



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

**(Report drafted pursuant to Article 123-ter of the TUF
and Article 84-quater of Consob Regulation No. 11971)**

SHAREHOLDERS' MEETING April 29, 2021

1. Introduction

This document (hereinafter, the “**Report**”) has been drawn up in accordance with Article 123-ter of Legislative Decree No. 58 of February 24, 1998 (“**TUF**”) and Article 84-quater of Consob Regulation No. 11971 (“**Issuers’ Regulation**”), and it comprises two sections:

- Section I details the remuneration policy of Safilo Group S.p.A. (the “**Company**” or “**Safilo**”) for the financial year 2021, approved by the Board of Directors on March 11, 2021, upon proposal of the Remuneration and Nomination Committee (the “**Policy**”).

In particular, the Policy describes (i) the Company’s policy regarding the remuneration of members of the Board of Directors, members of the Board of Statutory Auditors and managers with strategic responsibilities, and (ii) the procedures for approving and implementing the same.

- Section II provides a representation of the individual items that make up the remuneration of the members of the Board of Directors, the Board of Statutory Auditors and the managers with strategic responsibilities, as well as an analytical representation of the compensation paid to these subjects in the 2020 financial year, for any reason and in any form, by the Company and its subsidiaries.

2. Definitions

In this Report, the terms in bold shall have the meaning given to each of them herein below.

Annual Total Compensation: the sum of (i) the remuneration gross annual fixed component, (ii) the annual variable component which the beneficiary would receive upon reaching the Group financial performance targets (“**Short Term Achievement Reward**” or “**STAR**”), and (iii) the yearly update of the medium-long term variable component.

Chief Executive Officer: the director appointed as such by the Board of Director through the granting of ongoing managing powers.

Executive Directors: (i) the Chief Executive Officer of the Company; (ii) any other director possibly granted with management powers. The deputation of powers or the assignment of powers to directors without management duties only in urgent cases is not sufficient to classify the latter as executive directors, unless such powers are, *de facto*, exercised very frequently.

Group or Safilo Group: all the companies included in the consolidated financial statements SAFILO GROUP S.p.A..

Management: the Executive Directors and Managers with strategic responsibilities.

Managers with Strategic Responsibilities or top management: the managers, identified by the Company's Board of Directors, with the power and responsibility for planning, directing and controlling the activities of the Company and the Safilo Group.

Non-Executive Directors: the Company's directors, with no specific duties in the development of corporate strategies and/or individual (operational and/or management) delegations.

2014-2016 Stock Option Plan or 2014-2016 Plan: the stock-based remuneration plan resolved upon by Safilo's Shareholders' Meeting held on April 15, 2014, aimed at providing incentives for and retaining, inter alia, the Company's and/or its subsidiaries' Management.

2017-2020 Stock Option Plan or 2017-2020 Plan: the stock-based remuneration plan resolved upon by Safilo's Shareholders' Meeting held on April 26, 2017, as amended by Safilo's Shareholders' Meeting held on April 24, 2018 and April 30, 2019, aimed at providing incentives for and retaining, inter alia, the Company's and/or its subsidiaries' Management.

2020-2022 Stock Option Plan or 2020-2022 Plan: the stock-based remuneration plan resolved upon by Safilo's Shareholders' Meeting held on April 24, 2020, aimed at providing incentives for and retaining, inter alia, the Company's and/or its subsidiaries' Management.

SECTION I

1. Bodies and persons involved in drafting, approving and implementing the Policy

The main bodies and persons involved in drafting, approving and implementing the Policy are:

- a) *the Shareholders' Meeting*
- b) *the Board of Directors*
- c) *the Chief Executive Officer*
- d) *the Board of Statutory Auditors*
- e) *the Remuneration and Nomination Committee*

a) *The Shareholders' Meeting shall:*

- fix the remuneration of the Board of Directors, of the executive Committee, if any, and of the Statutory Auditors, according to Article 2364, paragraph 1, no. 3, of the Italian Civil Code;
- approve Section I of the report on the remuneration policy and on compensation paid (i.e. on this Policy);
- express non-binding consultative advice on Section II of the report on remuneration policy and on compensation paid (i.e. remuneration paid);
- resolve on equity or other remuneration plans, if any, reserved to the members of the Board of Directors, to employees or collaborators, according to Article 114-bis, TUF.

b) *The Board of Directors shall:*

- approve the Policy upon proposal of the Remuneration and Nomination Committee;
- fix the remuneration of directors with specific duties, also including the Chief Executive Officer, with the favourable opinion of the Statutory Auditors and upon proposal of the Remuneration and Nomination Committee;
- set up, *inter alia*, an internal Remuneration and Nomination Committee;
- approve the report on the remuneration policy and on compensation paid;
- draw up, with the assistance of the Remuneration and Nomination Committee, equity or other remuneration plans, if any, and submit them to the Shareholders' Meeting for its approval, pursuant to Article 114-bis, TUF;
- implement equity or other remuneration plans, approved by the Shareholders' Meeting.

c) *The Chief Executive Officer shall:*

- fix the remuneration of Managers with Strategic Responsibilities based on this Policy;

- provide the Remuneration and Nomination Committee with any useful information for the latter to monitor the actual application of the Policy and assess its adequacy and overall consistency.
- d) *The Board of Statutory Auditors shall:*
- perform an advisory activity, expressing such opinions as requested by the existing regulations.
- e) *The Remuneration and Nomination Committee:*
- as regards the duties of the Remuneration and Nomination Committee, reference should be made to the paragraph below.

2. Remuneration and Nomination Committee

2.1 Composition

The Remuneration and Nomination Committee (hereinafter, also, “**Committee**”) is today composed of:

- Cinzia Morelli-Verhoog: Independent Director (Chairman);
- Jeffrey Alan Cole: Non-Executive Director;
- Guido Guzzetti: Independent Director.

2.2 Duties

The Committee supports the evaluations and resolutions of the Board of Directors, with preliminary, propositional and consultative functions, with reference to both the remuneration and nomination themes, in compliance with the recommendations of the Corporate Governance Code for Listed Companies, in the version in force from time to time.

With specific reference to the remuneration themes, the Committee’s duties are:

- (i) to support the Board of Directors in the development of the remuneration policy for the remuneration of the directors, statutory auditors and top management;
- (ii) to submit to the Board of Directors proposals or express opinions on the remuneration of the managing directors and of the other directors provided with special assignments as well as to set the performance targets linked to the variable component of their remuneration;
- (iii) to monitor the actual application of the remuneration policy and verify, in particular, the actual achievement of the performance objectives;
- (iv) to periodically evaluate the adequacy and the overall consistency of the remuneration policy of directors and top management;
- (v) with reference to stock options and other share-based incentive systems for executive directors and top management, to submit proposals to the Board of

Directors regarding their use and any relevant technical aspects related to their preparation and implementation.

2.3 Operating procedures

The Committee is convened, for the performance of its duties, by the Chairman any time he/she deems it necessary – on his/her initiative or following a written request from at least one of its members – and in any case at least 2 (two times) a year or any time the Chairman of the Board of Statutory Auditors or the Chairman of the Board of Directors or of the Chief Executive Officer request for a meeting of the Committee.

The meetings are held at the registered office of the Company or in another location indicated by the Chairman or exclusively by means of teleconference and/or videoconference (and, therefore, not in a specific physical place) in compliance with the conditions set forth below.

The notice, including the date, time and location, if any, of the meeting as well as the list of the items to be discussed, shall be sent by email to each one of the members with at least a 5-day notice, or at least a 2-day notice in case of an emergency. The Committee, however, may take valid decisions, even without a formal notice of call, if all the members are present.

The Chairman presides over the Committee meetings, in his/her absence or impediment the oldest member will take the chair; participation to the Committee meetings via video or teleconference is permitted (of some or of all its members, in case the meeting is convened exclusively by means of teleconference and/or videoconference), on condition that it is possible to identify all participants (and such identification must be reported in the related minutes) and they must be able to follow the discussion of the items on the agenda and intervene in real time and exchange, if it is the case, documents.

The members of the Board of Statutory Auditors may attend the meetings of the Committee.

The Chairman may invite to attend the meetings of the Committee, without voting rights, the Chairman of the Board of Directors, the Chief Executive Officer, other Directors as well as external third parties whose presence may be of help in the better performance of the Committee's functions, and also, by informing the Chief Executive Officer, the managers of the corporate functions, competent with reference to the topics on the agenda.

No director shall participate in the meetings of the Committee during which the proposals to be submitted to the Board relating to his/her remuneration are drafted, unless the proposals relate to the members of the Committees within the Board of Directors in general.

