the Parent's long-term interests.

The definition of the Policy was the result of a structured process, which was conducted taking into account the directions of the Corporate Governance Code, the Corporate Governance Committee's Letter and the main market best practices. From this point of view, the Report aims to provide a clear and transparent representation of the choices made, both with reference to the principles that guide the Policy and with regard to its application during the year.

The Policy also introduces some significant updates to the incentive scheme, including the adoption of a particularly challenging MBO and the introduction of a new LTI, aimed at further aligning the interests of Management with those of the shareholders while supporting the achievement of the Group's strategic objectives.

2026 is also a year of particular importance in the life of the Parent with the anticipated reappointment of the Governing Bodies. With this in mind, the Committee has paid particular attention to the overall consistency of the Policy, including the requirements of stability, business continuity and attracting high-profile skills in a rapidly evolving sector.

Finally, I would like to thank the members of the Committee, the members of the Board of Directors, the Board of Statutory Auditors, the Management and everyone at the Parent for their contributions and cooperation, which have made the work possible.

I trust that the Policy presented in this Report will continue to be an effective tool to aid the Parent's long-term development and support its next growth cycle.

Alessandra Bucci
Chairperson of the Appointments and Remuneration Committee

Foreword

The Report is prepared pursuant to Article 123-ter of the TUF, as well as in compliance with Article 84-quater of the Issuers' Regulation, the 7-bis and 7-ter formats referred to in Annex 3A of the same Issuers' Regulation and the recommendations on remuneration contained in the Corporate Governance Code.

The Report, approved by CY4's Board of Directors on March 12, 2026, upon the proposal of the Committee, illustrates:

- in **Section I**, *Remuneration Policy*, the Policy for Directors, Statutory Auditors and Key Executives, as well as the procedures used for the adoption and implementation of this Policy;
- in **Section II**, *Remuneration Paid*, the remuneration measures for the members of the Board of Directors, the Board of Statutory Auditors and Key Executives and the remuneration paid with reference to the fiscal year ended 31 December 2025.

The Report was prepared taking into account the current phase of the Parent – which is currently in a period of consolidation, efficiency and synergy creation, improvement in profitability – as well as in the strategic priorities identified by the Board of Directors and the need to ensure a balanced balance between performance incentives, economic-financial sustainability and a strengthening of the governance structure.

It should be noted that the current Board of Directors in office at the time this Report was approved will end with the next Shareholders' Meeting, scheduled for April 28, 2026. The new Board of Directors will be responsible for allocating total remuneration determined by the Shareholders' Meeting for the management body. This also includes remuneration for participating in internal board committees, as well as setting the remuneration paid to the directors who will be appointed Chairperson and Chief Executive Officer.

The Report is preceded by an **Executive Summary** that provides a summary of the main elements on which the Policy is based and its alignment with the business strategy.

The Report is made available to the public so that the Shareholders' Meeting called to approve the financial statements for the year 2025 can vote on the first and second sections of the report, in accordance with current legislation.

Executive Summary

Below is a summary of the Policy, drawn up in line with the resolutions of the Assembly from previous years and based on assessments made by the Committee.

There was no change to the prerogatives of the new Board of Directors taking office at the next Shareholders' Meeting to approve the financial statements as at 31 December 2025, with regard to the determination of the remuneration of Executive Directors, as well as the allocation of total remuneration resolved by the shareholders for the management body, in accordance with the Policy, as submitted to the Shareholders' Meeting.

Main changes

The Parent has just launched its business plan which it intends to use to ensure continued, sustainable growth, strengthen margins and improve operational profitability, re-aligning profitability to more physiological levels.

To this end, the LTI, in the form of stock grants, intends to increase its efforts in some key areas to ensure optimal implementation and, in particular:

- **create an alignment between Management and shareholders, where the beneficiary is remunerated only if the Parent's value grows over time, so as to create a strong convergence** between:
 - the manager's interest in increasing the Parent's value, and
 - the interest of shareholders to maximize the value of equity;
- **encourage the creation of sustainable value over time**, since the LTI will have a multi-year (three-year) vesting period and will require the maintenance of at least 25% of the shares for two years (holding period), thus shifting the focus from the annual results (typical of the MBO) to strategic decisions, investments, innovation and M&A, as set out in the incentive plans;
- **facilitate the retention of critical resources**, since if beneficiaries decide to leave the Parent before the incentive right vests, they will lose the benefits. The LTI will thus be a valid tool for retention, stability of the management group and strategic continuity;
- **link remuneration to measurable strategic metrics**, since the LTI will not automatically reward market trends but will integrate financial KPIs, ensuring greater alignment with the strategy and the ability to be competitive in the market and sustainable in the long term;
- **strengthen the value-oriented corporate culture**, enabling a cultural transformation in which managers don't consider themselves "operators" but instead become economic "co-entrepreneurs".

Components of the Policy

The Policy consists of the following components:

- fixed remuneration;
- short-term variable remuneration (MBO);
- medium-long term variable remuneration (LTI);
- non-monetary benefits.

The fundamental elements for each component are summarized below.

REMUNERATION COMPONENT	PURPOSE	STRUCTURE	RECIPIENTS AND VALUE
Fixed remuneration	Leverage the strategic scope of the role, attract and retain talent with high managerial skills, ensuring that the value remains continuously aligned with the reference market.	<p>The fixed component of remuneration is determined according to the extent and strategic relevance of the roles, which are measured using a specific position-weighting methodology.</p> <p>The Parent continuously monitors the main market practices for comparable positions, in order to ensure that the remuneration paid to its top management roles is consistent and competitive.</p>	<p>EXECUTIVE CHAIRPERSON: gross annual EUR 330,000, of which:</p> <ul style="list-style-type: none"> - EUR 25,000 gross per year for the office of Chairperson of the Board of Directors; - EUR 5,000 gross as a member of the Strategic Committee; - EUR 300,000 gross per year for the executive role; <p>to which is added the payment of a <i>one-off</i> amount of EUR 200,000 gross for the non-compete agreement.</p> <p>CHIEF EXECUTIVE OFFICER / GENERAL MANAGER: EUR 248,000 gross per year of which</p> <ul style="list-style-type: none"> - EUR 20,000 gross per year for the office of director; - EUR 25,000 gross per year for the office of Chief Executive Officer; - EUR 183,000 gross per year for the executive role; - EUR 20,000 gross per year for the non-compete agreement. <p>CO-GENERAL MANAGER: EUR 190,000 for RAL.</p> <p>CHIEF FINANCIAL OFFICER: EUR 155.000 for RAL</p>
Short-term variable remuneration (MBO)	The short-term variable component aims to incentivize the achievement of the annual targets set out in the Parent's budget and consistent with the Business Plan of the base year, while ensuring medium-long term sustainability and closer alignment between the interests of Management and the creation of value for shareholders.	<p>The MBO is based on objective and measurable parameters of an economic-financial, project, strategic, or individual nature, which relate to the role.</p> <p>The results actually achieved trigger a reward mechanism in the event that the performance exceeds the targets</p> <p>The target value of the incentives is proportionate to the fixed component of remuneration, with differentiated percentages according to the role held.</p>	<p>EXECUTIVE CHAIRPERSON: target value of 50% of RAL.</p> <p>GENERAL MANAGER: target value of 40% of RAL.</p> <p>CO-GENERAL MANAGER: target value of 40% of RAL.</p> <p>CHIEF FINANCIAL OFFICER: target value of 30% of RAL.</p>

