

# **SANLORENZO**

## **Sanlorenzo S.p.A.**

Registered office: Ameglia (SP), via Armezzone 3 – Share capital: Euro 34,500,000 fully paid-in  
Company Register of Riviera di Liguria – Imperia La Spezia Savona and fiscal code: 00142240464

## **REPORT ON THE POLICY REGARDING REMUNERATION AND FEES PAID**

**Approved by the Board of Directors on 20 March 2020**

### **LEGAL NOTICE**

This report has been translated into English from the original Italian document solely for the convenience of international readers. In case of inconsistency between this document and the original document in Italian, the latter will prevail.

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## **INTRODUCTION**

This report on the policy regarding remuneration and fees paid (the "**Remuneration Report**") has been prepared in accordance with Article 123-ter of Italian Legislative Decree No. 58 of 24 February 1998, as subsequently amended (Consolidated Finance Law, "**TUF**") and Article 84-quater of the Consob Regulation on issuers adopted by Resolution No. 11971 of 14 May 1999, as subsequently amended (the "**Issuers' Regulation**"), and was drafted in accordance with Annex 3A, Schedules 7-bis and 7-ter, of the Issuers' Regulation itself. The Remuneration Report takes into account the provisions of Italian Legislative Decree No. 49/2019, implementing Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 (the so-called Shareholders' Right Directive II), amending Directive 2007/367 EC on the exercise of certain rights of shareholders in listed companies as regards the encouragement of long-term shareholders commitment (the "**Directive**").

The Remuneration Report is divided into the following sections:

- (i) Section I illustrates the Sanlorenzo S.p.A. (the "**Company**") policy in a clear and comprehensible manner with regard to the remuneration of the members of the Board of Directors, general managers, Managers with strategic responsibilities and, without prejudice to the provisions of Article 2402 of the Italian Civil Code, the members of the Board of Statutory Auditors with reference to at least the following year, and the procedures used for its adoption, revision and implementation.

It should be noted that Section I does not describe the changes with respect to the remuneration policy last submitted to the Shareholders' Meeting, and how this revision takes into account the votes and evaluations expressed by Shareholders during that meeting or subsequently, since the Company's listing took place on 10 December 2019 and during 2019, the Company was not required to submit the report pursuant to Article 123-ter of the TUF and the remuneration policy to the Shareholders' Meeting for approval.

- (ii) Section II, in a clear and understandable manner, identifying by name, for the remuneration attributed to directors and auditors and in aggregate form for managers with strategic responsibilities:
  - a) provides an adequate representation, clear and comprehensible, of each of the items that make up remuneration, including the processes provided for in the event of termination of office or termination of employment;
  - b) analytically illustrates the remuneration paid in the reference year for any reason and in any form by the Company and its subsidiaries or associated companies, indicating any components of the aforementioned remuneration that refer to activities carried out in years prior to the reference year and also highlighting the remuneration to be paid in one or more subsequent years for the activity carried out in the reference year, possibly indicating an estimate value for components that cannot be objectively quantified in the reference year.

In addition, Section II contains information on the shareholdings held by members of the management and control bodies, as well as by spouses who are not legally separated and dependent children, in the Company and its subsidiaries in accordance with the provisions of Article 84-quater, paragraph 4, of the Issuers' Regulation.

It should be noted that Section II does not explain how the Company took into account the vote cast the previous year on the second section of the report pursuant to Article 123-ter of the TUF, in accordance with the provisions of Article 123-ter, paragraph 4, letter b-bis) of the TUF, since the Company's listing took place on 10 December 2019 and during 2019 the Company was not required to submit the report pursuant to Article 123-ter of the TUF to the Shareholders' Meeting for approval.

This Remuneration Report was approved, after hearing the favourable opinion of the Board of Statutory Auditors, by the Board of Directors meeting held on 20 March 2020, and was previously examined by the Remuneration Committee set up within the same Board of Directors (the "**Remuneration Committee**") meeting held on 20 March 2020, which expressed the same favourable opinion, and will be submitted, pursuant to and for the purposes of Article 123-ter of the TUF, to the vote of the Shareholders' Meeting called for 21 April 2020 in first call and for 22 April 2020 in second call.

## **SECTION I**

This Section I of the Remuneration Report clearly and comprehensibly explains the remuneration policy adopted by the Company (the "**Remuneration Policy**").

### ***Company's Remuneration Policy, procedures used and objectives pursued***

1. The Remuneration Policy, as described in this Remuneration Report, was approved, on the proposal of the Remuneration Committee meeting held on 20 March 2020 and after hearing the favourable opinion of the Board of Statutory Auditors, by the Board of Directors on 20 March 2020, also in light of the recommendations of the Corporate Governance Code promoted by the Corporate Governance Committee set up at Borsa Italiana S.p.A. (the "**Corporate Governance Code**") and is an update of the draft remuneration policy approved by the Board of Directors on 24 October 2019 in view of the process of listing the Company's shares on the Mercato Telematico Azionario (MTA) (Italian screen-based market) organised and managed by Borsa Italiana S.p.A., which took place on 10 December 2019 and was not subject to the vote of the Shareholders' Meeting.

The Remuneration Policy has a duration of one year, until the Shareholders' Meeting called to approve the financial statements for the year ending at 31 December 2020.

Any revisions to the Remuneration Policy that the Company may make in the future will be appropriately highlighted and described in the remuneration reports for future years.

2. Please note that pursuant to Consob Regulation No. 17221 of 12 March 2010 and subsequent amendments (the "**Related Parties Regulation**"), the procedure adopted by the Company with regard to related parties on 24 October 2019 (effective from the start of the listing of the Company's shares on the MTA organised and managed by Borsa Italiana S.p.A., on 10 December 2019) (the "**Related Parties Procedure**") does not apply to the resolutions adopted by the Shareholders' Meeting pursuant to Article 2389, first paragraph, of the Italian Civil Code, concerning the remuneration of the members of the Board of Directors and of the Executive Committee, nor to the resolutions concerning the remuneration of the directors holding special offices included in the total amount previously determined by the Shareholders' Meeting pursuant to Article 2389, third paragraph, of the Italian Civil Code, nor to the remuneration of the members of the Board of Statutory Auditors and of the Supervisory Board.

Furthermore, in accordance with the Related Parties Procedure pursuant to the Related Parties Regulation, the aforementioned Related Parties Procedure also does not apply to:

- (i) remuneration plans based on financial instruments approved by the Shareholders' Meeting pursuant to Article 114-bis of the TUF and the related operating conditions;
- (ii) decisions, other than those indicated above, regarding the remuneration of directors holding special offices as well as other Managers with strategic responsibilities, provided that they are taken in compliance with the conditions set out in Article 13, paragraph 3, letter b) of the Related Parties Regulation. Consequently, the approval by the Shareholders' Meeting of the Remuneration Policy - which was drafted with the involvement of the Remuneration Committee, composed of only executive directors, the majority of whom are independent - exempts the Company from applying the

above mentioned Related Parties Procedure in resolutions concerning the remuneration of directors and managers with strategic responsibilities, provided that the latter is consistent with the Remuneration Policy itself.

3. It should be noted that Section I does not describe the changes with respect to the remuneration policy last submitted to the Shareholders' Meeting, and how this revision takes into account the votes and evaluations expressed by shareholders during that meeting or subsequently, since the Company's listing took place on 10 December 2019 and during 2019, the Company was not required to submit the report pursuant to Article 123-ter of the TUF and the remuneration policy to the Shareholders' Meeting for approval.