The Committee meetings are validly held if the majority of its members are in attendance.

The resolutions are considered valid with a favourable vote from the majority of its members. If the votes should be equal, the person chairing the meeting will have the

casting vote.

The Chairman of the Committee notifies the Board of Directors of all activities it carries out at the first possible Board meeting.

3. *Independent experts*

No intervention by independent experts has been requested in the preparation of this Policy.

4. *Definition of the Policy and remuneration and work conditions of the employees of the Safilo Group*

The Policy consists of tools and logics, applied to the entire company population, aimed at attracting, motivating and retaining people with the professional skills necessary to contribute to the definition of the growth strategy and to the strengthening of the company's long-term interests and sustainability. In particular, it is based on the principles of fairness, equal opportunities, meritocracy and competitiveness in relation to the market.

In defining the remuneration policy, the Company has therefore taken into account the remuneration and working conditions of its employees.

In particular, the criterion for the definition of the economic package, parameterized to professional capabilities, the organizational role held and the responsibilities attributed, is aimed, among other things, at determining the remuneration of the members of the corporate bodies and managers with Strategic Responsibilities in a harmonious way and consistent with the working conditions of the employees, always from the point of view of maximum objectivity, in order to avoid any form of discrimination or unjustified imbalance.

In addition, the salaries of the Company's employees are systematically verified and analyzed with appropriate comparison tools based on factors such as the sector in which the company operates, the role played, seniority and the market of work. Where significant differences emerge, the specific position of the data subject with his/her hierarchical manager is deepened.

The Company also ensures a safe, functional and pleasant working environment, working methods that facilitate effective and efficient collaboration, leveraging smart spaces and technologies, continuous training that facilitates the evolution of knowledge and skills as well as opportunities for growth.

5. *Inspiring principles of the remuneration policy and its purposes, duration and any changes with respect to the remuneration policy last submitted to the shareholders' meeting.*

The Company sets out and applies a remuneration policy designed to attract, motivate and retain, for all key positions and functions, highly competent resources, so as to maintain proper professional standards within a highly competitive market.

The objective of this Policy is to align Management's and shareholders' interests, by pursuing the primary aim of creating sustainable value in the medium-long term, through the implementation of a strong relation between remuneration, on one side, and individual and Group's performance, on the other side.

In particular, this Policy, which applies with reference to the 2021 financial year, has been drawn up with a view to guaranteeing a generally balanced remuneration structure, through a proper balance between fixed and variable components, in order to guide the achievement of performance according to the levers related to the Company role without inducing risky and short-term oriented behaviour as well as to ensure that the remuneration systems are not in contrast with the Company values, the strategies and the creation of sustainable value in the medium to long term and prudent risk management policies.

The Policy, in accordance with the purposes outlined above, is based on the following criteria:

- i. definition of limits for variable components;
- ii. determination of the fixed component so as to sufficiently remunerate the performance of the interested party if the variable component is not paid due to failure to achieve the performance objectives;
- iii. predetermination and measurability of performance targets related to the payment of variable components; in particular, the performance objectives are:
 - a. priority objectives, as they are directly connected to the Company's medium-long term strategy;
 - b. measurable, as assessed with clear and predefined indicators;
 - c. realistic, as considered achievable although challenging and ambitious;
 - d. defined temporally, as they are placed within a specific time dimension;
- iv. creation of a direct link between remuneration and performance through mechanisms that establish the payment of different levels of premiums linked to partial or total achievement of objectives;
- v. prediction of overall contribution levels able to recognize the professional value of people and their contribution to the creation of sustainable value in the short and medium-long term.

Although the Group Business Plan 2020-2024 includes sustainability as one of the Group's four main strategies over the coming years, said plan foresees that during 2020 – 2021 the Group will focus on ensuring compliance with the sustainability requirements of the specific applicable laws, and thereafter, from 2022 onwards, it will aim at embedding sustainability in the business' activities with a detailed set of choices, capabilities and action plan to be defined during the current 2021 financial year. In accordance with the above plan, this Policy maintains, for the 2021 financial year, quantitative financial performance objectives directly connected to the Company's medium-long term strategy, for the recognition of variable components of the remuneration.

It should be noted that the Policy, compared to the version approved by the Shareholders' Meeting of 28 April 2020, has been subject to review by the Company exclusively in order

to transpose the regulatory and regulatory changes made, in particular, to art. 123-ter of the TUF, art. 84-cof the Issuers Regulation and Annex 3A of the Issuers Regulation.

6. Policies on fixed and variable components of the remuneration

6.1 Executive Directors

The Group's policy provides that Executive Directors be related to the Company by an employment contract as managers.

Upon their appointment or at the first meeting after their appointment, the Remuneration and Nomination Committee shall propose to the Board of Directors the remuneration payable to the Executive Directors for the role.

The Executive Directors' remuneration is composed by the Total Annual Compensation and, as a consequence, by:

- a gross annual fixed component (including the remuneration for the office of Executive Director, the remuneration for the office of member of the Board of Directors as resolved upon by the Shareholders' Meeting and an additional gross annual fixed component as manager of the Group);
- the STAR, as annual variable component;
- a medium-long term variable component paid in equity instruments (performance stock option) and/or in long-term bonuses, linked to the achievement of certain Group financial performance targets.

In the overall determination (and in determining each of the components) of the Executive Directors' remuneration, the Board of Directors will take into account their specific duties, any office held within the Group and any related responsibilities.

a. Short term variable component

The STAR allows an evaluation of the beneficiary's performance on a yearly basis, linking it with the performance of the Group.

The STAR targets for the Executive Directors are set by the Board of Directors upon the proposal of the Remuneration and Nomination Committee and are connected to the yearly performance of the Group.

In particular, the objectives are of a financial¹ nature and consist of achieving certain levels of net sales and adjusted Ebitda

Each target has a different percentage weight on the total annual STAR amount. The level of payout changes depending on the target's achievement of a minimum and a maximum level, to be assessed independently for each KPI (therefore, failure to achieve a KPI does not preclude the payment of the portion of STAR, in case of achievement of the others).

¹ Please refer to paragraph 5 above in relation to non-financial performance objectives.

Below the minimum target for each objective, the relative payout does not accrue, while the level of achievement of each objective is increased proportionally by up to 25% in the case of performance between the target and the maximum target.

The Committee then checks, the year after, the performance of the Executive Directors for the purpose of verifying the achievement of the STAR targets in the year before.

b. Medium- long term variable component

The remuneration of the Executive Directors also includes a variable medium-long term component, which may be represented either by share-based remuneration plans or by monetary components in the form of a long-term bonus.

The medium-long term variable component is linked to predetermined and measurable financial performance targets (and consisting of achieving certain levels of net sales and/or adjusted Ebitda and/or Ebit and/or free cash flow), connected to the medium-long term strategy as reflected in the pluri-annual business plan.

In the case of share-based remuneration plans, the assigned rights have a vesting period of three years.

It is the Committee's duty to submit to the Board of Directors proposals or opinions regarding the assignment to the Executive Directors of the variable medium-long term component, including the underlying performance objectives.

The Committee is also responsible for verifying the performance of the Executive Directors in order to verify the achievement of the objectives set at the base of the variable medium-long term component.

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On 11 March 2021 the Company and the current Chief Executive Director Angelo Trocchia signed an addendum to the agreement of 16 February 2018 which will become effective – following the appointment of the new Board of Directors – starting from the date of the newly appointed Board of Directors' meeting renewing the powers to Mr. Angelo Trocchia, if confirmed.

The *addendum* provides, *inter alia*, the participation of the Chief Executive Director in a 3-year monetary long-term incentive program ("**LTIP**") (for the period of reference January 2021 – December 2023) linked to predetermined targets of Group Net Sales and Group adjusted Ebitda in 2022 and 2023. The LTIP Payment shall be made in two installments: (i) 25% within April based on Board of Directors' approval of audited 2022 results ("**First Cash Payout**"); and (ii) 75% within April 2024 based on Board of Directors' approval of audited 2023 results ("**Second Cash Payout**").

The payment of the First and Second Cash Payout is subject to the following conditions (i) achievement of identified Group targets; and (ii) the corporate office of Chief Executive Director of Safilo Group is in force when the First and Second Cash Payout become due and payable (without prejudice to the provisions of Paragraph 14 below).

The level of payout changes depending on the target's achievement of a minimum and a maximum level, to be assessed independently for each objective (therefore, failure to

achieve an objective does not preclude the payment of the portion of payout, in case of achievement of the others). Below the minimum target for each objective, the relative payout does not accrue, while the level of payout is calculated proportionally in the case of performance between the minimum target and the maximum target.

c. Exceptional bonuses and other remunerations

The Board of Directors, upon reasoned proposal of the Committee, may grant an extraordinary bonus to Executive Directors in connection with specific operations of strategic importance and/or impact on the Group's results or with relevant management requirements of the Group.