REMUNERATION COMPONENT	PURPOSE	STRUCTURE	RECIPIENTS AND VALUE
		<p>For all recipients, the MBO provides for an on/off access gate, identified in the Group's Adjusted EBIT budget indicator, which, if negative, prevents the activation of the MBO.</p> <p>EXECUTIVE CHAIRPERSON GENERAL MANAGER / GENERAL MANAGER; CO-GENERAL MANAGER OBJECTIVES::</p> <ul style="list-style-type: none"> - Group Adjusted EBIT - Group Orders - Group NFP - Group Revenue - ESG Objective <p>KEY EXECUTIVE OBJECTIVES:</p> <ul style="list-style-type: none"> - Group Adjusted EBIT - Group Orders - Group NFP - Group Revenue - ESG Objective 	<p>PAYOUT LEVELS:</p> <p>Minimum: 85% of the target</p> <p>Target: 100% of the target</p> <p>Maximum: 110% of the target</p>
Medium-long term variable remuneration (LTI)	The medium-long term variable remuneration component is aimed at strengthening alignment between the interests of Management and those of shareholders, promoting the creation of long-term sustainable value and providing mechanisms for corporate risk participation through equity instruments.	<p>For 2026, a stock grant plan is planned to be activated with a three-year Vesting Period.</p> <p>The LTI performance targets are broken down as follows:</p> <ul style="list-style-type: none"> - Group EBITDA - Group EBIT - Group Revenue - Target market base price of ordinary CY4 shares - Target top market price of ordinary CY4 shares <p>Performance metrics will be measured upon completion of the Vesting Period, with the achievement of targets verified at the end of the third year of the Plan (12/31/2028).</p>	<p>EXECUTIVE CHAIRPERSON: a target of 144.643 shares</p> <p>GENERAL MANAGER: a target of 65.000 shares</p> <p>CO-GENERAL MANAGER: a target of 30.000 shares</p> <p>CHIEF FINANCIAL OFFICER: a target of 30.000 shares</p>
Non-monetary benefits	Services designed to improve individual and family well-being both economically and socially.	Non-monetary benefits are defined in much the same way as they were in last year's Policy.	EXECUTIVE REPRESENTATIVE, GENERAL MANAGER, CO-GENERAL MANAGER AND KEY EXECUTIVES: recipients, analogous to the rest of Management.

Directors (with the exception of the Executive Chairperson and the Chief Executive Officer) and Statutory Auditors receive only a salary for the office, in addition to the reimbursement of expenses incurred in the performance of their role.

Alignment between remuneration policy and corporate strategy

CY4's 2026–2030 Business Plan identifies three main strategic directions: selective growth in key markets, strengthening operational efficiency and development of technological innovation, including through targeted M&A partnerships and operations.

In this context, the Policy was conceived as a governance tool aimed at translating strategic priorities into concrete managerial behavior, ensuring a consistent alignment between assigned responsibilities, performance objectives and expected results in the medium-long term.

In particular:

- the MBO was structured to reflect the annual priorities of the business plan, with a focus on order book growth, profitability, financial sustainability and ESG targets;
- LTI is oriented towards strengthening the alignment between Management and shareholders, rewarding the creation of lasting value and the consolidation of the Group's competitive positioning.

In order to align policy and corporate strategy, the Committee also took into consideration the observations contained in the Letter from the Committee for Corporate Governance, established by the business associations (ABI, ANIA, Assonime, Confindustria), professional investors (Assogestioni) and Borsa Italiana, with the aim of promoting the good corporate governance of listed Italian companies, through the Code of Corporate Governance.

In fact, the Corporate Governance Committee intends to use this letter to communicate the key general recommendations on the application of the Corporate Governance Code that emerged from the monitoring activities.

With regard to remuneration, the Corporate Governance Committee invites listed companies to examine their remuneration policies submitted to a vote at the Shareholders' Meeting as of 2026 in order to:

- verify the existence of forecasts regarding possible extraordinary payments and/or possible end-of-office allowances for Executive Directors;
- assess the adequacy of these provisions with regard to the principle of measurability recommended by the Code and, in the event of a negative assessment, integrate these provisions with maximum limits and clear reference parameters;
- in carrying out this analysis, take into account any explicit requests submitted on these issues by relevant investors at the Shareholders' Meeting vote on policies and/or during occasions where dialogue takes place outside of the meeting.

In this context, the Committee has used the Policy as an instrument of governance, focusing in particular on the coherence between the objectives assigned, the responsibilities actually performed and the expected results in the medium to long term.

SECTION I – 2026 REMUNERATION POLICY

1. GOVERNANCE MODEL OF THE REMUNERATION SYSTEM

The remuneration policy, updated annually, is approved by the Parent's Board of Directors on the recommendation of the Committee and is presented on the occasion of the approval of the financial statements to the Shareholders' Meeting, whose vote is binding pursuant to Article 123-ter, paragraph 3-ter, of the TUF.

Bodies and parties involved

The process of preparing, approving and implementing the remuneration policy involves the following corporate bodies and persons.

The Shareholders' Meeting

- It determines the remuneration of the members of the Board of Directors and the Board of Statutory Auditors, pursuant to Articles 2364, paragraph 1, no. 3) and 2402 of the Italian Civil Code;
- resolves with a binding vote on Section I and a non-binding vote on Section II of the Report on the Remuneration Policy and Compensation Paid, in accordance with the provisions of Article 123-ter, paragraph 3-ter and paragraph 6 of the TUF;
- approves remuneration plans based on shares or other financial instruments, pursuant to Article 114-bis of the TUF.

Board of Directors

- Defines and updates the remuneration policy on an annual basis, also approving any exceptions to it in the event of exceptional circumstances, in accordance with the provisions of the dedicated Paragraph;
- deliberates on the allocation of the remuneration determined for the Council as a whole by the Shareholders' Meeting;
- determines the remuneration of Directors holding specific offices, in line with the Policy adopted by the Parent, on the recommendation of the Remuneration Committee and subject to the favorable opinion of the Board of Statutory Auditors;
- defines the performance targets and targets of the Executive Directors and the Key Executives and evaluates their achievement with reference to short- and medium-long term incentive systems;
- formulates any remuneration plans based on shares or other financial instruments and submits them to the Shareholders' Meeting for approval pursuant to Article 114-bis of the TUF;
- sets out report on remuneration policy and compensation paid.

In order to ensure that remuneration decisions are adequately reviewed, the Board of Directors shall establish the Committee.

Appointments and Remuneration Committee

The Committee – consisting of at least three members, all non-executive and with an independent majority – performs investigative, proposal and advisory roles.

In particular:

- it supports the Board of Directors in drawing up the Policy and in periodically assessing its adequacy, overall consistency and concrete application – also with reference to the company results achieved – by making any observations and proposals for corrective action;
- proposes to Board of Directors the criteria for the allocation of total remuneration approved by the Shareholders' Meeting for the whole of the Board of Directors, as well as the remuneration of Executive Directors;

- conducts the review of the definition of the objectives and related performance targets associated with the variable incentive systems of Executive Directors and Key Directors, also reviewing proposals for exceptions to the Policy in the event of exceptional circumstances;
- reviews in advance the Report on Remuneration Policy and Compensation Paid to be made available to the public ahead of the Shareholders' Meeting.

The Committee plays an active investigative role in evaluating policies and their applications, making reasoned proposals to the Board of Directors.

In the course of performing its functions, the Committee has the right to access the information and corporate structures deemed necessary for carrying out its duties, also having adequate financial resources to avail itself, at the expense of the Parent and within the terms established and the limits of the budget approved by the Board of Directors, of the support of independent external consultants.

The Head of the Human Resources Organizing Unit participates on a permanent basis in the meetings of the Committee and other persons, including Non-Executive Directors and employees of the Parent or other Group Companies, may also participate in relation to the specific items on the agenda at the invitation of the Committee by the Chairperson.

All members of the Board of Statutory Auditors are invited to attend Committee meetings.

Lastly, it should be noted that, pursuant to Recommendation No. 26 of the Corporate Governance Code, directors (and, more generally, any beneficiaries) do not take part in meetings of the Remuneration Committee in which proposals are made regarding their remuneration or regarding the allocation of any benefits.

Board of Statutory Auditors

The Board of Statutory Auditors issues the opinions required by current regulations, commenting in particular on the proposals for the remuneration of Directors holding specific offices, pursuant to Article 2389, paragraph 3 of the Italian Civil Code.

Independent experts

The bodies of the Parent did not use any independent experts in the preparation of the Policy.