4. The Remuneration Policy contributes to the Company's strategy and to the pursuit of the long-term interests and sustainability of the Company, as it provides that in awarding remuneration to directors and managers with strategic responsibilities and in implementing the related remuneration instruments, choices must be made that respect the principles of meritocracy and fairness and that:

- a) identify clear, fair and easily communicable remuneration instruments to recipients and the market;
- b) are diversified by category, since it is specified that greater responsibilities are associated with higher salaries, including those of an incentive nature;
- c) take into account the individual professional contribution of the recipients;
- d) have the purpose of attracting, retaining and motivating people with the professional qualities required to successfully manage the Company;
- e) with regard to incentive remuneration, their purpose is also to align the interests of the recipients with the pursuit of the priority objective of creating value for shareholders in the medium to long term.

Without prejudice to the need to comply with the above, in implementing the Remuneration Policy and establishing the remuneration of executive directors and managers with strategic responsibilities, the Board of Directors is also called upon in any case to ensure that the following criteria are met:

- a) the fixed component and the variable component are adequately balanced according to the Company's strategic objectives and risk management policy, also taking into account the sector of activity in which it operates and the characteristics of the business activity actually carried out;
- b) there are maximum limits for variable components;
- c) the fixed component is sufficient to remunerate the recipient's performance if the variable component is not paid, due to the failure to achieve the performance objectives set by the Board of Directors;
- d) the performance objectives - i.e. the economic results and any other specific objectives to which the disbursement of variable components is linked - are predetermined, measurable and linked to the creation of value for shareholders even in the medium-long term;
- e) the payment of a significant portion of the variable component of remuneration is deferred for an appropriate period of time with respect to the timing of maturity.

The Remuneration Policy contributes to the Company's business strategy and to the pursuit of the long-term interests and sustainability of the Company, as illustrated below, also by establishing (i) principles on the amount and balance of the remuneration of executive directors and managers with strategic responsibilities and (ii) principles on the variable remuneration of executive directors and managers with strategic responsibilities, both with regard to any plans based on financial instruments and any monetary incentive remuneration plans intended for, or in any case the recognition *ad personam* of variable remuneration, in favour of executive directors and managers with strategic responsibilities. Moreover, this result is also achieved through a broad and aware involvement of shareholders who, in addition to the resolutions already within their competence regarding the determination of the remuneration of directors and statutory auditors (and, specifically, the resolutions referred to in Articles 2364, paragraph 1, No. 3), 2389 and 2402 of the Italian Civil Code and 16 of the By-laws), are called upon to express their binding vote on the Remuneration Policy, as described in Section I of this Remuneration Report, which has a broader content than the resolutions mentioned above.

Through the Remuneration Policy, the Company therefore aims to pursue a policy of loyalty and incentives for key employees of the Company and its subsidiaries (jointly, the "**Group**") and the maintenance of their specific skills in the Company, including through their involvement in the company's structure or sharing in the economic results and future development of the Company.

***Bodies or parties involved in the preparation, approval and possible revision of the Remuneration Policy, with specification of their respective roles, as well as bodies or parties responsible for the correct implementation of this policy. Role and functions of the Remuneration Committee***

5. The main parties and bodies involved in the preparation, approval and possible revision of the Company's remuneration policy are the Board of Directors, the Remuneration Committee, the Board of Statutory Auditors and the Shareholders' Meeting.

#### Board of Directors

Pursuant to legislation and the By-laws and in accordance with the Remuneration Policy and the regulations governing the functions and functioning of the Remuneration Committee (the "**Remuneration Committee Regulations**"), the Board of Directors:

- (i) constitutes from among its members the Remuneration Committee, appointing members and establishing their remuneration;
- (ii) establishes the annual expenditure budget of the Remuneration Committee;
- (iii) defines, on the proposal of the Remuneration Committee and after hearing the opinion of the Board of Statutory Auditors, the remuneration policy, pursuant to Article 123-ter of the TUF, Article 84-quater of the Issuers' Regulation and Article 6 of the Corporate Governance Code, and submits it to the Shareholders' Meeting for a vote pursuant to Article 123-ter of the TUF, paragraphs 3-bis and 3-ter;
- (iv) approves the report on the remuneration policy and remuneration paid pursuant to Article 123-ter of the TUF and Article 84-quater of the Issuers' Regulation;

- (v) in compliance with the remuneration policy approved by the Shareholders' Meeting, determines, after examining the opinion or proposals of the Remuneration Committee and consulting the Board of Statutory Auditors, the remuneration of directors holding particular offices in compliance with the overall remuneration determined by the Shareholders' Meeting pursuant to Article 2389, paragraph 3 of the Italian Civil Code, and, if the Shareholders' Meeting has not already done so, the subdivision of the overall remuneration due to all members of the Board of Directors;
- (vi) in compliance with the remuneration policy approved by the Shareholders' Meeting, prepares, examines the opinion or proposals of the Remuneration Committee and after consulting the Board of Statutory Auditors, any share-based remuneration plans or other financial instruments for directors, employees (including managers with strategic responsibilities) and collaborators, submits them to the Shareholders' Meeting for approval pursuant to Article 114-bis of the TUF and ensures their implementation;
- (vii) in compliance with the remuneration policy approved by the Shareholders' Meeting, prepares, examines the opinion or proposals of the Remuneration Committee and after consulting the Board of Statutory Auditors, any monetary incentive remuneration plans intended for, or in any case the recognition *ad personam* of variable remuneration, in favour of executive directors and managers with strategic responsibilities.

#### Remuneration Committee

In accordance with the Remuneration Committee Regulation, the Remuneration Committee, pursuant to the Corporate Governance Code, assists the Board of Directors in the performance of the tasks assigned to the latter with regard to remuneration and has, inter alia, the following responsibilities:

- (i) to make proposals to the Board of Directors regarding the remuneration policy for directors and managers with strategic responsibilities;
- (ii) to assess periodically the adequacy, overall consistency and concrete application of the policy for the remuneration of directors and managers with strategic responsibilities, making use in this regard of the information provided by the chief executive officers;
- (iii) to submit proposals or express opinions to the Board of Directors on the remuneration of executive directors and other directors holding particular positions as well as on the setting of performance objectives related to the variable component of such remuneration; it monitors the application of the decisions taken by the Board of Directors itself, verifying, in particular, the actual achievement of performance objectives;
- (iv) to examine in advance the annual report on the remuneration policy and remuneration paid to be made available to the public for the Annual General Meeting;
- (v) to carry out the additional tasks assigned to it by the Board of Directors and by current regulations.

Moreover, in accordance with the Remuneration Policy, the Remuneration Committee:



- (vi) makes proposals to the Board of Directors on any share-based remuneration plans or other financial instruments for directors, employees (including managers with strategic responsibilities) and collaborators;
- (vii) formulates proposals to the Board of Directors on any monetary incentive remuneration plans intended for, or in any case the recognition *ad personam* of variable remuneration, in favour of executive directors and managers with strategic responsibilities;
- (viii) examines in advance the report on the remuneration policy and remuneration paid pursuant to Article 123-ter of the TUF.

