



**GRUPPO
ORSERO**

REPORT ON THE 2020-2022 REMUNERATION POLICY AND 2019 FEES PAID

ORSERO S.P.A.

FY 2019

*(prepared in accordance with Article 123-ter Consolidated Law
on Finance and Article 84-quater of the Issuers' Regulation)*

courtesy translation for the convenience of international readers

Letter by the Chairman of the Remuneration and Appointments Committee



Shareholders,

as Chairman of the Orsero Remuneration and Appointments Committee, I have the pleasure of presenting for the first time the Annual Report on the Remuneration Policy and Fees Paid.

I would like to take this opportunity to thank my colleagues of the Committee - Ms Tagliaferri and Mr Lugli - and the relevant company departments for the important work carried out in the process of preparing the remuneration and incentive policies, which began in 2019 and concluded with the publication of this

document. In particular, our attention has been paid:

- to the preparation of the new medium-long term incentive system, in terms of architecture and performance objectives;
- to the final calculation of performance targets assigned to Managers with Strategic Responsibilities for 2019 and the allocation of annual targets for 2020.

The Remuneration and Appointments Committee had two priority objectives: a) to verify the degree of alignment of remuneration policies with the best market practices and the reference regulatory framework; and b) to ensure that the incentive systems are increasingly consistent with the Company's business strategy both in the short and medium long term

One of the cornerstones of the policies described below is maximum transparency towards investors. The Orsero Group, just like all those with whom the organization collaborates and interacts, prioritizes the ethical, responsible management of its business; the creation of value is guided by the principles of sustainability, ensuring respect, fairness and ethics in business. This is particularly important for Orsero, also in view of its recent listing on the regulated market of Borsa Italiana, STAR segment.

Over the last few months, two factors have impacted the definition of the Group's remuneration and incentive policies:

- the listing process, which led the ordinary shares of Orsero on the STAR segment;
- adherence to the Corporate Governance Code.

Another priority objective was to align the incentive systems of the main managerial figures with the creation of value for shareholders and stakeholders in the medium to long

term; this has been achieved by linking incentives not only to corporate and Group performance but also to the the stock exchange performance of the Orsero share.

The policies are in fact aimed at attracting and motivating resources that can exercise the responsibilities assigned through excellent performance, balancing the variable and fixed components.

I am confident that the Report on the Remuneration Policy will demonstrate our ongoing commitment to ensuring that remuneration policies defined in support of business objectives and in line with corporate values and principles are adequately represented to you and the market.

Finally, I would like to thank you, the Shareholders, in advance, on behalf of the Committee, for the time you will spend reading this document and for the support I hope you will give to the policies it contains.

Regards,

Armando Rodolfo de Sanna

Chairman of the Remuneration and Appointments Committee

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Introduction

This Remuneration Report has been prepared in accordance with Article 123-*ter* of the Consolidated Law on Finance and Article 84-*quater* of the Issuers' Regulation and has been prepared in accordance with Annex 3A, Schedule 7-*bis* and Schedule 7-*ter* of the Issuers' Regulation, as last amended by Legislative Decree no. 49/2019 (implementing SHRD II, which amends SHRD) and related regulatory changes.

The document in question represents an important innovation with respect to previous years and one that originates from the very recent listing of the Company on the stock exchange with access to trading on "**MTA**" (STAR segment) as of December 23, 2019, in relation to which the regulations on the subject set out requirements aimed at increasing the transparency that has always characterized the business policy of Orsero.

The Remuneration Report is divided into the following sections:

- Section I, prepared in accordance with Articles 123-*ter* Consolidated Law on Finance and 9-*bis* of the SHRD, which illustrates the Orsero's Remuneration Policy regarding the remuneration of Directors, other Managers with Strategic Responsibilities and, without prejudice to the provisions of Article 2402 of the Italian Civil Code, of the members of the Company's Board of Statutory Auditors, with a three-year term, as well as the procedures used for the adoption, review and implementation of this Remuneration Policy, including measures to avoid and/or manage any conflicts of interest;
- Section II which, with reference to the remuneration attributed to Directors, Managers with Strategic Responsibilities and members of the Company's Board of Statutory Auditors, by name:
 1. provides in Part One an adequate, clear and comprehensible representation of each of the items that make up remuneration, including the benefits provided for in the event of termination of office, or termination of employment;
 2. provides in Part Two, an analytical presentation of the remuneration paid in the Financial Year for any reason, and in any form, by the Company and by subsidiaries or associates, indicating any components of these fees that are related to activities carried out in years previous to the year in question, and also highlighting the fees to be paid in one or more subsequent years against activities carried out in the Financial Year, and possibly indicating an estimated value for the components that are not objectively quantifiable in the Financial Year.

In addition, Section II (Part Two) contains information on the shareholdings held, in Orsero and its subsidiaries, by members of the Board of Directors, the Board of Statutory Auditors and the Company's Managers with Strategic Responsibilities, as well as by spouses who are not legally separated and underage children, in accordance with the provisions of Article 84-quater, paragraph 3, of the Issuers' Regulation.

The Remuneration Policy takes into account the recommendations and indications on remuneration set out in the Corporate Governance Code and is drawn up in compliance with the requirements of the Regulations and the Stock Exchange Instructions for issuers admitted to the STAR segment.

With regard to the information required by Articles 114-bis of the Consolidated Law on Finance and 84-bis of the Issuers' Regulation in relation to the incentive plan based on financial instruments in force during the reference period of the Remuneration Policy, please refer to the Information Document available on the Issuer's website www.orserogroup.it, Investors section, Remuneration subsection.

This Remuneration Report is made available to the public on the Issuer's website www.orserogroup.it, "Governance" section, "Remuneration" subsection.