The Committee and the Board of Directors, within the framework of the respective functions, shall evaluate and previously approve any additional compensation that might be paid to Executive Directors for any other duties assigned to them within any subsidiary's boards of directors.

d. Weight of components remuneration

The fixed and short-term variable components' respective weight is showed below:

- the fixed component weighs between 40% and 50% of the sum of the yearly fixed and the maximum short-term variable compensation;
- the STAR incentive should correspond to a percentage of the gross annual fixed remuneration, weighing up to 125% of said remuneration, corresponding approximately to a range between 40% and 50% with respect to the sum of the yearly fixed and the maximum short-term variable compensation.

The annualized medium-long term variable component (equity plans) is valued annually (fair value) on the basis of Company performance and the performance of Safilo shares on the market.

The annualized medium-long term variable component (cash and equity plans) weights approximately between 50% and 65% of the Total Variable Component (the maximum STAR incentive and the maximum medium-long term variable component), corresponding to a range between approximately 35% and 50% of the Annual Total compensation.

6.2 Managers with strategic responsibilities

Like the Executive Directors, the remuneration of Managers with strategic responsibilities consists of the Annual Total Compensation and, therefore, of:

- a gross annual fixed component (set by the Chief Executive Officer, giving notice to the Committee);
- the STAR, as annual variable component;

- a medium-long term variable component paid as equity instruments (performance stock options) and/or in long-term bonuses, linked to the achievement of Group financial performance targets;
- customary benefits.

a. Short term variable component

The STAR targets for Managers with Strategic Responsibilities are set by the Chief Executive Officer, giving notice to the Committee. These targets are connected to the yearly performance of the Group.

In particular, the objectives are of a financial² nature and consist of achieving certain levels of net sales, adjusted Ebitda and free cash flow.

Each target has a different percentage weight on the total annual STAR amount. The level of payout changes depending on the target's achievement of a minimum and a maximum level, to be assessed independently for each KPI (therefore, failure to achieve a KPI does not preclude the payment of the portion of STAR, in case of achievement of the others). Below the minimum target for each objective, the relative payout does not accrue, while the level of achievement of each objective is increased proportionally by up to 25% in the case of performance between the target and the maximum target.

The STAR payout, payable according to the actual level of achievement of the objectives, is adjusted respectively in negative and positive, through the application of a multiplier of 10%, linked to the achievement of an adjusted Ebitda target level between the minimum and an extra minimum, on the one hand, and between the maximum and an extra maximum on the other.

The Chief Executive Officer checks then, the following year, the performance of the manager for the purpose of verifying the achievement of the STAR targets during the year before, giving notice to the Committee.

b. Medium- long term variable component

The remuneration of Managers with Strategic Responsibilities also includes a variable medium-long term component, which can be represented either by share-based remuneration plans or by monetary components in the form of a long-term bonus.

The medium-long term variable component is linked to predetermined and measurable financial performance targets (and consisting of achieving certain levels of net sales and/or adjusted Ebitda and/or Ebit and/or free cash flow), connected to the medium-long term strategy as reflected in the pluri-annual business plan.

In the case of share-based remuneration plans, the assigned rights have a vesting period of three years.

² Please refer to paragraph 5 above in relation to non-financial performance objectives.

It is the Chief Executive Officer's duty to evaluate the assignment of the medium-long term variable component as long-term bonus related to the Group performance targets as well as to submit to the Board of Directors the proposal for the allocation of the medium-long term variable component as equity plans related to the Group performance targets, giving notice to the Remuneration and Nomination Committee.

The Chief Executive Officer is also responsible for verifying the performance of Managers with Strategic Responsibilities in order to verify the achievement of the objectives placed at the base of the variable medium-long term component, giving notice to the Remuneration and Nomination Committee.

c. Exceptional bonuses and other remunerations

The Chief Executive Officer, with the favourable opinion of the Remuneration and Nomination Committee, may grant an extraordinary bonus to such managers in connection with specific operations of strategic importance and/or impact on the Group's results or relevant management requirements of the Group.

d. Weight of components remuneration

The fixed and short-term variable components respective weight is showed below:

- the fixed component should weigh between 55% and 66% of the sum of the yearly fixed and the maximum short-term variable compensation;
- the STAR incentive should be equal to a pre-determined percentage of the gross annual fixed remuneration, whose weight should be not higher than 70% of said remuneration, corresponding approximately to a range between 55% and 65% with respect to the sum of the yearly fixed and the maximum short-term variable compensation.

The annualized medium-long term variable component (equity plans) is valued annually (fair value) on the basis of Company performance and the performance of the Safilo shares on the market.

6.3 Remuneration of Non-Executive Directors

The remuneration of Non-Executive Directors consists exclusively of a gross annual fixed component, established by the Shareholders' Meeting at the time of their appointment, without any additional variable components.

If this meets the interest of the Company, an insignificant portion of the remuneration of Non-Executive Directors shall be linked to the economic results achieved by the Group, but only with a reasoned resolution by the Board of Directors upon proposal of the Committee. Non-executive Directors shall not be beneficiaries of share-based compensation plans, unless it is so decided by the Shareholders' Meeting, which shall also give the relevant reasons.

7. Remuneration of the Board of Statutory Auditors

The remuneration of the members of the Board of Statutory Auditors consists exclusively of a gross annual fixed component, established by the Shareholders' Meeting at the time of their appointment, without any additional components.

8. Non-monetary benefit policy

In line with the market, the remuneration package of the Executive Directors and of the Managers with strategic responsibilities shall include some benefits, which are an integral part thereof. These consist primarily of assignment of company cars for mixed use and housing.

9. Description of financial and non-financial performance objectives, where appropriate taking into account criteria relating to corporate social responsibility, on the basis of which variable components are assigned, distinguishing between variable components of the short and medium to long term, and information on the link between the change in results and the change in remuneration

With reference to the *performance objectives* underlying the allocation of the variable component of the remuneration of Executive Directors and Managers with strategic responsibility, please refer to the provisions of paragraph 6 above.

10. Criteria used for the assessment of the achievement of the financial and non-financial performance targets, underlying the allocation of shares, options, other financial instruments or other variable components of remuneration and measure of the variable component that is expected to be disbursed according to the level of achievement of the objectives

With reference to the performance targets in order to allocate the variable components of the remuneration of the Chief Executive Officer and of the Managers with strategic responsibilities, please refer to details contained in previous Paragraph 6.

11. Contribution of the remuneration policy to the Company's strategy to the pursuit of the long-term interests and sustainability of the Company

The objective of the Policy, and in particular the Policy related to variable components, is to align Management's and shareholders' interests, by pursuing the primary aim of creating sustainable value in the medium-long term, through the implementation of a strong relationship between remuneration, on one side, individual and Group's

performance, on the other side, being the assigned targets connected to the medium-long term strategy as reflected in the pluri-annual business plan. In particular, the mechanisms through which economic remunerations are determined create a generally balanced remuneration system, through a proper balance between fixed and variable components, by avoiding imbalances that may lead to behaviours not in line with the Company's result sustainability requirements and risk management.

12. Accrual of rights, deferred payment systems, with indication of deferment periods and criteria used for determining such periods and ex post adjustment measures, if any, of the variable component (malus or return of variable "claw-back" compensation)

Please refer to details contained in previous Paragraph 6.

There are no ex post correction mechanisms for the variable component nor is there any provision for the adoption of a claw-back mechanism.

13. Information on the provision for clauses regarding the holding of portfolio securities after their acquisition, with indication of the holding periods and the criteria used for determining such periods

The stock option plans do not provide for any clause regarding the holding of the shares in the portfolio after their acquisition considering that the plans cover a long timeline (as they provide for a vesting period of three years and a further five-year period for the possible exercise of the options).

14. Policy about the treatment provided for in the event of termination of office or termination of employment

For non-executive Directors, no indemnity is provided for termination of office for any reason.

The employment contracts of the Executive Directors as manager and Managers with Strategic Responsibilities are stipulated for an indefinite period, and provide for a notice period of between a minimum of 6 and a maximum of 12 months (depending on length of service) in the event of termination of the relationship by the Company (terms reduced by one third in the event of termination of the relationship by the resigning party).

As an integration to the provisions of law and/or of the national collective employment agreement for managers, the Company may enter into agreements with Executive Directors or Managers with Strategic Responsibilities, in consideration of the particular professionalism expressed and the purpose of retention related to the role covered, regulating ex ante the economic treatment provided for in the event of early termination of the relationship at the initiative of the Company or the interested party.

