



## **Report on the remuneration policy and fees paid as at June 30<sup>th</sup>, 2024**

**pursuant to Art. 123-ter of Legislative Decree no. 58 of February 24<sup>th</sup>, 1998 and  
Art. 84-quater of the Regolamento Emittenti (Issuers' Regulation)**

Date of approval: September 26<sup>th</sup>, 2024

**Digital Bros S.p.A.**

Via Tortona, 37 – 20144 Milan, Italy

VAT number IT095

Share capital: Euro 6,024,334.80 of which Euro 5,706,014.80 subscribed

Milan Companies House No. 290680-Vol. 7394 Chamber of Commerce number 1302132

This report is available in the Governance/Remuneration section of the Company's website at  
[www.digitalbros.com](http://www.digitalbros.com)

*Please consider that this is an Italian to English translation and that the Italian version shall always prevail in case of any  
discrepancy or inconsistency*

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## GLOSSARY

**Board:** the Board of Directors of Digital Bros S.p.A..

**Company or Issuer:** Digital Bros S.p.A..

**Corporate Governance Code/Code:** the Corporate Governance Code for listed companies approved in January 2020 by the Corporate Governance Committee.

**Civil Code/c.c.:** the Italian Civil Code.

**Consolidated EBIT:** net consolidated operating margin as reported in the consolidated financial statements for the fiscal year ending June 30<sup>th</sup>.

**Fiscal year/ Reporting Period:** the year ended as at June 30<sup>th</sup>, 2024, covered by this Report.

**Group/ Digital Bros Group:** the Company and its subsidiaries together, pursuant to Art. 93 of the T.U.F..

**Issuers' Regulations:** the Regulations concerning listed companies, issued by Consob with Resolution no. 11971/1999 (as subsequently amended).

**Market Regulations:** the Regulations concerning the Stock Exchange, issued by Consob with Resolution no. 20249/2017 (as subsequently amended).

**Policy/ Remuneration Policy:** the remuneration policy approved by the Shareholders' Meeting on October 28<sup>th</sup>, 2020 and, subsequently, approved by the Shareholders' Meeting held on June 15<sup>th</sup>, 2021.

**Related party regulations:** the Regulations concerning related party transactions, issued by Consob with Resolution no. 17221 of March 12<sup>th</sup>, 2010 (as subsequently amended).

**Remuneration Committee:** internal committee to the Board of Directors, with a consulting, advisory and supervisory role with respect to the Directors' remuneration.

**Report/ Remuneration Report:** the Report on the policy regarding remuneration and fees paid, drafted in compliance with Art. 123-ter of the T.U.F. and approved by the Board of Directors.

**T.U.F.:** Legislative Decree no 58 of February 24<sup>th</sup>, 1998 (Consolidated Law on Finance), as subsequently amended.

The **Report on the remuneration policy and the fees paid** as at June 30<sup>th</sup>, 2024 was drafted pursuant to Art. 123-ter of Legislative Decree no. 58 of February 24<sup>th</sup>, 1998 (“T.U.F.”) and Art. 84-quater of the Consob Regulation no. 11971 of May 14<sup>th</sup>, 1999 (“Issuers’ Regulations”), as subsequently amended.

The Report is divided into two sections:

- Section I, which illustrates Digital Bros’ Remuneration Policy with respect to the remuneration of Directors, Statutory Auditors and key managers with strategic responsibilities, and details the procedures used to adopt and implement such policy;
- Section II, which details the individual items that make up the remuneration of the Company’s Directors, Statutory Auditors and key managers with strategic responsibilities, highlighting how these comply with the Group’s Remuneration Policy. Section II is submitted to the non-binding vote of the Shareholders’ Meeting.

The tables drafted in accordance to the Issuers’ Regulations are attached at the end of this Report.

## **SECTION I**

The first section of the Report outlines the Remuneration Policy adopted by the Company, detailing the principles and guidelines adopted by the Group to define and monitor the application of the remuneration practices concerning the Group’s Directors and key managers with strategic responsibilities.

On October 27<sup>th</sup>, 2023, the Shareholders' Meeting approved Section I of the Remuneration Report, along with the Remuneration Policy contained therein, in accordance with Article 123-ter, paragraph 3 of the T.U.F. The Remuneration Policy remains in effect until the expiration of the current Board of Directors, i.e., until the approval of the financial statements for the fiscal year ending on June 30<sup>th</sup>, 2026. During the reporting period, the Remuneration Committee did not propose any changes to the approved Policy, confirming its principles, objectives, and methods of application. As a result, the Remuneration Policy will not be resubmitted for a binding vote by the Shareholders' Meeting.

The Group's policy on related party transactions excludes the remuneration of Directors with specific powers and other key managers with strategic responsibilities from its scope, in compliance with Consob Resolution no. 17221/2010, as amended, with the exception of related party disclosures included in the Company’s financial statements. This exclusion applies only if the following conditions are met:

- (i) the Remuneration Policy adopted by the Company is drafted by a Remuneration Committee composed solely of non-executive Directors, the majority of whom being independent;
- (ii) the Remuneration Report is submitted for a binding vote to the Shareholders’ Meeting;
- (iii) the remuneration of Directors with specific powers and key managers with strategic responsibilities is consistent with the approved Remuneration Policy.

The Remuneration Committee was not supported by any external independent consultants when drafting its proposals for the Remuneration Policy. The Remuneration Policy was subject to a benchmark analysis based on similar companies.