Main elements of orsero's remuneration policy

COMPONENTS	PURPOSE	CHARACTERISTICS
FIXED REMUNERATION	Of an adequate level to remunerate the professionalism and skills required for the role.	Provided in the form of emoluments pursuant to Article 2389 of the Italian Civil Code for directors and in the form of remuneration of employees who also fill a managerial role.
SHORT-TERM VARIABLE REMUNERATION (MBO)	Promotes the achievement of ambitious annual results at a Group level.	Beneficiaries: Managers with Strategic Responsibilities (excluding Executive Directors) and Key Managers. Objectives: Consolidated Adjusted EBITDA or specific income targets on business or geographic areas Method of payment: cash and up-front payment.
LONG-TERM VARIABLE REMUNERATION - 2020-2022 LTI PLAN	<ul style="list-style-type: none"> - Rewards medium to long term performance. - Strengthens the alignment between the interests of the management and those of shareholders. - Directs behavior towards sustainable performance. - Promotes the development of retention policies aimed at retaining key corporate resources. - Improves policies to attract talented managerial and professional figures from the market. 	Beneficiaries: Executive Directors (for whom an up-front component is provided to replace the MBO), Managers with Strategic Responsibilities and Key Managers. Objectives: - Consolidated Adjusted EBITDA and any other long-term performance targets set by the Board of Directors, subject to the opinion of the Remuneration and Appointments Committee to the extent of their competence. - Total Shareholder Return. Method of payment: cash payment at the end of the vesting period, with two different methods and terms depending on the type of Beneficiary. For the "deferred" portion there is a "lock in" mechanism after the vesting period.
NON-MONETARY BENEFITS	Supplement the remuneration package in a total reward logic, to promote the loyalty of resources.	Beneficiaries: Executive Directors, Managers with Strategic Responsibilities, Key Managers. Type: - motor vehicle assigned for both personal and professional use; - insurance policy to cover the risk of accident; - supplementary health care insurance policy; - housing to offer temporary accommodation to certain managers.
SEVERANCE INDEMNITY	promotes the retention of key resources and alignment with long-term interests.	Beneficiaries: Some Executive Directors and Managers with Strategic Responsibilities. Reasons: a) removal from office and/or dismissal without just cause; b) resignation due to: - change of control of the Company following extraordinary transactions, or - just cause. Amount: 2 years of gross fixed annual remuneration and/or emolument for the office held, including the provisions of the national collective bargaining agreement.

Glossary

Independent Directors: The directors of Orsero who meet the independence requirements of Article 148 of the Consolidated Law on Finance and Article 3 of the Corporate Governance Code (as defined below).

Shareholders' Meeting: The Shareholders' Meeting of Orsero S.p.A.

Corporate Governance Code: The Corporate Governance Code for listed companies approved in July 2018 by the Corporate Governance Committee and brought into effect by Borsa Italiana S.p.A., available at www.borsaitaliana.it, in the section "Borsa Italiana - Regulations - Corporate Governance" in force at the date of this Remuneration Report (as defined below).

Civil Code: The Italian Civil Code.

Board of Statutory Auditors: The Board of Statutory Auditors of Orsero S.p.A.

Related Parties Committee: The Control, Risks and Related Parties Committee of Orsero S.p.A.

Remuneration and Appointments Committee or **Committee:** The Remuneration and Appointment Proposals Committee of Orsero S.p.A.

Board or **Board of Directors:** The Board of Directors of the Issuer of Orsero S.p.A.

Report Date: Indicates the date of publication of this Report, approved by the Board of Directors on 11 March 2020, after the Committee's favourable opinion, and updated until the publication of the report on 9 April 2020.

Legislative Decree 49/2019 or the **Decree:** Italian Legislative Decree no. 49 of May 10, 2019, published in Official Journal no. 134 of June 10, 2019, implementing SHRD II.

Strategic Managers or **Managers with Strategic Responsibilities:** The persons identified by the Board of Directors who, pursuant to Annex 1 of the Related Parties Regulation, have the power and responsibility, directly or indirectly, for the planning, management and control of Orsero S.p.A.'s activities.

Financial Year: The financial year covered by this Remuneration Report (as defined below) is 2019.

The **Group** or the **Orsero Group:** The Orsero Group.

Orsero or the **Issuer** or the **Company:** Orsero S.p.A.

LTI Plan: Orsero S.p.A.'s incentive plan, called the "2020-2022 Monetary Incentive Plan", also based on financial instruments, adopted by the Board of Directors on March 11, 2020, in accordance with the Guidelines approved by the Orsero Shareholders' Meeting held on October 25, 2019.

Stock Grant Plan: The Orsero incentive plan, approved by the Orsero Shareholders' Meeting of May 16, 2017, provides for the free allocation of ordinary Orsero shares.

The **Remuneration Policy** or the **Policy**: The Orsero policy on the remuneration of Directors, Managers with Strategic Responsibilities and members of the Board of Statutory Auditors, approved by the Board of Directors on March 11, 2020, subject to the Committee's favorable opinion, and illustrated in Section I of this Remuneration Report (as defined below).

Stock Exchange Regulation: The Regulation of Markets organized and managed by Borsa Italiana S.p.A. in force at the date of this Remuneration Report.

Issuers' Regulation: Consob Regulation no. 11971 of May 14, 1999 as subsequently amended, in force at the date of this Remuneration Report.

Related Parties Regulation: Consob Regulation no. 17221 of March 12, 2010 on related party transactions as subsequently amended, in force at the date of this Remuneration Report.

Remuneration Report or Report: This report on Orsero's remuneration policy and the fees paid by the Company, prepared pursuant to Articles 123-ter Consolidated Law on Finance and 84 *quater* of the Issuers' Regulation.

SHRD or Directive: Directive 2007/36/EC on the exercise of certain rights of shareholders in listed companies, referred to as the "Shareholders' Rights Directive".