#### Shareholders' Meeting

In accordance with legislation and the By-laws, in terms of remuneration, the Shareholders' Meeting:

- (i) determines the remuneration of the members of the Board of Directors; the By-laws provides that the Shareholders' Meeting may determine a total amount for the remuneration of all Directors, including those holding special offices, and may grant Directors the right to receive an indemnity at the end of their term of office, to be established by means of annual provisions and also, if necessary, by means of insurance policies or other similar instruments;
- (ii) determines the remuneration of the members of the Board of Statutory Auditors in accordance with legislation and the By-laws;
- (iii) expresses its binding vote on the remuneration policy adopted by the Company, pursuant to Article 123-ter, paragraphs 3-bis and 3-ter of the TUF;
- (iv) expresses its non-binding vote on the second section of the report on the remuneration policy and remuneration paid by the Company, pursuant to Article 123-ter, paragraph 6 of the TUF;
- (v) resolves on any remuneration plans based on financial instruments for directors, employees (including managers with strategic responsibilities) and collaborators, pursuant to Article 114-bis of the TUF.

#### Board of Statutory Auditors

With regard to remuneration, the Board of Statutory Auditors:

- (i) expresses its opinion on the proposals for the remuneration of directors holding special offices pursuant to Article 2389, paragraph 3 of the Italian Civil Code;
- (ii) in accordance with the Remuneration Policy, expresses its assessment of the decisions relating to the definition, approval and possible revision of the remuneration policy;
- (iii) in accordance with the Remuneration Policy, expresses its assessment of any share-based remuneration plans or other financial instruments for directors, employees (including managers with strategic responsibilities) and collaborators;
- (iv) in accordance with the Remuneration Policy, expresses its assessment of any monetary incentive

remuneration plans intended for, or in any case the recognition *ad personam* of variable remuneration, in favour of executive directors and managers with strategic responsibilities;

- (v) in accordance with the Remuneration Policy, expresses its assessment of the report on the remuneration policy and the remuneration paid pursuant to Article 123-ter of the TUF.

6. The Remuneration Committee was established, in implementation of the recommendations of the Corporate Governance Code, by resolution of the Board of Directors adopted on 24 October 2019; the establishment of the Remuneration Committee became effective with the start of trading of the Company's shares on the Mercato Telematico Azionario organised and managed by Borsa Italiana S.p.A. on 10 December 2019.

On 24 October 2019, the Board of Directors approved the Remuneration Committee Regulation, which, among other things, Article 3 defines its functions, as illustrated above, and Article 5 defines its prerogatives, establishing, among other things, that the Remuneration Committee has the right to access the necessary information and corporate functions, and may use, at the Company's expense and within the limits of the budget approved by the Board of Directors, external consultants who are not in situations that compromise their independence.

Pursuant to the Regulation, the members of the Remuneration Committee and its Chairperson are appointed and removed by resolution of the Board of Directors and the Remuneration Committee is made up of three directors, all non-executive directors, the majority of whom are independent, with the Chairperson chosen from among the independent directors.

Pursuant to the Regulation, unless otherwise determined by the Board of Directors at the time of appointment, the term of office of the members of the Remuneration Committee is equal to that of the Board of Directors to which the members of the same belong.

The Remuneration Committee meets when convened by its Chairperson, whenever the Chairperson deems it appropriate and in any case at least once a year, or when two of its members make a written request to the Chairperson, or the Chairperson of the Board of Statutory Auditors, or the Chairperson of the Board of Directors.

For meetings of the Remuneration Committee to be valid, the majority of the members in office must be present and resolutions must be passed by an absolute majority of those present; for the calculation of the resolution majority, directors abstaining are not considered present; in the event of a tie, the vote of the Chairperson of the Remuneration Committee, if present, prevails.

The Chairperson of the Board of Statutory Auditors or another standing auditor designated by them attends the meetings of the Remuneration Committee; however, the other statutory auditors may also attend. The meetings of the Remuneration Committee may also be attended by directors, managers of corporate functions of the Company and its subsidiaries, or other persons whose presence may be of assistance in maximising the performance of the Committee's functions and who may be invited by its Chairperson. No director may take part in the meetings of the Remuneration Committee where proposals are made to the Board of Directors regarding their remuneration.

The Remuneration Committee, appointed by Board resolution of 24 October 2019 and effective as from the start of trading of the Company's shares on the MTA organised and managed by Borsa Italiana S.p.A., which took place on 10 December 2019, is composed of the Directors Silvia Merlo (Independent Director), acting as Chairperson, Luca Leonardo Etro (Independent Director) and Paolo Olivieri (Non-executive Director); their term of office is equal to that of the Board of Directors to which the members of the board belong and is therefore fixed until the Shareholders' Meeting called to approve the financial statements as at 31 December 2021.

As attested by the interested parties and positively evaluated by the Board of Directors, Silvia Merlo has adequate knowledge and experience in financial matters and remuneration policies and Leonardo Luca Etro and Paolo Olivieri have adequate knowledge and experience in financial matters.

For further details on the composition and functioning of the Remuneration Committee, please refer to the "Report on corporate governance and ownership structures" prepared in accordance with Article 123-bis of the TUF and published by the Company on its website [www.sanlorenzoyacht.com](http://www.sanlorenzoyacht.com) in the "Corporate Governance" section.

7. In order to avoid or manage potential conflicts of interest, the executive directors (Massimo Perotti, Marco Viti and Carla Demaria) abstain from voting on resolutions concerning or that may concern their remuneration.

8. In defining the Remuneration Policy, the Company did not avail itself of the collaboration of independent experts and did not use the remuneration policies of other companies as a reference, while it took into account the remuneration and working conditions of its own employees, fixing the contents of the Remuneration Policy in light of the same.

9. The Remuneration Policy provides that, in the event of the occurrence of exceptional circumstances pursuant to Article 123-ter, paragraph 3-bis of the TUF (i.e. when the waiver of the Remuneration Policy is necessary in order to pursue the long-term interests and sustainability of the Company as a whole or to ensure its ability to stay on the market), the Company may temporarily waive the Remuneration Policy; in this case the relevant decisions must be submitted in full to the Procedure for Related Parties Transactions of the Company from time to time in force, such as "Transactions of Lesser Significance".

10. If the Shareholders' Meeting does not approve the Remuneration Policy, pursuant to Article 123-ter, paragraph 3-ter of the TUF, the Company will be required to pay remuneration in accordance with current practice, given that, pending the recent listing, the Company has not previously submitted a remuneration policy to the Shareholders' Meeting for a vote. In this case, at the next Shareholders' Meeting held to approve the financial statements, the Company must submit a new remuneration policy to the vote of the Shareholders' Meeting.

### ***Remuneration of Directors***

11. Pursuant to Article 16 of the By-laws, directors are entitled to the reimbursement of expenses incurred in the performance of their duties, their remuneration is established in accordance with the law and the Shareholders' Meeting may in any case determine a total amount for the remuneration of all directors, including those holding special offices, as well as the right to receive an indemnity at the end of their term of

office, to be established through annual provisions and also through insurance policies or other similar instruments.

The fees for Board mandates, established in cumulative form by the Shareholders' Meeting, are then distributed by the Board of Directors, after consultation with the competent internal advisory functions as illustrated above.

12. In accordance with the provisions of the Corporate Governance Code, the remuneration paid to non-executive directors does not include a variable part, is also determined on the basis of their participation in committees and commensurate with the commitment required of each of them, taking into account their possible participation in one or more committees.