Without prejudice to the role of the Shareholders’ Meeting as prescribed by the applicable laws and the Articles of Association, the Board of Directors is responsible for implementing the Remuneration Policy and for defining the remuneration of the Chief Executive Officers (“CEOs”). The CEOs are responsible for setting the remuneration of the

Directors with strategic responsibilities. This may also include recommendations and proposals to the Boards of Directors of the Group's subsidiaries.

## **1. Corporate bodies involved in the drafting and approval of the Remuneration Policy**

The corporate bodies involved in the drafting, approval, and implementation of the Remuneration Policy include the Shareholders' Meeting, the Board of Directors, the Remuneration Committee, and the Board of Statutory Auditors

### **1.1 Board of Directors**

The Board of Directors:

- establishes a Remuneration Committee, composed of Board members;
- determines the remuneration for Directors with special offices, based on the proposals of the Remuneration Committee and having received the opinion of the Board of Statutory Auditors;
- defines the Remuneration Policy, based on the recommendations provided by the Remuneration Committee;
- approves the Remuneration Report and submits it to the Shareholders' Meeting for approval;
- periodically assesses the overall effectiveness of the Remuneration Policy, with the support of the Remuneration Committee, ensuring its compliance with the medium- and long-term value creation;
- drafts and implements share-based incentive schemes or other remuneration plans involving financial instruments addressed to Directors, employees, collaborators and key managers with strategic responsibilities, and submits them to the Shareholders' Meeting for approval, pursuant to Art. 114-bis of the T.U.F..

### **1.2 Remuneration Committee**

The Remuneration Committee is established by the Board of Directors, in compliance with the Corporate Governance Code. The Remuneration Committee is exclusively composed of non-executive, independent directors. As of the reporting date, the Remuneration Committee consists of the following members:

Carlotta Ilaria D'Ercole – member

Susanna Pedretti – Chairman

Laura Soifer – member

The Remuneration Committee:

- formulates proposals concerning the remuneration of the CEOs and of the other Directors with special offices. It submits the proposals to the Board of Directors, and monitors their implementation;
- periodically assesses the remuneration criteria concerning managers with strategic responsibilities, supporting the Board of Directors with the identification of such key managers;
- monitors the proper application of such remuneration criteria, based on the information provided by the CEOs;
- submits general recommendations to the Board of Directors on matters related to the remuneration, also concerning the definition of performance-based objectives linked to the variable compensation, and assesses the achievement of such objectives;

- supports the Board of Directors in drafting and implementing share-based incentive schemes, or other incentive schemes based on financial instruments;
- assists the Board of Directors in drafting the Remuneration Report.

The current Remuneration Policy was preliminary reviewed by the Remuneration Committee before being submitted for the approval of the Shareholder's Meeting by the Board of Directors.

### **1.3 Shareholders' Meeting**

The Shareholders' Meeting:

- determines the remuneration of the Board of Directors and the Board of Statutory Auditors, pursuant to Art. 2364, paragraph 1, no 3 of the Italian Civil Code;
- casts a binding vote on the first section of the Remuneration report and a non-binding vote on the second section;
- resolves on any share-based incentive scheme or any remuneration plan based on financial instruments for Directors, key managers, employees and collaborators, pursuant to Art. 114-bis of the T.U.F..

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

The Board of Statutory Auditors formulates its opinion on the proposed remuneration for Directors and Directors with special offices, ensuring it complies with the Remuneration Policy.

## **2. Principles and purposes of the Remuneration Policy**

The remuneration for Directors and key managers with strategic responsibilities establishes a comprehensive remuneration structure that allows for the recognition of the professionalism of the beneficiaries. The Remuneration Policy ensures an adequate balance between its fixed and variable components, aiming at contributing to the development of a sustainable corporate strategy and creating value over the medium and long term.

The Remuneration Policy is designed to motivate the Group's workforce to excel in their roles and responsibilities, ensuring that the fixed and variable components are structured to appropriately balance short-term goals with medium- and long-term objectives. Additionally, the Remuneration Policy seeks to align the interests of Executive Directors and key managers with the medium- and long-term value creation for Digital Bros' shareholders, as well as the sustainability of the Group's activities over time.

The main principles underlying Digital Bros' Remuneration Policy are as follows:

- the fixed component is designed to be sufficient to compensate the beneficiaries even if the variable component is not disbursed due to unmet performance targets set by the Board.
- the short-term variable component is mainly based on profitability targets set for the fiscal year. It includes a cap, a claw-back and withholding clause (*malus*), as recommended by the Corporate Governance Code;
- the medium/long-term variable component is tied to the growth of the Group's operating margins, comparing the results achieved in the fiscal year with those of the fiscal years preceding the implementation of the LTI plan This approach aims to exclude any effect from financing policies

and/or dividend distributions. There is no fixed cap on the long-term variable component, but such component shall not exceed 5% of the Group's EBIT realized at each period. Claw-back and malus clauses are provided for, as recommended by the Corporate Governance Code;

- a Stock Options plan approved by the Shareholders' Meeting.

The performance targets set for the short and long-term variable component are:

- prioritized and directly connected to the Group's medium and long-term strategy;
- specific, as they are clearly defined and included in the Group's expected results;
- measurable, as they are assessed with clear and predefined indicators;
- realistic, as they shall be achievable, though challenging and ambitious;
- time-bound.