SHRD II: Directive (EU) 2017/828 of the European Parliament and of the Council of May 17, 2017 amending the SHRD as regards the encouragement of long-term shareholder engagement, the "Shareholders' Rights Directive II".

Articles of Association: The Articles of Association of Orsero in force at the date of this Report are available on the Issuer's website www.orserogroup.it, in the "Governance" section.

Consolidated Law on Finance or TUF: Italian Legislative Decree no. 58 of February 24, 1998 (Consolidated Law on Finance) as subsequently amended, in force at the date of this Report.



SECTION I

Report on the Remuneration Policy

1. Sustainability and purpose of the Remuneration Policy

Our set of values is based on the concept of integrity, ethics and diversity as sustainable conditions for our business activity.

Employees and collaborators are the driving force behind the Orsero Group. The Group is committed to promoting a work-life balance and ensuring fair and stable working relationships based on respect and the promotion of talent.

The value of the Orsero Group's employees is one of the key factors to its success: people are right at the heart of the work organization and the Group strives to enhance the skills and aptitudes of each employee in order to achieve the best results for the Group and for themselves. This centrality of people is made concrete through a solid work culture based on fairness, professionalism and merit.

To this end, we aim, through appropriate remuneration and incentive mechanisms, to create a working environment that is inclusive of all forms of diversity and able to foster the expression of individual potential, attracting, retaining and motivating resources.

In its new situation, following its listing on the STAR segment, Orsero has set as one of its objectives - taking a programmatic approach - that of enhancing its human resources, promoting, among other aspects, initiatives relating to:

- training, in order to strengthen the professional qualities of each employee, ensuring that its employees and collaborators have adequate skills and are professionally qualified and suitable to carry out the activities entrusted to them;
- diversity, both gender and age;
- work-life balance, offering benefits to all employees, regardless of the type of contract, in accordance with the requirements of the contractual regulations applicable over time.

In the three-year period 2020-22, sustainability objectives linked to the payment of short-term variable remuneration may in fact be included, also on the basis of the initiatives implemented, alongside the economic-financial performance objectives.

The Company's Remuneration Policy is based on principles of meritocracy and fairness and aims to attract, motivate and retain key and strategic resources and, at the same time, align the interests of the management with the priority objective of creating value for the Company and shareholders in the medium to long term by contributing to the achievement of sustainable results over time, enhancing the performance achieved and acknowledging the quality and effectiveness of the individual contribution.

2. Structure of the Remuneration Policy

The Company's Remuneration Policy, illustrated in this Report, is implemented, among other things, with the assistance of the Remuneration and Appointments Committee. Furthermore, the remuneration methodology and tools adopted by the Company are fair, easily communicable and understandable, and consistent with the organizational culture of Orsero and the Group.

The Company, also with reference to company and Group dynamics, has carried out and plans to carry out periodic comparisons with the external market through the use of comparative studies.

In particular, for the purposes of defining the Remuneration Policy and drafting this document, Orsero availed itself of the support of the company EY Advisory S.p.A. as an independent expert with national and international expertise in the field of methodologies for the weighing of organizational positions, remuneration analysis, as well as the definition of incentive and corporate governance plans. To this end, this company supported Orsero in the benchmark analysis of the remuneration of directors, strategic managers and statutory auditors of comparable companies and in assisting the Company in identifying best practices regarding the representation of the remuneration policy.

The Orsero's Remuneration Policy is divided into categories as it distinguishes a different remuneration policy for Executive Directors and Strategic Managers, Non-Executive Directors, other Strategic and Senior Managers, Key Managers of the Group and Statutory Auditors of the Company.

Orsero adopts a Remuneration Policy for Executive Directors and Strategic Managers that provides for a fixed component and a variable component both in the short and medium to long term, through forms of incentive remuneration linked to profitability, and parameterized to the company's performance; it takes into account the personal contribution to the same and is particularly aimed at: i) assuring the retention of management and ii) a correct alignment of management objectives with those of shareholders, based on measurable indicators and, in part, on financial instruments.

In particular, with reference to Executive Directors and Strategic Managers, the fixed and variable components of remuneration are adequately balanced taking into account their purpose and nature, as well as the alignment to the benchmarks of comparable companies. In this regard, please refer to paragraphs 3, 5 and 6 below and, as regards the comparison with the market, to paragraph 8 below.

The fixed and variable remuneration components, which differ according to the roles held by the recipients, are adequately balanced so that the fixed remuneration is sufficient to remunerate the performance of the person concerned if the variable component is not paid due to failure to achieve the objectives to which it is subject.

As regards the variable components (as explained in greater detail in this Report), it should be noted that, if the targets are not met, except for any margin of tolerance which will not in any case be such as to affect the underlying ratio of the targets and the value of the targets, the incentive remuneration will not be paid in full.

The Company's Remuneration Policy - and, in particular, the policy on variable components of long-term remuneration - therefore contributes to the Company's strategy and performance and to the pursuit of the long-term interests of the Company and the Group, which, as such, promote the alignment of interests between shareholders and management, according to a vision that takes into account, among other things, stakeholders and aims to ensure sustainability in the medium term.

This contribution shall be provided by:

- (i) a greater and more conscious involvement of the Shareholders, who are called upon to express their binding vote on this Section, which describes each of the items that make up the remuneration of Directors and other Managers with Strategic Responsibilities, as well as the Company's Statutory Auditors, and which therefore has a different and broader content than the resolutions on remuneration pursuant to Articles 2364, 2389 and 2402 of the Italian Civil Code;
- (ii) the pursuit of a policy of loyalty and incentives for Directors and employees identified as key resources for the Group, through participation in a long-term incentive plan (the "Long-Term Incentive", duly described in the following paragraphs), which promotes and enables them to become more involved in the long-term in achieving performance objectives, in the appreciation of the share price and in remaining with the Group.

