

BOARD OF DIRECTORS' MEMORANDUM ON THE ITEMS ON THE AGENDA OF THE SHAREHOLDERS' MEETING OF PHARMANUTRA S.P.A. CONVENED FOR 26 APRIL 2021

Item 2 on the agenda

"2. Report on remuneration policy and remuneration paid:

2.1 Approval of the remuneration policy pursuant to article 123-ter, paragraph 3-ter, of Italian Legislative Decree no. 58/1998;

2.2 Resolutions on the "second section" of the report, pursuant to article 123-ter, paragraph 6, of Italian Legislative Decree no. 58/1998."

Dear Shareholders,

the Board of Directors of your Company has convened the ordinary Shareholders' Meeting for the presentation of the report on the remuneration policy and the remuneration paid (the "**Remuneration Report**" or the "**Report**") has been prepared pursuant to article 123-ter of Italian Legislative Decree no. 58 of 24 February 1998 (the "**TUF**"), as most recently novated by Italian Legislative Decree no. 49 of 10 May 2019 ("**Legislative Decree 49/2019**") – implementing Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 (so-called Shareholders' Right Directive II), amending Directive 2007/36/EC on the exercise of certain rights of shareholders in listed companies with regard to the encouragement of long-term commitment of shareholders (hereinafter, the consolidated text of Directive 2007/36/EC, the "**Directive**" or "**SHRD**") – and art. 84-quater of the Issuers' Regulation and has been prepared in accordance with Annex 3A, Schedule 7-bis and Schedule 7-ter of the Consob regulations adopted by resolution no. 11971 of 14 May 1999 (the "**Issuers' Regulation**"), as last amended.

The ordinary shares of the Company are traded on the Mercato Telematico Azionario organised and managed by Borsa Italiana S.p.A. ("MTA"), STAR segment, as of 15 December 2020 (the "**Trading Start Date**"), and that, therefore, the Remuneration Policy, described in this Section, as well as the Remuneration Report itself, are the first prepared by Pharmanutra S.p.A ("PHN", the "Company") in compliance with the regulations applicable to companies whose financial instruments are listed on a regulated market.

The Remuneration Report is divided into the following sections:

- (a) Section I – in compliance with articles 123-ter TUF and 9-bis of the Directive – illustrates the policy of Pharmanutra S.p.A. regarding the remuneration of the members of the Board of Directors and, without prejudice to the provisions of article 2402 of the Italian Civil Code, of the members of the Board of Statutory Auditors of the Company, as well as the procedures used for the adoption, review and implementation of such Policy, including the measures aimed at avoiding or managing any conflicts of interest.

Furthermore, pursuant to art. 84-*quater*, paragraph 2-*bis*, of the Issuers' Regulation, the remuneration policy described in Section I of the Report:

- indicates how it contributes to the corporate strategy, the pursuit of long-term interests and the sustainability of the Company and is determined taking into account the remuneration and working conditions of the Company's employees;
- defines the components of the remuneration to be recognized; sets clear, exhaustive and differentiated targets related to the variable component of such remuneration, based on both

financial and non-financial performances, including the promotion of the corporate social responsibility;

- specifies the elements of the policy to which, in the presence of exceptional circumstances indicated in art. 123-ter, paragraph 3-bis, of the TUF, it is possible to temporarily derogate and the procedural conditions on the basis of which, without prejudice to the provisions of Consob Regulation no. 17221/2010 regarding transactions with related parties, the exemption can be applied;

(b) Section II, by name, for the remuneration assigned to the Directors and Statutory Auditors:

- provides an adequate, clear and comprehensible representation of each of the items that make up the remuneration, including indemnities provided in the event of termination of office or termination of employment pointing out their compliance with the reference Remuneration Policy and the way in which remuneration contributes to the long-term results of the Company;
- analytically illustrates the remuneration paid in the reporting year for any reason and in any form by the Company and its subsidiaries or associates, indicating any components of said remuneration that refer to activities carried out in previous years and also specifying the remuneration to be paid in one or more subsequent years for activities carried out in the reporting year, possibly indicating an estimated value for components that cannot be objectively quantified in the reporting year.

Furthermore, Section II indicates the shareholdings held in the Company and its subsidiaries by members of the management and control bodies, as well as by their spouses (unless legally separated) and minor children, directly or through subsidiaries, trust companies or third parties, pursuant to the provisions of article 84-quater of the Issuers' Regulation.

The Remuneration Report will be made available to the public at the Company's registered office, on the website of Pharmanutra S.p.A. at www.pharmanutra.it (*Governance Section*) and on the "eMarket STORAGE" at list 21 (twenty-one) days before the Shareholder's Meeting.

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It should also be noted that the the Shareholders will also be called, pursuant to art. 123-ter, paragraph 3-bis TUF, to resolve on Section I of the Remuneration Report, with a binding resolution.

The Shareholders will also be called, pursuant to art. 123-ter, paragraph 6 TUF, to resolve on Section II of the Remuneration Report, with a non-binding resolution.

The outcome of the vote will be made available to the public in accordance with the law and pursuant to Articles 123-ter, paragraph 6, and 125-quater, paragraph 2, TUF.

In view of the above, we submit the following resolution for your approval:

Item 2.1 on the agenda:

"The General Shareholders' Meeting of Pharmanutra S.p.A., having evaluated the report on the remuneration policy and the remuneration paid prepared by the Board of Directors pursuant to article 123-ter of Italian Legislative Decree n. 58/1998

RESOLVES

to approve – pursuant to article 123-ter, comma 3-ter of the D.Lgs. n. 58/1998 and therefore with a binding resolution - the remuneration policy;

Item 2.2 on the agenda:

"The General Shareholders' Meeting of Pharmanutra S.p.A., having evaluated the section second of the report prepared by the Board of Directors pursuant to article 123-ter of Italian Legislative Decree n. 58/1998

RESOLVES

to approved - pursuant to article 123-ter, paragraph 6, of Italian Legislative Decree no. 58/1998 and therefore with a non-binding resolution - the 'second section' of the report.

Pisa, 22 March 2021

For the Board of Directors
The Chairman, Andrea Lacorte