### **2.1 Principles of the Remuneration Policy**

The Remuneration Policy aims to continuously increase the Group's compliance with the recommendations of the Corporate Governance Committee. This includes improving clarity and completeness in the remuneration policies, optimizing the pay mix between fixed and variable components, and incorporating claw-back and malus clauses in the remuneration policy. The Policy also focuses on establishing a stronger connection between the variable remuneration and long-term objectives.

The Group is committed to the growth and development of its workforce as a critical means of achieving market competitiveness and sustainable success. Career opportunities are provided to all employees based on merit, their professional and managerial capabilities, and their active contributions to the Company's development and improvement processes.

The current Remuneration Policy, as approved by the Shareholders' Meeting on October 27<sup>th</sup>, 2023, complies with the Corporate Governance Code and is in line with the previously adopted policy.

The Remuneration Policy details the remuneration procedures addressed to Executive Directors, Non-Executive Directors, and key managers with strategic responsibilities.

During the Reporting Period, the Remuneration Committee did not propose any changes to the approved Policy, confirming its principles, objectives, and methods of application. The Remuneration Policy will remain in effect until the expiration of the current Board of Directors, specifically until the approval of the financial statements as of June 30<sup>th</sup>, 2026.

### **3. Remuneration Policy application**

The implementation of the fixed and variable components of the Remuneration Policy is based on different principles and procedures, based on the recipients.

The Remuneration Policy was defined using best practices on the market as benchmarks. However, no specific remuneration policy adopted by another company was used as a specific reference.



### Executive Directors and key managers with strategic responsibilities

The total remuneration for Executive Directors is determined based on industry benchmarks, taking into account different factors, such as their contribution to the Company's results, their professional performance and ensuring an alignment with the internal compensation levels. This approach ensures that remuneration is consistent with the Group's current and future size and complexity, while also promoting its sustainable success.

The Remuneration Committee performed a benchmarking analysis on the total remuneration and on the pay mix of Executive Directors, without the support of any independent external consultants.

The remuneration for Executive Directors with specific offices is composed as follows:

- a fixed component, consistent with the individual powers of attorney and the responsibilities assigned to each Executive Director;
- a short-term variable component, consisting of a total amount reflecting a set percentage of the fixed component, and linked to short-term targets ("MBO");
- a medium/long-term variable component, linked to the growth of the Group's consolidated EBIT compared to the previous fiscal year ("LTI");
- a stock option plan;
- other components.

Executive Directors holding professional or executive positions within the Issuer receive a variable remuneration on top of the fixed component approved by the Shareholders' Meeting. The variable component in the pay-mix is defined by the Board of Directors, in compliance with the criteria described below.

#### Fixed remuneration

The fixed component of the remuneration for Directors with specific offices in the Company is established by the Board of Directors, based on the proposals submitted by the Remuneration Committee, and after a preliminary review performed by the Board of Statutory Auditors, pursuant to Article 2389, part 3 of the Civil Code.

The fixed component shall be consistent with the powers of attorney, the specific responsibilities and the strategic roles assigned to each Director. The fixed component shall be enough to adequately to compensate the Directors even in the event that the performance-based targets are not achieved in order to discourage behaviors that are inconsistent with the Group's risk tolerance.

#### Short-term variable remuneration ("MBO")

The variable component of the remuneration for Executive Directors is defined by the Board of Directors, based on the proposals of the Remuneration Committee and following a preliminary review by the Board of Statutory Auditors.

This variable component is designed to encourage the Group's management to achieve annual targets, in order to maximize the Company's value and aligning with shareholders' interests, while also pursuing the Group's long-term strategic objectives.

The MBO component is based on pre-determined annual targets linked to consolidated performance indicators. It is disbursed immediately after the Board of Directors approves the draft financial statements for the fiscal year, after the Remuneration Committee's assessment of the achievement of the performance targets. The targets are proportional to the

Group's budget and defined using objective, performance-based indicators to minimize discretionary judgments and to ensure an effective management oversight. With the introduction of the medium/long-term target based on the growth of the Group's EBIT margin, the MBO objective also takes into account qualitative targets defined on a yearly basis.

The MBO component of the remuneration provides that, to receive the maximum amount of the total remuneration, 100% of the quantitative targets must be met. The variable component for CEOs is capped at 30% of the Executive Directors' fixed remuneration. For the other Executive Directors, the variable component is limited to 30% of their total remuneration as Directors, or their total gross salary and any non-competition agreement.

The MBO enables the Group to:

- promote the growth of the Group's activities, which is essential for achieving EBIT-based targets;
- cultivate a sense of belonging and teamwork among employees;
- enhance individual accountability and responsibility.

The Remuneration Policy incorporates claw-back and malus clauses, allowing the Company to reclaim the partial or full variable component if the MBO calculation was based on incorrect data.

As per the Remuneration Committee's propositions, during the Reporting Period, the MBO objective was based for two thirds on financial criteria related to the ratio between the consolidated EBIT margin and the revenue at fiscal year-end (specifically, an EBIT-to-revenue ratio equal or greater to 20%). The remaining one-third was based on non-financial criteria, consisting of the approval of the Group's sustainability report, voluntarily drafted pursuant to EU Directive 2022/2464 ("Corporate Sustainability Reporting Directive", or "CSRD").

#### Medium/long term variable remuneration ("LTI")

The Remuneration Policy also provides for a LTI objective. The Group has experienced a period of growth in recent fiscal years and considers it essential to maintain this level over time. This involves aligning its strategic publishing decisions with the constantly evolving competitive landscape while also pursuing its sustainable success. In this context, having a stable management structure over time is crucial, especially considering that the impact of the publishing strategy taken today will take a few years to manifest.