The Remuneration Policy is determined taking into account the remuneration and working conditions of the Group's employees. This aspect is implemented through the adoption a sustainable Total Reward policy, a constant comparison with market practices in respect of comparable peers in terms of economic and operational dimensions and an adequate balance of fixed and variable remuneration components. The Remuneration Policy runs for three years, thereby remaining in force for the three years following its approval including the year of approval (2020-2022), yet it can be amended if necessary and appropriate, with the approval of the Shareholders' Meeting. Please note that, in view of the recent admission to trading on the MTA - on December 23, 2019 - the Remuneration Policy (described herein) is the first policy adopted by Orsero in compliance with the regulations applicable to listed companies (please refer to the Introduction); therefore, it is not possible to indicate any changes made with respect to a previous policy, nor how the Company may have taken into account any votes and evaluations expressed by shareholders in this regard (except as provided for in the adoption of the LTI Plan 2020-2022, described in the next Paragraph 7.2, which takes into account the Shareholders' Meeting of 25 October 2019 which has, among other things,

approved the relevant Guideines). These indications, in line with the best applicable standards for editing, will be provided starting from the next Remuneration Policy.

3. Remuneration policy governance

In compliance with the provisions of the Related Parties Regulation, as implemented in the Orsero Related Party Transaction Procedure - available on the Company's website www.orserogroup.it, in the "Governance" section - the approval of the Remuneration Policy by the Shareholders' Meeting exonerates the Company from applying the above procedure with regard to the resolutions of the Board of Directors concerning the remuneration of Directors and other Managers with Strategic Responsibilities.

This applies as long as:

- (i) the Company has adopted a remuneration policy;
- (ii) a committee composed exclusively of non-executive directors, the majority of whom independent, has been involved in its definition;
- (iii) a report illustrating the remuneration policy has been submitted to the Shareholders' Meeting for approval;
- (iv) the remuneration assigned is consistent with such policy.

The main persons and bodies involved in the preparation, approval and revision of the Remuneration Policy are the Shareholders' Meeting, the Board of Directors and the Remuneration and Appointments Committee.

Shareholders' Meeting

As regards remuneration, the Shareholders' Meeting:

- determines the remuneration of the members of the Board of Directors pursuant to Article 2364, paragraph 1, point 3) of the Italian Civil Code and may determine the overall remuneration of the Board of Directors pursuant to Article 2389, paragraph 3, of the Italian Civil Code, all in accordance with Article 21 of the Articles of Association;
- expresses (i) a binding vote on Section I of the Report at the frequency required by the duration of the Remuneration Policy and, in any case, when the Policy¹ is amended and (ii) a non-binding vote on Section II of the Report on an annual basis.

If the Shareholders' Meeting does not approve the Remuneration Policy, the Company will be required to pay remuneration in accordance with the most recent remuneration policy approved by the Shareholders' Meeting, if any, or, failing that, in accordance with

¹ It is understood that the Shareholders' vote is required when changes are made to the Remuneration Policy that are not merely formal or editorial clarifications.

current practice. At the next Shareholders' Meeting convened to approve the financial statements, the Company shall submit a new Remuneration Policy to the vote of the Shareholders' Meeting.

Board of Directors

The Board of Directors:

- establishes an internal Remuneration and Appointments Committee;
- defines, on the proposal of the Remuneration and Appointments Committee, the Remuneration Policy, as well as its possible revision, and approves the Report on the Remuneration Policy and fees paid, pursuant to Article 123-ter of the Consolidated Law on Finance and Article 84-quater of the Issuers' Regulation to be submitted to the examination and resolution of the Shareholders' Meeting in accordance with the procedures and terms set out in the aforementioned provisions;
- pursuant to Article 21 of the Articles of Association, in accordance with the Remuneration Policy, determines the remuneration of Directors invested with specific duties, in compliance with any overall remuneration determined by the Shareholders' Meeting pursuant to Article 2389, paragraph 3, of the Italian Civil Code, subject to the opinion of the Board of Statutory Auditors, and on proposal or after consulting with the Remuneration and Appointments Committee;
- prepares, upon proposal or after consulting with the Remuneration and Appointments Committee, any incentive remuneration plans, also based on shares or other financial instruments, for directors, employees and collaborators, including Managers with Strategic Responsibilities, submits them to the Shareholders' Meeting for approval in accordance with Article 114-bis of the Consolidated Law on Finance and ensures their implementation.

Remuneration and Appointments Committee

In compliance with the Stock Exchange Regulation and the Corporate Governance Code, the Board of Directors of Orsero, has appointed some of its members to form a Committee, to which duties relating to remuneration, as well as those related to the appointment proposals of Directors, are attributed.

This Committee has been in office since the start of trading of the Orsero shares on the MTA on December 23, 2019.

The Committee is called, with regard to the Remuneration Policy, to:

- make proposals to the Board for the remuneration of Directors and Other Managers with Strategic Responsibilities;
- periodically assess the appropriateness, general consistency and concrete application of the policy for the remuneration of the Directors and Managers with Strategic Responsibilities, availing itself, in this latter context, of the information provided by the Managing Directors. To this end, the Remuneration and Appointments Committee makes proposals to the Board of Directors in this regard;
- submit proposals to the Board of Directors and express opinions regarding the remuneration of the Executive Directors and other Directors holding specific offices and also concerning the determination of the performance targets correlated to the variable component of their remuneration;
- monitor the implementation of decisions taken by the Board of Directors, by verifying, in particular, the effective achievement of performance targets.

The Remuneration and Appointments Committee therefore plays a central role in the governance system relating to the Group's Remuneration Policy.