Both in the case of the stipulation of these ex ante and ex post agreements, the same are approved by the Board of Directors, upon opinion of the Committee in the case of the Executive Directors, and on the proposal of the Chief Executive Officer and upon opinion of the Committee, in case of Managers with Strategic Responsibilities.

The severance indemnity must however be limited to a maximum of 18 months of annual fixed and variable remuneration.

The Company may also stipulate, both ex ante and ex post, non-compete agreements with its Executive Directors and Managers with Strategic Responsibilities, which provide for the payment of an amount fixed or related to the gross annual remuneration, in relation to the duration and extent of the undertaking. The restriction refers to the business sector in which the Group operates, with a territorial extension and variable size depending on the role held.

With regard to the consequences of termination of the relationship on the options granted under the 2014-2016 Stock Option Plan, the 2017-2020 Stock Option Plan and the 2020-2022 Stock Option Plan, reference should be made to the informative documents drawn up pursuant to Article 84-bis of the Issuers' Regulation, available on the web site in the *Investors Relations - Corporate Governance* section.

On 16 February 2018 the Company signed an agreement with the current Chief Executive Officer Angelo Trocchia, aimed, inter alia, to settle ex ante the economic aspects relating to any early termination of the mandate (a) at the Company's initiative without just cause, or (b) at the initiative of the same Chief Executive Officer in the event of (x) a change of control in the Company, of (y) non-compliance by the Company with the obligation to pay a significant portion of the remuneration or bonus due to him as Chief Executive Officer or Manager or of (z) the Company's withdrawal from the employment contract without cause. In particular, the agreement provides for the payment of the following "exit package", payable upon the occurrence of certain additional conditions, in the event that the Company revokes the mandate as Chief Executive Officer or does not renew it until the approval of the Company's financial statements at 31 December 2023:

- i. a six-month notice period or, upon the Company's choice, an amount in lieu corresponding to the aggregate of (x) 6-month fees as Director and Chief Executive Officer, (y) 6-month salary as Manager and (z) the actual bonus earned in the year before the termination year; and
- ii. an amount corresponding to the aggregate of:
 - (x) 12-month fees as Director and Chief Executive Officer, (y) 12-month salary as Manager and (z) 100% of the actual bonus earned in the year before the termination year.

The above “exit package” shall be due also in the event of early termination of the mandate at the initiative of the same Chief Executive Officer in those cases identified above.

Furthermore, if the Company does not renew its mandate as Chief Executive Office after approval of the Company's financial statements as of December 31, 2023, the agreement provides for the payment of the following "exit package", which accrues upon the occurrence of certain additional conditions:

- i. an amount corresponding to the aggregate of (x) 6-month fees as Director and Chief Executive Officer and (y) 6/12 of the actual bonus earned in the previous year; and
- ii. an amount corresponding to 18-month salary as Manager, to be deemed fully satisfactory of 8-month notice and 10-month salary indemnity, hence absorbing and replacing the notice indemnity (*Indennità Sostitutiva del Preavviso*) and the supplementary indemnity (*Indennità Supplementare*) pursuant to the applicable national collective agreement.

Finally, the agreement provides for the non-competition undertaking of the Chief Executive Officer for a period of one year after the termination of the office and / or employment relationship, with reference to activities in competition in the same business sector of the Company and in the territories of Italy, France, United States and Switzerland, to be remunerated during the term of the employment relationship.

As indicated in paragraph 6.1(b) of this Section I, on 11 March 2021 the Company and the current Chief Executive Director Angelo Trocchia signed an addendum to the agreement of 16 February 2018 which provides for the participation of Mr. Angelo Trocchia in the LTIP. With reference to this plan, the addendum provides that in case of early termination of Mr. Trocchia from the office:

- as a consequence of (x) the termination by the Company without cause or (y) the resignation of the Chief Executive Officer for good reason, before the First Cash Payout becomes due and payable, the Chief Executive Officer will receive, subject to the occurrence of certain conditions (the “**Conditions**”), a prorated First Cash Payout in proportion to the actual period of service as Chief Executive Officer of the Company in year 2022; while the Second Cash Payout will be entirely forfeited;
- as a consequence of (x) the termination by the Company without cause or (y) the resignation of the Chief Executive Officer for good reason before the Second Cash Payout becomes due and payable, the Chief Executive Officer will receive, subject to the occurrence of the Conditions, a prorated Second Cash Payout in proportion to the actual period of service as Chief Executive Officer of the Company in year 2023;
- “Conditions” mean (x) the achievement of the identified Group targets, and (y) the execution of a settlement agreement containing full waivers of the Chief Executive Officer vis-à-vis the Company in connection with the LTIP;

in any other case of early termination of the corporate office, any rights and payments under the LTIP will be entirely forfeited.

15. Insurance, social security or pension covers other than mandatory ones

In line with the market, and with reference to the Executive Directors and the Managers with Strategic Responsibilities, the Group provides for social security, life insurance and health schemes for accidents and sickness, so-called D&O (*Directors & Officers*) Liability, with respect to third-party civil liability.

The remuneration package of Non-Executive Directors includes an insurance policy, so-called D&O (*Directors & Officers*) Liability, with respect to third-party civil liability.

16. Remuneration policy adopted in respect of a) independent directors, b) participation in committees, c) certain positions (chairman, vice-chairman)

As far as Non-Executive Directors are concerned, if they do not hold any specific position (e.g. Chairman of the Board of Directors, member of an internal Committees and/or the supervisory committee according to Legislative Decree 231/2001), their remuneration consists exclusively of the gross annual fixed component established by the Shareholders' Meeting plus refund of any expense borne in the performance of their duties.

The Board of Directors may pay to the Board of Directors' Chairman, to the Vice-Chairman and to the directors who take part in internal committees an additional compensation (besides the compensation they receive as Non-Executive Directors); such compensation is fixed by the Board of Directors depending on the particular mandate held and the activity specifically carried out and upon favourable opinion of the Remuneration and Nomination Committee.

17. Definition of the remuneration policy

The adequacy and competitiveness of the remuneration policy is ensured throughout a periodical benchmark analysis of comparable companies.

The criteria for defining the panel of comparable companies are the following:

- a) Comparable companies in terms of Turnover, Number of employees, sector to which they belong, value chain and internationality of the business.
- b) Companies listed on the FTSE-Mib, excluding those operating in the financial sector and those whose governance model was not comparable to that of the Company.

18. Sections of the Policy which can be derogated

The Board of Directors, upon opinion of the Committee, in relation to the 2021 Remuneration Policy, and considering the extraordinary context due to the Covid-19 pandemic, has the possibility of derogating from linking the medium-long term variable component of remuneration of Executive Directors and Managers with Strategic Responsibilities to the achievement of certain Group performance targets (as deemed necessary for the pursuit of the long-term interests and sustainability of the Company or to ensure its ability to stay on the market, including, by way of example but not limited to: the need (i) to attract and retain figures with the skills and professional qualities required to successfully manage the Company; as well as (ii) to motivate such figures who may be of significant importance in virtue of contingent circumstances).

SECTION II

Part I

1) Representation of each of the items comprising remuneration

Part I herein provides a suitable representation of each of the items comprising the remuneration of members of the Board of Directors, Statutory Auditors and Managers with Strategic Responsibilities, paid, without prejudice to the provisions of paragraph 2) "Derogation from the 2020 Remuneration Policy ", in accordance with the 2020 Remuneration Policy.

The purpose of the remuneration is to align *the interests of management* with those of shareholders, pursuing the priority objective of creating sustainable value in the medium to long term, through the implementation of a strong link between remuneration, on the one hand, and individual and Group *performance*, on the other. In particular, through remuneration, the Company has sought to ensure the correct elaboration and implementation of remuneration systems, ensuring that the remuneration systems referred, in particular, to executive directors and managers with strategic responsibilities are not contrary to company objectives and values, medium-long-term strategies and prudent risk management policies. In other words, remuneration allows to ensure an overall balanced remuneration structure, through an adequate balance between fixed and variable parts, in order to guide the achievement of performance according to *the levers related* to the company role without inducing risky and short-term oriented behaviors as well as to ensure that pay systems are not at odds with company values, strategies and the creation of sustainable value in the medium to long term and prudent risk management policies.

The tables in Part II of this Section also provide details of the amounts relating to the aforementioned items that make up the remuneration of the members of the Board of Directors, the Board of Statutory Auditors and managers with strategic responsibilities with the clarification that, for Directors and Statutory Auditors, the amounts are indicated by name while for managers with strategic responsibilities the information is provided at the aggregate level.