The beneficiaries of the Group's medium/long-term variable remuneration include the four Executive Directors. The LTI plan is divided into three periods:

- 2021 – 2022 two-year period;
- 2023 – 2024 two-year period;
- 2025 – 2027 three-year period.

During each period, Executive Directors will receive an amount calculated as a percentage of the consolidated EBIT margin achieved at each period. This percentage will be applied to the portion of EBIT exceeding €35 million for the first two periods and €52.5 million for the final period (corresponding to an average EBIT of €17.5 million per fiscal year). The percentage will increase over time: 6% in the first period, 9% in the second period, and 12% in the final period. The overall amount resulting from the above calculation will be individually allocated among Directors according to predefined criteria. The total cost of the LTI plan shall not exceed 5% of the cumulative consolidated EBIT realized at each period.

The LTI will be disbursed within 45 days from the Shareholders' Meeting's approval of the financial statements for the fiscal year-end of each reference period, following the Remuneration Committee's assessment of the performance target.

The entitlement to the LTI Objective is contingent upon the Directors' employment with the Company throughout each period, with exceptions made for Good Leaver cases as specified in the plan. The plan also includes claw-back and malus clauses, consistent with the Corporate Governance Code.

Pay mix

The Remuneration Policy was subject to a benchmarking analysis by the Remuneration Committee, comparing the remuneration of the four Executive Directors in absolute terms and in terms of pay-mix with a panel of similar companies.

The 2023-2024 pay-mix is detailed below:

2023-2024				
	Fixed	MBO	LTI	TOTAL
CEOs	100%	0%	0%	100%
CFO	100%	0%	0%	100%
General Counsel	100%	0%	0%	100%

Given that the LTI Objective is not capped in absolute terms but is limited by the ratio between the total cost of the LTI and the net operating income and considering the LTI percentage, during the Reporting Period, no MBO and no LTI objectives were recognized to the Executive Directors, due to the fact that the performance targets were not met.

An assessment on the paymix for the next fiscal year is provided below, assuming an increase in the EBIT margin of 20% and 50% compared to the baseline of Euro 17.5 million.

*Average 20% operating income growth scenario*

2024-2025				
	Fixed	MBO	LTI	TOTAL
CEOs	74%	19%	7%	100%
CFO	70%	20%	10%	100%
General Counsel	75%	15%	11%	100%

*Average 50% operating income growth scenario*

2024-2025				
	Fixed	MBO	LTI	TOTAL
CEOs	68%	17%	15%	100%
CFO	60%	18%	22%	100%
General Counsel	64%	13%	23%	100%

Stock options Plan

Incentive plans based on financial instruments shall be submitted for the approval by the Shareholders' Meeting, in accordance with Article 114-bis of Law No. 58/1998 and are subject to specific market information requirements under current regulations. The Board of Directors, with the support from the Remuneration Committee, details the implementation methods for such instruments, taking into account the Company's risk profile and adhering to the following principles:

- strengthening the Company's sustainable growth and its medium/long-term value creation, while increasing management incentives and retention by providing for long-term and multi-year vesting periods;
- retention constraints to ensure beneficiaries remain with the Company.

The Company engaged an external consultancy firm to assist in defining and implementing the incentive plans based on financial instruments, ensuring alignment with market standards for companies of similar size and listed on the same regulated market.

Further details on the Stock Options Plan ("Plan") adopted by the Group are provided in the Information Document pursuant Art. 84-bis of the Consob Regulation no. 11971, May 14<sup>th</sup>, 1999 and published on the Company website, [www.digitalbros.com](http://www.digitalbros.com), Governance/Remuneration section, in accordance to Art. 123-ter, par. 5 of the T.U.F..

The Plan provides for the following vesting periods:

- 30% of the number of options starting July 1<sup>st</sup>, 2019;
- 30% starting July 1<sup>st</sup>, 2022;
- 40% starting July 1<sup>st</sup>, 2025.

The final deadline for exercising the options is June 30<sup>th</sup>, 2026.

Each Executive Director is required to retain at least 20% of the shares acquired under the Plan until the expiration of their office, corresponding to each of the vesting periods.

The Stock Option Plan includes Bad Leaver clauses, whereby beneficiaries leaving the Company will permanently lose their rights to exercise any unexercised options. Conversely, under Good Leaver conditions, beneficiaries will retain the right to exercise any options that have already vested.

In the event of death and/or permanent disability, the heirs and/or the beneficiary may request the exercise of all the options even if they have not yet vested.

#### Other information

##### **Additional performance objectives**

No additional performance targets linked to the allocation of shares, options and/or other financial instruments have been provided for. Except for the Stock Options Plan, there are no further requirements for the retention of financial instruments in the portfolio.

##### **Extraordinary operations**

In the event of extraordinary transactions, such as (but not limited to) acquisitions or disposals, mergers or spin-offs, carve-outs, share capital increases, financial or equity operations, or in the case of legislative or regulatory changes that substantially impact performance objectives, the Board of Directors is empowered to make discretionary adjustments or additions to the Executive Directors' incentive plans. These modifications are intended to preserve the substantive and economic integrity of the plans and will be made following a preliminary review by the Remuneration Committee.

### **Non-monetary benefits**

The non-monetary benefits provided by the C.C.N.L. Commercio (National Collective Labor Contract) for Executive Directors include welfare, health assistance and insurance benefits, as well a car that can be used for private purposes.