This Committee, currently in office, numbers three Directors, all non-executive and the majority of whom are independent:

ARMANDO RODOLFO DE SANNA	INDEPENDENT DIRECTOR	CHAIRMAN
VERA TAGLIAFERRI	INDEPENDENT DIRECTOR	MEMBER
GINO LUGLI	NON-EXECUTIVE DIRECTOR	MEMBER

For more details on the members and operation of the Committee, reference should be made to the "Report on Corporate Governance and Ownership Structure" prepared pursuant to Article 123-bis of the Consolidated Law on Finance and published, as required by law, by the Company on its website www.orserogroup.it in Section "Governance", subsection "Governance Reports"

IL CICLO DI ATTIVITÀ DEL COMITATO REMUNERAZIONI E NOMINE



4. Remuneration of the members of the Board of Directors

Pursuant to Article 21 of the Articles of Association, Directors are entitled to reimbursement of expenses incurred for reasons of their office.

In accordance with said Article of the Articles of Association, fees for the members of the Board of Directors shall be set by the Shareholders' Meeting; at their discretion, which may set a total fee for all Directors, thereafter to be subdivided as required by law by the Board of Directors.

The same Article of the Articles of Association also foresees that the remuneration of the directors invested with specific duties shall be established by the Board of Directors after seeking the opinion of the Board of Statutory Auditors.

Without prejudice to the provisions set out herein, the emoluments for Board mandates, where established cumulatively by the Shareholders, are then distributed by the Board of Directors, after consultation with the competent internal advisory functions, taking into account the roles held, the offices assumed and the key roles identified in the figure of the Chairman; they provide only for fixed components for the mandate and the various offices.

Executive Directors are also expected to participate in the medium/long-term incentive system, also based entirely or partly on financial instruments. In this respect, please refer to Paragraph 7.2 below.

It should be noted that, where the position of Director is held by an executive, the Orsero's Remuneration Policy provides for the fixed remuneration established for all Directors (in accordance with the above) by virtue of their position as Director; considering what is stated in the following Paragraph 5 (for managers who are also Directors)

Directors who perform the functions of Chairman or member of the Remuneration and Appointments Committee and the Related Parties Committee receive an *ad hoc* remuneration in addition to that of Director, in consideration of the commitment required for participation in these committees and also in compliance with the provisions of the Corporate Governance Code.

5. Remuneration of members of the control bodies

In accordance with Article 22 of the Articles of Association, members of the Board of Statutory Auditors will be paid a fixed remuneration for their term of office, which shall be set by the Shareholders' Meeting at the appointment stage. There is no provision for variable remuneration.

The Orsero's Remuneration Policy in this regard does not provide for the adoption of criteria of any kind, as it believes that it is more appropriate to adapt to market practice and other entities of the same size of Orsero or, in any case, corporate entities similar to the same.

6. Remuneration of Managers with Strategic Responsibilities or Executive Directors

Orsero identifies in-house persons responsible for planning, management and control of core activities for the Company and the Group, who are directly involved in identifying the strategies that are most compatible with the Company's business objectives; they are here referred to as "Strategic Managers".

The importance of such persons is recognized for the planning and, as a result, remuneration is provided which takes due account of their significant role.

This remuneration - for Managers with Strategic Responsibilities who also hold the position of Executive Directors - therefore consists of a fixed part, in addition to a medium-long term variable part, paid in an up-front portion (provided that the relevant performance goals are met), replacing the short-term variable, and a deferred portion. For Managers with Strategic Responsibilities with only a managerial role, the remuneration consists of a fixed part, to which must be added a short-term variable part (MBO) and a medium/long-term variable part, the latter being paid only on a deferred basis. All forms of variable deferred remuneration are linked to the achievement of Group targets.

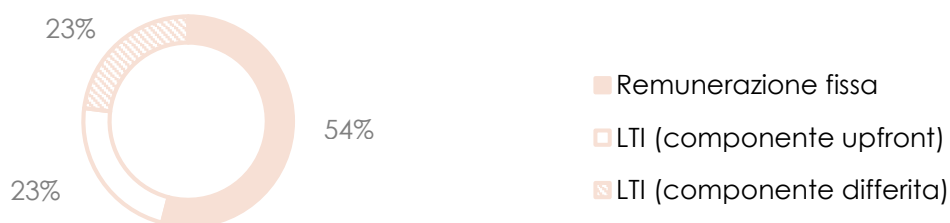
The fixed remuneration is established by the relevant management contract and the medium-long term variable remuneration component is recognized through participation in plans also based entirely or partly on financial instruments. In this regard, please refer to Paragraph 7.i below. The Board of Directors, upon proposal of the

Committee, is entitled to provide for possible forms of extraordinary recognition in favor of Executive Directors and Strategic Managers, as well as Key Managers, strictly commensurate with their specific contribution in transactions of particular strategic importance for the Company or for the Group.

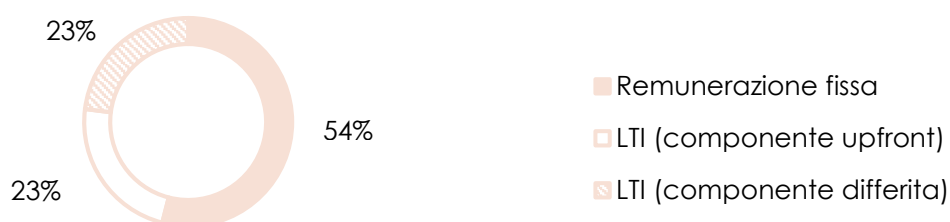
If the position of Director is held by a person who is also a manager, the remuneration component linked to particular positions and the remuneration component of an incentive nature, short and medium-term (including through participation in incentive plans) - provided in accordance with the above - may be attributed to those individuals in their capacity as managers.