#### ***Remuneration of Statutory Auditors***

13. Pursuant to Article 2402 of the Italian Civil Code, the remuneration of the members of the Board of Statutory Auditors is determined by the Shareholders' Meeting at the time of appointment for the entire period of their office on a fixed annual basis. Statutory Auditors are also entitled to reimbursement of documented expenses incurred for reasons of office.

It is recommended that such remuneration is consistent with the professional commitment required by the office as well as the related responsibilities and that the related proposals on remuneration are presented by the shareholders (where appropriate also pursuant to Article 126-bis of the TUF) so that they can be communicated to the public well in advance of the Shareholders' Meeting called to resolve on them.

14. The outgoing Board of Statutory Auditors, in view of the Shareholders' Meeting held on 24 October 2019, which appointed the Statutory Auditors in office as at 31 December 2019 and at the date of the Remuneration Report, did not provide the Company with details on the quantification of the commitment required to carry out the appointment.

#### ***Remuneration of managers with strategic responsibilities***

15. The remuneration of managers with strategic responsibilities is established in a manner consistent with their roles, responsibilities and professionalism.

16. The Company and the subsidiaries Bluegame S.r.l. and Sanlorenzo of Americas LLC have agreements in place that provide for the payment of a variable monetary part of the remuneration with certain managers with strategic responsibilities; the recognition of these monetary incentives is linked to the achievement of specific objectives identified from year to year for each of them; the ratio of this variable remuneration to the fixed remuneration changes due to personal agreements and in relation to the role of the executive concerned.

#### ***Principles of the Remuneration Policy with regard to the balance between fixed and variable components, and with regard to variable remuneration for executive directors and managers with strategic responsibilities***

17. The Remuneration Policy ensures that the amount of remuneration and the balance between the fixed and variable components of the remuneration of directors and managers with strategic responsibilities is aimed at aligning the interests of the recipients with the pursuit of the priority objective of creating value for

shareholders over the medium-long term and must be defined in accordance with the provisions of the Remuneration Policy, also taking into account the category, organisational level, responsibilities and professional skills of the recipients.

**18.** In order to pursue the objectives indicated in the Remuneration Policy, the same provides for the establishment of one or more remuneration plans based on financial instruments (stock options) that have the following fundamental characteristics:

- (i) the recipients of the plan may be executive directors, general managers, managers with strategic responsibilities and employees with an open-ended contract of employment and the status of executive, middle manager or employee of the Company and its subsidiaries (the "**Recipients**");
- (ii) the beneficiaries of the plan are identified among the Recipients, also by separate and subsequent resolutions, by the Board of Directors, after receiving a favourable opinion or on the proposal of the Remuneration Committee and after consulting the Board of Statutory Auditors (the parties thus identified, the "**Beneficiaries**");
- (iii) the Beneficiaries are assigned a specific number of options which, if exercised, give the right to subscribe one share of Sanlorenzo, as each option gives the right to purchase or subscribe a single share of Sanlorenzo (the "**Options**");
- (iv) either a share capital increase with exclusion of pre-emption rights pursuant to Article 2441, paragraph 8 of the Italian Civil Code, or alternatively a plan for the purchase of treasury shares pursuant to articles 2357 and 2357-ter of the Italian Civil Code and 132 of the TUF;
- (v) the number of Options assigned to each Beneficiary is established by the Board of Directors, after receiving a favourable opinion or proposal from the Remuneration Committee and after consulting the Board of Statutory Auditors, based on the role held in the Company, the responsibilities and skills of each Beneficiary;
- (vi) the exercise price of the Options of the plan that will be implemented first is equal to the price at which the Company's shares will be placed on the MTA organised and managed by Borsa Italiana S.p.A., while for any subsequent plans it will be set by the Board of Directors, after receiving a favourable opinion or proposal from the Remuneration Committee and after consulting the Board of Statutory Auditors, to the extent that it pursues the objectives of the incentive instruments as indicated in the Remuneration Policy and in line with best market practice;
- (vii) an average vesting period of at least two years is envisaged;
- (viii) the number of Options accrued in favour of each Beneficiary at the end of the vesting period depends on predetermined and measurable performance objectives set by the plan, established by the Board of Directors, after receiving the favourable opinion of the Remuneration Committee and after consulting the Board of Statutory Auditors, which are established according to the role and responsibilities of the Beneficiary and which are linked to one or more of the following parameters:
  - a. The consolidated EBITDA of the Group as at 31 December of the reference year, as emerging from the Consolidated Financial Statements approved by the Board of Directors;

- b. The consolidated Net Financial Position of the Group as at 31 December of the reference year, as emerging from the Consolidated Financial Statements approved by the Board of Directors;
  - c. personal objectives established according to the role and function of the Beneficiary, with at least 85% to be achieved;
- (ix) as regards the exercising period, the Options actually vested in favour of the Beneficiaries at the expiry dates indicated above may be exercised by the Beneficiary for three years from the date of their vesting;
- (x) there are suitable good leaver and bad leaver clauses, consistent with the aims of the incentive instruments as indicated in the Remuneration Policy and in line with the market best practice.

**19.** Again with the aim of pursuing the objectives indicated in the Remuneration Policy, the same also allows for the establishment of monetary incentive remuneration plans, or in any case the *ad personam* recognition of variable remuneration, for executive directors and managers with strategic responsibilities of the Company or the Group that are not included among the Beneficiaries of stock option plans established in accordance with the above provisions; such plans or such variable components of remuneration must have the following fundamental characteristics:

- (i) provide for a time period of at least three years, the variable component being allowed to mature annually according to annual performance objectives;
- (ii) the vesting of the right to receive variable remuneration depends on predetermined and measurable performance objectives set by the Board of Directors, after receiving a favourable opinion or proposal from the Remuneration Committee and after consulting the Board of Statutory Auditors, which are established according to the role and responsibilities of the Beneficiary and which are linked to the following parameters:
  - for 50% of the total amount of variable remuneration, to the Group's consolidated EBITDA as at 31 December of the reference year, as emerging from the Consolidated Financial Statements approved by the Board of Directors, compared to the Group's consolidated EBITDA as at 31 December of a previous year identified as a reference by the Board of Directors;
  - for 50% of the total amount of variable remuneration, both the Group's consolidated EBITDA as at 31 December of the reference year, as emerging from the Consolidated Financial Statements approved by the Board of Directors, compared to the Group's consolidated EBITDA set as guidance for the market by the Board of Directors with reference to the same year, and the Group's consolidated Net Financial Position as at December 31 of the reference year, as emerging from the Consolidated Financial Statements approved by the Board of Directors, compared to the Group's consolidated Net Financial Position set as guidance for the market by the Board of Directors with reference to the same year;

(iii) there are suitable good leaver and bad leaver clauses, consistent with the aims of the incentive instruments as indicated in the Remuneration Policy and in line with the market best practice.

20. The Remuneration Policy expressly allows that there are no forms of incentive remuneration for the Executive Chairman Massimo Perotti, given his role as the Company's controlling shareholder, which is considered suitable in itself to ensure both the alignment of his interests to the pursuit of the objective of creating value for shareholders in the medium-long term and his loyalty.