### **Policy in case of resignation or termination of employment**

The Company does not have agreements in place regarding compensation for indemnities in the event of resignation or dismissal without due cause of its Directors, nor for the termination of employment contracts due to a takeover bid, subject to the notice period stipulated by the C.C.N.L. Commercio for executives.

There are no obligations related to the allocation and maintenance of non-monetary benefits or provisions for potential future consultancy contracts following the termination of the relationship.

The effects of termination of relationships with Directors are detailed in the specific sections dedicated to each Board Member, as they may vary from one individual to another.

### **Non-Executive Directors**

Non-Executive Directors do not hold any individual powers of attorney or management positions within the Company or any of its subsidiaries. Their remuneration consists solely of a fixed component, which reflects their expertise, professionalism, and the level of commitment required, including participation in Board Committees (as Chairman or member).

The remuneration of Non-Executive Directors is not related to the Company's economic performance nor to specific performance-based targets does not provide for any stock-based benefit.

The remuneration of Non-Executive Directors is subject to benchmarking analysis on a recurring basis, performed by the Remuneration Committee.

### **Insurance coverage**

In line with the best practices in the market, an insurance policy called D&O (Directors & Officers) was stipulated to cover the corporate bodies' third parties liability in performing their duties, compensating the Group for the cost of potential claims, with the exception of wilful misconduct and gross negligence.

No incremental insurance, social security and/or pension coverage are in place, other than the ones required by Law.

### **Exceptions to the Remuneration Policy**

No exceptions to the Remuneration Policy are allowed.

**SECTION II Remuneration paid to the Boards of Directors' members, the Statutory Auditors, General Managers and other key managers** (submitted to the non-binding vote of the Shareholders' Meeting pursuant to Art. 123-ter, paragraph 6 of the T.U.F.)

On November 29<sup>th</sup>, 2023, the Board of Directors approved the remuneration for its members, based on the proposals submitted by the Remuneration Committee and following the preliminary review performed by the Board of Statutory Auditors.

Details concerning the individual remuneration of Directors and key managers with strategic responsibilities during the Reporting Period are provided in the tables attached to this Report, in accordance with Annex 3A of the Issuers' Regulation. These tables include information for all Board members who served during the fiscal year, including those who served temporarily.

As of the reporting date, the Company had not identified any key managers with strategic responsibilities other than the Executive Directors.

Additional details on the variable components of remuneration are provided in the 2021-2027 Medium/Long Term Monetary Incentives Plan, available in the Governance/Remuneration section of the corporate website.

Section II of the Remuneration Report as of June 30<sup>th</sup>, 2023 received the positive vote of the Shareholders' Meeting held on October 27<sup>th</sup>, 2023, pursuant to Article 123-ter, paragraph 4, letter b-bis of the T.U.F.

#### ***Remuneration for Executive Directors***

The Chairman and CEO, Abramo Galante, and the CEO, Raffaele Galante, received the same total remuneration.

Under the "2016-2026 Stock Options Plan", approved by the Shareholders' Meeting on January 11<sup>th</sup>, 2017, both Chairman and CEO Abramo Galante and CEO Raffaele Galante were granted 200,000 options each. These options entitle for the subscription of no. 200,000 of Digital Bros' ordinary shares, with a one-to-one ratio for each option exercised. The exercise price was set at €10.61 per option, reflecting the average share price on the Euronext Star market during the six months prior to the allocation. Following a capital increase on March 13<sup>th</sup>, 2017, the exercise price per share for any remaining unexercised options was reduced to €10.50.

Further details on the Stock Option Plan are provided in the Information Document pursuant to Art. 84-bis of Consob Regulation 11971 of May 14<sup>th</sup>, 1999, available in the Governance/Remuneration section of the corporate website [www.digitalbros.com](http://www.digitalbros.com), in compliance with Art. 123-ter, paragraph 5, of the T.U.F..

There are no agreements concerning compensation for indemnity in the event of an early termination of employment, nor for the termination of their office as Directors.

The remuneration of the CEOs during the Reporting Period amounted to:

<i>Amounts in Euro</i>	<b>June 30<sup>th</sup>, 2023</b>	<b>June 30<sup>th</sup>, 2024</b>
Fixed remuneration as Director	400,000	400,000
Variable remuneration as Director	0	0
<b>Total remuneration as Director</b>	<b>400,000</b>	<b>400,000</b>
Fixed remuneration for employment	64,473	67,473
Variable remuneration for employment	0	0
Fringe benefits (car)	4,313	4,174
Non-competition agreement	0	0
<b>Total remuneration for employment</b>	<b>71,786</b>	<b>71,647</b>
Total remuneration from subsidiaries	0	0
<b>Total remuneration</b>	<b>471,786</b>	<b>471,647</b>

Executive Director Stefano Salbe received a remuneration for his office as Director of Euro 6,000. His total remuneration amounted to:

<i>Amounts in Euro</i>	<b>June 30<sup>th</sup>, 2023</b>	<b>June 30<sup>th</sup>, 2024</b>
Fixed remuneration as Director	6,000	6,000
Variable remuneration as Director	0	0
<b>Total remuneration as Director</b>	<b>6,000</b>	<b>6,000</b>
Fixed remuneration for employment	239,571	239,571
Variable remuneration for employment	0	0
Fringe benefits (car)	3,553	3,693
Non-competition agreement	55,918	63,414
<b>Total remuneration for employment</b>	<b>303,199</b>	<b>306,678</b>
Total remuneration from subsidiaries	0	0
<b>Total remuneration</b>	<b>309,199</b>	<b>312,678</b>

Under the “2016-2026 Stock Option Plan”, 120,000 options were allocated to Stefano Salbe. These options entitle him to subscribe no. 120,000 Digital Bros’ ordinary shares with a one-to-one ratio for each option exercised. The exercise price was set at €10.61 per option, reflecting the average share price on the Euronext Star market during the six months prior to the allocation. Following a capital increase on March 13<sup>th</sup>, 2017, the exercise price per share for any remaining unexercised options was reduced to €10.50.