2. POLICY GUIDELINES

Objectives and principles

The main objective of the Policy is the adoption of a responsible approach, based on the principles of competence and performance, aimed at fostering the sustainable success of the Parent over the long term. In this perspective, it attaches particular importance to performance targets related to economic and financial results, as well as the environmental, social and governance impacts of Company's activities in order to encourage Management to pursue – in a medium-to-long term perspective and from an ESG perspective – targets that are in line with its corporate culture and values.

The Policy also considers the need – in a highly competitive labor market – to attract, retain and motivate people with the skills and professionalism required by their roles within the Parent.

The Policy is guided by the following principles:

- **balance:** the remuneration structure is defined to ensure a balanced integration between the different components, with a particular focus on the ratio between the fixed and variable parts, the latter based on a medium- to long-term time horizon;
- **sustainability:** the performance targets governing the incentive systems are aligned with the sustainability drivers pursued by the Parent, with the aim of creating value over time for the Group's shareholders and stakeholders. These principles are also applied in defining the performance targets assigned to Management, which include indicators related to economic-financial sustainability, human capital management and innovation.
- **transparency:** the Parent adopts a governance system that ensures clear and accessible information is provided on the remuneration of Management;
- **competitiveness:** the Policy defines remuneration levels in line with market practices and trends, with the aim of promoting the engagement and retention of key resources in order to encourage them to continue their employment in the Group;
- **compliance:** the Parent adheres to the recommendations of the Code of Corporate Governance and is inspired by national and international best practice regarding remuneration.

Along with the above, the Policy also takes into consideration the overall remuneration system and employee working conditions. In particular, CY4 has introduced numerous initiatives related to pay adjustments and measures to ensure internal fairness – including gender equality – with a focus on the gender pay gap and improving the work-life balance, also through a greater flexibility in how the work is organized.

Criteria and recipients

The determination of remuneration levels and Pay Mix under the Policy is made consistently with the objectives and principles of the Policy itself while considering a market benchmark relating to listed companies in the Tech & Digital segment. The remuneration of the top management of Tech & Digital companies represents, in fact, a rapidly evolving field, closely linked to the characteristics of a young, dynamic and highly innovative sector.

In the “Executive Compensation Outlook 2025” report prepared by W Executive – an independent research center in the leadership and governance market – the peer group consists of companies comparable to CY4 by sector, size and organizational complexity.

The companies, shown in the table below, are active in areas ranging from system integration to cloud computing, the Internet of Things to cybersecurity, and are mostly small and mid-cap

companies, characterized by rapid growth paths, intense M&A transactions and significant exposure to the volatility of global technological markets:

REFERENCE PEERS		
Alkemy S.p.A.	E.P.H. S.p.A.	Seco S.p.A.
Antares Vision S.p.A.	Eurotech S.p.A.	SYS-DAT S.p.A.
Beewize S.p.A.	Itway S.p.A.	Tessellis S.p.A.
CY4Gate S.p.A.	Reply S.p.A.	Wiit S.p.A.

As for the recipients, the Policy applies to members of the Board of Directors, both executive and non-executive and independent, members of the Board of Statutory Auditors, the General Manager, the Co-General Manager and Key Executives.

Duration

The Policy applies to a one-year period, without prejudice to the possible forecast of incentive schemes with a multi-year time horizon.

Exceptions

CY4 looks with particular caution at the possibility of making exceptions to the elements that form part of the Policy.

However, in accordance with the provisions of Article 123-ter, paragraph 3-bis, of the Consolidated Law on Finance and Article 84-quater, paragraph 2-bis, letter c) of the Issuers' Regulation, the Parent recognizes the opportunity to provide for the possibility of temporarily introducing exceptions to the Policy outlined in Section I of this Report if exceptional circumstances arise.

These circumstances include situations in which the exception has been assessed by the Board of Directors and deemed necessary in order to protect the long-term interests of the Parent, its overall sustainability and its competitive ability on the market. For example, these situations may include:

- (i) extraordinary and unforeseeable events, at national or international level, concerning the Group or the sectors/markets in which it operates and which may significantly affect the results;
- (ii) substantial changes in the company organization, both of an objective nature (such as non-recurring transactions, mergers, acquisitions, disposals) and of a subjective nature, such as changes in the composition of Management.

As regards the procedure for applying exceptions, any deviation from the Policy must be approved by the Board of Directors, after the Committee has delivered its opinion and, where appropriate, with the support of independent consultants. The provisions of Consob Regulation no. 17221 of March 12, 2010 on related-party transactions and the procedure adopted by the Parent on the same subject, where applicable, remain unchanged.

The decision of the Board of Directors shall define the duration of the exception and the specific elements of the Policy to which it applies, in accordance with the criteria set out above.

Each exception is accompanied by an appropriate explanation aimed at clarifying the context, the Committee's assessments and the consistency with the general principles of the Policy.

Extraordinary remuneration

In the event of truly exceptional circumstances, and when this is strictly necessary to protect the medium-long-term interest of the Parent, extraordinary remuneration payments may be considered and, in any case, may be limited to specific circumstances, such as:

- injection of strategic resources to offset past conditions or ensure the Parent's attractiveness;
- business continuity to ensure operational stability;
- particularly significant transactions or projects not covered by the incentive mechanisms and characterized by a significant strategic impact.

The elements of extraordinary remuneration may take the following forms:

- entry bonus with clawback clauses in the event of early termination;
- retention bonus, always with the provision of clawback clauses in the event of early termination;
- guaranteed variable for the year of recruitment, paid pro rata.

The total amount of such payments shall not normally exceed an amount equal to the annual fixed component, in line with the most widespread market practices in this regard.

3. REMUNERATION COMPONENTS

The remuneration components are described and analyzed below:

- **fixed component;**
- **variable component:**
 - short-term variable component (MBO);
 - medium-long-term variable component (LTI);
- **non-monetary benefits.**

The ratio between the fixed and variable component of total remuneration is determined according to the strategic objectives of the Parent and its specific characteristics, ensuring that the variable component constitutes a significant portion of the overall package.

Fixed component

The fixed component of remuneration is mainly determined according to the extent and strategic relevance of the roles, which are measured using a specific position-weighting methodology. Each year, CY4 verifies its remuneration competitiveness through market studies on similar professional positions.

With regard, in particular, to setting the remuneration of Executive Directors, the Board of Directors takes into account: (i) the content of the powers delegated to each Executive Director; and/or (ii) the role and activities actually carried out within the Parent.

This ensures consistency between the remuneration given, the nature of the roles assigned and the Parent's medium- to long-term objectives.

Board of Directors and Board Committees

For all members of the Board of Directors a fixed remuneration is established ensuring adequate remuneration with respect to the activities carried out and the commitment provided to the Parent.

The Board of Directors in office at the time the report was approved was appointed at the Shareholders' Meeting held on April 27, 2023 (and will remain in office until the Shareholders' Meeting called to approve the financial statements as at December 31, 2025), which determined the total fixed amount of directors' remuneration at EUR 225,000 gross annually.

This amount was subsequently allocated to all members of the management body. Specifically, the Board of Directors' meeting of May 2, 2023 resolved to allocate EUR 25,000 gross annually, to be paid pro rata temporis, to each member of the Board of Directors.

In addition, in light of the delegated powers granted to the Chairperson of the Board of Directors and the Chief Executive Officer (the latter of an operational nature), as well as in line with market practice, the Board of Directors resolved to allocate an additional fixed annual gross compensation of:

- EUR 25,000 to be paid pro rata temporis to the Chairperson of the Board of Directors;
- EUR 20,000 to be paid pro rata temporis to the Chief Executive Officer.

On May 18, 2023, the Board of Directors resolved to allocate an additional fixed component for participation in the Board Committees ((i) Control, Risk and Sustainability Committee, (ii) Appointments and Remuneration Committee, (iii) Related-Party Transactions Committee, and (iv) Strategic Committee and, specifically, to allocate pro-rata temporis compensation equal to:

- EUR 10,000 gross annually to the chairperson of each committee;
- EUR 5,000 gross annually to each of the other committee members.