21. Consistent with the Remuneration Policy, the Board of Directors approved, upon proposal of the Remuneration Committee and after hearing the favourable opinion of the Board of Statutory Auditors, to propose to the Shareholders' Meeting called to approve the Remuneration Policy pursuant to Article 114-bis of the TUF of the "2020 Stock Option Plan" (the "**2020 Stock Option Plan**"). The explanatory report and the information document relating to the Stock Option Plan 2020 may be consulted on the Company's website [www.sanlorenzoyacht.com](http://www.sanlorenzoyacht.com), in the "Corporate Governance" section.

The 2020 Stock Option Plan is consistent with the provisions of the Remuneration Policy and is described in the above mentioned explanatory report and information document, to which reference should be made for further information.

The 2020 Stock Option Plan provides that the performance objectives on the basis of which the options mature are those indicated in the Remuneration Policy and mentioned above in point 18, (viii). It will be the Board of Directors, which will deliberate, having obtained the opinion of the Remuneration Committee and having consulted the Board of Statutory Auditors, to establish for each beneficiary of the 2020 Stock Option Plan the specific objectives to which the vesting of the Options will be linked; it may be envisaged that the options assigned to each beneficiary will only vest partially, due to the partial achievement of the objectives established by the Board of Directors. The relevant decision has not been taken and will be taken following the approval of the Remuneration Policy by the Shareholders' Meeting.

The verification of the occurrence of the objectives to which the vesting of the Options will be linked, as established by the Board of Directors in compliance with the provisions of the 2020 Stock Option Plan, will be carried out by the Board of Directors after verification by the Remuneration Committee.

The 2020 Stock Option Plan provides that the vesting period shall be determined by the Board of Directors, upon proposal of the Remuneration Committee and after consulting the Board of Statutory Auditors, at the time of the assignment of the options to each beneficiary, it being understood that an average vesting period of at least two years shall be provided for, as established by the Remuneration Policy, which deemed this period to be appropriate both in light of the objectives pursued by the same and the current contingency. Please note that on the occasion of the identification of the first beneficiaries of the 2020 Stock Option Plan carried out by the Board of Directors (for details of which please refer to the aforementioned explanatory report and information document relating to the 2020 Stock Option Plan) with effectiveness subject to the approval by the ordinary and extraordinary Shareholders' Meeting convened for 21 April 2020 on first call and for 22 April 2020 on second call to approve the related proposal pursuant to Article 114-bis of the TUF, the Remuneration Policy described in the Remuneration Report pursuant to Article 123-ter, paragraphs 3-bis and 3-ter of the TUF and the capital increase to service the 2020 Stock Option Plan itself, the following Exercise Dates, valid for all Beneficiaries, have been established: (i) for one third of the Options assigned to

each Beneficiary, one year from the Assignment Date; (ii) for the second third of the Options assigned to each Beneficiary, two years from the Assignment Date; (iii) for the last third of the Options assigned to each Beneficiary, three years from the Assignment Date. The aforementioned minimum average vesting period of two years is thus respected.

The 2020 Stock Option Plan includes good and bad leaver clauses, better described in the explanatory report and attached information document mentioned above, which regulate the consequences of the termination of the relationship with the beneficiaries in relation to options already vested and not yet exercised and in relation to options in the course of vesting.

The 2020 Stock Option Plan does not provide for deferred payment systems, ex post correction mechanisms, clauses for maintaining Sanlorenzo shares in the portfolio after they are subscribed and claw back clauses.

The 2020 Stock Option Plan will be implemented on condition that the Shareholders' Meeting called for 21 April 2020 in first call and for 22 April 2020 in second call approves, in ordinary session, the related proposal pursuant to Article 114-bis of the TUF and the Remuneration Policy described in the Remuneration Report pursuant to Article 123-ter, paragraphs 3-bis and 3-ter of the TUF and, in extraordinary session, the capital increase to service the 2020 Stock Option Plan itself.

**22.** Consistent with the Remuneration Policy, the Board of Directors approved, upon proposal of the Remuneration Committee and after hearing the favourable opinion of the Board of Statutory Auditors, to award, subject to the approval of the Remuneration Policy by the Shareholders' Meeting, to managers with strategic responsibilities Marco Viti, Carla Demaria, Ferruccio Rossi and Tommaso Vincenzi (the first two also executive directors of the Company) a variable remuneration additional to their current remuneration as managers. It should be noted that Marco Viti, Carla Demaria, Ferruccio Rossi and Tommaso Vincenzi are currently not included among the beneficiaries of the 2020 Stock Option Plan and that this variable remuneration will be in lieu of any other variable remuneration enjoyed by them.

Consistently with the Remuneration Policy, it has been envisaged that the reference parameters for the objectives to which the right to accrue this variable component of remuneration will be subject are those indicated in the Remuneration Policy and mentioned in point 19, (ii) above. In particular, the Board of Directors has established that the above parameters may be set as follows for the 2020 year:

- as regards the first parameter, the achievement of a Group consolidated EBITDA as at 31 December 2020 equal to the Group consolidated EBITDA as at 31 December 2019;
- with regard to the second parameter, the achievement of a consolidated Group EBITDA as at 31 December 2020 and the achievement of a consolidated Net Financial Position of the Group as at 31 December 2020 equal to at least the consolidated EBITDA of the Group as at 31 December 2020 and the consolidated Net Financial Position of the Group as at 31 December 2020 respectively, which will be established as guidance for the market by the Board of Directors which is currently expected to be held on 11 May 2020.

There are good and bad leaver clauses, similar to those provided for the 2020 Stock Option Plan, which regulate the consequences of the termination of the relationship with the beneficiaries on the variable remuneration paid to them.



For all four recipients, the amount of variable remuneration for 2020 and the commitment to renew the same resolution, with revised values and performance objectives has been provided for, also with reference to the years 2021 and 2022.

In particular, for Marco Viti a maximum variable remuneration for 2020 of € 500,000.00 gross has been deliberated; for Ferruccio Rossi a maximum variable remuneration for 2020 of € 250,000.00 gross has been deliberated; for Tommaso Vincenzi, the following have been deliberated, (a) an increase in the basic RAL from € 200,000.00 to €250,000.00 per year and (b) a maximum variable remuneration for 2020 equal to € 100,000.00 gross; for Carla Demaria, who holds the position of executive director of the Company and is an executive of the subsidiary Bluegame S.r.l. from which alone she receives the related remuneration, it was resolved to instruct the Board of Directors of Bluegame, as part of the management and coordination activities carried out by the Company, to assess the attribution to herself, under the same conditions provided for the variable remuneration paid to Marco Viti, Ferruccio Rossi and Tommaso Vincenzi as described above, of a maximum variable remuneration for 2020 equal to € 200,000.00 gross.

The aforementioned variable remuneration will be recognised on condition that the Shareholders' Meeting convened for 21 April 2020 in first call, and for 22 April 2020 in second call, approves in ordinary session the Remuneration Policy described in the Remuneration Report pursuant to Article 123-ter, paragraphs 3-bis and 3-ter of the TUF.

**23.** In line with the Remuneration Policy, the Board of Directors, on the proposal of the Remuneration Committee, considered it inappropriate to provide for forms of incentive remuneration for the Executive Chairman Massimo Perotti, given his role as controlling shareholder of the company, which in itself is considered suitable to ensure both the alignment of his interests to the objective of creating value for shareholders in the medium-long term, and his loyalty.

