



Alkemy S.p.A.

Registered office in Milan, at via San Gregorio 34, Milan - share capital resolved Euro 632,467.00, Euro 587,589.00 subscribed and paid-up

Registration number with Milan Companies House, tax code and VAT number 05619950966 - Economic and Administrative Index (REA) no. 1835268

Explanatory Report by the directors on the third item on the agenda of the shareholders' meeting convened for 24 April 2020, at single call.



Item 3 on the agenda - Report on the Remuneration Policy and fees paid in accordance with Art. 123-ter of Italian Legislative Decree no. 58/98: 3.1) binding resolution on the first section on the Remuneration Policy, in accordance with Art. 123-ter, paragraphs 3-bis and 3-ter of Italian Legislative Decree no. 58/1998; 3.2) non-binding resolution on the second section on remuneration paid in accordance with Art. 123-ter, paragraph 6 of Italian Legislative Decree no. 58/1998.

Shareholders,

Pursuant to Art. 123-ter, paragraph 3-bis, of Italian Legislative Decree no. 58 of 24 February 1998 (the “**Consolidated Law on Finance**”), the Shareholders' Meeting convened once a year to approve the financial statements is called to resolve on the first and second section of the Report on the Remuneration Policy and fees paid.

In accordance with Art. 123-ter, paragraph 3 of the Consolidated Law on Finance, the first section concerns: (i) the Company's policy for the remuneration of members of the administrative bodies and key management personnel for three years 2020 - 2022; and (ii) the procedures used to adopt and implement said policy.

In accordance with Art. 123-ter, paragraph 4 of the Consolidated Law on Finance, the second section relative to the members of the administrative and auditing bodies and key management personnel, explains: (i) each of the items comprising the remuneration, including benefits envisaged in the event of cessation from office or termination of the contract of employment; (ii) the fees paid during the reference year, for any purpose and in any form by the Company and its subsidiaries or associates; (iii) the remuneration to be paid in one or more subsequent years in exchange for work carried out during the reference year.

In accordance with Art. 123-ter, paragraphs 3-bis and 3-ter of the Consolidated Law on Finance, whilst the Shareholders' Meeting resolution on the first section is binding, in accordance with said Art. 123-ter, paragraph 6 of the Consolidated Law on Finance, the Shareholders' Meeting must resolve in favour or not in favour of the second section, with a non-binding resolution.

For more details, please refer to the Report on the Remuneration Policy and fees paid, prepared by the Board of Directors in accordance with Art. 123-ter of the Consolidated Law on Finance and Art. 84-*quater* of the CONSOB Regulation on issuers, adopted by Resolution no. 11971 of 14 May 1999.

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Proposed resolution

Shareholders,

In light of the foregoing, the Board of Directors proposes that you pass the following resolutions:

“The Ordinary Shareholders' Meeting of Alkemy S.p.A.,

- *having regard to Articles 123-ter of Italian Legislative Decree no. 58 of 24 February 1998 and 84-*quater* of CONSOB Regulation no. 11971/1999; and*
- *having acknowledged the Report on the Remuneration Policy and fees paid, prepared by the Board of Directors;*

resolved

1. *to approve the first section of the Report on the Remuneration Policy and fees paid, as described in accordance with Art. 123-ter, paragraph 3 of Italian Legislative Decree no. 58 of 24 February 1998;*
2. *to express a favourable opinion on the second section of the Report on the Remuneration Policy and fees paid, as described in accordance with Art. 123-ter, paragraph 4 of Italian Legislative Decree 58, dated 24 February 1998”.*

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Milan, 25 March 2020

For the Board of Directors

The Chairman, Alessandro Mattiacci