



LANDI RENZO S.p.A.

**ANNUAL REPORT ON THE REMUNERATION POLICY AND COMPENSATION
PAID**

provided pursuant to article 123-*ter* of the Consolidated Finance Act and article 84-*quater* of
the Issuers' Regulations

Issuer: **Landi Renzo S.p.A.**

Website: www.landirenzogroup.com/it/

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GLOSSARY

Audit and Risk Committee: means the audit and risk committee created by and within the Board of Directors.

Board or Board of Directors: the Company's Board of Directors.

Board of Statutory Auditors: the Company's Board of Statutory Auditors.

Borsa Italiana: Borsa Italiana S.p.A.

By-laws: means the currently applicable by-laws of Landi Renzo S.p.A.

Civil Code: the Italian Civil Code.

Consolidated Finance Act: Legislative Decree No. 58 of 24 February 1998, as amended.

Corporate Governance Code: the corporate governance code for listed companies approved by the Corporate Governance Committee in January 2020 (and subsequent amendments) and promoted by Borsa Italiana S.p.A., Abi, Ania, Assogestioni, Assonime and Confindustria.

Financial Year 2021: the financial period ending on 31 December 2021.

Group: means the Landi Renzo Group.

Instructions to the Market Rules: the instructions accompanying the market rules applicable to the markets organised and operated by Borsa Italiana.

Issuer or Landi Renzo or the Company: Landi Renzo S.p.A.

Issuers' Regulations: the Regulations issued by Consob under its Resolution No. 11971 of 1999 (as amended).

Market Rules: the market rules applicable to the markets organised and managed by Borsa Italiana S.p.A..

Performance Shares Plan 2022-2024: indicates the long-term incentive scheme known as the "*Performance Shares Plan 2022-2024*", submitted for approval by the Shareholders' Meeting called for 29 April 2022, pursuant to article 114-*bis* of the Consolidated Finance Act.

Plan Rules: means the terms and conditions setting out the implementing regulations and rules for the Performance Shares Plan 2022-2024.

Remuneration Committee: means the remuneration committee created by and within the Board of Directors.

Report: this report on the remuneration policy and the compensation paid, prepared pursuant to article 123-*bis* of the Consolidated Finance Act, and article 84-*quater* of Issuers' Regulations.

Shareholders' Meeting: the meeting of the shareholders of the Issuer.

SECTION I

1. INTRODUCTION

The Company establishes and applies a general remuneration policy with a view to attracting, motivating and retaining staff with the professional qualities required for the successful pursuit of the objectives of the Landi Renzo Group.

The policy is the product of a well-defined and transparent process in which a central role is played by the Shareholders' Meeting, the Board of Directors, the Board of Statutory Auditors, and the Remuneration Committee.

2. CORPORATE BODIES INVOLVED IN THE DRAFTING, APPROVAL, IMPLEMENTATION AND ANY REVIEW OF THE REMUNERATION POLICY

(a) *Shareholders' Meeting*

In respect of remuneration, the Shareholders' Meeting:

- at the time of their appointment, determines the compensation due to the members of the Boards of Directors (including by determining an overall amount pursuant to article 2389, third paragraph of the Civil Code) and to the Board of Statutory Auditors, pursuant to article 2364, first paragraph, part (3), of the Civil Code;
- pursuant to article 123-ter, third paragraph bis, of the Consolidated Finance Act, resolves on the first section of the Report concerning the remuneration policy for the members of the Board of Directors, general managers and other executives with strategic responsibilities, and without prejudice to the provisions of article 2402 of the Civil Code, the members of the audit bodies, as determined by the Board of Directors (on proposal of the Remuneration Committee) for the following year, and provides its non-binding advisory opinion on the second section of the Report, setting forth an adequate description of each of the items that comprise the remuneration and analytical description of the compensation paid during the previous financial year; and
- approves by resolution any compensation schemes based upon shares or other financial instruments that are addressed to members of the Board of Directors, employees, including executives with strategic responsibilities, pursuant to article 114-bis of the Consolidated Finance Act.

(b) *Board of Directors*

In respect of remuneration, the Board of Directors:

- establishes a Remuneration Committee from among its members, which must include one member with appropriate expertise and experience in financial matters or remuneration policies, the Board of Directors assessing the relevant individual's knowledge upon appointment of same;
- determines, and reviews where suitable, upon proposal of the Remuneration Committee, the policy regarding the remuneration of directors and executives with strategic responsibilities;

- determines the remuneration of those Directors holding particular duties, having consulted with the Board of Statutory Auditors and upon proposal of the Remuneration Committee;
- approves the Report prepared pursuant to article 123-ter of the Consolidated Finance Act;
- with the support of the Remuneration Committee, draws up the terms of any compensation schemes based upon shares or other financial instruments, and puts them to the Shareholders' Meeting for approval pursuant to article 114-bis of the Consolidated Finance Act; and
- with the support of the Remuneration Committee, implements any compensation schemes based upon shares or other financial instruments, in accordance with instructions delegated by the Shareholders' Meeting.

(c) ***Board of Statutory Auditors***

In relation to matters of remuneration, the Board of Statutory Auditors has an advisory role, under which it provides those opinions required by relevant legislation, in particular opinions on proposals for the remuneration of Executive Directors, and more generally of Directors with special responsibilities in accordance with article 2389, third paragraph of the Civil Code; as part of that process, the Board of Statutory Auditors assesses the proposals the Remuneration Committee submits to the Board of Directors for consistency with the general remuneration policy.

(d) ***Remuneration Committee***

Proposals for the remuneration policy for the Directors with special responsibilities, both in relation to fixed compensation and variable compensation, are submitted each year by the Remuneration Committee for approval by the Board of Directors, after having received the favourable opinion of the Board of Statutory Auditors. Further information regarding the duties and the role of the Remuneration Committee may be found in paragraph 3 below.

(e) ***Executive Directors***

In respect of remuneration, the Executive Directors:

- submit any compensation schemes based upon shares or other financial instruments to the Remuneration Committee, and if appropriate assist the Remuneration Committee with the preparation of such schemes;
- provide the Remuneration Committee with such information as it requires for the purpose of assessing the appropriateness and effective application of the general remuneration policy, with regard in particular to the remuneration of executives with strategic responsibilities; and
- implement the Company's remuneration policies in a manner consistent with this Report.

Finally, the Board of Directors, the Board of Statutory Auditors and the Remuneration Committee are responsible for ensuring that the remuneration policy is properly implemented and appropriately applied.

3. REMUNERATION COMMITTEE

3.1 Composition and functioning of the Remuneration Committee (pursuant to article 123-bis, second paragraph, item (d) of the Consolidated Finance Act)

As at the date of this Report, the Remuneration Committee is composed of three Directors, namely Sara Fornasiero, chair of the Committee, and Vincenzo Russi, both Non-Executive Independent Directors of the Company, and Angelo Iori, Non-Executive Director.

Sara Fornasiero, Vincenzo Russi, and Angelo Iori have suitable knowledge and experience on accounting and financial matters. Upon their appointment, the Board of Directors evaluated and deemed adequate the background and experience of the Remuneration Committee's members.

The Remuneration Committee is governed by its own internal rules, which were updated on 15 March 2021, also in light of the new provisions of the Corporate Governance Code, which governs the composition and tasks of and procedures for operation of the Committee.