#### ***Non-monetary benefits***

**24.** The Remuneration Policy allows for the assignment of non-monetary benefits to executive directors and managers with strategic responsibilities (including, but not limited to, the use of mobile phones and mobile computers, company cars, home, health, life and professional insurance coverage) in line with practice and to be recognised in compliance with the criteria established by the Remuneration Policy.

**25.** The Company recognises the following non-monetary benefits: company car, mobile computer and mobile phone, for all executive directors and managers with strategic responsibilities; home use, recognised on a case-by-case basis, individually for certain executive directors and managers with strategic responsibilities who are not resident in the place where they perform their work.

The Company also takes out the following insurance coverage for managers with strategic responsibilities, i.e. social security or pension plans, other than the mandatory coverage, with different conditions and limits from time to time: supplementary life policy; accident policy - professional and non-professional - supplementary in the event of death; accident policy - professional and non-professional - supplementary permanent accident disability; supplementary health policy (in addition to the FASI, with specific limits).

#### ***End of office indemnity***

**26.** Pursuant to Article 16 of the By-laws, the Shareholders' Meeting may grant directors the right to

receive an indemnity at the end of their term of office, to be established by means of annual provisions and also, if necessary, by means of insurance policies or other similar instruments.

The Remuneration Policy provides that the Shareholders' Meeting may resolve in favour of the Chairman of the Board of Directors, an End of Mandate Indemnity, through the stipulation of a specific insurance policy with a primary institution, for an annual amount of € 50,000.00, in line with resolutions passed by the Shareholders' Meeting since 2013.

The Remuneration Policy does not provide for the recognition in favour of executive directors of further indemnities for early termination of office or non-renewal, with the exception of those institutions applicable by law to the employment relationship where executive directors are also employees.

The Remuneration Policy does not provide for the payment of non-recurring remuneration.

**27.** In line with the above, the Shareholders' Meeting held on 24 October 2019 confirmed the provision, for the Chairman of the Board of Directors, Massimo Perotti, of an End of Mandate Indemnity for the annual amount of € 50,000.00, through the stipulation of a special insurance policy.

The Company did not pay severance indemnities for the termination of office to directors who left office during the 2019 year.

The Company is not a party to agreements that provide for the assignment or maintenance of non-monetary benefits in favour of executive directors or managers with strategic responsibilities or the stipulation of consultancy contracts for a period after the termination of the relationship.

**28.** The Company has entered into a non-competition agreement with the executive director and employee with strategic responsibilities Marco Viti, valid, if the Company exercises its right to make use of it, for the 12 months following the termination of his employment, in exchange for a consideration in favour of Marco Viti, equal on an annual basis to 50% of the last annual remuneration received by him, excluding benefits and bonuses.

## **SECTION II**

This Section describes the remuneration attributed to directors and members of the Board of Statutory Auditors, by name, and in aggregate form for the remuneration attributed to managers with strategic responsibilities:

- in the first part, it provides an adequate representation of each of the items that make up remuneration, including the processes provided for in the event of termination of office or termination of employment;
- in the second part, analytically illustrates the remuneration paid in the reference year for any reason and in any form by the Company and its subsidiaries or associated companies, indicating any components of the aforementioned remuneration that refer to activities carried out in years prior to the reference year and also highlighting the remuneration to be paid in one or more subsequent years for the activity carried out in the reference year, possibly indicating an estimate value for components that cannot be objectively quantified in the reference year.
- in the third part, it indicates, with the criteria established in Annex 3A, Schedule 7-ter of the Issuers' Regulation, the shareholdings held, in the Company and its subsidiaries, by members of the management and control bodies and other managers with strategic responsibilities as well as by spouses who are not legally separated and dependent children, directly or through subsidiaries, trust companies or through third parties, resulting from the shareholders' register, communications received and other information acquired by the same members of the management and control bodies and other managers with strategic responsibilities.

In view of the fact that the Company is currently in the "smaller" category (pursuant to Article 3, paragraph 1, letter f) of Regulation No. 17221 of 12 March 2010), the Company provides information on the remuneration received by managers with strategic responsibilities at an aggregate level, in compliance with the provisions of Annex 3A, Schedule 7-bis of the Issuers' Regulation.

In the same way, and again in consideration of the fact that the Company is currently categorised as "smaller", the Company provides information on agreements providing for indemnities in the event of early termination of the relationship only with reference to the executive directors and the Chairman of the Board of Directors, in compliance with the provisions of Annex 3A, Schedule 7-bis of the Issuers' Regulation.

It should be noted that the Independent Auditors BDO Italia S.p.A. verified - in compliance with the provisions of Article 123-ter, paragraph 8-bis, of the TUF - that the Board of Directors has prepared this Section of the Remuneration Report.

## **Section II - Part One. Remuneration items**

### ***Remuneration of members of the Board of Directors***

On 24 October 2019, at the same time as the integration of the Board of Directors, the Ordinary Shareholders' Meeting of the Company resolved to set the overall gross annual remuneration payable to all Directors, including those holding special offices, at € 3,000,000.00, delegating the Board of Directors to determine the amount of each individual Director's remuneration.

On the same date, the Board of Directors resolved the distribution of fees determined by the Ordinary Shareholders' Meeting as follows:

- (i) Chairman of the Board of Directors (Massimo Perotti): € 1,750,000.00.
- (ii) Executive director (Marco Viti): € 500,000.00.
- (iii) Non-executive directors: € 20,000.00 each.
- (iv) Chairman of the Control, Risk and Sustainability Committee: € 6,000.00.
- (v) Chairman of the Related Parties Committee and chairman of the Remuneration Committee: € 5,000.00 each.
- (vi) Control, Risk and Sustainability Committee members: € 4,000.00 each.
- (vii) Members of the Related Parties Committee and members of the Remuneration Committee: € 2,500.00 each.

Carla Demaria has declared that she waived her remuneration as a director of the Company until 31 December 2021, considering that the remuneration for this position is included in her remuneration as an executive of the subsidiary Bluegame S.r.l.

The Board of Directors decided not to recognise a specific remuneration for participation in the Nomination Committee, neither as Chairman nor as a member.

The Board of Directors' meeting held on 24 October 2019 confirmed the provision in favour of Massimo Perotti of an End of Mandate Indemnity for the annual amount of € 50,000.00, through the stipulation of a specific insurance policy with a primary institution, as resolved by the Shareholders' Meeting of 24 October 2019 and previously on 23 December 2013, 1 June 2016, 30 August 2018, 21 December 2018, 14 January 2019 and 24 June 2019.

Without prejudice to the above, there are no further agreements between the Company and the executive directors providing for indemnities in the event of early termination of the relationship, nor are there any agreements providing for the assignment or maintenance of non-monetary benefits in their favour in the event of termination of office.

On 23 January 2019, the Company signed a non-competition agreement with the executive director Marco Viti, establishing as a consideration, only if the Company requests to comply with this obligation, an amount equal to 50% of the gross annual fixed remuneration for the last 12 months of work for each year of the non-

competition obligation, excluding benefits and bonuses. The additional fee shall be paid to Marco Viti in equal monthly instalments, the first paid within 90 days of termination of employment.

Without prejudice to the above, there are no further agreements between the Company and the executive directors that provide for remuneration for non-competition commitments.