Without prejudice to the prerogatives of the Board of Directors appointed to determine the remuneration of Directors, it is expected that the total salary will be defined in keeping with the criteria already established in the Remuneration Policy for 2025, using the market benchmark as a reference, which was identified with the support of W Executive.

In particular, during the reappointment of the corporate bodies scheduled for the forthcoming Shareholders' Meeting, it is expected that the Executive Chairperson's remuneration will be determined as part of the total remuneration, which will be decided by the Shareholders' Meeting for the Board of Directors. The Board of Directors will then distribute the remuneration among its members, taking into account the delegated powers and operational responsibilities assigned, also in light of the changing role of the Executive Chairperson and the operational roles assigned to them.

Board of Statutory Auditors

The remuneration of the Board of Statutory Auditors is defined at the time of its appointment pursuant to Article 2402 of the Italian Civil Code.

The Board of Statutory Auditors in office at the time this report was approved was appointed at the Shareholders' Meeting held on April 27, 2023 (and will remain in office until the Shareholders' Meeting called to approve the financial statements as at December 31, 2025), which resolved to determine its compensation on an annual basis at a gross amount of EUR 20,000 for the Chairperson of the Board of Statutory Auditors and EUR 15,000 gross for each Statutory Auditor.

On April 22, 2024, the Shareholders' Meeting resolved to determine, for the Board of Statutory Auditors, compensation on an annual basis in the amount of EUR 40,000 gross for the Chairperson of the Board of Statutory Auditors and EUR 30,000 gross for each Statutory Auditor.

Without prejudice to the prerogatives of the Shareholders' Meeting, which will appoint the new Board of Statutory Auditors on April 28, 2026, to determine the remuneration of the Statutory Auditors, a salary review is expected in order to achieve closer alignment with the reference benchmark as identified by W Executive in its "Executive Compensation Outlook 2025" report.

General manager, Co-General Manager and Key Executives

The remuneration of the General Manager, the Co-General Manager and Key Executives is determined, in accordance with the Policy adopted by the Parent, consistent with the tasks assigned and is composed of a fixed annual component as employee compensation.

Short-term variable component

The short-term variable component is represented by an MBO, aimed at incentivizing the achievement of the Parent's economic-financial and operational objectives, in line with the company strategy and the creation of value over time.

The system consists of a set of performance indicators, including Group Adjusted EBIT, Group Orders, Group Net Financial Position, Group Revenue and an ESG indicator, each with a specific weight for the purpose of determining the premium.

Access to the incentive scheme is subject to the achievement of a Group Adjusted EBIT equal to or greater than zero, which constitutes a necessary condition for the vesting of the incentive.

The incentive level is determined based on the extent to which the objectives are achieved, according to a predefined Payout scale, with values increasing as the performance of the assigned objectives improves.

The Parent has progressively aligned the thresholds for accessing the incentive systems between the different categories of beneficiaries, in order to ensure internal consistency and overall fairness of the system.

The premium, where accrued, is disbursed in a single instalment following the approval of the financial statements for the reporting year.

The system includes malus and clawback mechanisms, which allow the Parent to reduce or request the return of variable amounts within a certain period following the disbursement, in the event of malicious or grossly negligent conduct by the beneficiary, errors in performance data or other circumstances relevant to the correct determination of bonuses.

Executive Chairperson

The Board of Directors, upon the proposal of the Committee, defines the short-term objectives of the Executive Chairperson, aimed at measuring the economic, financial and operational performance of the Parent and including ESG parameters.

Objectives and Thresholds

For 2026, the Board of Directors, again upon the proposal of the Committee, has identified the following objectives and relative weights, which are structured as follows:

	Weight	Access Threshold	Target	Over Target
Group Adjusted EBIT	25%	40%	100%	+10%
Group Orders	25%	80%	100%	+10%
Group NFP	20%	40%	100%	+10%
Group Revenue	20%	80%	100%	+10%
ESG: Responsible consumption and production. % qualified suppliers assessed according to ESG criteria and/or who participate in the ESG Policy	10%	85%	100%	+10%

General Manager

The Board of Directors, at the proposal of the Committee, defines the short-term objectives of the General Manager, aimed at measuring the economic, financial and operational performance of the Parent and including ESG parameters.

Objectives

For 2026, the Board of Directors, again upon the proposal of the Committee, has identified the following objectives and relative weights, which are structured as follows:

	Weight	Access Threshold	Target	Over Target
Group Adjusted EBIT	25%	40%	100%	+10%
Group Orders	25%	80%	100%	+10%
Group NFP	20%	40%	100%	+10%
Group Revenue	20%	80%	100%	+10%
ESG: Responsible consumption and production. % qualified suppliers assessed according to ESG criteria and/or who participate in the ESG Policy	10%	85%	100%	+10%

Co-General Manager

The Board of Directors, at the proposal of the Committee, defines the short-term objectives of the Co-General Manager, aimed at measuring the economic, financial and operational performance of the Parent and including ESG parameters.

Objectives

For 2026, the Board of Directors, again upon the proposal of the Committee, has identified the following objectives and relative weights, which are structured as follows:

	Weight	Access Threshold	Target	Over Target
Group Adjusted EBIT	25%	40%	100%	+10%
Group Orders	25%	80%	100%	+10%
Group NFP	20%	40%	100%	+10%

Group Revenue	20%	80%	100%	+10%
ESG: Responsible consumption and production. % qualified suppliers assessed according to ESG criteria and/or who participate in the ESG Policy	10%	85%	100%	+10%

Chief Financial Officer (CFO)

The Board of Directors, at the proposal of the Committee, has also approved the short-term Remuneration for the Chief Financial Officer (CFO), in line with the Policy adopted by the Parent.

Objectives

For 2026, the Board of Directors, again upon the proposal of the Committee, has identified the following objectives and relative weights, which are structured as follows:

	Weight	Access Threshold	Target	Over Target
Group Adjusted EBIT	25%	40%	100%	+10%
Group Orders	25%	80%	100%	+10%
Group NFP	20%	40%	100%	+10%
Group Revenue	20%	80%	100%	+10%
ESG: Responsible consumption and production. % qualified suppliers assessed according to ESG criteria and/or who participate in the ESG Policy	10%	85%	100%	+10%

Medium-long-term variable component

The medium-long-term variable component is represented by a three-year LTI, aimed at strengthening the alignment between Management and shareholders and incentivizing the creation of sustainable value over time.

The LTI provides for the free granting of rights that give access to the assignment of Shares upon achieving specific performance objectives.

The objectives include economic and financial indicators (EBITDA, EBIT and Revenues) and market indicators linked to the performance of the Parent's stock, with greater weight placed on the latter.

The LTI targets, recognized at the end of the 2026–2028 cycle are broken down as follows:

Objective	Weight	Target
Group EBITDA	10%	100%
Group EBIT	10%	100%
Group Revenue	10%	100%
Base Market Price Shares	35%	100%
Top Market Price of Shares	35%	100%

The actual assignment of the Shares is subject to both the achievement of the objectives and the permanence of the relationship with the Parent at the vesting date.

The Plan also provides for a holding period of 24 months following the assignment, during which the beneficiaries are required to hold at least 25% of the Granted Shares, subject to a restraint on alienation.

The Board of Directors, after consulting the Committee, may act on the objectives in the event of extraordinary and unforeseeable events in order to ensure consistency with the context of reference.

Clawback mechanisms are provided for, limited to the revocation of rights not yet exercised in the case of fraudulent conduct by the beneficiary, regulatory violations or conduct that is likely to negatively affect the proper achievement of targets.

Addendum: arrangements outside LTI

Executive Chairperson

In the course of 2025, the Executive Chairman and the Company entered into a Directorship Agreement providing for the inclusion of the Executive Chairman among the beneficiaries of a Long-Term Incentive plan by September 2025. In light of the performance of the Company's shares and the delayed finalization of the 2026–2028 LTI Plan, the Company considered it appropriate to redefine the envisaged incentive arrangements by granting, through an Addendum, option rights over 150,000 Shares, exercisable following the approval of the financial statements for the year 2028, provided that the Executive Chairman still holds office as at 31 December 2028 and that the average share price over the 30 days preceding the approval of the 2028 financial statements is not lower than EUR 6.