(a) Fixed compensation

It represents the annual fixed compensation of the remuneration. It includes the emoluments of competence resolved by the Shareholders' Meeting, compensation received as Chairman of the Board of Directors, compensation received as Financial Reporting Manager and fixed salary form employment gross of tax and social security expenses to be paid by the employee.

For the Chief Executive Officer and the Manager with Strategic Responsibilities, the annual fixed compensation represents, respectively, 43% and 76% of the sum of this item, item (g) "*Other compensation*" and item (h) "*Fair value of equity compensation*".

(b) Compensation for participation in committees

It specifies the emoluments received as Chairman (Euro 21,000) and/or members (Euro 15,000) on one of the Committees of the Board of Directors and the emoluments received as members of the Supervisory Committee (Euro 10,000).

(c) Bonuses and other incentives

The short-term part of the variable components according to STAR was not granted as the performance objectives were not achieved in the year due to the impacts on the business of the Covid-19 pandemic. In particular, net sales and adjusted EBITDA targets, as communicated to the market at the time of the approval of the Group Business Plan 2020-2024 on December 10, 2019, were not achieved. The disclosure regarding the assigned objective of free cash flow is omitted, as it refers to unpublished forward-looking data.

(d) Profit sharing

Not applicable.

(e) Non-monetary benefits

It includes the value of fringe benefits.

(f) Indemnity for end of position or cessation of employment relationship

Not applicable.

(g) Other compensation

It refers to an extraordinary bonus recognized to the Chief Executive Officer and the Manager with Strategic Responsibilities, as decided by the Board of Directors upon proposal from the Committee, to reward the extraordinary effort of the management in the context of the failure to achieve the STAR objectives for the 2020 financial year due to the impacts on the business of the Covid-19 pandemic, but whose percentage of disbursement was still subject to the achievement of a minimum and maximum level of adjusted EBITDA in the second half of the year. The disclosure regarding the objectives assigned is omitted, as it refers to unpublished forward-looking data.

It also includes *una tantum* payments to neutralize fiscal effects on benefits.

(h) Fair value of equity compensation

It indicates the fair value on the assignment date of compensation that is competent of the year, against the 2014-2016 Stock Option Plan, the 2017-2020 Stock Option Plan and the 2020-2022 Stock Option Plan, estimated according to international accounting standards. For any information on the 2014-2016 Stock Option Plan, the 2017-2020 Stock Option Plan and the 2020-2022 Stock Option Plan, reference should be made to the informative documents drawn up pursuant to Article 84-*bis* of the Issuers' Regulation, available on the web site in the *Investors Relations - Corporate Governance* section.

2) Derogation from the 2020 Remuneration Policy

In compliance with the mandatory provisions under article 123-ter, paragraph 3-bis, of the TUF, in the implementation of the Remuneration Policy for the financial year 2020, the Board of Directors, upon proposal by the Committee, decided not to link the the medium-long term variable component of remuneration of Executive Directors and Managers with Strategic Responsibilities to the achievement of certain Group financial performance targets. The procedure followed for the derogation complies with the conditions set out in the Remuneration Policy for the financial year 2020.

In particular, the Shareholders' Meeting, upon proposal from the Board of Directors, on 28 April 2020 approved the 2020-2022 Stock Option Plan, which does not make the exercise of the options that have been assigned (and which may be assigned during the period of validity of the Plan) to the Chief Executive Officer and the Manager with Strategic Responsibilities subject to the achievement of financial performance objectives (but exclusively to the expiry of the vesting period).

The derogation was considered necessary for retention purposes with the aim of preserving the skills and commitment of managers, considering, on the one side, the extraordinary times the Company was experiencing and, on the other side, the fact that the Company was only at the beginning of the implementation process of the new Group Business Plan, that is, in a phase in which the risk of variability is greater and in which therefore the motivation of the key executives is the determining factor for successfully overcoming the strategic changes and the impacts on the brand portfolio that characterize the 2020-2021 two-year period of the Group Business Plan.

3) Comparison information

The total annual remuneration of directors and statutory auditors is substantially unchanged in the two-year period 2019-2020. Most of the changes, relating not to the set annual remuneration but to the remuneration actually received in the year of competence, are due to two phenomena:

- Changes in the composition of the Board of Directors and, in particular, in the positions of chairman and/or member of the committees within the Board of Directors, resulting in a pro-quota payment of the annual compensation provided for.
- In the year 2020, the directors, in relation to the COVID-19 emergency, decided to renounce an installment, equal to Euro 12,500, of the annual compensation as members of the Board of Directors.

The only change in the set annual remuneration for the directors is that relating to the Chairman of the Board of Directors, whose annual remuneration, equal to Euro 130,000 in 2019, has been reduced to Euro 70,000 in 2020, in line with what was originally resolved by the Board of Directors on April 24, 2018.

The total annual remuneration of the Chief Executive Officer and the Manager with strategic responsibility is also substantially unchanged in the two-year period 2019-2020. The changes, relating not to the set annual remuneration but to the remuneration actually received in the year of competence, are due to two phenomena:

- In the year 2020, the short-term variable component (STAR) of the remuneration of both the Chief Executive Officer and the Manager with Strategic Responsibility was not paid, due to the failure to achieve the objectives in the year due to the impacts on the business of the Covid-19 pandemic; in partial compensation, both are entitled to the payment of an extraordinary bonus equal to 60% of the short-term variable component of the remuneration provided for in the event of the achievement of the 100% targets. On the contrary, in 2019, the short-term part variable component (STAR) of the remuneration was paid to both, according to the achieved results.
- In the year 2020, the Chief Executive Officer, in relation to the COVID-19 emergency, decided to renounce an installment, equal to Euro 12,500, of the annual compensation as a member of the Board of Directors.

The average employees' remuneration reflects a decrease for the two-year period 2019-2020 of 14.5%. Please note that:

- in the year 2020, the effective gross salary was reduced due to the COVID-19 emergency and the use, by many Group companies, of the social safety nets made available by local governments to deal with the emergency situation, resulting in a reduction in the remuneration received by the employee and the related company cost;
- In the year 2020, multiple restructuring processes were initiated and concluded in some Group companies, resulting in a reduction in both the company's total headcount and the related personnel costs.

With reference to the variation in the Company's results in the same two-year period, please refer to the items of net sales and adjusted EBITDA included in the relevant consolidated financial statements regularly published in accordance with the law.

4) Vote cast by the Shareholders' Meeting on this Section II of the previous year

The Shareholders' Meeting held on 28 April 2020 approved (consultative vote) Section II of the Remuneration Report for the financial year 2020 with no. 180,306,698 votes in favour and 21,597,158 votes against.

Part II

This Part II analytically illustrates the compensation paid in the reference financial year, for any title and in any form, by the Company and by subsidiaries and affiliates.

TABLE 1: Remunerations paid to the members of the administrative and supervisory bodies and managers with strategic responsibilities

TABLE 2: Stock options allocated to the members of the administrative bodies and managers with strategic responsibilities

TABLE 3B: monetary incentive plans in favour of the members of the administrative bodies and managers with strategic responsibilities

Table containing the information on the participation of the members of the administrative and supervisory bodies

Table containing the information on the participation of the managers with strategic responsibilities

TABLE 1: Compensation paid to members of the management and control bodies and directors with strategic responsibilities

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and Surname	Position	Period for which position has been held	Position end-date	Fixed compensation €	Compensation for participation in committees €	Non-equity variable compensation		Non-monetary benefits €	Other compensation €	Total €	Fair value of equity compensation	Indemnity for end of position or cessation of employment relationship
						Bonuses and other incentives €	Profit-sharing					
EUGENIO RAZELLI	Chairman	Year 2020	Approval of the financial statements 2020									
(I) Compensation paid by the company that prepares the financial statements				107,500						107,500		
(II) Compensation paid by subsidiaries and associates												
(III) Total				³ 107,500						107,500		
ANGELO TROCCHIA	Chief Executive Officer	Year 2020	Approval of the financial statements 2020									
(I) Compensation paid by the company that prepares the financial statements				657,500				20,495	834,905	1,512,900	49,655	
(II) Compensation paid by subsidiaries and associates												
(III) Total				⁴ 657,500				20,495	⁵ 834,905	1,512,900	49,655	
ROBERT BRAM POLET	Director	Year 2020	Approval of the financial statements 2020									
(I) Compensation paid by the company that prepares the financial statements				37,500						37,500		
(II) Compensation paid by subsidiaries and associates												
(III) Total				⁶ 37,500						37,500		

³ In relation to the COVID-19 emergency, the Director decided to waive an installment of his remuneration as a member of the Board of Directors (equal to € 12,500 and relating to the second quarter of 2020).