#### ***Remuneration of the members of the Statutory Auditors***

On 24 October 2019, at the same time as the appointment of the Board of Statutory Auditors, the Ordinary Shareholders' Meeting of the Company resolved to set the gross annual remuneration payable to the Chairman of the Board of Statutory Auditors at € 30,000.00 and the gross annual remuneration payable to each standing auditor at € 25,000.00.

#### ***Remuneration of managers with strategic responsibilities***

The remuneration paid by the group and intended for any reason and in any form whatsoever to the Company's managers with strategic responsibilities for the year ended 31 December 2019, amounted to a total of € 3,086,749.00, including bonuses of € 620,000.00 in aggregate gross values.

The Company has granted the following non-monetary benefits to the main executives: company car, mobile computer, mobile phone and home use, the latter granted on a case-by-case basis, depending on the individual, to certain managers with strategic responsibilities who are not resident in the place where they perform their work.

In addition, the Company has taken out the following insurance coverage for managers with strategic responsibilities, i.e. social security or pension plans, other than mandatory coverage, with different conditions and limits from time to time: supplementary life policy; accident policy - professional and non-professional - supplementary in the event of death; accident policy - professional and non-professional - supplementary permanent accident disability; supplementary health policy (in addition to the FASI, with specific limits).

Several managers with strategic responsibilities, in accordance with the responsibility assigned to them as key managerial figures of the Group, have benefited from incentive remuneration (see Section I above).

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It should be noted that this Section II does not explain how the Company took into account the vote cast the previous year on the same section, in accordance with the provisions of Article 123-ter, paragraph 4, letter b-bis) of the TUF, since the Company's listing took place on 10 December 2019 and during 2019 the Company was not required to submit the report pursuant to Article 123-ter of the TUF to the Shareholders' Meeting for approval.

Likewise, it should be noted that this Section II does not provide any evidence of consistency with the Remuneration Policy, since the Company's listing took place on 10 December 2019 and during 2019 the Company did not submit the Remuneration Policy to the Shareholders' Meeting for a vote. In any case, consistency is confirmed with the draft remuneration policy approved by the Board of Directors on 24 October 2019 in view of the process of listing the Company's shares on the MTA organised and managed by Borsa Italiana S.p.A., which took place on 10 December 2019 and was not subject to the vote of the

Shareholders' Meeting.

**Section II - Part Two. Analytical representation of compensation paid during the year**

The information in the following tables is provided separately with reference to positions held in the Company and any positions held in subsidiaries and associated companies.

This includes all persons who, during the year, have held, even for a fraction of the period, the position of members of the Board of Directors and Board of Statutory Auditors or manager with strategic responsibilities.

## Tables pursuant to Annex 3A, Schedule 7-bis of the Issuers' Regulation

**Table 1: Remuneration paid to members of the Board of Directors and Board of Statutory Auditors, general managers and other Managers with strategic responsibilities**

### Remuneration paid to members of the Board of Directors and Board of Statutory Auditors

Name and surname	Position	Period for which the office was held	Expiry date of office	Fixed remuneration	Remuneration for participation in committees	Non-equity variable remuneration		Non-monetary benefits	Other remuneration	Total	Fair value of equity remuneration	Termination of office or termination of employment indemnity
						Bonuses and other incentives	Profit sharing					

*(1) Remuneration in the reporting company*

Board of Directors												
Massimo Perotti	Chairman and Chief Executive Officer	From 01/01/2019 to 31/12/2019	Approval of the Financial Statements as at 31/12/2021	1,750,000.00						1,750,000.00		
Marco Viti	Chief Executive Officer	From 01/01/2019 to 31/12/2019	Approval of the Financial Statements as at 31/12/2021	500,000.00						500,000.00		
Ferruccio Rossi	Chief Executive Officer	From 01/01/2019 until 20/06/2019		250,000.00						250,000.00		
Ermanno Porro	Director	From 01/01/2019 until 20/06/2019		90,000.00						90,000.00		
Carla Demaria (8)	Chief Executive Officer	From 14/01/2019 to 31/12/2019	Approval of the Financial Statements as at 31/12/2021							-		
Paolo Olivieri (1)	Director	From 01/01/2019 to 31/12/2019	Approval of the Financial Statements as at 31/12/2021	1,222.22	152.78					1,375.00		
Cecilia Maria Perotti (2)	Director	From 01/01/2019 to 31/12/2019	Approval of the Financial Statements as at 31/12/2021	4,472.22	244.44					4,716.67		
Pietro Gussalli Beretta (3)	Director	From 10/12/2019 to 31/12/2019	Approval of the Financial Statements as at 31/12/2021	1,222.22	152.78					1,375.00		
Silvia Merlo (4)	Director	From 10/12/2019 to 31/12/2019	Approval of the Financial Statements as at 31/12/2021	1,222.22	702.78					1,925.00		
Licia Mattioli (5)	Director	From 10/12/2019 to 31/12/2019	Approval of the Financial Statements as at 31/12/2021	1,222.22	305.56					1,527.78		
Leonardo Luca Etro (6)	Director	From 10/12/2019 to 31/12/2019	Approval of the Financial Statements as at 31/12/2021	1,222.22	519.45					1,741.67		
Cesare Perotti (7)	Director	From 01/01/2019 until 10/12/2019		3,250.00						3,250.00		

Name and surname	Position	Period for which the office was held	Expiry date of office	Fixed remuneration	Remuneration for participation in committees	Non-equity variable remuneration		Non-monetary benefits	Other remuneration	Total	Fair value of equity remuneration	Termination of office or termination of employment indemnity
						Bonuses and other incentives	Profit sharing					
<b>Board of Statutory Auditors</b>												
Maurizio Ferrero	Chairman of the Board of Statutory Auditors	From 01/01/2019 until 24/10/2019		27,488.00						27,488.00		
Andrea Giammello	Standing Auditor	From 01/01/2019 until 24/10/2019		18,880.00						18,880.00		
Michele Fumari	Standing Auditor	From 01/01/2019 until 24/10/2019		18,880.00						18,880.00		
Andrea Caretti	Chairman of the Board of Statutory Auditors	From 24/10/2019 to 31/12/2019	Approval of the Financial Statements as at 31/12/2021	5,750.00						5,750.00		
Margherita Spainì	Standing Auditor	From 24/10/2019 to 31/12/2019	Approval of the Financial Statements as at 31/12/2021	4,791.67						4,791.67		
Roberto Marrani	Standing Auditor	From 24/10/2019 to 31/12/2019	Approval of the Financial Statements as at 31/12/2021	4,791.67						4,791.67		

**(II) Remuneration from subsidiaries and associated companies**

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<b>(III) Total</b>				<b>2,684,414.67</b>	<b>2,077.79</b>					<b>2,686,492.46</b>		
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**Note:**

- Paolo Olivieri (1) Member of the Board of Directors (remuneration € 1,222.22); Member of the Remuneration Committee (remuneration € 152.78); Member of the Nomination Committee (remuneration € 0).
- Cecilia Maria Perotti (2) Member of the Board of Directors (remuneration € 1,222.22 and € 3,250.00 for attendance fees); Member of the Control, Risk and Sustainability Committee (remuneration € 244.44).
- Pietro Gussalli Beretta (3) Member of the Board of Directors (remuneration € 1,222.22); Member of the Related Parties Committee (remuneration € 152.78); Chairman of the Appointments Committee (remuneration € 0).
- Silvia Merlo (4) Member of the Board of Directors (remuneration € 1,222.22); Chairman of the Remuneration Committee (remuneration € 305.56); Member of the Related Parties Committee (remuneration € 152.78); Member of the Control, Risk and Sustainability Committee (remuneration € 244.44).
- Licia Mattioli (5) Member of the Board of Directors (remuneration € 1,222.22); Chairman of the Related Parties Committee (remuneration € 305.56); Member of the Nomination Committee (remuneration € 0).
- Leonardo Luca Etro (6) Member of the Board of Directors (remuneration € 1,222.22); Chairman of the Control, Risk and Sustainability Committee (remuneration € 366.67); Member of the Remuneration Committee (remuneration € 152.78).
- Cesare Perotti (7) Member of the Board of Directors (remuneration € 3,250.00 for attendance fees).
- Carla Demaria Chief Executive Officer of the Board of Directors of Sanlorenzo S.p.A.