Below is the pay mix of the remuneration package for Strategic Managers, including Executive Directors:

DEPUTY CHAIRMAN AND CEO



CEO and CFO



7. Variable remuneration

The Group's management remuneration system is designed to attract, motivate and retain key resources and is defined in such a way as 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 an effective and verifiable link between remuneration on the one hand and individual and Group performance on the other.

In particular, variable remuneration differs in terms of method and type of objectives according to the category of beneficiaries:

- **Managers with Strategic Responsibilities who also hold the position of Executive Directors** are entitled to medium/long-term variable remuneration, paid in an up-front component, replacing the short-term variable (MBO), and a deferred component. The objectives to which the recognition of the variable part is linked - also in consideration of the strategic role and responsibilities held - are measured at a consolidated level and are of an economic-financial nature for the up-front component, while for the deferred component they are both of an economic-financial nature and linked to the share performance.
- **Managers with Strategic Responsibilities with only a managerial role** are entitled to short-term variable remuneration (MBO) linked to the achievement of consolidated economic and financial objectives or at the Business Unit level, , and to medium/long-term variable remuneration, the latter being paid only on a deferred basis and linked to the achievement of Group economic and financial targets and share performance.

With reference to the remaining population receiving short-term variable remuneration, (Senior Managers and Key Managers) if the role held is considered relevant at Group level, the objectives to which the variable remuneration is linked are consolidated; in other cases, in which the Key Managers oversee specific geographical areas or businesses, economic and financial objectives measured at company, geographical or business level on which they have the management levers are used. The latter's participation in the creation of value for the Group and in the performance of the Orsero share - with a view to inclusiveness and consolidation - is guaranteed by means of medium-long term variable deferred remuneration in a similar manner to that described above for the Managers with Strategic Responsibilities.

7.1 Short-term variable remuneration

The Group provides for the recognition of a variable component of short-term remuneration in monetary form, linked to annual performance targets, referred to as

MBOs, in the favor of certain Strategic Managers other than Executive Directors, senior managers and key managers of the Company.

This is in line with the best practices of listed companies, in order to adequately balance the fixed and variable component of the remuneration of senior management, so that part of their remuneration is linked to the performance of the Company and the Group on the basis of predetermined and measurable performance objectives.

The annual target to which variable remuneration is linked is set annually by the executive directors through the Group's HR structure for senior and key managers. It is the Board of Directors, after consulting with the Remuneration and Appointments Committee, that defines the objective of the Managers with Strategic Responsibilities. More specifically:

- the payment of the bonus provided for by the MBO is conditional on the achievement of the income objective defined and determined on the basis of the Group budget approved by the Company's Board of Directors² or the budget of the individual company of reference, geography or activity carried out by the senior manager or key manager. The benchmark indicator used as a target is the annual consolidated Adjusted EBITDA or the Adjusted EBITDA of specific subsidiaries;
- there is a mechanism for calculating the variable remuneration to be paid to the person concerned, which provides for a minimum threshold for the payment of the bonus and a maximum remuneration payable in the event of over-performance.

7.2 Long-term variable remuneration - 2020-2022 LTI Plan

In line with the best market practices adopted by listed companies at national and international level, the Company believes that remuneration plans linked to share performance are an effective incentive and loyalty tool for key players in order to maintain high and improve performance and contribute to the growth and success of companies.

The adoption of remuneration plans linked to share performance also responds to the recommendations of the Corporate Governance Code, Article 6 of which recognizes that these types of plans represent a suitable instrument for aligning the interests of executive directors and Managers with Strategic Responsibilities of listed companies with those of shareholders, allowing the priority objective of creating value over the medium to long term.

² "Consolidated Adjusted EBITDA" calculated as "the Group's operating result (EBIT) net of amortization and depreciation, provisions and non-recurring costs/income, including any notional costs (also figurative) of incentive plans" (net financial expenses, taxes, pro-rata profit/loss resulting from the application of the equity method for associates and joint ventures are therefore not considered).

The provision of incentive remuneration mechanisms is expressly required by stock exchange regulation for companies belonging to the STAR segment.

The 2020-2022 long-term monetary incentive plan therefore aims to stimulate the maximum alignment of Beneficiaries' interests with the pursuit of the priority objective of sustainable creation of value for shareholders in the medium-long term.

In particular, in line with that set out herein, through the Plan the Company intends to promote and pursue the following objectives:

- to reward the short- and long-term performance of the Orsero Group as well as strengthen the alignment between the interests of management and those of shareholders, directing behavior towards the sustainability of performance and the achievement of defined objectives;
- to develop retention policies aimed at retaining key corporate resources and encouraging them to remain with the Group;
- to develop policies to attract talented managerial and professional figures.

The Plan recognizes within the remuneration structure of the beneficiaries a monetary economic incentive related to the achievement of certain performance and value creation objectives for shareholders, subject to the fulfillment of the access conditions ("Gate") and the continuation of employment with the Orsero Group.

Although the Plan does not provide for the assignment of financial instruments, but rather only the attribution of monetary incentives, it does establish that a part of these incentives shall be indexed to the yield of the Company's securities, which is why the Plan itself is subject to the rules set out in Article 114-bis of the Consolidated Law on Finance for plans that provide for the assignment of financial instruments, as applicable. The Plan, in its guidelines, was in fact submitted to the Shareholders' Meeting, and approved by it, with a view to listing on the MTA and in compliance with the requirements of Borsa Italiana regulations for STAR issuers.

The following have been identified as the **beneficiaries** of the Plan, who are entitled to different methods of payment of the bonus:



The Plan is monetary in nature and does not provide for the assignment of shares or options on shares, but rather the payment of an incentive established as a percentage of the fixed annual remuneration, linked to the achievement of both specific performance targets, based on the **Annual Consolidated ADJUSTED EBITDA Target** and the **Total Shareholder Return of the Orsero share during the period covered by the Plan**.