Co-General Manager

In the course of 2025, the Co-General Manager and the Company entered into an employment agreement providing for the inclusion of the Co-General Manager among the beneficiaries of the LTI Plan. In light of the performance of the Company's shares and the expansion of managerial responsibilities that occurred prior to the adoption of the new LTI Plan, the Company considered it appropriate to redefine the incentive arrangements in a balanced and objective manner by granting, through an Addendum, option rights over 25,000 Shares, exercisable following the approval of the financial statements for the year 2028, subject to the Co-General Manager remaining with the Company as at 31 December 2028 and provided that the average share price over the 30 days preceding the approval of the 2028 financial statements is not lower than EUR 6.

Non-monetary benefits

Standard non-monetary benefits may be granted to Executive Directors and Key Executives, depending on the office and role held (e.g., health insurance, mobile phone, car, computer).

Treatment in case of termination of office or termination of employment

In the event of termination of the office or termination of the employment relationship of the Executive Directors or Key Executives, any recognition of allowances or other economic benefits is governed by the related individual contracts and applicable regulatory provisions, in compliance with the principles of the Policy and market best practices.

In terms of the variable incentive schemes, any rights accrued within the MBO are recognized according to the period of office or the relationship and the extent to which the objectives set have been met, in accordance with the relevant Regulations or the resolutions of the competent bodies.

In terms of the LTI, the rights granted to beneficiaries similarly remain governed by the rules of the relevant Regulation, which provides for a distinction to be made between *good leaver and bad leaver* assumptions, with differing impacts on the maintenance or loss of accrued or not yet accrued rights.

Any non-compete agreements may be provided for in individual contracts, with the duration and consideration determined in relation to the role held and responsibilities performed, in compliance with applicable regulations and market practices.

Non-compete agreements

The Policy makes it possible for the Parent to enter into non-compete agreements.

On the date of the Report's approval, the employment contracts in place with the Executive Chairperson and the General Manager stipulate specific non-compete obligations on both parties.

Based on this, the following payments are made for the entire duration of the employment relationship with the Parent and in addition to the normal remuneration:

First and last name	Role held	Non-compete agreement
Enrico Peruzzi	Executive Chairperson	EUR 200,000*
Emanuele Galtieri	General Manager	EUR 20,000 per year

* the amount is paid in two instalments, the first being paid by 12/31/2025 and the second by 06/30/2026.

The duration of the non-compete agreements currently in force is set at a period of 12 months following the termination, for any reason, of the professional relationship with the Parent.

These agreements include a prohibition on the performance of work or professional activities in favor of companies operating in the cybersecurity sector (understood as consulting, support, design, development, and marketing of software and/or hardware systems in the field of cyber security) and/or cyber intelligence in which CY4 operates.

The Committee has assessed non-compete agreements as instruments for protecting know-how, strategic continuity and investments in human capital, taking into account their duration and scope to be consistent with the highly specialist nature of the sector in which the Group operates.

Insurance, social security or pension coverage other than compulsory coverage

Having acknowledged in advance that there is no social security or pension coverage other than compulsory coverage, it should be noted that a third-party liability insurance policy is in place for Directors, Statutory Auditors and Key Executives to cover liabilities arising from the performance of their duties (so-called “Directors & Officers Liability”), that is valid for the Parent and its subsidiaries.

SECTION II – COMPENSATION PAID IN 2025

This section shows the remuneration paid during the fiscal year ended 31 December 2025 to members of the Board of Directors, the Board of Statutory Auditors and Key Executives.

Said compensation is consistent with the Policy, set forth in Section I of the Report, as approved by the Shareholders' Meeting on April 28, 2025.

Directors' remuneration

The total annual remuneration of the Board of Directors pursuant to Article 2389, paragraph 1, of the Italian Civil Code was determined by the Shareholders' Meeting of April 27, 2023 at a maximum gross annual amount of EUR 225,000.

On May 2, 2023, the Board of Directors allocated this total remuneration by allocating a fixed amount of EUR 25,000 gross per year to each director.

Moreover, on May 18, 2023, the Board of Directors resolved to grant an additional fixed component for participation in the internal Board Committees (Control, Risk and Sustainability Committee, Nomination and Remuneration Committee, Related-Party Transactions Committee, and Strategy Committee) and, specifically, to grant pro rata temporis compensation equal to:

- EUR 10,000 gross annually to the chairperson of each committee;
- EUR 5,000 gross annually to each of the other committee members.

There is no plan to link remuneration with company results, with the exception of the Executive Chairperson and the Chief Executive Officer, whose remuneration is structured in a different way, as described in detail in the following paragraphs.

For more detailed information, please refer to Table 1 below.

Remuneration of the Board of Auditors

The Board of Statutory Auditors currently in office was appointed at the Shareholders' Meeting held on April 27, 2023 (in office until the Shareholders' Meeting called to approve the financial statements as at December 31, 2025), which resolved to determine its compensation on an annual basis at a gross amount of EUR 20,000 for the Chairperson and EUR 15,000 gross per year for each Statutory Auditor. Statutory Auditors' remuneration was reviewed by the Shareholders' Meeting of April 22, 2024 to EUR 40,000 gross per year for the Chairperson and EUR 30,000 gross per year for each Statutory Auditor.

For more detailed information, please refer to Table 1 below.

Comparison information

The tables below (values expressed in euro) show a comparison between the fiscal years ended 31 December 2025 and 31 December 2024 between:

1. the total remuneration of the members of the Board of Directors and the Board of Statutory Auditors;
2. the economic performance of the Parent, measured in terms of Total Revenue, EBITDA, EBIT.
3. the average remuneration of the Parent's employees.

Board of Directors	2025	2024
Domitilla Benigni	42,500.00*****	50,000.04
Enrico Peruzzi	189,583.32*****	-
Emanuele Galtieri	45,000.00	45,000.00
Alessandra Bucci	45,000.00	52,500.00*
Maria Giovanna Calloni	40,000.00	40,000.00
Alessandro Chimenton	25,000.00****	23,320.00**
Roberto Ferraresi	35,000.04	35,000.04
Paolo Izzo	35,000.04	35,000.04
Cinzia Parolini	40,000.00	40,000.00
Alberto Luigi Sangiovanni Vincentelli	24,208.00*****	35,000.04

Board of Statutory Auditors	2025	2024
Stefano Fiorini	0	EUR 46,384.00***
Paolo Grecco	30,000*****	Euro 30,000.00
Daniela Delfrate	0	0

* The amount paid in 2024 includes pro rata what was not paid in 2023.

** Amount includes a portion related to 2023 and a portion related to 2024.

*** Compensation paid in 2024 refers to the years 2022-2023.

**** The remuneration paid refers to 2024.

***** Amount includes a portion related to 2024 and two portions related to 2025.

***** The amount disbursed refers to 2024.

***** The amount includes EUR 25,000 foreseen for the first and second quarters and EUR 17,500 for the third and fourth quarters following a change in role.

***** The remuneration paid was recalculated based on the date of appointment.

Reference values	2025	2024	Change (%)
Total revenue	26,000,000.00	24,863,421.00	4.6%
EBITDA	1,200,000.00	1,074,601.00	11.67%
EBIT	-3,180,000.00	-7,937,526.00	60%

Remuneration	2025	2024	Change (%)
Employees average	54,540.99	38,000.00	43.5%

Chairperson

The position of Chairperson was held by Domitilla Benigni, without operational powers, until 9 June 2025, the date on which he resigned from the position of Chairperson of the Board of Directors.

Over the period, the remuneration package was as follows:

- recipient of the compensation pursuant to Article 2389, paragraph 1, of the Italian Civil Code, in the amount of gross EUR 25,000 for the office of member of the Board of Directors, and gross EUR 10,000, pro-rated to the duration of the office during the year, in his capacity as Chairman of the Strategic Committee; in addition to compensation as Chairman of the Board of Directors in the amount of gross EUR 25,000 per year, paid until 9 June

On June 9, 2025, the Board of Directors appointed Enrico Peruzzi as Executive Chairman of the Board of Directors.