Remuneration paid to managers with strategic responsibilities

Name and surname	Position	Period for which the office was held	Expiry date of office	Fixed remuneration	Remuneration for participation in committees	Non-equity variable remuneration		Non-monetary benefits	Other remuneration	Total	Fair value of equity remuneration	Termination of office or termination of employment indemnity
						Bonuses and other incentives	Profit sharing					

*(I) Remuneration in the reporting company*

12 other managers with strategic responsibilities				1,862,530.00		420,000.00		94,375.00 (1)	40,000.00 (2)	2,416,905.00		
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*(II) Remuneration from subsidiaries and associated companies*

2 other managers with strategic responsibilities				467,542.18		200,000.00		2,302.20		669,844.38		
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<b>(III) Total</b>				<b>2,330,072.18</b>		<b>620,000.00</b>		<b>96,677.20</b>	<b>40,000.00</b>	<b>3,086,749.38</b>		
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**Note:**

- (1) Non-monetary benefits: car and life and professional/non-professional accident insurance benefits.
- (2) Anticipated non-competition agreement for 2020.

**Table 3B: Monetary incentive plans for members of the Board of Directors, general managers and other managers with strategic responsibilities**

A	B	(1)	(2)			(3)			(4)
Surname and name	Position	Plan	Bonus for the year			Bonuses from previous years			Other Bonuses
			(A)	(B)	(C)	(A)	(B)	(C)	
			Payable/Paid	Deferred	Reference period	no longer payable	Payable/Paid	Still deferred	
<b>(I) Remuneration in the reporting company</b>									
5 other managers with strategic responsibilities			50,000		2019				370,000
<b>(II) Remuneration from subsidiaries and associated companies</b>									
1 other manager with strategic responsibilities									200,000
<b>(III) Total</b>									
			<b>50,000</b>						<b>570,000</b>

Note:

(4)

**(I) Remuneration in the reporting company** This refers to bonuses not linked to objectives for € 300,000 and non-competition agreements for € 70,000

**(II) Remuneration from subsidiaries and associated companies** This refers to bonuses not linked to objectives for € 200,000

## Tables pursuant to Annex 3A, Schedule 7-ter of the Issuers' Regulation

**Table 1: Shareholdings of members of the Board of Directors and Board of Statutory Auditors and general managers**

SURNAME AND NAME	POSITION	INVESTEE COMPANY	NUMBER OF SHARES HELD AT THE END OF THE PREVIOUS YEAR	NUMBER OF SHARES PURCHASED	Note	NUMBER OF SHARES SOLD	Note	NUMBER OF SHARES HELD AT THE END OF THE CURRENT YEAR
Massimo Perotti (through Holding Happy Life S.r.l.)	Chairman and Chief Executive Officer	Sanlorenzo S.p.A.	29,350,445	0		7,559,563	(1)	21,790,882
Paolo Olivieri (through Holding Happy Life S.r.l.)	Vice Chairman	Sanlorenzo S.p.A.	7,488	0		1,929	(2)	5,559
Paolo Olivieri (through Luchi Fiduciaria S.r.l.)	Vice Chairman	Sanlorenzo S.p.A.	0	135,126	(6)	126	(3)	135,000
Marco Viti	Chief Executive Officer	Sanlorenzo S.p.A.	0	601,014	(7)	121,014	(4)	480,000
Carla Demaria	Chief Executive Officer	Sanlorenzo S.p.A.	0	325,507	(8)	507	(5)	325,000
Silvia Merlo	Director	Sanlorenzo S.p.A.	0	80,000	(9)			80,000

(1) 1,210,303 shares were sold during 2019 to managers, 47,476 shares refer to the reduction due to the reverse merger by incorporation of WindCo S.p.A. into Sanlorenzo S.p.A. and 6,301,784 shares were sold during the IPO.

(2) 309 shares were sold during 2019 to managers, 12 shares refer to the reduction due to the reverse merger by incorporation of WindCo S.p.A. into Sanlorenzo S.p.A. and 1,608 shares were sold during the IPO.

(3) Reduced shares due to the reverse merger by incorporation of WindCo S.p.A. into Sanlorenzo S.p.A.

(4) 1,014 shares refer to the reduction due to the reverse merger by incorporation of WindCo S.p.A. into Sanlorenzo S.p.A. and 120,000 shares were sold during the IPO.

(5) Reduced shares due to the reverse merger by incorporation of WindCo S.p.A. into Sanlorenzo S.p.A.

(6) 75,126 shares were purchased before the merger of WindCo S.p.A. into Sanlorenzo S.p.A. and 60,000 shares were purchased after the IPO.

(7) Shares purchased before the merger by incorporation of WindCo S.p.A. into Sanlorenzo S.p.A.

(8) 300,507 shares were purchased before the merger of WindCo S.p.A. into Sanlorenzo S.p.A. and 25,000 shares were purchased after the IPO.

(9) Shares purchased after the IPO.

**Table 2: Shareholdings of other managers with strategic responsibilities**

<b>SURNAME AND NAME</b>	<b>POSITION</b>	<b>INVESTEE COMPANY</b>	<b>NUMBER OF SHARES HELD AT THE END OF THE PREVIOUS YEAR</b>	<b>NUMBER OF SHARES PURCHASED</b>	<b>Note</b>	<b>NUMBER OF SHARES SOLD</b>	<b>Note</b>	<b>NUMBER OF SHARES HELD AT THE END OF THE CURRENT YEAR</b>
Ferruccio Rossi	Manager with strategic responsibilities	Sanlorenzo S.p.A.	344,662	256,352	(12)	61,014	(10)	540,000
Vincenzi Tommaso	Manager with strategic responsibilities	Sanlorenzo S.p.A.	172,331			37,331	(11)	135,000
Marco Segato	Manager with strategic responsibilities	Sanlorenzo of the Americas LLC		10% of the share capital			(13)	10% of the share capital

(10) 1,014 shares refer to the reduction due to the reverse merger by incorporation of WindCo S.p.A. into Sanlorenzo S.p.A. and 60,000 shares were sold during the IPO.

(11) 22,079 shares were sold before the merger by incorporation of WindCo S.p.A. into Sanlorenzo S.p.A., 252 shares refer to the reduction due to the reverse merger by incorporation of WindCo S.p.A. into Sanlorenzo S.p.A. and 15,000 shares were sold during the IPO.

(12) Shares purchased before the merger by incorporation of WindCo S.p.A. into Sanlorenzo S.p.A.

(13) Sanlorenzo of the Americas LLC is a company under US law which, as a limited liability company, does not issue shares.