3.2 Duties and procedures for operation of the Remuneration Committee

The Remuneration Committee is responsible for:

- helping the Board of Directors to prepare the remuneration policy;
- presenting proposals and providing opinions to the Board of Directors regarding the remuneration of the Chief Executive Officer and directors with specific duties, as well as the establishment of performance objectives in connection with the variable component of such remuneration,
- monitoring the application, in practice, of the remuneration policy, verifying especially the actual achievement of performance objectives; and
- periodically assessing the adequacy and overall consistency of the remuneration policy, including the criteria adopted to determine the compensation of the Executive Directors and of the executives with strategic responsibilities, also on the basis of the information provided by the Chief Executive Officers.

In connection with the performance of its duties, the Remuneration Committee has access to such information and business departments as it may require, and it has not considered it necessary to rely on external advisors, drawing instead upon internal resources. The Remuneration Committee has not made use of the services of any advisor for the purposes of obtaining information on remuneration practices in the market.

4. REMUNERATION POLICY

4.1 Policy, purpose and duration

The remuneration policy implemented by the Company reflects the criteria set out in the Consolidated Finance Act and the Issuers' Regulations. More in detail:

- (i) it contributes to the corporate strategy because it aims to attract, motivate and retain the human resources who have the professional skills required to profitably pursue the Group's objectives;
- (ii) it contributes to the pursuit of short to medium and long-term interests of the Issuer because (i): the variable part of the compensation of the Directors vested with special responsibilities and of the executives with strategic responsibilities has a considerable percentage of incidence on the overall compensation also in relation to the fixed component, and (ii) a major portion of the variable component of the compensation of the Directors vested with special responsibilities and of the executive managers with strategic responsibilities is linked to strategic, and highly challenging performance objectives, such as (a) for example revenues, Adjusted EBITDA, operating cash flow, working capital performance indicators, parameters relating to the application of ESG principles, for the short-term variable compensation, and (b) Total Shareholder Return and Operating Cash Flow (OCF) for the new Performance Shares Plan 2022-2024, all of this financial and performance data can be clearly appreciated by the market;
- the consistency with the pursuit of **short- to medium-term interests** of the Issuer is also guaranteed by the terms of payment of the variable component, which is paid according to progressive thresholds based on the performance objectives reached. Consequently, in the event that all the objectives are achieved, the maximum amount of the variable component is paid as variable remuneration; conversely if none of the performance objectives is achieved, no amount is paid as variable remuneration.
 - the consistency with the pursuit of the **long-term interests** of the Issuer is also guaranteed by the new Performance Shares Plan 2022-2024, *i.e.* by a compensation plan based on the free allocation of ordinary shares of the Company, according to the level of achievement of the established performance targets, to be verified upon termination of a three-year vesting period;
- (iii) it contributes to the sustainability of the Company, because it provides for a large part of the remuneration to be dependent on the creation of long-term value for the shareholders and for the Company as a whole, thus promoting behaviour intended to increase the Company's overall value and to align the interests of the management to the interests of the shareholders, with a view of generating value over the medium to long term;
- (iv) it is determined taking into account the compensation payable to, and work conditions of, the Company's subordinate employees, because it is based on the principles of fairness, parity of treatment and meritocracy, taking into account the commitment and the responsibilities related to the role and the powers granted to each addressee, with the objective of not creating any unjustified imbalance between the compensation granted to the members of the corporate bodies and executives with strategic responsibilities and the compensation granted to subordinate employees.

- (v) it provides that all the Directors be paid compensation as determined upon appointment of the Shareholders' Meeting, which determines the gross amount payable to each Director or to the entire Board for the term of office. Such gross annual compensation is not linked to the achievement of economic results, but to the skills, professionalism and efforts requested from each Director to perform the duties of the office. The members of the Board of Directors also receive reimbursement for the documented costs incurred by them in the exercise of their duties;
- (vi) it provides that the Executive Directors with special responsibilities, in addition to the fixed compensation due to them as members of the Board of Directors as determined by the Shareholders' Meeting at the time of their appointment, may receive, upon proposal of the Remuneration Committee, having heard the opinion of the Board of Statutory Auditors, additional compensation that includes a fixed component and a variable component, which are to be adequately balanced in light of the Company's strategic objectives and risk management policy, also taking into account the sector in which the Issuer operates:
- the **fixed component** of this compensation is sufficient to compensate the performance of the beneficiary should the variable component not be paid because of non-achievement of the performance objectives set by the Board for Executive Directors;
 - the **variable component** is a significant portion of the Executive Directors' compensation and is an incentive, providing for compensation that is conditional upon the achievement of predefined, highly challenging, performance objectives (described in more detail below) that take into account the role of the Executive Directors, the commitment requested for performance of their duties, as well as the Company's position in the market, its size and prospects for development; moreover, the variable component is linked to the achievement of both the short and medium-long term performance objectives (Performance Shares Plan 2022-2024);
- (vii) it provides that the executives with strategic responsibilities receive compensation that is composed of a fixed component and of a variable component (the latter being a significant part of the overall compensation), similarly to what is provided for the Executive Directors with special responsibilities, as described in more detail in paragraph 4.2 1(1)F below;
- the **fixed component** of this remuneration is sufficient to compensate the performance of the beneficiary should the variable component not be paid because of the non-achievement of the corporate or individual performance objectives;
 - the **variable component** is a significant portion of the compensation for executives with strategic responsibilities and is an incentive, providing for compensation that is conditional upon the achievement of predefined, highly challenging performance objectives (described in more detail below) that take into account the role of the executives with strategic

responsibilities, the commitment requested for performance of their duties, as well as the Company's position in the market, size and prospects for development; moreover, the variable component is linked to the achievement of both short and medium-long term performance objectives (Performance Shares Plan 2022-2024);

- (viii) it provides that the Board of Directors has the right to adopt specific procedures intended to prevent any disputes and to limit the risk of litigation in the event of early termination of their directorship or employment for specific causes (for instance, resignation and/or revocation for cause or without cause, etc.).

On defining this remuneration policy, at the meeting on 29 March 2022, the Board of Directors took consideration of the remuneration policy guide-lines approved for the Financial Year 2021, making the necessary amendments in light of developments in the Company's business, the new Strategic Plan and in consideration of the appointment of the new Board of Directors. On defining the remuneration policy consideration was also taken of the votes cast during the Shareholders' Meeting held on 29 April 2021, during which 100% of the Shareholders in attendance (equal to 80.569% of the overall voting rights) approved the first section of the Report, and expressed a favourable opinion on the second section of the Report.

The remuneration policy refers to an annual period of time.

4.2 The components of the remuneration

The remuneration policy adopted by the Company follows different principles and modalities in relation to the fixed component and to the short and medium-long term variable component for each type of addressee.

A Remuneration policy for the office as Director

Pursuant to article 20 of the By-laws and article 2389 of the Civil Code, the compensation for all the members of the Board of Directors is determined by the Shareholders' Meeting at the time the Directors are appointed.

The Shareholders' Meeting on 29 April 2019 determined the annual, gross compensation payable to the Board for the 2019-2021 mandate, as overall Euro 202,500, to be divided among all the members of the Board of Directors and to be on a *pro rata temporis* basis, and resolved that each Director would receive an attendance fee of Euro 500 for each meeting of the Board he or she attends, which is inclusive of any expense or cost that the Director may incur to attend the meeting.

On the same date, the meeting of the Board of Directors approved the break-down of the compensation among the members of the Board approved by the Shareholders' Meeting, thus attributing annual gross compensation of Euro 100,000 to the Chair of the Board of Directors, Stefano Landi; annual gross compensation of Euro 15,000 to the Honorary Chair of the Board, Giovannina Domenichini; and annual gross compensation of Euro 12,500 to each of the other Directors.

The 2022 Shareholders' Meeting will determine the fees for the Board of Directors for the 2022-2024 mandate, and the Board of Directors that will be appointed for the 2022-2024 mandate will determine the distribution of that fee amongst its members, in

consideration of and consistently with provisions for the previous mandate and described above.