⁴ In his role as manager of Safilo Group S.p.A., Chief Executive Officer and member of the Board of Directors. In relation to the COVID-19 emergency, the Director decided to waive an installment of his remuneration as a member of the Board of Directors (equal to € 12,500 and relating to the second quarter of 2020).

⁵ Of which € 450,000 as extraordinary bonus.

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and Surname	Position	Period for which position has been held	Position end-date	Fixed compensation €	Compensation for participation in committees €	Non-equity variable compensation		Non-monetary benefits €	Other compensation €	Total €	Fair value of equity compensation	Indemnity for end of position or cessation of employment relationship
						Bonuses and other incentives €	Profit-sharing					
JEFFREY ALAN COLE	Director	Year 2020	Approval of the financial statements 2020									
(I) Compensation paid by the company that prepares the financial statements				37,500	15,000					52,500		
(II) Compensation paid by subsidiaries and associates												
(III) Total				⁷ 37,500	⁸ 15,000					52,500		
MELCHERT FRANS GROOT	Director	Year 2020	Approval of the financial statements 2020									
(I) Compensation paid by the company that prepares the financial statements				37,500	15,000					52,500		
(II) Compensation paid by subsidiaries and associates												
(III) Total				⁹ 37,500	¹⁰ 15,000					52,500		
CATHERINE GERARDIN-VAUTRIN	Director	Year 2020	24/03/2020									
(I) Compensation paid by the company that prepares the financial statements				11,599	8,323					19,882		
(II) Compensation paid by subsidiaries and associates												
(III) Total				¹¹ 11,599	¹² 8,323					19,882		

⁶ In relation to the COVID-19 emergency, the Director decided to waive an installment of his remuneration as a member of the Board of Directors (equal to € 12,500 and relating to the second quarter of 2020)

⁷ In relation to the COVID-19 emergency, the Director decided to waive an installment of his remuneration as a member of the Board of Directors (equal to € 12,500 and relating to the second quarter of 2020).

⁸ As member of the Remuneration and Nomination Committee.

⁹ In relation to the COVID-19 emergency, the Director decided to waive an installment of his remuneration as a member of the Board of Directors (equal to € 12,500 and relating to the second quarter of 2020).

¹⁰ As member of the Control Risk and Sustainability Committee.

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and Surname	Position	Period for which position has been held	Position end-date	Fixed compensation €	Compensation for participation in committees €	Non-equity variable compensation		Non-monetary benefits €	Other compensation €	Total €	Fair value of equity compensation	Indemnity for end of position or cessation of employment relationship
						Bonuses and other incentives €	Profit-sharing					
CINZIA MORELLI-VERHOOG	Director	Year 2020	Approval of the financial statements 2020									
(I) Compensation paid by the company that prepares the financial statements				37,500	27,556					65,056		
(II) Compensation paid by subsidiaries and associates												
(III) Total				¹³ 37,500	¹⁴ 27,556					65,056		
INES MAZZILLI	Director	Year 2020	Approval of the financial statements 2020									
(I) Compensation paid by the company that prepares the financial statements				37,500	52,000					89,500		
(II) Compensation paid by subsidiaries and associates					20,000					20,000		
(III) Total				¹⁵ 37,500	¹⁶ 72,000					109,500		

¹¹ In her role as member of the Board of Directors, in office until March 24, 2020.

¹² As Chairman of the Remuneration and Nomination Committee and member of the Transactions with Related Parties Committee, in office until March 24, 2020.

¹³ In relation to the COVID-19 emergency, the Director decided to waive an installment of her remuneration as a member of the Board of Directors (equal to € 12,500 and relating to the second quarter of 2020).

¹⁴ As member of the Remuneration and Nomination Committee, office held until July 5, 2020, and, starting from July 6, 2020, for her role as Chairman of the Remuneration and Nomination Committee, as well as, starting from May 6, 2020, member of the Transactions with Related Parties Committee.

¹⁵ In relation to the COVID-19 emergency, the Director decided to waive an installment of her remuneration as a member of the Board of Directors (equal to € 12,500 and relating to the second quarter of 2020).

¹⁶ As Chairman of the Control Risk and Sustainability Committee, the Transactions with Related Parties Committee and member of the Supervisory Committee of Safilo Group S.p.A., Safilo S.p.A. e Safilo Industrial S.r.l.

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and Surname	Position	Period for which position has been held	Position end-date	Fixed compensation €	Compensation for participation in committees €	Non-equity variable compensation		Non-monetary benefits €	Other compensation €	Total €	Fair value of equity compensation	Indemnity for end of position or cessation of employment relationship
						Bonuses and other incentives €	Profit-sharing					
KATIA BUJA	Director	From 28/04/2020 to 31/12/2020	Approval of the financial statements 2020									
(I) Compensation paid by the company that prepares the financial statements				225,000				14,255	3,393	242,648	2,933	
(II) Compensation paid by subsidiaries and associates												
(III) Total				¹⁷ 225,000				14,255	3,393	242,648	2,933	
GUIDO GUZZETTI												
	Director	Year 2020	Approval of the financial statements 2020									
(I) Compensation paid by the company that prepares the financial statements				37,500	39,637					77,137		
(II) Compensation paid by subsidiaries and associates												
(III) Total				¹⁸ 37,500	¹⁹ 39,637					77,137		
1	Managers with strategic responsibilities	Year 2020										
(I) Compensation paid by the company that prepares the financial statements				448,000				16,240	128,658	592,899	14,521	
(II) Compensation paid by subsidiaries and associates												
(III) Total				448,000				16,240	²⁰ 128,658	592,899	14,521	

¹⁷ In her role as manager of Safilo Group S.p.A. and member of the Board of Directors. In relation to the COVID-19 emergency, the Director decided to waive an installment of her remuneration as a member of the Board of Directors (equal to € 12,500 and relating to the second quarter of 2020).

¹⁸ In relation to the COVID-19 emergency, the Director decided to waive an installment of his remuneration as a member of the Board of Directors (equal to € 12,500 and relating to the second quarter of 2020).

¹⁹ As member of the Control Risk and Sustainability Committee, member of the Transactions with Related Parties Committee and member, starting from May 6, 2020, of the Remuneration and Nomination Committee.

²⁰ Of which € 125,400 as extraordinary bonus.

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and Surname	Position	Period for which position has been held	Position end-date	Fixed compensation €	Compensation for participation in committees €	Non-equity variable compensation		Non-monetary benefits €	Other compensation €	Total €	Fair value of equity compensation	Indemnity for end of position or cessation of employment relationship
						Bonuses and other incentives €	Profit-sharing					
CARMEN PEZZUTO	Chairman of Statutory auditors	Year 2020	Approval of the financial statements 2022									
(I) Compensation paid by the company that prepares the financial statements				57,000						57,000		
(II) Compensation paid by subsidiaries and associates				40,000						40,000		
(III) Total				97,000						97,000		
BETTINA SOLIMANDO	Standing statutory auditor	Year 2020	Approval of the financial statements 2022									
(I) Compensation paid by the company that prepares the financial statements				38,000	6,557					44,557		
(II) Compensation paid by subsidiaries and associates				56,776	13,115					69,891		
(III) Total				94,776	²¹ 19,672					114,448		
ROBERTO PADOVA	Standing statutory auditor	From 28/04/2020 to 31/12/2020	Approval of the financial statements 2022									
(I) Compensation paid by the company that prepares the financial statements				25,749						25,749		
(II) Compensation paid by subsidiaries and associates				27,104						27,104		
(III) Total				52,852						52,852		
FRANCO CORGNATI	Standing statutory auditor	From 01/01/2020 to 28/04/2020	Approval of the financial statements 2020 (28/04/2020)									
(I) Compensation paid by the company that prepares the financial statements				12,251	3,224					15,475		
(II) Compensation paid by subsidiaries and associates				16,120	6,448					22,568		

²¹ As Chairman of the Supervisory Committee of Safilo Group S.p.A., Safilo S.p.A. e Safilo Industrial S.r.l., offices held starting from May 6, 2020.