There are no agreements concerning compensation for indemnity in the event of an early termination of employment, except for the provisions included the employment contract in place.

Executive Director Dario Treves received an annual remuneration for the execution of his office of Euro 6,000, whereas for the professional services-related and legal services performed on behalf of the Group, the total remuneration was:

<i>Amounts in Euro</i>	<b>June 30<sup>th</sup>, 2023</b>	<b>June 30<sup>th</sup>, 2024</b>
Fixed remuneration as a Director	6,000	6,000
Variable remuneration as a Director	0	0
<b>Total remuneration as a Director</b>	<b>6,000</b>	<b>6,000</b>
Fixed remuneration for employment	289,088	297,045
Variable remuneration for employment	0	0
Fringe benefits (car)	0	0
Non-competition agreement	0	0
<b>Total remuneration for employment</b>	<b>289,088</b>	<b>297,045</b>
Total remuneration from other subsidiaries	0	0
<b>Total remuneration</b>	<b>295,088</b>	<b>303,045</b>

Under the “2016-2026 Stock Option Plan”, Dario Treves has been designated as a beneficiary of 50,000 options valid for the subscription of 50,000 Digital Bros ordinary shares with a one-to-one ratio for each option exercised. The exercise price was set at €10.61 per option, reflecting the average share price on the Euronext Star market during the six months prior to the allocation. Following a capital increase on March 13, 2017, the exercise price per share for any remaining unexercised options was reduced to €10.50.

There are no agreements providing indemnity in the event of an early termination of employment or his office as a Director.

#### ***Remuneration for Non-Executive Directors***

Non-Executive Director Lidia Florean passed away on January 24<sup>th</sup>, 2024. Her remuneration as a Director amounted to Euro 3,500, while the remuneration related to her work for the subsidiary 505 Games S.p.A. amounted to Euro 35,000. Both amounts were calculated as of January 24<sup>th</sup>, 2024.

Non-Executive Director Davide Galante received a remuneration of Euro 72,000 for his office as Director.

The Non-Executive Directors do not receive any variable remuneration. There are no agreements providing compensation for indemnity in the event of an early termination of their offices.



### ***Remuneration for Independent Directors***

Independent Directors Carlotta Ilaria D’Ercole, Susanna Pedretti and Laura Soifer received the following remuneration during the fiscal year:

<b>Amounts (€)</b>	<b>Fixed remuneration as Director</b>	<b>Remuneration for the Nomination Committee</b>	<b>Remuneration for the Control and Risks Committee</b>	<b>Remuneration for the Control and Risk Committee as Related Party Transactions Committee</b>	<b>Remuneration for the Remuneration Committee</b>	<b>Total</b>
Carlotta Ilaria D’Ercole	10,000	5,000	4,000	500	3,000	22,500
Susanna Pedretti	10,000	3,000	4,000	500	5,000	22,500
Laura Soifer	10,000	3,000	8,000	500	3,000	24,500

### ***Remuneration for Statutory Auditors***

The Shareholders’ Meeting held on October 27<sup>th</sup>, 2023 defined the total remuneration for the Board of Statutory Auditors. The Chairman of the Board of Statutory Auditors, Paolo Villa, received Euro 27,000 while the acting Statutory Auditors received Euro 22,000 each.

**Table 1: Board of Directors and key managers remuneration**

First and last name	Position held	Term of office	End of term	Fixed remuneration	Remuneration for committee meetings <sup>1</sup>	Variable non-equity remuneration		Non-monetary benefits	Other remuneration	Total	Fair value of equity remuneration	Indemnity for termination of office or employment
						Bonuses and other incentives	Profit sharing					
<b>Abramo Galante</b>	Chairman/CEO	01/07/2023 – 30/06/2024	Approval of FY 2026 financial statements			Bonuses and other incentives	Profit sharing					
(I) Remuneration from the company drafting the financial statements				467,473				4,174		471,647	78,511	5,307
(II) Remuneration from subsidiaries and associates												
(III) Total				467,473				4,174		471,647	78,511	5,307
<b>Raffaele Galante</b>	CEO	01/07/2023 – 30/06/2024	Approval of FY 2026 financial statements			Bonuses and other incentives	Profit sharing					
(I) Remuneration from the company drafting the financial statements				467,473				4,174		471,647	78,511	5,307
(II) Remuneration from subsidiaries and associates												
(III) Total				467,473				4,174		471,647	78,511	5,307
<b>Stefano Salbe</b>	CFO	01/07/2023 – 30/06/2024	Approval of FY 2026 financial statements			Bonuses and other incentives	Profit sharing					
(I) Remuneration from the company drafting the financial statements				305,529				3,693		312,678	47,106	24,961
(II) Remuneration from subsidiaries and associates												
(III) Total				305,529				3,693		312,678	47,106	24,961