B Remuneration policy for Non-executive Directors

The compensation of the Non-executive Directors is linked to their skills, professionalism and the commitment required of each of them for the performance of their role. No provision is made for variable remuneration and the Non-executive Directors are not addressees of any remuneration plans based on shares or other financial instruments.

C Remuneration policy in relation to membership in Committees

Non-Executive Directors who are members of Committees within the Board of Directors will receive further compensation for such role, in addition to the compensation for the office of Director.

With a resolution of the Board on 29 April 2019, the Company has determined to pay compensation of Euro 7,500 to Directors who are also members of an internal Committee within the Board of Directors, namely the Audit and Risk Committee and the Remuneration Committee.

The Board of Directors that will be appointed for the 2022-2024 mandate will determine the fees for participation in Committees, in consideration of and consistently with the provisions for the previous mandate and described above.

D Remuneration policy for Independent Directors

The remuneration of independent directors is equal to remuneration of other Non-executive directors, it is linked to their skills, professionalism and the commitment required of each of them for the performance of their role. No provision is made for variable remuneration and they are not entitled to remuneration plans based on shares or other financial instruments..

E Compensation policy for the Executive Directors

Pursuant to the combined provisions of article 2389, third paragraph of the Civil Code and article 20 of the By-laws, the compensation for Directors with special responsibilities is determined by the Board of Directors, upon proposal of the Remuneration Committee and after having heard the opinion of the Statutory Board of Auditors. The compensation is composed of:

- a **fixed component**, determined congruously in light of the special responsibilities and mandates accepted;
- an **annual variable component**, up to a pre-defined maximum amount, commensurate to the achievement of specific performance objectives and/or to the economic results achieved by the Company in the **short term**; and

- a **medium-long term variable component**, based on an allocation of shares and commensurate to the achievement of specific performance objectives achieved by the Company in the **medium-long term** (Performance Shares Plan 2022-2024).

The *fixed component* of this compensation is sufficient to compensate the performance of the beneficiary should the variable component not be paid because of the non-achievement of the performance objectives set by the Board for Executive Directors.

On 15 March 2021, the Board of Directors determined the fixed, annual, gross compensation payable in Financial Year 2021 to Directors with special responsibilities as Euro 387,500, divided as follows: to Stefano Landi, in his capacity as Chairman of the Board of Directors, Euro 300,000; and to Cristiano Musi, in his capacity as Chief Executive Officer of the Company, Euro 87,500, in each case on a *pro rata temporis* basis.

The Board of Directors that will be appointed for the 2022-2024 mandate will determine the fixed and variable compensation for directors vested with special responsibilities substantially in line with provisions for the previous year.

The Chief Executive Officer and General Manager also receives, as remuneration for the office of General Manager in the context of an executive employment relationship with the Company, a gross fixed annual remuneration of Euro 260,000.

The *variable component* of the compensation is an incentive, providing for compensation that is conditional upon the achievement of short and medium-long term performance objectives.

In relation to the *short-term variable remuneration*, the Board of Directors to be appointed will, upon proposal of the Remuneration Committee and with the Board of Statutory Auditors' favourable opinion, determine the variable remuneration to be paid in favour each of the Executive Directors that will be subject to the achievement of specific objectives, to be identified amongst economic-financial performance targets for the Group, including revenues, Adjusted, EBITDA, Operating Cash flow (OCF), Working Capital performance indicators, and non-financial targets in the context of ESG, which can be environmental, such as Ecological Impacts, social such as Human Rights & Community Relations, relative to Human Capital, such as Employee Health & Safety, or to the Business Model and Innovation such as Product Design & Lifecycle Management, and to Leadership and Governance such as Competitive Behaviour, determining their relative percentage weight, on the basis of the following guidelines:

- (a) for the Chief Executive Officer, the maximum amount of said variable remuneration will be equal to (i) 75% of the gross fixed annual remuneration due to the Chief Executive Officer (inclusive of the fixed compensation he earns as manager and General Manager of the Company, as well as the fixed remuneration he earns as Chief Executive Officer) in the event of over performance;

- (b) for the other Executive Directors, the maximum amount of said variable remuneration will be equal to 40% of the relevant fixed gross annual remuneration, both in the event that the objectives are achieved at target level and in the event of over performance;
- (c) in the event that none of the objectives identified are achieved, the Executive Directors will receive no amount as variable component;
- (d) in the event that only some of the aforesaid objectives are achieved, each Executive Director will receive the corresponding percentage of the gross annual variable remuneration.

With regard to the *medium to long-term variable remuneration*, see paragraph G below, which includes a description of the Performance Shares Plan 2022-2024.

F Remuneration policy for executives with strategic responsibilities

The compensation for executives with strategic responsibilities who are not also Executive Directors is composed of a fixed component and a variable component.

The *fixed component* is sufficient to compensate the performance of the executive should the variable component not be paid because of the non-achievement of the company and individual performance objectives. With respect to the remuneration paid to the General Manager of the Company, please see paragraph E above.

Also in this case, the *variable* component is linked to the achievement of short and medium-long term performance objectives.

The *financial performance* objectives for variable compensation are measurable on the basis of quantitative and qualitative economic and financial indicators relating to the Group, including revenues, Adjusted EBITDA, Operating Cash flow (OCF), Working Capital performance indicators, and non-financial targets in the context of ESG, which can be environmental, such as Ecological Impacts, social such as Human Rights & Community Relations, relative to Human Capital, such as Employee Health & Safety, or to the Business Model and Innovation such as Product Design & Lifecycle Management, and to Leadership and Governance such as Competitive Behaviour.

In relation to the *short-term variable component*, it is provided that the executives with strategic responsibilities, that could be identified from time to time, would receive a variable component of remuneration subject to the achievement of the specific financial and non-financial objectives, indicated above, without prejudice to the fact that:

- (a) the maximum amount of the variable remuneration attributable to each of the executives with strategic responsibilities will not be higher than 50% of the gross fixed component of their remuneration and may vary according to the role of the executives;
- (b) the maximum amount of the variable remuneration will be paid as follows:
 - (i) no more than 40% of the variable remuneration to be paid to each executive with strategic responsibilities upon achievement of the economic-financial performance objectives, in the manner and

according to the mechanisms established for the Executive Directors;
and

- (ii) no more than 70% of the variable remuneration payable to each executive with strategic responsibilities upon achievement of the non-financial and/or individual performance objectives;

With regard to the *medium to long-term variable component of remuneration*, see paragraph G below, containing a description of the Performance Shares Plan 2022-2024.

In consideration of Landi Renzo's corporate and organizational structure, at the date of this Report, the Company did not deem it necessary to identify executives with strategic responsibilities, besides the Chief Executive Officer and General Manager, Mr Cristiano Musi, or any other executives vested with powers or direct or indirect responsibilities in respect of the planning, management and control of the Company.

G Stock-based incentive plans for Executive Directors and executives with strategic responsibilities

On 29 March 2022 the Board of Directors approved the new "*Performance Shares Plan 2022-2024*" (the "**Performance Shares Plan 2022-2024**" or the "**Plan**") which provides for the allocation to beneficiaries of rights to receive ordinary shares in the Company (in the amount of one share assigned for each right allocated), free of charge, subject to fulfilment of the entry gate condition and achievement of performance objectives, upon termination of a three-year vesting period. This Plan will be submitted for approval by the Shareholders' Meeting of the Issuer on 29 April 2022.