Over the period, the remuneration package was as follows:

- EUR 25,000 gross based on the term of office during the year, for the office of member of the Board of Directors;
- EUR 5,000 gross based on the term of office during the year as a member of the Strategic Committee;
- EUR 300,000 gross as Executive Chairperson;
- EUR 100,000 gross as part of a non-compete agreement — representative of the first tranche of the agreed consideration for remuneration of the non-compete agreement provided for in the Directorship Agreement of the Executive President.

Furthermore, Enrico Peruzzi was the recipient of an short-term variable component with a target value of EUR 150,000 gross (50% of RAL), structured as shown in the table below (the targets achieved are shown in green; the targets not achieved are shown in red).

	Thresholds	Target
Results	85%	100%
MBO Payout	50%	100%

Of which MBO Payout Executive Pres.	25%	50%
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	Thresholds	Target	Weight
Group ORDERS	97,750	115,000	25%
Group REVENUE	80,750	95,000	25%
Group EBIT (*)	-3	0	25%
Group NFP	-17.8	-15.1	10%
Capex R&D (amortization and depreciation/increases)	on/off target	1.18	10%
ESG (% of women in leadership roles in CY4/RCS)	14.5%	17%	5%

* Net of adjustments of EUR 5.4 million to EBIT, the threshold of 85% was not applied as the target has a value of EUR 0.

In relation to the finalization of the MBO, all the objectives described above were achieved with the exception of the Group's EBIT with a weight of 25% (in the table shown in red).

Based on the overall achievement percentage, the Executive Chairperson accrued a bonus for the 2025 short-term variable component in the amount of EUR 112,500 gross, corresponding to 75% of the target value (equal to 50% of the Executive Chairperson's RAL).

The analytical details of the remuneration received are shown in Table 1 in the second part of this section.

Chief Executive Officer / General Manager

The office of Chief Executive Officer / General Manager was held for the entire year by Emanuele Galtieri.

Over the period, the remuneration package was as follows:

- EUR 20,000 gross for the position of Director of the Board of Directors;
- EUR 25,000 gross as gross remuneration for the position of Chief Executive Officer;
- EUR 183,000 gross as remuneration for the employment relationship;
- EUR 20,000 gross as part of a non-compete agreement.

In line with the provisions of the Remuneration Policy, Emanuele Galtieri was the recipient of MBOs with a target value of EUR 73,200 gross, structured as shown in the table below.

	Super min	Min	Target	Max
Results	70%	85%	100%	110%
MBO Payout	0%	50%	100%	115%
Of which MBO Payout DG	0%	20%	40%	44%

	Thresholds	Target	Over Target	Weight
REVENUES	90%	100%	110%	40%
EBIT	90%	100%	110%	25%
COST CONTAINMENT:				
1. CY4 Total Staff expenses to Total Revenues Ratio	42%	39%	38%	10%
2. RCS Total Staff expenses to Total Revenues Ratio	50%	42%	41%	10%
ESG PROJECT				
Gender equality: % Women in Middle and Top Mgmt	16%	17%	18%	15%

During the year, as an exception to the related Remuneration Policy, the short-term variable component was revised as follows (the targets achieved are shown in green; the targets not achieved are shown in red).

	Thresholds	Target
Results	85%	100%
MBO Payout	50%	100%
Of which MBO Payout DG	20%	40%

	Thresholds	Target	Weight
Group ORDERS	97,750	115,000	25%
Group REVENUE	80,750	95,000	25%
Group EBIT (*)	-3	0	25%
Group NFP	-17.8	-15.1	10%

Capex R&D (amortization and depreciation/increases)	on/off target	1.18	10%
ESG (% of women in leadership roles in CY4/RCS)	14.5%	17%	5%

* Net of adjustments of EUR 5.4 million to EBIT, the threshold of 85% was not applied as the target has a value of EUR 0.

In relation to the finalization of the MBO, all the objectives described above were achieved with the exception of the Group's EBIT with a weight of 25% (in the table shown in red).

Based on the overall achievement percentage, the General Manager accrued a bonus for the 2025 short-term variable component in the amount of EUR 54,900 gross, corresponding to 75% of the target value (equal to 40% of the CEO's RAL).

The analytical details of the remuneration received are shown in Table 1 in the second part of this section.

The General Manager is the recipient of LTI, which consists of the free allocation of a number of rights, giving the beneficiaries the right to receive ordinary shares of the Company, free of charge, in a 1:1 ratio, upon achievement of certain objectives (of a financial and ESG nature), on an annual and three-year basis.

For 2025, no incentives were granted as targets were not achieved. Failure to recognize incentives is consistent with the structure of the incentive plans adopted, which provide for minimum performance thresholds and automatic elimination mechanisms, in the absence of the achievement of the targets, confirming the effectively incentive-based rather than the unsecured nature of the instruments.

The analytical details of remuneration received under LTI are shown in Table 3A in the second part of this section.

Chief Financial Officer (CFO)

During the year, the role of Chief Financial Officer was held by several individuals in different periods. The remuneration package indicated in this section therefore reflects the financial benefits granted to the respective holders of the office in proportion with the duration of their mandate in the reporting period, in line with existing contracts.

The fixed remuneration for the position of CFO was the RAL related to the employment relationship, amounting to EUR 125,000.

In line with the provisions of the Policy, the role has been a recipient of an MBO as shown in the table below.

	Super Min	Min	Target	Max
Results	70%	85%	100%	110%
MBO Payout	0%	50%	100%	115%
Of which MBO Payout CFO	0%	15%	30%	33%

	Thresholds	Target	Over Target	Weight
REVENUES	90%	100%	110%	40%
EBIT	90%	100%	110%	25%
COST CONTAINMENT:				
1. CY4 Total Staff expenses to Total Revenues Ratio	42%	39%	38%	10%
2. RCS Total Staff expenses to Total Revenues Ratio	50%	42%	41%	10%
ESG PROJECT				
Gender equality: % Women in Middle and Top Mgmt	16%	17%	18%	15%

During the year, as an exception to the related Remuneration Policy, the short-term variable component was revised as follows (the targets achieved are shown in green; the targets not achieved are shown in red).

	Thresholds	Target
Results	85%	100%
MBO Payout	50%	100%
Of which MBO Payout CFO	15%	30%

	Thresholds	Target	Weight
Group ORDERS	97,750	115,000	25%
Group REVENUE	80,750	95,000	25%
Group EBIT (*)	-3	0	25%
Group NFP	-17.8	-15.1	10%
Capex R&D (amortization and depreciation/increases)	on/off target	1.18	10%
ESG (% of women in leadership roles in CY4/RCS)	14.5%	17%	5%

* Net of adjustments of EUR 5.4 million to EBIT, the threshold of 85% was not applied as the target has a value of EUR 0.

In relation to the finalization of the MBO, all the objectives described above were achieved with the exception of the Group's EBIT with a weight of 25% (in the table shown in red).

Based on the overall achievement percentage, the CFO has accrued a bonus for the 2025 short-term variable component in the amount of EUR 28,125 gross, corresponding to 75% of the target value (equal to 30% of the CFO's RAL).

The analytical details of the remuneration received are shown in Table 1 in the second part of this section.

The position of Chief Financial Officer is the recipient of an LTI, which consists of the free allocation of a number of rights, giving the beneficiaries the right to receive ordinary shares of the Company, free of charge, in a 1:1 ratio, upon achievement of certain objectives (of a financial and ESG nature), on an annual and three-year basis.

For 2025, no incentives were granted as targets were not achieved. Failure to recognize incentives is consistent with the structure of the incentive plans adopted, which provide for minimum performance thresholds and automatic elimination mechanisms, in the absence of the achievement of the targets, confirming the effectively incentive-based rather than the unsecured nature of the instruments.

The analytical details of remuneration received under LTI are shown in Table 3A in the second part of this section.