<sup>1</sup> The details of the fees paid by committee are shown in the table “Independent Directors’ remuneration” at page 17

First and last name	Position held	Term of office	End of term	Fixed remuneration	Remuneration for attending committee meetings <sup>2</sup>	Variable non-equity remuneration		Non-monetary benefits	Other remuneration	Total	Fair value of equity remuneration	Indemnity for termination of office or employment
						Bonuses and other incentives	Profit sharing					
<b>Dario Treves</b>	Executive Director	01/07/2023 – 30/06/2024	Approval of FY 2026 financial statements			Bonuses and other incentives	Profit sharing					
(I) Remuneration from the company drafting the financial statements				6,000					297,045	303,045	19,628	
(II) Remuneration from subsidiaries and associates												
(III) Total				6,000					297,045	303,045	19,628	
<b>Lidia Florean</b>	Non-Executive Director	01/07/2023 – 24/01/2024	Approval of FY 2026 financial statements			Bonuses and other incentives	Profit sharing					
(I) Remuneration from the company drafting the financial statements				3,500						3,500		
(II) Remuneration from subsidiaries and associates									35,000	35,000		
(III) Total				3,500					35,000	38,500		
<b>Davide Galante</b>	Non-Executive Director	01/07/2023 – 30/06/2024	Approval of FY 2026 financial statements			Bonuses and other incentives	Profit sharing					
(I) Remuneration from the company drafting the financial statements				72,000						72,000		
(II) Remuneration from subsidiaries and associates												
(III) Total				72,000						72,000		

<sup>1</sup> The details of the fees paid by committee are shown in the table “Independent Directors’ remuneration” at page 17

First and last name	Position held	Term of office	End of term	Fixed remuneration	Remuneration for committee meetings <sup>1</sup>	Variable non-equity remuneration		Non-monetary benefits	Other remuneration	Total	Fair value of equity remuneration	Indemnity for termination of office or employment
						Bonuses and other incentives	Profit sharing					
<b>Laura Soifer</b>	Independent Director	01/07/2023 – 30/06/2024	Approval of FY 2026 financial statements			Bonuses and other incentives	Profit sharing					
(I) Remuneration from the company drafting the financial statements				10,000	14,500					24,500		
(II) Remuneration from subsidiaries and associates												
(III) Total				10,000	14,500					25,500		
<b>Carlotta Ilaria D'Ercole</b>	Independent Director	01/11/2023 – 30/06/2024	Approval of FY 2026 financial statements			Bonuses and other incentives	Profit sharing					
(I) Remuneration from the company drafting the financial statements				10,000	12,500					22,500		
(II) Remuneration from subsidiaries and associates												
(III) Total				10,000	12,500					22,500		
<b>Susanna Pedretti</b>	Independent Director	01/07/2023 – 30/06/2024	Approval of FY 2026 financial statements			Bonuses and other incentives	Profit sharing					
(I) Remuneration from the company drafting the financial statements				10,000	12,500					22,500		
(II) Remuneration from subsidiaries and associates												
(III) Total				10,000	12,500					22,500		

<sup>1</sup> The details of the fees paid by committee are shown in the table “Independent Directors’ remuneration” at page 17

**Table 1: Board of Statutory Auditors remuneration**

First and last name	Position held	Term of office	End of term	Fixed remuneration	Remuneration for committee meetings	Variable non-equity remuneration		Non-monetary benefits	Other remuneration	Total	Fair value of equity remuneration	Indemnity for termination of office or employment
<b>Maria Pia Maspes</b>	Statutory Auditor	01/07/2023 - 30/06/2024	Approval of FY 2026 financial statements			Bonuses and other incentives	Profit sharing					
(I) Remuneration from the company drafting the financial statements				22,000						22,000		
(II) Remuneration from subsidiaries and associates				10,000						10,000		
<b>(III) Total</b>				32,000						32,000		
<b>Paolo Villa</b>	Chairman and Statutory Auditor	01/11/2023 - 30/06/2024	Approval of FY 2026 financial statements			Bonuses and other incentives	Profit sharing					
(I) Remuneration from the company drafting the financial statements				27,000						27,000		
(II) Remuneration from subsidiaries and associates				12,000						12,000		
<b>(III) Total</b>				39,000						39,000		
<b>Pietro Piccone Ferrarotti</b>	Statutory Auditor	01/11/2023 - 30/06/2024	Approval of FY 2026 financial statements			Bonuses and other incentives	Profit sharing					
(I) Remuneration from the company drafting the financial statements				22,000						22,000		
(II) Remuneration from subsidiaries and associates				10,000						10,000		
<b>(III) Total</b>				32,000						32,000		