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and Surname	Position	Period for which position has been held	Position end-date	Fixed compensation €	Compensation for participation in committees €	Non-equity variable compensation		Non-monetary benefits €	Other compensation €	Total €	Fair value of equity compensation	Indemnity for end of position or cessation of employment relationship
						Bonuses and other incentives €	Profit-sharing					
(III) Total				28,372	229,672					38.044		

TABLE 2: Stock options allocated to members of the management body and directors with strategic responsibilities

A	B	(1)	Options held at the start of the financial year (FY)			Options allocated during the FY						Options exercised during the FY			Options that expired during the FY	Options held at end of the FY	Options for the FY
			(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) = (2)+(5)-(11)-(14)	(16)
Name and surname	Position	Plan	No. of Options	Exercise price	Exercise period (from - to)	No. of Options	Exercise price	Exercise period (from - to)	Fair value at allocation date	Allocation date	Market price of underlying shares at option allocation	No. of Options	Exercise price	Market price of underlying shares at exercise date	No. of Options	No. of Options	Fair value
Angelo Trocchia	Chief Executive Officer																
(I) Compensation paid by the company that prepares the financial statements																	

²² As Chairman of the Supervisory Committee of Safilo Group S.p.A., Safilo S.p.A. e Safilo Industrial S.r.l., offices held until April 28, 2020.

A	B	Options held at the start of the financial year (FY)				Options allocated during the FY						Options exercised during the FY			Options that expired during the FY	Options held at end of the FY	Options for the FY
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) = (2)+(5)-(11)-(14)	(16)
Name and surname	Position	Plan	No. of Options	Exercise price	Exercise period (from - to)	No. of Options	Exercise price	Exercise period (from - to)	Fair value at allocation date	Allocation date	Market price of underlying shares at option allocation	No. of Options	Exercise price	Market price of underlying shares at exercise date	No. of Options	No. of Options	Fair value
		Plan 2017-2020 (SM 26/04/2017) ²³	95,000 ²⁴	0,89 ²⁵	From 31/12/2020 ²⁶ to 31/05/2026										95,000	0 ²⁷	0
		Plan 2017-2020 ²⁸ (SM 30/04/2019)	200,000	0,75	From 31/12/2021 ²⁹ to 31/05/2027											200,000	15,000
		Plan 2020-2022 (SM 28/04/2020)				1,000,000	0.7	From 31/12/2022 ³⁰ to 30/06/2028	0.2	31/07/2020	0.6928					1,000,000	34.655

²³ The Plan does not include: (i) the first tranche as, following the resolution of the Shareholders' meeting of April 24, 2018, each beneficiary of the first tranche was allowed to return the options granted under the first tranche, in exchange being assigned, under the second tranche, the same number of options already assigned under the first tranche; and (ii) the fourth tranche, as the Shareholders' meeting of April 30, 2019 has resolved upon the early termination of the Plan, with reference to this last tranche.

²⁴ The number of options assigned to the Beneficiaries of the first tranche, currently beneficiaries of the second tranche, has been adjusted by the Board of Directors to take into account the effects of the share capital increase up to a maximum of Euro 150 million, resolved upon by the Extraordinary Shareholders' meeting of October 29, 2018, pursuant to Article 2441, paragraph 1 of the Italian Civil Code.

²⁵ The exercise price, originally set at Euro 3.09 per share, has been subsequently adjusted to Euro 0.89, following the resolution of the Shareholders' meeting of April 30, 2019, with which the minimum exercise price of the options of the Plan has been eliminated, both with reference to the Options already assigned under the Second tranche of the Plan and to the Options still to be assigned within the Third tranche of the Plan.

²⁶ It means the day following the resolution of the Company's Shareholders' Meeting which approves the financial statements of the Company for the year ended 31/12/2020

²⁷ The options related to the second tranche, held at the beginning of the financial year, are considered as "not confirmed" as the Exercise conditions for the same were not met, as set forth in the 2017-2020 Stock Option Plan Regulations.

²⁸ The Plan does not include: (i) the first tranche as, following the resolution of the Shareholders' meeting of April 24, 2018, each beneficiary of the first tranche was allowed to return the options granted under the first tranche, in exchange being assigned, under the second tranche, the same number of options already assigned under the first tranche; and (ii) the fourth tranche, as the Shareholders' meeting of April 30, 2019 has resolved upon the early termination of the Plan, with reference to this last tranche.

²⁹ It means the day following the resolution of the Company's Shareholders' Meeting which approves the financial statements of the Company for the year ended 31/12/2021.

³⁰ It means the day following the resolution of the Company's Shareholders' Meeting which approves the financial statements of the Company for the year ended 31/12/2022.

		Options held at the start of the financial year (FY)				Options allocated during the FY						Options exercised during the FY			Options that expired during the FY	Options held at end of the FY	Options for the FY
A	B	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) = (2)+(5)-(11)-(14)	(16)
Name and surname	Position	Plan	No. of Options	Exercise price	Exercise period (from - to)	No. of Options	Exercise price	Exercise period (from - to)	Fair value at allocation date	Allocation date	Market price of underlying shares at option allocation	No. of Options	Exercise price	Market price of underlying shares at exercise date	No. of Options	No. of Options	Fair value
(II) Compensation paid by subsidiaries and associates																	
(III) Total			295,000			1,000,000									95,000	1,200,000	49,655
Eugenio Razelli	Chairman																
(I) Compensation paid by the company that prepares the financial statements		Plan 2017-2020 (SM 26/04/2017) ³¹	80,822 ³²	0.89 ³³	From 31/12/2020 ³⁴ to 31/05/2026										80,822	0 ³⁵	0
(II) Compensation paid by subsidiaries and associates																	
(III) Total			80,822												80,822	0	0
KATIA BUJA	Director																

³¹ The Plan does not include: (i) the first tranche as, following the resolution of the Shareholders' meeting of April 24, 2018, each beneficiary of the first tranche was allowed to return the options granted under the first tranche, in exchange being assigned, under the second tranche, the same number of options already assigned under the first tranche; and (ii) the fourth tranche, as the Shareholders' meeting of April 30, 2019 has resolved upon the early termination of the Plan, with reference to this last tranche.

³² The number of options assigned to the Beneficiaries of the first tranche, currently beneficiaries of the second tranche (please refer to the previous footnote), has been adjusted by the Board of Directors to take into account the effects of the share capital increase up to a maximum of Euro 150 million, resolved upon by the Extraordinary Shareholders' meeting of October 29, 2018, pursuant to Article 2441, paragraph 1 of the Italian Civil Code.

³³ The exercise price, originally set at Euro 3.09 per share, has been subsequently adjusted to Euro 0.89, following the resolution of the Shareholders' meeting of April 30, 2019, with which the minimum exercise price of the options of the Plan has been eliminated, both with reference to the Options already assigned under the Second tranche of the Plan and to the Options still to be assigned within the Third tranche of the Plan.

³⁴ It means the day following the resolution of the Company's Shareholders' Meeting which approves the financial statements of the Company for the year ended 31/12/2020

³⁵ The options related to the second tranche, held at the beginning of the financial year, are considered as "not confirmed" as the Exercise conditions for the same were not met, as set forth in the 2017-2020 Stock Option Plan Regulations.

A	B	(1)	Options held at the start of the financial year (FY)			Options allocated during the FY						Options exercised during the FY			Options that expired during the FY	Options held at end of the FY	Options for the FY
			(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)			
Name and surname	Position	Plan	No. of Options	Exercise price	Exercise period (from - to)	No. of Options	Exercise price	Exercise period (from - to)	Fair value at allocation date	Allocation date	Market price of underlying shares at option allocation	No. of Options	Exercise price	Market price of underlying shares at exercise date	No. of Options	No. of Options	Fair value
(I) Compensation paid by the company that prepares the financial statements		Plan 2017-2020 (SM 26/04/2017) ³⁶	40,247 ³⁷	0.89 ³⁸	From 31/12/2020 ³⁹ to 31/05/2026										40,247	0 ⁴⁰	0
		Plan 2017-2020 ⁴¹ (SM 30/04/2019)	16,000	0.75	From 31/12/2021 ⁴² to 31/05/2027											16,000	1,200
		Plan 2020-2022 (SM 28/04/2020)				50,000	0.7	From 31/12/2022 ⁴³ to 31/05/2028	0.2	31/07/2020	0.6928					50,000	1.733

³⁶ The Plan does not include: (i) the first tranche as, following the resolution of the Shareholders' meeting of April 24, 2018, each beneficiary of the first tranche was allowed to return the options granted under the first tranche, in exchange being assigned, under the second tranche, the same number of options already assigned under the first tranche; and (ii) the fourth tranche, as the Shareholders' meeting of April 30, 2019 has resolved upon the early termination of the Plan, with reference to this last tranche.

³⁷ The number of options assigned to the Beneficiaries of the first tranche, currently beneficiaries of the second tranche (please refer to the previous footnote), has been adjusted by the Board of Directors to take into account the effects of the share capital increase up to a maximum of Euro 150 million, resolved upon by the Extraordinary Shareholders' meeting of October 29, 2018, pursuant to Article 2441, paragraph 1 of the Italian Civil Code.