(a) Addressees of the plan, reasons supporting adoption of the plan, and main characteristics

The Plan constitutes a valid instrument for the purpose of retaining the loyalty of Beneficiaries, as persons who hold key roles for the achievement of the Company objectives and more in general, those of the Group, and of aligning the interests of key company resources with those of shareholders.

The Plan intends to:

- align the interests of beneficiaries with those of shareholders and investors;
- link the remuneration of beneficiaries, in consideration of their role and duties within the Company or its subsidiaries, to actual performance by the Company and to the creation of new value and the achievement of specific previously established medium-long term objectives;
- implement retention policies to generate loyalty amongst beneficiaries and incentivise them to remain with the Company or its subsidiaries;
- implement attraction policies for talented managers and professionals.

The Performance Shares Plan 2022-2024 provides – subject to fulfilment of the entry gate condition and conditional upon achievement of the performance objectives and at the terms and conditions set out in the Plan Rules – for the allocation of rights to receive

for no consideration an aggregate of up to 2,100,000 ordinary shares of the Company (in the amount of one share assigned for each right allocated), to be assigned to the Chief Executive Officer and General Manager of the Company, to be appointed for the 2022-2024 mandate, and other executives identified by the Board of Directors having heard the opinion of the Remuneration Committee, on the basis of their contribution to the business, degree of autonomy and the complexity of their role. The value of the initial allocation of rights to receive shares shall in any case not exceed an amount equal to 3 times the gross fixed annual remuneration for the Chief Executive Officer and General Manager (including the fixed emolument received as executive and General Manager and the fixed emolument received as Chief Executive Officer) and 2.5 times the gross fixed annual remuneration for executives with strategic responsibilities.

The Board of Directors is competent for the implementation of the Performance Shares Plan 2022-2024 and, as indicated in the information document which will be submitted for approval by the Shareholders' Meeting of 29 April 2022, the Board will be in charge of the management and implementation of the plan, availing itself of the procedural and advisory support of the Remuneration Committee.

(b) *Performance objectives*

The allocation of Landi Renzo ordinary shares is subject to fulfilment of the entry gate condition and to achievement of the performance objectives set out below.

The achievement of these performance objectives will be ascertained by the Board of Directors, having heard the opinion of the Remuneration Committee, upon expiry of the vesting period on the terms provided by the Plan Rules.

The allocation of the shares is primarily conditional upon achievement - upon expiry of the vesting period - of the objective linked to TSR in an amount equal to at least 50% (entry gate). No share will therefore be allocated if the entry gate condition is not fulfilled, even if, for example, the OCF is higher than the minimum accrual threshold.

Subject to fulfilment of the entry gate condition, the allocation of shares is further conditional upon the achievement of the performance objectives, upon expiry of the vesting period, that have been identified as follows:

- Total Shareholder Return (related pondered weight 50%);
- Operating Cash Flow or OCF (related pondered weight 50%).

The achievement of the performance objectives will determine the allocation of shares as follows:

TSR	Percentage of shares allottable
Lower than 50% of Target TSR	0%
Equal to or higher than 50% and lower than 75% of the Target TSR	50%

TSR	Percentage of shares allottable
Equal to or higher than 75% and lower than 100% of the Target TSR	75%
Equal to or higher than 100% of the Target TSR	100%

OCF	% of Shares allottable
Lower than 70% of Target OCF	0%
Equal to or higher than 70% and lower than 90% of the Target OCF	50%
Equal to or higher than 90% and lower than 100% of the Target OCF	75%
Equal to or higher than 100% of the Target OCF	100%

Commencing from the date on which the Company will have notified beneficiaries of achievement of the performance objectives and of the number of shares allottable, the beneficiaries may request the allotment of all or part of the allottable shares as follows (lock-up):

- a) up to 31/12/2025 the beneficiary may request the allotment of a maximum of 50% of the allottable shares;
- b) from 1/1/2026 to 31/12/2026 the beneficiary may request the allotment of all of the allottable shares in respect of which they have not already requested allotment pursuant to point (a) above.

As an alternative to the transfer of allottable shares, the beneficiary may request that all or part of the requested shares – at terms and conditions to be indicated in the Plan Rules – are sold on the market, enabling the beneficiary to receive an amount corresponding to the sale price for the shares, net of statutory withholdings, and subject to the settlement terms provided by market regulations, within the limits and at the terms provided by applicable regulations and by the Internal Dealing Code from time to time applicable (cash settlement).

Without prejudice to cash settlement provisions, beneficiaries will be required to retain at least 30% of the shares delivered:

- (i) for the Chief Executive Officer, for 3 years following the date of delivery of the shares; and

- (ii) for all other beneficiaries, for 2 years following the date of delivery of the shares.

In case of a cash settlement, the Plan Rules will establish suitable mechanisms to ensure that beneficiaries retain an investment in shares equal to 30% (thirty percent) of the shares delivered and/or of net income collected.

If, at the date of delivery of the Shares, the Beneficiary already holds shares, that beneficiary may provide evidence of this to the Company and those shares will be calculated for the purposes of verification of compliance by the beneficiary with lock-up obligations, according to terms and procedures to be established in the Plan Rules.

(c) ***Effects due to the termination of directorship / employment relationship of the beneficiaries***

The Performance Shares Plan 2022-2024 provides, as a condition for participation in the plan, for the existence of an employment and/or directorship relationship between the beneficiary and the Company or the relevant subsidiary.

For this purpose, we distinguish between:

- the "**Bad Leaver**" scenario, *i.e.* any termination of employment relationship for causes other than:
 - if the beneficiary is an employee: (i) voluntary resignation for the purposes of retirement and admission to a pension scheme or (ii) dismissal without cause or justified reason;
 - if a beneficiary has a directorship: (i) voluntary resignation without cause or (ii) expiration of the legal term of office and failed renewal of the mandate (in the absence of circumstances that would have entitled removal for cause) or (iii) illness or any other impediment that involves the inability and/or impossibility for the beneficiary to continually perform the directorship.
- the "**Good Leaver**" scenario, *i.e.* all termination scenarios other than the Bad Leaver scenarios

In case of termination in a Bad Leaver scenario before the shares are delivered, the beneficiary will fully and irrevocably lose the right to receive shares.

In case of termination in a Good Leaver scenario, the beneficiary will retain the right to participate in the Plan, however if termination occurs

- during the course of the vesting period, the rights to receive shares will accrue *pro-rata temporis*, proportional to the duration of the relationship during the vesting period, without prejudice to verification of fulfilment of the entry gate condition and achievement of the performance objectives, upon expiry of the vesting period;
- subsequent to expiry of the vesting period the beneficiary may request the allotment in a single instalment, of all allottable shares.

The above is without prejudice to the right for the Board of Directors to regulate particular cases, from time to time establishing the number of rights to receive shares that may still be subject to allotment and the related terms and conditions.

(d) ***Claw-back***

The Plan includes claw-back clauses. In particular if, within the 3rd (third) year following notification of accrual of the rights to receive shares, it is found on the basis of objective conditions that the entry gate and performance objectives have been calculated by the Board of Directors on the basis of data that has been revealed to be clearly erroneous or that the Beneficiary has engaged in conduct in breach of legal provisions and/or company rules (breach of Organisational, Management and Control Model and/or Code of Ethics pursuant to Legislative Decree 231/2001 or internal procedures for the Company or its Subsidiaries) and/or the Rules – the Company may exercise the right of claw-back, requiring the beneficiary to return all or part of the shares delivered or to transfer to the Company an amount equal to their value at the time of notification of accrual of the rights, or in case of a cash settlement, the return of all or part of the sums collected by the beneficiary.