**Table 2: Stock options to Board of Directors' members, General Managers and other key managers**

Name and last name	Position held	Plan	Option held at beginning of fiscal years			Option awarded during the fiscal years						Option exercised during the FY			Options expired in the FY	Option held at the end of FY	Options attributable to the FY
			Number of options	Exercise price	Exercise period (from-to)	No. of options	Exercise price	Exercise periods	Fair Value on grant date	Grant date	Market price of underlying shares on exercise date	Number of options	Exercise price	Market price of underlying shares on exercise date	Number of options	Number of options	Fair Value
<b>Abramo Galante</b>	Chairman/CEO																
(I) Remuneration from the company drafting the financial statements		Stock Option Plan 2016-2026	60,000	10.61	from 01/07/2019 to 30/06/2026											60,000	23,553
		Stock Option Plan 2016-2026	60,000	10.61	from 01/07/2023 to 30/06/2026											60,000	23,553
		Stock Option Plan 2016-2026	80,000	10.61	from 01/07/2025 to 30/06/2026											80,000	31,404
(II) Remuneration from subsidiaries and associates																	
(III) Total			200,000													200,000	78,511
<b>Raffaele Galante</b>	CEO																
(I) Remuneration from the company drafting the financial statements		Stock Option Plan 2016-2026	60,000	10.61	from 01/07/2019 to 30/06/2026											60,000	23,553
		Stock Option Plan 2016-2026	60,000	10.61	from 01/07/2023 to 30/06/2026											60,000	23,553
		Stock Option Plan 2016-2026	80,000	10.61	from 01/07/2025 to 30/06/2026											80,000	31,404
(II) Remuneration from subsidiaries and associates																	
(III) Total			200,000													200,000	78,511

Name and last name	Position held	Plan	Option held at beginning of fiscal years			Option awarded during the fiscal years						Option exercised during the fiscal years			Options expired in the year	Option held at the end of fiscal years	Options attributable to the FY
			Number of options	Exercise price	Exercise period (from-to)	Number of options	Exercise price	Exercise periods	Fair Value on grant date	Grant date	Market price of underlying shares on exercise date	Number of options	Exercise price	Market price of underlying shares on exercise date	Number of options	Number of options	Fair Value
<b>Stefano Salbe</b>	CFO																
(I) Remuneration from the company drafting the financial statements		Stock Option Plan 2016-2026	36,000	10.61	from 01/07/2019 to 30/06/2026											36,000	14,132
		Stock Option Plan 2016-2026	36,000	10.61	from 01/07/2023 to 30/06/2026											36,000	14,132
		Stock Option Plan 2016-2026	48,000	10.61	from 01/07/2025 to 30/06/2026											48,000	18,843
(II) Remuneration from subsidiaries and associates																	
(III) Total			120,000													120,000	47,106
<b>Dario Treves</b>	Executive Director																
(I) Remuneration in the company that prepares the financial statement		Stock Option Plan 2016-2026	15,000	10.61	from 01/07/2019 to 30/06/2026											15,000	5,888
		Stock Option Plan 2016-2026	15,000	10.61	from 01/07/2023 to 30/06/2026											15,000	5,888
		Stock Option Plan 2016-2026	20,000	10.61	from 01/07/2025 to 30/06/2026											20,000	7,851
(II) Remuneration from subsidiaries and associates																	
(III) Total			50,000													50,000	19,628

**Table 3B: Monetary incentive plans to Board of Directors' members, General Managers and other key managers**

A	B	(1)	(2)			(3)			(4)
Name and last name	Position held	Plan	Bonus for the year			Prior year bonuses			Other bonuses
Abramo Galante	Chairman/CEO		(A)	(B)	(C)				
			Payable/Paid	Deferred	Reference period	No longer payable	Payable/Paid	Still deferred	
(I) Remuneration in the company that prepares the financial statements	MBO		0				0		
(I) Remuneration in the company that prepares the financial statements	LTI		0				0		
(II) Remuneration from subsidiaries and associates									
(III) Total			0				0		
A	B	(1)	(2)			(3)			(4)
Name and last name	Position held	Plan	Bonus for the year			Prior year bonuses			Other bonuses
Raffaele Galante	CEO		(A)	(B)	(C)				
			Payable/Paid	Deferred	Reference period	No longer payable	Payable/Paid	Still deferred	
(I) Remuneration in the company that prepares the financial statements	MBO		0				0		
(I) Remuneration in the Company that prepares the financial statements	LTI		0				0		
(II) Remuneration from subsidiaries and associates									
(III) Total			0				0		



A	B	(1)	(2)			(3)			(4)
Name and last name	Position held	Plan	Bonus for the year			Prior year bonuses			Other bonuses
Stefano Salbe	CFO/Executive Director		(A)	(B)	(C)				
			Payable/Paid	Deferred	Reference period	No longer payable	Payable/Paid	Still deferred	
(I) Remuneration in the company that prepares the financial statements	MBO		0				0		
(I) Remuneration in the company that prepares the financial statements	LTI		0				0		
(II) Remuneration from subsidiaries and associates									
(III) Total			0				0		

  

A	B	(1)	(2)			(3)			(4)
Name and last name	Position held	Plan	Bonus for the year			Prior year bonuses			Other bonuses
Dario Treves	Executive Director		(A)	(B)	(C)				
			Payable/Paid	Deferred	Reference period	No longer payable	Payable/Paid	Still deferred	
(I) Remuneration in the company that prepares the financial statements	MBO		0				0		
(I) Remuneration in the company that prepares the financial statements	LTI		0				0		
(II) Remuneration from subsidiaries and associates									
(III) Total			0				0		

**Table 7-ter in accordance to Annex 3A of the Issuers' Regulation**

Shareholding by the members of the managing and control bodies and general managers					
Name and Last name	Participated Company	No. of shares owned at 30/06/2023	No. of shares purchased	No. of shares sold	No. of shares owned at 30/06/2024
Galante Abramo	Digital Bros S.p.A.	4,937,812	0	0	4,937,812
Galante Davide	Digital Bros S.p.A.	253,728	0	0	253,728
Galante Raffaele	Digital Bros S.p.A.	4,678,736	0	0	4,678,736
Stefano Salbe	Digital Bros S.p.A.	15,526	0	0	15,526

There are no key managers except for the members of the Board of Directors.