³⁸ The exercise price, originally set at Euro 3.09 per share, has been subsequently adjusted to Euro 0.89, following the resolution of the Shareholders' meeting of April 30, 2019, with which the minimum exercise price of the options of the Plan has been eliminated, both with reference to the Options already assigned under the Second tranche of the Plan and to the Options still to be assigned within the Third tranche of the Plan.

³⁹ It means the day following the resolution of the Company's Shareholders' Meeting which approves the financial statements of the Company for the year ended 31/12/2020.

⁴⁰ The options related to the second tranche, held at the beginning of the financial year, are considered ad "not confirmed" as the Exercise conditions for the same were not met, as set forth in the 2017-2020 Stock Option Plan Regulations.

⁴¹ The Plan does not include: (i) the first tranche as, following the resolution of the Shareholders' meeting of April 24, 2018, each beneficiary of the first tranche was allowed to return the options granted under the first tranche, in exchange being assigned, under the second tranche, the same number of options already assigned under the first tranche; and (ii) the fourth tranche, as the Shareholders' meeting of April 30, 2019 has resolved upon the early termination of the Plan, with reference to this last tranche.

⁴² It means the day following the resolution of the Company's Shareholders' Meeting which approves the financial statements of the Company for the year ended 31/12/2021.

⁴³ It means the day following the resolution of the Company's Shareholders' Meeting which approves the financial statements of the Company for the year ended 31/12/2022.

A	B	(1)	Options held at the start of the financial year (FY)			Options allocated during the FY						Options exercised during the FY			Options that expired during the FY	Options held at end of the FY	Options for the FY
			(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) = (2)+(5)-(11)-(14)	(16)
Name and surname	Position	Plan	No. of Options	Exercise price	Exercise period (from - to)	No. of Options	Exercise price	Exercise period (from - to)	Fair value at allocation date	Allocation date	Market price of underlying shares at option allocation	No. of Options	Exercise price	Market price of underlying shares at exercise date	No. of Options	No. of Options	Fair value
(II) Compensation paid by subsidiaries and associates																	
(III) Total			56,247			50,000									40,247	66,000	2,933
1	Manager with strategic responsibilities																
(I) Compensation paid by the company that prepares the financial statements	Plan 2017-2020 (SM 26/04/2017) ⁴⁴		119,658 ⁴⁵	0.89 ⁴⁶	From 31/12/2020 ⁴⁷ to 31/05/2026										119,658	⁴⁸ 0	0

⁴⁴ The Plan does not include: (i) the first tranche as, following the resolution of the Shareholders' meeting of April 24, 2018, each beneficiary of the first tranche was allowed to return the options granted under the first tranche, in exchange being assigned, under the second tranche, the same number of options already assigned under the first tranche; and (ii) the fourth tranche, as the Shareholders' meeting of April 30, 2019 has resolved upon the early termination of the Plan, with reference to this last tranche.

⁴⁵ The number of options assigned to the Beneficiaries of the first tranche, currently beneficiaries of the second tranche (please refer to the previous footnote), has been adjusted by the Board of Directors to take into account the effects of the share capital increase up to a maximum of Euro 150 million, resolved upon by the Extraordinary Shareholders' meeting of October 29, 2018, pursuant to Article 2441, paragraph 1 of the Italian Civil Code.

⁴⁶ The exercise price, originally set at Euro 3.09 per share, has been subsequently adjusted to Euro 0.89, following the resolution of the Shareholders' meeting of April 30, 2019, with which the minimum exercise price of the options of the Plan has been eliminated, both with reference to the Options already assigned under the Second tranche of the Plan and to the Options still to be assigned within the Third tranche of the Plan.

⁴⁷ It means the day following the resolution of the Company's Shareholders' Meeting which approves the financial statements of the Company for the year ended 31/12/2020.

⁴⁸ The options related to the second tranche, held at the beginning of the financial year, are considered as "not confirmed" as the Exercise conditions for the same were not met, as set forth in the 2017-2020 Stock Option Plan Regulations.

A	B	(1)	Options held at the start of the financial year (FY)			Options allocated during the FY						Options exercised during the FY			Options that expired during the FY	Options held at end of the FY	Options for the FY
			(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) = (2)+(5)-(11)-(14)	(16)
Name and surname	Position	Plan	No. of Options	Exercise price	Exercise period (from - to)	No. of Options	Exercise price	Exercise period (from - to)	Fair value at allocation date	Allocation date	Market price of underlying shares at option allocation	No. of Options	Exercise price	Market price of underlying shares at exercise date	No. of Options	No. of Options	Fair value
		Plan 2017-2020 ⁴⁹ (SM 30/04/2019)	55,000	0,75	From 31/12/2021 ⁵⁰ to 31/05/2027											55,000	4,125
		Plan 2020-2022 (SM 28/04/2020)				300,000	0,7	From 31/12/2022 ⁵¹ to 30/06/2028	0,2	31/07/2020	0.6928					300,000	10,396
(II) Compensation paid by subsidiaries and associates																	
(III) Total			174,658			300,000									119,658	355,000	14,521

⁴⁹The Plan does not include: (i) the first tranche as, following the resolution of the Shareholders' meeting of April 24, 2018, each beneficiary of the first tranche was allowed to return the options granted under the first tranche, in exchange being assigned, under the second tranche, the same number of options already assigned under the first tranche; and (ii) the fourth tranche, as the Shareholders' meeting of April 30, 2019 has resolved upon the early termination of the Plan, with reference to this last tranche.

⁵⁰ It means the day following the resolution of the Company's Shareholders' Meeting which approves the financial statements of the Company for the year ended 31/12/2021.

⁵¹ It means the day following the resolution of the Company's Shareholders' Meeting which approves the financial statements of the Company for the year ended 31/12/2022.

TABLE 3B: Monetary incentive plans for members of the management body and directors with strategic responsibilities

A	B	(1)	(2)			(3)			(4)
Name and surname	Position	Plan	Bonus for year			Bonus for previous years			Other bonuses
			(A)	(B)	(C)	(A)	(B)	(C)	
			Payable/paid	Deferred	Deferral period	No longer payable	Payable/paid	Deferred again	
Angelo Trocchia	Chief Executive Officer		-						
(I) Compensation paid by the company that prepares the financial statements					01/01/2020-31/12/2020				
(II) Compensation paid by subsidiaries and associates									
(III) Total									
Katia Buja	Director								
(I) Compensation paid by the company that prepares the financial statements			-		01/01/2020-31/12/2020				
(II) Compensation paid by subsidiaries and associates									
(III) Total									
	Manager with strategic responsibilities								
(I) Compensation paid by the company that prepares the financial statements			-		01/01/2020-31/12/2020				
(II) Compensation paid by subsidiaries and associates									
(III) Total									

Schedule n. 7-ter - Table 1: Equity investments of members of the management and control bodies

Name and surname	Position	Investee Company	No. of shares owned at end of previous FY	No. of shares purchased	No. of shares sold	no. of shares owned at end of FY in progress
Directors						
Eugenio Razelli	Chairman	SAFILO GROUP S.p.A.	-	-	-	-
Angelo Trocchia	CEO	SAFILO GROUP S.p.A.	242,000	72,000	-	314,000
Jeffrey A. Cole	Director	SAFILO GROUP S.p.A.	11,050	-	-	11,050
Katia Buja	Director	SAFILO GROUP S.p.A.	22,000	-	-	22,000
Melchert Frans Groot	Director	SAFILO GROUP S.p.A.	-	-	-	-
Guido Guzzetti	Director	SAFILO GROUP S.p.A.	-	-	-	-
Ines Mazzilli	Director	SAFILO GROUP S.p.A.	-	-	-	-
Cinzia Morelli-Verhoog	Director	SAFILO GROUP S.p.A.	-	-	-	-
Robert Polet	Director	SAFILO GROUP S.p.A.	-	-	-	-
Board of statutory auditors						
Carmen Pezzuto	Chairman	SAFILO GROUP S.p.A.	-	-	-	-
Roberto Padova	Standing statutory auditor	SAFILO GROUP S.p.A.	-	-	-	-
Bettina Solimando	Standing statutory auditor	SAFILO GROUP S.p.A.	-	-	-	-

Schedule n. 7-ter - TABLE 2: Equity investments of directors with strategic responsibilities

No. of directors with strategic responsibilities	Investee Company	No. of shares owned at end of previous FY	No. of shares purchased	No. of shares sold	No. of shares owned at end of FY in progress
1	SAFILO GROUP S.p.A.	44,000	-	-	44,000