Moreover if, within the 12th (twelfth) month following the date of expiry of the Plan:

- (a) the Beneficiary has been dismissed or removed for cause; or
- (b) the Company finds, in relation to a beneficiary whose employment or directorship has terminated following the date on which notification of accrual of the rights to receive shares was made, that there are circumstances which, if known, would have entitled the Company to terminate the relationship for cause prior to the date of notification of accrual of the rights to receive shares,

the Company may exercise the right of claw-back, requiring the Beneficiary to return all or part of the shares delivered, or to transfer to the Company an amount equal to their value at the date of delivery of the shares or, in case of a cash settlement, the return all or part of the sums receive by the Beneficiary for that purpose.

For further information on the Plan, please refer to the information document prepared pursuant to Article 84-*bis* and Scheme 7 of Annex 3A to the Issuers' Regulations, and to the communication pursuant to Article 84-*bis* (5) of the Issuers' Regulations, available on the Company website at <http://www.landirenzogroup.com/it/>, Investors section.

H Benefits in kind

Under the Company's compensation policy, some members of the Board of Directors and the executives with strategic responsibilities receive benefits in kind, such as a company car and mandatory insurance and social security coverage. The terms of such arrangements are agreed with the personnel department.

The Company's remuneration policy does not provide for any insurance or pension provision in addition to those mandatory by law.

I Lock-up agreements regarding financial instruments

As at the date of this Report, the Company has not entered into any agreements with provisions that restrict the sale or disposal of financial instruments following their acquisition, save for provisions relating to the lock-up period under the Performance Shares Plan 2022-2024.

J Policy relating to the remuneration provided for in the event of termination of office or employment relationship and non-competition agreements (including indemnities for directors in the event of resignation, dismissal or termination of employment following a tender offer, pursuant to article 123-bis, first paragraph, letter i) of the Consolidated Finance Act

There are treatments in place for the Chief Executive Officer and General Manager of the Company, in the event of termination of his office as Chief Executive Officer and/or his managerial employment relationship with the Company (i) at the initiative of the Company without just cause, or (ii) in the event of resignation of the Chief Executive Officer for cause, imputable to the Company, if after written notice of the Chief Executive Officer this is not remedied in the following 60 days and provided that the resignation is given in the 70 days following such notice, as well as, (iii) in the event of resignation of the Chief Executive Office within 180 days of the completion of an extraordinary transaction that results in a change of control of the Company affecting the position of the Chief Executive Officer resulting in a situation of actual professional detriment.

Specifically, if one of the above hypotheses of early termination occurs, the Chief Executive Officer and General Manager will be entitled to a total lump sum of 24 months of the fixed remuneration (including (i) the fixed remuneration received as a manager and General Manager, and (ii) the fixed emolument received as Chief Executive Officer and the short-term variable remuneration (calculated at the target value).

In addition, in case of revocation and/or non-renewal of the office or of the delegations attributed at the natural expiry date of the mandate, the Chief Executive Officer and Managing Director will be entitled to a total lump sum of 12 (twelve) months of fixed remuneration (including (i) the fixed remuneration received as a manager and General Manager, and (ii) the fixed emolument received as Chief Executive Officer and the short-term variable remuneration (calculated at the target value).

The indemnities indicated above will be paid subject to entry into a settlement agreement, to be formalised in the manner and forms indicated by the Company, concerning termination of office and of the employment relationship, provisions for broad reciprocal waivers relating to the relationship and its termination, in the context of a general and novative settlement.

Provision is also made for the Chief Executive Officer and Managing Director to undertake non-compete obligations and for a prohibition on poaching following termination of the agreement, for a period of 12 months from the date of termination. With respect to those commitments, provision is made for the payment to the Chief Executive Officer and General Manager of a gross amount equal to 12 months of the fixed remuneration (including (i) the fixed remuneration received as manager and General Manager, and (ii) the fixed compensation received as Chief Executive Officer,

and the short-term variable compensation (calculated at target value) at the date of termination, payable in 12 deferred monthly instalments starting from the date of termination.

In the event of termination of the relationship with the Company, regardless of the relevant reasons for that termination, the Chief Executive Officer and Managing Director shall remain available in the best interests of the Company, for a reasonable period of time to be agreed and in any case for maximum 6 months, for the purposes of the activities he may be required to perform in connection with the handover to his successor.

With regard to the effects deriving from the termination of the directorship and/or employment relationship of the beneficiaries of the Performance Shares Plan 2022-2024, please refer to section G (c) above.

As at the date of this Report, there are no other agreements in place between the Company and the members of its Board of Directors and/or executives with strategic responsibilities, that provide for pre-determined treatments in case of termination of office or resignation, nor non-compete agreements. No provision is made for the allocation or retention of benefits in kind in favour of the abovementioned persons for a period subsequent to termination of their relationship.

Consulting agreements may be entered into for a period subsequent to termination of the office of director.

K Remuneration policies of other companies potentially used as reference and criteria used for the choice of such companies. Independent experts who have contributed to the definition of the remuneration policy

In defining the general remuneration policy, the Company has not used as reference the remuneration policies of other companies.

For the definition of the long-term policy, the Company has been assisted by independent experts in the field.

L Remuneration of the Board of Statutory Auditors

Pursuant to article 2402 of the Civil Code the annual compensation of all members of the Board of Statutory Auditors is determined by the Shareholders' Meeting, for the entire term of their office, upon their appointment.

For the 2019-2021 period, the Shareholders' Meeting on 29 April 2019 determined annual, gross compensation, *pro rata temporis*, as follows: Euro 35,000 for the Chair of the Board of Statutory Auditors, Euro 25,000 for the standing members of the Board of Statutory Auditors, for the financial years ending on 31 December 2019, 2020 and 2021, plus reimbursement of documented expenses incurred during exercise of their office, in accordance with the By-laws. The compensation was determined taking into account criteria such as the professional skills and experience of each member and of the commitment, in terms of time, required to perform the duties of the office.

The Shareholders' Meeting will determine the fee for members of the Board of Statutory Auditors for the new mandate.

M Exceptional circumstances

As provided by paragraph 3-*bis* of Article 123-*ter* of the Consolidated Finance Act, the Board of Directors, upon proposal by the Remuneration Committee and in accordance with the procedure for related party transactions, can, in case of exceptional circumstances, temporarily depart from elements of the remuneration policy provided under paragraph 4.2 of this Section I of the remuneration policy.

Exceptional circumstances are situations in which the departure from the remuneration policy is necessary to pursue the long-term interests and sustainability of the Company as a whole or to ensure its ability to stay in the market,

SECTION II

FIRST PART

5. COMPENSATION TO THE BOARD OF DIRECTORS

Stefano Landi, Chairman of the Board of Directors and Executive Director

During the Financial Year 2021, the Chairman of the Board of Directors, Mr Stefano Landi, received – consistently with the remuneration policy adopted by the Company – compensation of Euro 400,000, non-monetary benefits for Euro 3,749 and Euro 4,500 as attendance fees for his attendance at the meetings of the Board of Directors.

With regard to variable remuneration, no fee was paid since the Chief Executive Officer and Chairman waived that part of the remuneration.

The table below sets out and compares information for the financial years started as from 1° January 2019 and shows, for each financial year: (i) the overall compensation of Mr Stefano Landi, (ii) the Group's results and (iii) the annual average gross remuneration, for full-time employees, of the subordinate employees other than the persons whose remuneration is described in this section¹:

Financial Year	2019	2020	2021
Total compensation for Stefano Landi	526,326	407,305	408,249
Group revenues	191,851,965	142,454,705	241,994,319
Annual average gross remuneration for full-time employees other than the persons listed in this section	41,367	42,719	42,391

Cristiano Musi, Executive Director, Chief Executive Officer and General Manager

During the Financial Year 2021, the Chief Executive Officer, Mr Cristiano Musi, received – consistently with the remuneration policy adopted by the Company – compensation of Euro 100,000, non-monetary benefits for Euro 4,113, and Euro 4,500 as attendance fees for his attendance at the meetings of the Board of Directors.