Allowances and/or other benefits for termination of office or termination of employment during the fiscal year

As at the date of the Report, there are no agreements in place that provide for the award of allowances and/or other benefits for termination of office or termination of employment in the event of resignation, dismissal or revocation without just cause, or in any case of termination of employment.

Exceptions to the Policy applied in exceptional circumstances

During the year ended 31 December 2025, certain exceptions to the Policy were necessary with reference to:

- Remuneration of the Executive President Enrico Peruzzi;
- LTI third-cycle objectives;
- MBO Review of Management.

Remuneration of the Executive President Enrico Peruzzi

The appointment of the new Executive Chairperson was made necessary with a view to consolidating and strengthening company governance. The Parent has identified a person with responsibilities in Operations and the general supervision of delivery activities, as well as, in agreement with the Chief Executive Officer, supervision and strategic direction.

In defining the salary of the Executive Chairperson, the Committee took into account the specificity of the role and the extent of the responsibilities assigned, evaluating a configuration of the remuneration assumed in continuity, as applicable, compared with the remuneration received in their most recent professional experience.

Setting the salary involved the stipulation of a Directorship Agreement as an exception to the related remuneration policy last approved by the Shareholders' Meeting on April 28, 2025, which did not provide for the remuneration of a Chairperson with operational powers. The derogation was deemed consistent with the general principles of the relevant policy.

The decision was taken in order to ensure the strengthening of the governance structure at a significant stage in the Parent's path to growth, consolidate CY4's strategic positioning and implement synergies and operational efficiency within the Group.

LTI third-cycle objectives

During the year, the opportunity emerged to change the targets set out in the third cycle of the LTI, with particular reference to the objective linked to annual EBITDA, which is no longer to be considered net of any capitalizations in RCS S.p.A.

The Committee has considered the need to adapt the objectives of the LTI in the light of changes to the operational environment and strategic priorities of the Parent.

The amendment was deemed compatible with the relevant remuneration policy, as it was intended to maintain a significant link between incentives and actual economic/financial results.

The aim of the intervention was to preserve the alignment of the LTI with the Parent's medium- to long-term interests and the sustainability of performance.

In particular, the Committee considered that the original configuration of the EBITDA target did not fully reflect the operational context and the economic and financial dynamics that emerged during the reporting period. The amendment was therefore aimed at preserving the incentive effect of the LTI, believing that the maintenance of the EBITDA target in its original formulation could have led to distortions in performance measurement, which are not fully attributable to the Group's core management.

MBO Review of Top Management

The amendments to the Director General's and Chief Financial Officer's MBO, even though they were approved at the same time, reflect the different nature of the roles, assigned responsibilities and strategic objectives each of them oversees. The Committee considered that these measures would maintain an appropriate balance between incentives, sustainability and the monitoring of the responsibilities entrusted to it.

General Manager, Emanuele Galtieri

During the year, the scope of the General Manager's responsibilities focused predominantly on operating and execution activities, with particular reference to the Parent's ability to acquire new orders, oversee delivery activities and support growth in the reference markets given the changing market dynamics during the year and key financial indicators.

The Committee has considered revising certain targets of the Director-General's MBO in order to bring them more into line with the strategic and operational priorities actually being monitored in the reporting period. In this context, it was deemed appropriate to eliminate the over-performance threshold and the replacement of the cost containment target with a target related to the Group's orders.

Among the main changes to note is the inclusion of the "Orders" parameter, which needs to be a key focus of the Parent with the aim of acquiring multi-year contracts that make the Parent sustainable, reducing the intense seasonality curve. The NFP and Capex R&D parameters were also added with a view to improve CY4's overall economic-financial solidity and profitability. It should be noted that from a team perspective, the same objectives are shared between the Executive President, the General Manager and the CFO.

The amendments were deemed consistent with the relevant remuneration policy, as they did not affect the general principle of correlation between performance and remuneration, but have made it possible to maintain a significant link between the incentive and the actual results achieved by the General Manager.

The objectives update was aimed at improving the alignment between incentives and the Parent's ability to support the growth in the order book, in line with development strategies in corporate markets and Defense.

Chief Financial Officer, Arianna Ciccolella

During the year, the Chief Financial Officer has taken on an increasingly central role in relation to guiding the economic-financial sustainability of the Parent, managing the Net Financial Position and supporting the Board of Directors' decision-making processes.

The Committee deemed it necessary to align the CFO's objectives with those of the General Manager at a historical time when it is important to generate operational efficiency and make the key financial indicators more robust by acting on the levers of the NFP, Capex R&D and Orders, which have been added to the original objectives.

The amendments made to the CFO's MBO were deemed consistent with the relevant remuneration policy, which made it possible to evaluate, in the performance evaluation, the quantitative and qualitative indicators required to monitor the Parent's financial solidity, provided the minimum thresholds for economic and financial performance were met.

The objectives update was adopted in order to bolster the role of the CFO in monitoring financial balance and sustainable management, in line with the Parent's medium- to long-term priorities. In fact, these are objectives that, from a team perspective, are shared with the Executive Chairperson and the General Manager.

Application of ex post correction mechanisms to the variable component

In view of the characteristics of the MBO, for the analytical description of which please refer to Section I, paragraph 3 "Remuneration Components" of the Report, no ex-post correction mechanisms were applied during the year 2024 to the incentive plan recipients' remuneration variable component.

Information on how the Parent took into account the vote cast by the Shareholders' Meeting on Section II of the Remuneration Report for the year 2024

The Shareholders' Meeting held on April 28, 2025 voted in favor of Section II of the Remuneration Report 2024, which was approved by the favorable vote of 94.166567% of the shareholders present at the Meeting, and there were no indications from the shareholders to be considered for the purposes of this Report.

TABLE 1 – Compensation paid to the members of the Management and Control Bodies, the General Manager and Key Executives with strategic responsibilities

The compensation due to all persons who, during the fiscal year 2025, held - even for only a part of the year - the office of member of the Administrative and Control Bodies, the position of General Manager and the role of Key Executive (for the latter the data are presented in aggregate form) is shown below.

In particular:

- the column “**Fixed remuneration**” shows flat-rate allowances and fixed remuneration from employment, expressed gross of social security and tax charges
- the column “**Remuneration for participation in committees**” shows the remuneration paid to the Directors for participating in committees
- the “**Variable non-equity remuneration**” column, under the item “**Bonuses and other incentives**”, shows the portions of remuneration accrued - although not yet paid - during the year, in relation to the achievement of annual targets and as part of monetary incentive plans; the item “**Profit sharing**” shows the forms of profit sharing, where provided for
- the column “**Non-monetary benefits**” indicates the value of fringe benefits, determined according to taxability criteria, including any insurance policies and forms of supplementary pension
- the column “**Other remuneration**” shows all additional remuneration due or paid for services other than those already considered in the previous items
- the column “**Total**” indicates the sum of the amounts of the items mentioned above
- the “**Fair value of equity remuneration**” column shows the fair value, at the grant date, of the remuneration for the year attributable to incentive plans based on financial instruments, determined according to applicable international accounting standards.
- the column “**Severance pay or termination of employment indemnity**” shows the indemnities accrued - even if not yet paid - by the Directors following the termination of their roles in the reporting year, with reference to the year in which the termination actually occurred. The estimated value of any non-monetary benefits paid, amounts relating to any consultancy contracts and indemnities linked to non-competition agreements are also reported.