The amount of the annual variable remuneration, defined in consideration of the responsibility, criticality and strategic nature of the role held as well as the benchmarks of each role in terms of remuneration, ranges between 10% and 100% of the annual fixed remuneration and is fixed for each beneficiary for the entire period of the Plan.

In particular, the way the LTI Plan operates and the bonus is paid differs according to the category of beneficiaries:

Managers with Strategic Responsibilities (also Executive Directors)

For these Beneficiaries the long-term monetary incentive will be provided in the form of two components, one immediate and one deferred, in particular:

- 50% of the amount (the Up-front Monetary Incentive), divided into 3 cycles, is paid out after the approval by the Company's Shareholders' Meeting of the financial statements for each financial year included in the Performance Period (2020; 2021; 2022), to replace the short-term incentive remuneration (MBO);

The disbursement of the Up-front Monetary Incentive is conditional on the achievement of the "Annual Consolidated Adjusted EBITDA" target determined on the basis of the Group budget approved by the Company's Board of Directors;

The mechanism for calculating the bonus to be paid to the person concerned provides for a minimum access threshold for the payment of the bonus equal to 90% of the target and a maximum remuneration payable equal to 110% of the base bonus, which can be obtained in the event of over-performance, i.e. if 110% of this target is reached or exceeded.

PERFORMANCE OBJECTIVES	PAYOUT
Result < 90% Annual consolidated Adjusted EBITDA target	No incentive
90% < Result < 100% Annual consolidated Adjusted EBITDA target	2% reduction for each percentage point Vs Target
Result = 100% Annual consolidated Adjusted EBITDA target	100% of the Incentive
Result > 100% Annual consolidated Adjusted EBITDA target	Proportional increase with cap set at 110%

- the remaining 50% of its amount (the Deferred Monetary Incentive), accruing after approval by the Company's Shareholders' Meeting of the financial statements for each financial year of the Performance Period (i.e. 2020-2021-2022) is paid out in two installments after approval by the Company's Shareholders' Meeting of the financial statements respectively for 2022 and 2023.

The maturation of 50% of the deferred bonus is subject to both the following gates being satisfied:

- Annual consolidated Adjusted EBITDA** (excluding the application of the IFRS 16 accounting principle) of more than 3.3% of consolidated revenues, resulting from the Company's consolidated financial statements for the financial year in question approved by the Board of Directors, and
- the ratio between the **Net Financial Position** and the **Consolidated Adjusted EBITDA** (excluding the application of IFRS 16) resulting from the Company's consolidated financial statements for the financial year in question approved by the Board of Directors, less than or equal to 3X.

The amount of the bonus is also conditional on the achievement of the "**Annual Consolidated Adjusted EBITDA**" target determined on the basis of the Group budget approved by the Company's Board of Directors, in accordance with the following mechanism for calculating the bonus payable to the person concerned:

PERFORMANCE OBJECTIVES	PAYOUT
Result < 90% Annual consolidated Adjusted EBITDA target	No incentive
90% < Result < 100% Annual consolidated Adjusted EBITDA target	2% reduction for each percentage Vs Target
Result = 100% Annual consolidated Adjusted EBITDA target	100% of the Incentive
Result > 100% Annual consolidated Adjusted EBITDA target	Proportional increase with cap set at 110%

Each of the two tranches of the deferred bonus is then indexed to the value of the **Total Shareholder Return** according to the following formula:

$$\% \text{ yield of ordinary Orsero share (or TSR)} = ((VAZf + Div) - VAZfB) / VAZfB^3$$

³ **VAZf**: indicates the Share Value of the last 6 months relating to the previous financial year in which the tranche of the Deferred Monetary Incentive (as for reference over time) is disbursed.

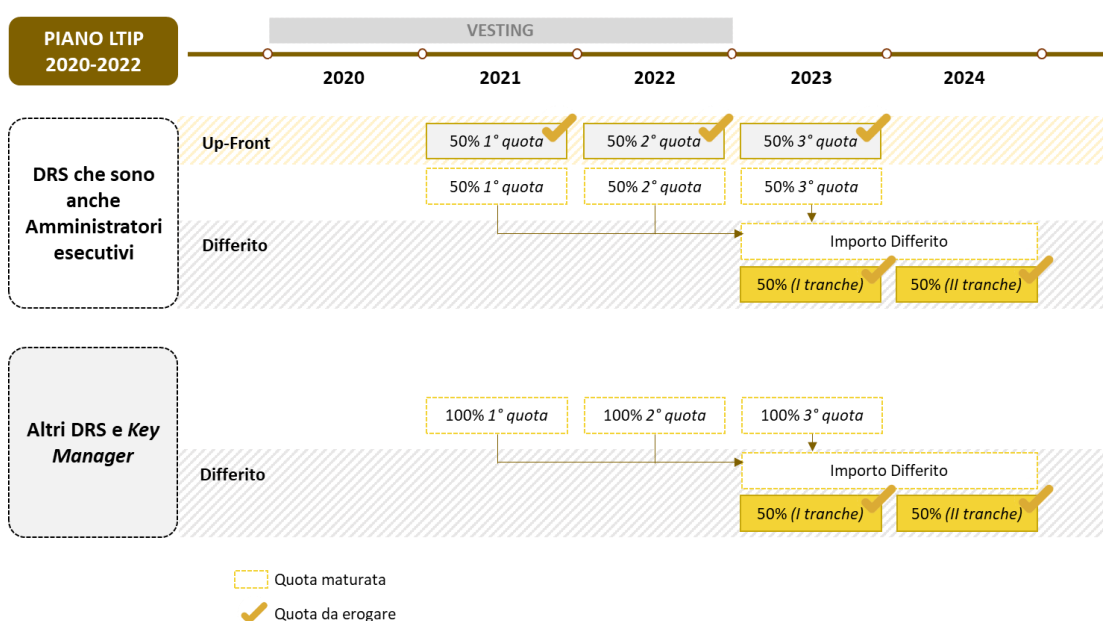
Div: means (i) for the first tranche of the Deferred Monetary Incentive (as for reference over time), the sum of the unit value of the dividend per share paid in the Performance Period (i.e. 2020-2021-2022) and (ii) for the second tranche of the Deferred Monetary Incentive, the sum of the unit value of the dividend per share paid

In any case, the increase in the amount of the Deferred Monetary Incentive due to indexation to the TSR according to the above formula may not exceed 40% (cap) and the decrease in the amount of the Deferred Monetary Incentive due to indexation to the TSR may not exceed 80% (floor).