During the Financial Year 2021, Mr Cristiano Musi received a gross compensation of Euro 260,000, for his role as executive and General Manager of the Company.

With regard to short-term variable remuneration, in relation to the Financial Year 2021, both the Chief Executive Officer and the Chairman of the Board of Directors waived the short-term remuneration.

¹ The values set in the table are in Euro.

With regard to the Performance Shares Plan 2019-2021, which Mr Cristiano Musi is a beneficiary of in his capacity as General Manager, no shares were allotted since the conditions for implementation of the Plan were not fulfilled, and it therefore concluded without the allotment of shares.

The table below sets out and compares information for the financial years started as from 1° January 2019 and shows, for each financial year: (i) the overall compensation of Mr Cristiano Musi, (ii) the Group's results and (iii) the annual average gross remuneration, for full-time employees, of the subordinate employees other than the persons whose remuneration is described in this section²:

Financial Year	2019	2020	2021
Total compensation for Cristiano Musi	582,287	367,874	368,613
Group revenues	191,851,965	142,454,705	241,994,319
Annual average gross remuneration for full-time employees other than the persons listed in this section	41,367	42,719	42,391

Giovanna Domenichini, Honorary Chair and Non-Executive Director

During the Financial Year 2021, Non-Executive Director Giovanna Domenichini received – consistently with the remuneration policy adopted by the Company – compensation of Euro 15,000.

The table below sets out and compares information for the financial years started as from 1° January 2019 and shows, for each financial year: (i) the overall compensation of Ms Giovanna Domenichini, (ii) the Group's results and (iii) the annual average gross remuneration, for full-time employees, of the subordinate employees other than the persons whose remuneration is described in this section³:

Financial Year	2019	2020	2021
Total compensation for Giovanna Domenichini	16,000	15,000	15,000
Group revenues	191,851,965	142,454,705	241,994,319

² The values set in the table are in Euro.

³ The values set in the table are in Euro.

Annual average gross remuneration for full-time employees other than the persons listed in this section	41,367	42,719	42,391
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Silvia Landi, Non-Executive Director

During the Financial Year 2021, Non-Executive Director Silvia Landi received – consistently with the remuneration policy adopted by the Company – compensation of Euro 12,500 and Euro 4,000 as attendance fees for her attendance at the meetings of the Board of Directors.

The table below sets out and compares information for the financial years started as from 1° January 2019 and shows, for each financial year: (i) the overall compensation of Ms Silvia Landi, (ii) the Group's results and (iii) the annual average gross remuneration, for full-time employees, of the subordinate employees other than the persons whose remuneration is described in this section⁴:

Financial Year	2019	2020	2021
Total compensation for Silvia Landi	14,500	16,000	16,500
Group revenues	191,851,965	142,454,705	241,994,319
Annual average gross remuneration for full-time employees other than the persons listed in this section	41,367	42,719	42,391

Vincenzo Russi, Independent and Non-Executive Director

During the Financial Year 2021, Independent Director Mr. Vincenzo Russi received – consistently with the remuneration policy adopted by the Company – compensation of Euro 12,500, Euro 4,500 as attendance fees for his attendance at the meetings of the Board of Directors, and Euro 15,000 as compensation for his role as member of the Audit and Risk Committee and the Remuneration Committee.

The table below sets out and compares information for the entire period of office of Mr Vincenzo Russi and shows: (i) the overall compensation of Mr Vincenzo Russi, (ii) the Group's results and (iii) the annual average gross remuneration, for full-time employees, of the subordinate employees other than the persons whose remuneration is described in this section⁵:

Financial Year	2019	2020	2021
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⁴ The values set in the table are in Euro.

⁵ The values set in the table are in Euro.

Total compensation for Vincenzo Russi	25,459	31,000	32,000
Group revenues	191,851,965	142,454,705	241,994,319
Annual average gross remuneration for full-time employees other than the persons listed in this section	41,367	42,719	42,391

Sara Fornasiero, Independent and Non-Executive Director and Lead Independent Director

During the Financial Year 2021, Independent Director Ms Sara Fornasiero received – consistently with the remuneration policy adopted by the Company – compensation of Euro 12,500, Euro 4,500 as attendance fees for her attendance at the meetings of the Board of Directors, as well as Euro 15,000 as compensation for her role as member of the Audit and Risk Committee and the Remuneration Committee and Euro 5,000 for her role as member of the Supervisory Body of the Company.

Furthermore, during the Financial Year 2021 Ms Sara Fornasiero received compensation of Euro 5,000 as attendance fees for her attendance at the meetings of the Supervisory Body (*Organismo di Vigilanza*) of the controlled company Safe S.p.A..

The table below sets out and compares information for the financial years started as from 1° January 2019 and shows, for each financial year: (i) the overall compensation of Ms Sara Fornasiero, (ii) the Group's results and (iii) the annual average gross remuneration, for full-time employees, of the subordinate employees other than the persons whose remuneration is described in this section⁶:

Financial Year	2019	2020	2021
Total compensation for Sara Fornasiero	40.000	43.500	42,000
Group revenues	191,851,965	142,454,705	241,994,319
Annual average gross remuneration for full-time employees other than the persons listed in this section	41,367	42,719	42,391

Paolo Emanuele Maria Ferrero, Non-Executive Director

During the Financial Year 2021, the Non-Executive director, Mr Paolo Emanuele Maria Ferrero, received – consistently with the remuneration policy adopted by the Company

⁶ The values set in the table are in Euro.

– compensation of Euro 12,500, as well as Euro 4,500 as attendance fees for participation in the meetings of the Board of Directors.

During the Financial Year 2021, the non-executive Director Mr Paolo Emanuele Maria Ferrero also received a fee equal to Euro 65,912.60 under a consulting agreement with the Company.

The table below sets out and compares information for the entire period of office of Mr Paolo Emanuele Maria Ferrero and shows: (i) the overall compensation of Mr Paolo Emanuele Maria Ferrero, (ii) the Group's results and (iii) the annual average gross remuneration, for full-time employees, of the subordinate employees other than the persons whose remuneration is described in this section⁷:

Financial Year	2019	2020	2021
Total compensation for Mr Paolo Ferrero	346,140	339,693	82,912.60
Group revenues	191,851,965	142,454,705	241,994,319
Annual average gross remuneration for full-time employees other than the persons listed in this section	41,367	42,719	42,391

Angelo Iori, Non-Executive Director

During the Financial Year 2021, Non-Executive Director Angelo Iori received – consistently with the remuneration policy adopted by the Company – compensation of Euro 12,500, Euro 4,500 as attendance fees for his attendance at the meetings of the Board of Directors, and Euro 15,000 as compensation as member of the Audit and Risk Committee and the Remuneration Committee.

The table below sets out and compares information for the financial years started as from 1° January 2019 and shows, for each financial year: (i) the overall compensation of Mr Angelo Iori, (ii) the Group's results and (iii) the annual average gross remuneration, for full-time employees, of the subordinate employees other than the persons whose remuneration is described in this section⁸:

Financial Year	2019	2020	2021
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⁷ The values set in the table are in Euro.

⁸ The values set in the table are in Euro.