Board of Directors

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
First and last name	Position	Period for which the position was held	Expiration of office	Fixed compensation	Fixed compensation for the participation in committees	Non-equity variable compensation		Non-monetary benefits	Other compensation	Total	Fair Value of equity compensation	Allowance upon termination of office or employment
						Bonuses and other incentives	Profit sharing					
Domitilla Benigni	Chairman	01/01/2025 - 06/09/2025	Approval of the 2025 financial statements	20,000*	5,000	-	-	D&O Policy	-	25,000	-	-
Of which compensation from the Parent				20,000	5,000	-	-	-	-	25,000	-	-
Of which compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
Domitilla Benigni	Director	06/09/2025-12/31/2025	Approval of the 2025 financial statements	12,500**	5,000	-	-	D&O Policy	-	17,500	-	-
Of which compensation from the Parent				12,500	5,000	-	-	-	-	17,500	-	-
Of which compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
Enrico Peruzzi	Executive Chairperson	06/09/2025-12/31/2025	Approval of the 2025 financial statements	275,000***	14,583.33	-	-	D&O Policy & 2,303.86(\$)	-	291,887.19	-	-
Of which compensation from the Parent				275,000	14,583.33	-	-	2,303.86(\$)	-	291,887.19	-	-
Of which compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
Emanuele Galtieri	CEO	01/01/2025-12/31/2025	Approval of the 2025 financial statements	276,500	-	-	-	D&O Policy & 13,533.72 (\$)	-	290,033.72	-	-
Of which compensation from the Parent				248,000	-	-	-	13,533.72 (\$)	-	261,533.72	-	-
Of which compensation from subsidiaries and affiliates				28,500	-	-	-	-	-	28,500	-	-
Alessandra Bucci	Director	01/01/2025-12/31/2025	Approval of the 2025 financial statements	25,000	20,000	-	-	D&O Policy	-	45,000	-	-
Of which compensation from the Parent				25,000	20,000	-	-	-	-	45,000	-	-
Of which compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
Maria Giovanna Calloni	Director	01/01/2025-12/31/2025	Approval of the 2025 financial statements	25,000	15,000	-	-	D&O Policy	-	40,000	-	-
Of which compensation from the Parent				25,000	15,000	-	-	-	-	40,000	-	-
Of which compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
Alessandro Chimenton	Director	01/01/2025-12/31/2025	Approval of the 2025 financial statements	25,000****	-	-	-	D&O Policy	-	25,000	-	-
Of which compensation from the Parent				25,000	-	-	-	-	-	25,000	-	-
Of which compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
Roberto Ferraresi	Director	01/01/2025-12/31/2025	Approval of the 2025 financial statements	25,000	10,000	-	-	D&O Policy	-	35,000	-	-
Of which compensation from the Parent				25,000	10,000	-	-	-	-	35,000	-	-
Of which compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
First and last name	Position	Period for which the position was held	Expiration of office	Fixed compensation	Fixed compensation for the participation in committees	Non-equity variable compensation		Non-monetary benefits	Other compensation	Total	Fair Value of equity compensation	Allowance upon termination of office or employment
						Bonuses and other incentives	Profit sharing					
Paolo Izzo	Director	01/01/2025-12/31/2025	Approval of the 2025 financial statements	25,000	10,000	-	-	D&O Policy	-	35,000	-	-
Of which compensation from the Parent				25,000	10,000	-	-	-	-	35,000	-	-
Of which compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
Cinzia Parolini	Director	01/01/2025-12/31/2025	Approval of the 2025 financial statements	25,000	15,000	-	-	D&O Policy	-	40,000	-	-
Of which compensation from the Parent				25,000	15,000	-	-	-	-	40,000	-	-
Of which compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
Alberto Luigi Sangiovanni Vincentelli	Director	01/01/2025-06/09/2025	-	17,294*****	6,194	-	-	D&O Policy	-	23,488	-	-
Of which compensation from the Parent				-	-	-	17,294	6,194	-	-	-	-
Of which compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-

* The remuneration is recalculated for the term of office

** Remuneration is recalculated from the date of appointment

*** The remuneration is recalculated from the date of appointment

**** The remuneration paid refers to 2024

***** Amount includes a portion related to 2024 and two portions related to 2025

(S) Includes *fringe benefits* and supplementary pension plan.

Board of Statutory Auditors

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
First and last name	Position	Period for which the position was held	Expiration of office	Fixed compensation	Fixed compensation for the participation in committees	Non-equity variable compensation		Non-monetary benefits	Other compensation	Total	Fair Value of equity compensation	Allowance upon termination of office or employment
						Bonuses and other incentives	Profit sharing					
Stefano Fiorini	Chairman of the Board of Statutory Auditors	01/01/2025-12/31/2025	Approval of the 2025 financial statements	-	-	-	-	-	-	-	-	-
Of which compensation from the Parent				-	-	-	-	-	-	-	-	-
Of which compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
Paolo Grecco	Auditor	01/01/2025-12/31/2025	-	30,000	-	-	-	-	-	30,000	-	-
Of which compensation from the Parent				30,000	-	-	-	-	-	30,000	-	-
Of which compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
Daniela Delfrate	Auditor	01/01/2025-12/31/2025	-	-	-	-	-	-	-	-	-	-
Of which compensation from the Parent				-	-	-	-	-	-	-	-	-
Of which compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-

Key Executives

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
First and last name	Position	Period for which position was held	Expiration of office	Fixed compensation	Fixed compensation for the participation in committees	Non-equity variable compensation		Non-monetary benefits	Other compensation	Total	Fair Value of equity compensation	Allowance upon termination of office or employment
						Bonuses and other incentives	Profit sharing					
(I) Compensation in the reporting Parent				109,373.74	-	-	-	6,937.83	-	-	-	-
(II) Compensation from subsidiaries and affiliates				34,864.21	-	-	-	-	-	-	-	-
(III) Total				144,123.74	-	-	-	6,937.83	-	-	-	-

Compensation refers to those who, during 2025, held the office of Key Executive (one manager)

TABLE 3A – Incentive plans based on financial instruments, other than stock options, for members of the Board of Directors, General Managers and other Key Executives

The following table shows, for the medium- to long-term share-type Incentive Plans, the Granted Shares in favor of all persons who held these positions — even if only for part of the year.

In particular:

- the column “**Financial instruments assigned in previous years not vested during the year**” shows the number of Granted Shares in previous years and not vested during the year, showing the related Vesting Period
- the column “**Financial instruments granted during the year**” specifies the number of Granted Shares during the year, the fair value on the grant date, the Vesting Period, the date of assignment and the market price at the time of they were granted.
- the column “**Financial instruments vested during the year and not granted**” shows, where appropriate, the number of shares for which the Vesting Period ended during the year but which were not granted to the recipient due to a failure to meet the conditions set out in the Plan.
- the column “**Financial instruments vested during the year and available to be granted**” shows the number and value, at the vesting date, of the shares vested during the year and available to be granted based on the final assessment of the performance conditions of the Vesting Period, or of the pro rata share defined by the Regulations of the Plan. If performance appraisal data are not yet available on the date of the Report’s approval, the table shows an estimate of the shares available to be granted based on the target level
- the column “**Financial instruments pertaining to the year**” shows the fair value of the portion of the Granted Shares still outstanding and referring exclusively to the year in question.

(A)	(B)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
First and last name	Position	Plan	Financial instruments allocated in previous years, not vested during the year		Financial instruments allocated during the year					Financial instruments vested during the year and not allocated	Financial instruments vested during the year and available to be allocated		Financial instruments pertaining to the year
			Number and type of financial instruments	Vesting period	Number and type of financial instruments	Fair value at date of allocation	Vesting period	Date of allocation	Market price on date of allocation	Number and type of financial instruments	Number and type of financial instruments	Value on the accrual date	Fair value
Domitilla Benigni	Chairman	Share-based Incentive Plan 2023-2025	47,000 rights corresponding to 47,000 CY4 shares	Annual (2023, 2024, 2025) and Three-yearly (2023-2025)	-	-	-	-	-	-	-	-	-
Enrico Peruzzi	Executive Chairperson	-	-	-	-	-	-	-	-	-	-	-	-
Emanuele Galtieri	CEO	Share-based Incentive Plan 2023-2025	50,000 rights corresponding to 50,000 CY4 shares	Annual (2023, 2024, 2025) and Three-yearly (2023-2025)	-	-	-	-	-	-	-	-	-
Arianna Ciccolella	Key Executive	-	-	-	Share-based Incentive Plan 2025	-	Annual - 2025	05/14/2025	EUR 3.72	-	-	-	-