Total compensation for Angelo Iori	29,500	30,500	32,000
Group revenues	191,851,965	142,454,705	241,994,319
Annual average gross remuneration for full-time employees other than the persons listed in this section	41,367	42,719	42,391

Dario Patrizio Melpignano, Non-executive Director

In the Financial Year 2021, Non-Executive Director Mr Dario Patrizio Melpignano received – consistently with the remuneration policy adopted by the Company – compensation of Euro 12,500, and Euro 4,500 as attendance fees for his attendance at the meetings of the Board of Directors.

The table below sets out and compares information for the financial years started as from 1° January 2020 and shows, for each financial year: (i) the overall compensation of Dario Patrizio Melpignano (with reference to the 2020 Financial Year, commencing from his appointment), (ii) the Group's results and (iii) the annual average gross remuneration, for full-time employees, of the subordinate employees other than the persons whose remuneration is described in this section⁹:

Financial Year	2020	2021
Total compensation for Dario Patrizio Melpignano	2,179	17,000
Group revenues	142,454,705	241,994,319
Annual average gross remuneration for full-time employees other than the persons listed in this section	42,719	42,391

6. COMPENSATION TO THE BOARD OF STATUTORY AUDITORS

Fabio Zucchetti, Chair of the Board of Statutory Auditors

During the Financial Year 2021, Mr Fabio Zucchetti received – consistently with the remuneration policy adopted by the Company – compensation of Euro 35,000 and Euro 652 as reimbursement for expenses..

The table below sets out and compares information for the full period during which Mr Fabio Zucchetti was in office and shows, for each financial year: (i) the overall compensation of Mr Fabio Zucchetti, (ii) the Group's results and (iii) the annual average

⁹ The values set in the table are in Euro.

gross remuneration, for full-time employees, of the subordinate employees other than the persons whose remuneration is described in this section¹⁰:

Financial Year	2019	2020	2021
Total compensation for Fabio Zucchetti	23,685	35,744	35,652
Group revenues	191,851,965	142,454,705	241,994,319
Annual average gross remuneration for full-time employees other than the persons listed in this section	41,367	42,719	42,391

Diana Rizzo, Standing Statutory Auditor

During the Financial Year 2021, Ms. Diana Rizzo received – consistently with the remuneration policy adopted by the Company – compensation of Euro 25,000.

The table below sets out and compares information for the financial years started as from 1° January 2019 and shows, for each financial year: (i) the overall compensation of Ms Diana Rizzo, (ii) the Group's results and (iii) the annual average gross remuneration, for full-time employees, of the subordinate employees other than the persons whose remuneration is described in this section¹¹:

Financial Year	2019	2020	2021
Total compensation for Diana Rizzo	25,000	25,000	25,000
Group revenues	191,851,965	142,454,705	241,994,319
Annual average gross remuneration for full-time employees other than the persons listed in this section	41,367	42,719	42,391

Domenico Sardano, Standing Statutory Auditor

¹⁰The values set in the table are in Euro.

¹¹The values set in the table are in Euro.

During the Financial Year 2021, Mr Domenico Sardano received— consistently with the remuneration policy adopted by the Company – compensation of Euro 25,000, as well as Euro 5,000 as attendance fees for his attendance at the meeting of the Supervisory Body (*Organismo di Vigilanza*) of the Company.

Furthermore, Mr Domenico Sardano for his role as standing statutory auditor in the subsidiaries Safe S.p.A. and Safe&Cec S.r.l. has received compensations of, respectively, Euro 10,000 and Euro 5,000.

The table below sets out and compares information for the financial years started as from 1° January 2019 and shows, for each financial year: (i) the overall compensation of Mr Domenico Sardano, (ii) the Group's results and (iii) the annual average gross remuneration, for full-time employees, of the subordinate employees other than the persons whose remuneration is described in this section¹²:

Financial Year	2019	2020	2021
Total compensation for Domenico Sardano	65,000	65,000	45,000
Group revenues	191,851,965	142,454,705	241,994,319
Annual average gross remuneration for full-time employees other than the persons listed in this section	41,367	42,719	42,391

7. **COMPENSATION TO GENERAL MANAGERS AND EXECUTIVES WITH STRATEGIC RESPONSIBILITIES**

In consideration of Landi Renzo's corporate and organisational structure, the Company did not deem it necessary to identify any other general managers and/or executives with strategic responsibilities, in addition to Chief Executive Officer and General Manager Cristiano Musi, and Chairman of the Board of Directors, Mr Stefano Landi, as no other executives are vested with powers or direct or indirect responsibilities in respect of the planning, management and control of the Issuer.

For the Financial Year 2021, there was no departure from the remuneration policy adopted by the Company and no ex post correction mechanisms were applied to the variable part of remuneration.

Moreover, during the Financial Year 2021, no indemnities and/or other benefits were awarded due to termination of office or of employment contracts, since there were no terminations of office or of employment during the course of the Financial Year 2021.

¹²The values set in the table are in Euro.

The Company took into account the favourable opinion expressed by the Shareholders' Meeting held on 29 April 2021 on the second section of the remuneration policy and the compensation paid in the Financial Year 2020, and used the same criteria used to award compensation for the Financial Year 2021.

SECTION II

SECOND PART

The following tables set forth details of compensation paid in Financial Year 2021, on any basis and in any form, by the Company or subsidiaries and affiliates of the Issuer.

TABLE 1 (Form 7-bis): Compensation paid to members of the Board of Directors and Board of Auditors, the General Manager and other executives with strategic responsibilities¹³

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Full name	Office held	Period for which office is held	Expiry of term of office	Fixed compensation	Compensation for participation in committees	Variable <i>non-equity</i> compensation		Non-monetary benefits	Other compensation	Total	Fair value of equity compensation	Indemnity at end of office or upon termination
Giovanna Domenichini	Honorary Chair	01/01/2021 - 31/12/2021	Approval of financial statements 2021			Bonus and other incentives	Profit sharing					
	Compensation from the company preparing the financial statements			15,000 (emoluments)						15,000		
	Compensation from subsidiaries and affiliates											
	Total			15,000						15,000		
Stefano Landi	Chairman of the Board of Directors	01/01/2021 - 31/12/2021	Approval of financial statements 2021			Bonus and other incentives	Profit sharing					
	Compensation from the company preparing the financial statements			100,000 (emoluments for his role as Chairman of the Board) 300,000 (emoluments for his role as Director with special responsibilities) 4,500 (attendance fees)					3,749	408,249		
	Compensation from subsidiaries and affiliates											
	Total			404,500					3,749	408,249		

¹³ Figures shown in the tables are in Euro.

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Full name	Office held	Period for which office is held	Expiry of term of office	Fixed compensation	Compensation for participation in committees	Variable non-equity compensation		Non-monetary benefits	Other compensation	Total	Fair value of equity compensation	Indemnity at end of office or upon termination
Cristiano Musi	Chief Executive Officer and General Manager	01/01/2021 - 31/12/2021	Approval of financial statements 2021			Bonus and other incentives	Profit sharing					
	Compensation from the company preparing the financial statements			12,500 (emoluments for his role as Director) 87,500 (emoluments for his role as Director with special responsibilities) 260,000 (compensation as employee) 4,500 (attendance fees)					4,113	376,261		
	Compensation from subsidiaries and affiliates											
	Total			364,500					4,113	368,613		
Silvia Landi	Director	01/01/2021 - 31/12/2021	Approval of financial statements 2021			Bonus and other incentives	Profit sharing					
	Compensation from the company preparing the financial statements			12,500 (emoluments) 4,000 (attendance fees)						16,500		
	Compensation from subsidiaries and controlled companies											
	Total			16,500						16,500		
Angelo Iori	Director	01/01/2021 - 31/12/2021	Approval of financial statements 2021			Bonus and other incentives	Profit sharing					

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Full name	Office held	Period for which office is held	Expiry of term of office	Fixed compensation	Compensation for participation in committees	Variable <i>non-equity</i> compensation		Non-monetary benefits	Other compensation	Total	Fair value of equity compensation	Indemnity at end of office or upon termination
	Compensation from the company preparing the financial statements			12,500 (emoluments) 4,500 (att. fees)	15,000 ¹⁴					32,000		
	Compensation from subsidiaries or controlled companies											
	Total			17,000	15,000					32,000		
	Compensation from subsidiaries and affiliates											
	Total			17,000	15,000					32,000		
Sara Fornasiero	Independent Director	01/01/2021-31/12/2021	Approval of financial statements 2021			Bonus and other incentives	Profit sharing					
	Compensation from the company preparing the financial statements			12,500 (emoluments) 4,500 (attendance fees) 5,000 ¹⁵ (Supervisory Board)	15,000 ¹⁶					37,000		
	Compensation from subsidiaries and affiliates			5,000						5000		
	Total			27,000	15,000					42,000		
Vincenzo Russi	Independent Director	01/01/2021-31/12/2021	Approval of financial statements 2021			Bonus and other incentives	Profit sharing					

¹⁴ Director Mr Angelo Iori is a member of (i) the Audit and Risk Committee (for this office he receives annual gross compensation of Euro 7,500) and (ii) the Remuneration Committee (for this office he receives annual gross remuneration of Euro 7,500).

¹⁵ Independent Director Ms Sara Fornasiero is a member of the Supervisory Board and for this office she receives annual gross compensation of Euro 5,000

¹⁶ Independent Director Ms Sara Fornasiero is a member of (i) the Audit and Risk Committee (for this office he receives annual gross compensation of Euro 7,500) and (ii) the Remuneration Committee (for this office he receives annual gross remuneration of Euro 7,500) and (iii) the Committed for transactions with related parties.

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Full name	Office held	Period for which office is held	Expiry of term of office	Fixed compensation	Compensation for participation in committees	Variable <i>non-equity</i> compensation		Non-monetary benefits	Other compensation	Total	Fair value of equity compensation	Indemnity at end of office or upon termination
	Compensation from the company preparing the financial statements			12,500 (emoluments) 4,500 (attendance fees)	15,000 ¹⁷					32,000		
	Compensation from subsidiaries and affiliates											
	Total			17,000	15,000					32,000		
Paolo Emanuele Maria Ferrero	Director	01/01/2021 – 31/12/2021	Approval of financial statements 2021			Bonus and other incentives	Profit sharing					
	Compensation from the company preparing the financial statements			12,500 (emoluments) 4,500 (attendance fees)					65,912.60	82,912.60		
	Compensation from subsidiaries and affiliates											
	Total			17,000					65,912.60	82,912.60		
Dario Patrizio Melpignano	Independent Director	01/01/2021 – 31/12/2021	Approval of 2021 Financial Statements									
	Compensation from the company preparing the financial statements			12,500 (emoluments) 4,500 (attendance fees)						17,000		
	Compensation from subsidiaries and affiliates											
	Total			17,000						17,000		

¹⁷ Independent Director Mr Vincenzo Russi is a member of (i) the Audit and Risk Committee (for this office he receives annual gross compensation of Euro 7,500) and (ii) the Remuneration Committee (for this office he receives annual gross remuneration of Euro 7,500) and (iii) the Committed for transactions with related parties

(A)	(B)	(C)	(D)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Full name	Office held	Period for which office is held	Expiry of term of office	Fixed compensation	Compensation for participation in committees	Variable <i>non-equity</i> compensation	Non-monetary benefits	Other compensation	Total	Fair value of equity compensation	Indemnity at end of office or upon termination
Fabio Zucchetti	Chair of the Board of Statutory Auditors	01/01/2021 – 31/12/2021	Approval of financial statements 2021			Bonus and other incentives	Profit sharing				
	Compensation from the company preparing the financial statements			35,000 (emoluments)	652 (reimbursement for expenses)				35,652		
	Compensation from subsidiaries and affiliates										
	Total			35,652					35,652		
Diana Rizzo	Standing Statutory Auditor	01/01/2021 - 31/12/2021	Approval of financial statements 2021			Bonus and other incentives	Profit sharing				
	Compensation from the company preparing the financial statements			25,000 (emoluments)					25,000		
	Compensation from subsidiaries and affiliates										
	Total			25,000					25,000		
Domenico Sardano	Standing statutory auditor	01/01/2021 - 31/12/2021	Approval of financial statements 2021			Bonus and other incentives	Profit sharing				
	Compensation from the company preparing the financial statements			25,000 (emoluments)	5,000 ¹⁸ (Supervisory Board)				30,000		
	Compensation from subsidiaries and affiliates			15,000					15,000		

¹⁸ The statutory auditor Domenico Sardano is a member of the Supervisory Board and receives a yearly gross compensation of Euro 5,000

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Full name	Office held	Period for which office is held	Expiry of term of office	Fixed compensation	Compensation for participation in committees	Variable <i>non-equity</i> compensation		Non-monetary benefits	Other compensation	Total	<i>Fair value of equity compensation</i>	Indemnity at end of office or upon termination
	Total			45,000						45,000		

TABLE 3B (Form 7-bis): Cash-based incentive schemes for members of the Board of Directors, general managers and other executives with strategic responsibilities¹⁹

A	B	(1)	(2)			(3)			(4)
Full name	Office held	Programme	Bonus for the year			Bonus for previous years			Other bonuses
			(A)	(B)	(C)	(A)	(B)	(C)	
Stefano Landi	Chair of the Board of Directors		Payable/paid	Deferred	Deferral period	No longer payable	Payable/paid	Deferred and unpaid	
(I) Compensation from the company preparing the financial statements		Programme A (under resolution of 15/03/2021)	0 ²⁰						
(II) Compensation from subsidiaries and affiliates									
(III) Total			0						

¹⁹ The following tables reflect all cash-based incentive programmes, both short- and medium-to-long-term, and the figures are in Euro.

²⁰ As shown by minutes of the Board of Directors meeting of 15 March 2022, the Chairman of the Board of Directors Stefano Landi waived the right to payment in his favour of the short-term variable remuneration owing to him for the 2021 financial year.

A	B	(1)	(2)			(3)			(4)
Full name	Office held	Programme	Bonus for the year			Bonus for previous years			Other bonuses
			(A)	(B)	(C)	(A)	(B)	(C)	
Cristiano Musi	Chief Executive Officer and General Manager		Payable/paid	Deferred	Deferral period	No longer payable	Payable/paid	Still deferred	
(I) Compensation from the company preparing the financial statement		Programme A (under resolution of 15/03/2021)	0 ²¹						
(II) Compensation from subsidiaries and associates									
(III) Total			0						

²¹ As shown by minutes of the Board of Directors meeting of 15 March 2022, the Chief Executive Officer, Cristiano Musi waived the right to payment in his favour of the short-term variable remuneration owing to him for the 2021 financial year

TABLE 1 (Form 7-ter): Shares owned by members of the Board of Directors and the Board of Statutory Auditors and by general managers

FULL NAME	OFFICE HELD	COMPANY IN WHICH SHARES ARE HELD	NUMBER OF SHARES HELD AT END OF PREVIOUS FINANCIAL PERIOD	NUMBER OF SHARES PURCHASED	NUMBER OF SHARES SOLD	NUMBER OF SHARES HELD AT END OF CURRENT FINANCIAL PERIOD
Angelo Iori	Director	Landi Renzo S.p.A.	1,000			1,000
Cristiano Musi	Chief Executive Officer and General Manager	Landi Renzo S.p.A.	20,000			20,000