Strategic Managers (other than Executive Directors), Senior Managers and other Key Managers of the Company and its Italian and foreign subsidiaries

For these Beneficiaries, the long-term monetary incentive entirely follows the procedures described for the payment of the **Deferred Monetary Incentive**, applied in three equal cycles that mature upon approval by the Company's Shareholders' Meeting respectively of the financial statements for each financial year of the Performance Period (i.e. 2020-2021-2022) and that are paid in two equal tranches after approval by the Shareholders' Meeting of the 2022 and 2023 financial statements respectively, subject to verification of the Gate and the performance conditions described above.

Below is a summary of the different ways in which the LTI incentive is disbursed, depending on the category of beneficiaries:



in the Performance Period (i.e. 2020-2021-2022) and in the financial year following the Performance Period (i.e. 2023).

VAZfB: indicates the Share Value (as defined below) of the last 6 months relating to the financial year in which the tranche of the Deferred Monetary Incentive accrued (as for reference over time).

Share Value: indicates the mathematical average of the official prices recorded by the Orsero Share on the MTA during the reference period.

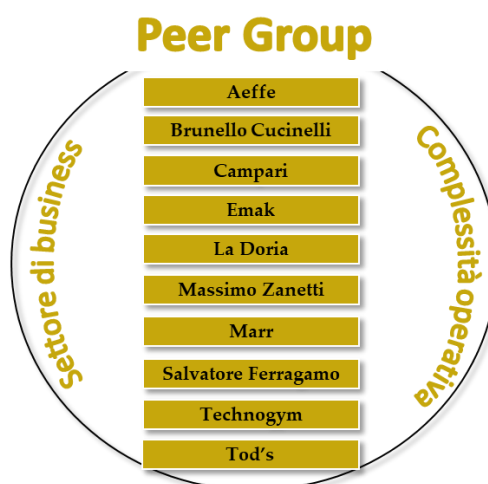
Without prejudice to the more detailed provisions of the LTI Plan Regulation, there are "claw back" clauses as well as "good leaver" and "bad leaver" clauses for all recipients of the LTI Plan.

For the description of the Plan, please refer to the Information Document available on the Issuer website

www.orserogroup.it, "Governance" section, "Remuneration" sub-section.

8. Comparison with the Reference Market for the Remuneration of Executive Directors and Strategic Managers

In order to ensure the external competitiveness of its remuneration policies, Orsero has availed itself of the support of the independent advisory firm EY Advisory S.p.A. to monitor practices and trends in the sector. The adequacy of overall remuneration is verified through the use of role-based remuneration benchmarks, conducted with respect to specific selected peer groups, to compare roles and similar positions and assess competitive alignment with the most appropriate reference market.



In consideration of the reference panel for Executive Directors, selected taking into account size and economic operating parameters as well as sector parameters, the Company has defined a remuneration policy aligned to the first quartile of the market in line with the size positioning⁴.

Azienda	Macrosector	Sector	Fatturato (€mln) al 31/12/2018	Dipendenti al 31/12/2018	Capitalizzazione al 31/01/2020
Orsero	CONSUMER GOODS	FOOD & BEVERAGE	953	1.461	112
AEFFE	CONSUMER GOODS	PERSONAL & HOUSEHOLD GOODS	352	1.277	168
BRUNELLO CUCINELLI	CONSUMER GOODS	PERSONAL & HOUSEHOLD GOODS	2.492	1.736	2.246
CAMPARI	CONSUMER GOODS	FOOD & BEVERAGE	1.712	3.625	10.198
EMAK	CONSUMER GOODS	PERSONAL & HOUSEHOLD GOODS	453	1.999	138
LA DORIA	CONSUMER GOODS	FOOD & BEVERAGE	688	754	278
MARR	CONSUMER SERVICES	RETAIL	1.667	828	1.296
MASSIMO ZANETTI BEVERAGE	CONSUMER GOODS	FOOD & BEVERAGE	891	3.359	199
SALVATORE FERRAGAMO	CONSUMER GOODS	PERSONAL & HOUSEHOLD GOODS	1.347	4.228	2.841
TECHNOGYM	CONSUMER GOODS	PERSONAL & HOUSEHOLD GOODS	634	2.133	2.290
TODS	CONSUMER GOODS	PERSONAL & HOUSEHOLD GOODS	941	4.705	1.222
Q3			-40%	-59%	-95%
Mediana			4%	-29%	-91%
Q1			47%	5%	-49%

⁴ The data shown in the table is processed by ey excerpts from publicly available sources.

9. Non-monetary benefits

Orsero provides for the possibility, for certain persons and by reason of their office and the performance of the related activities, for the payment of certain non-monetary benefits.

In particular, these benefits may consist of:

- (a) motor vehicle assigned for both personal and professional use on the basis of the Group car policy;
- (b) insurance policy covering the risk of work- and non work-related injuries, including life risk;
- (c) supplementary health care insurance policy;
- (d) in certain particular cases, temporary accommodation for managers.

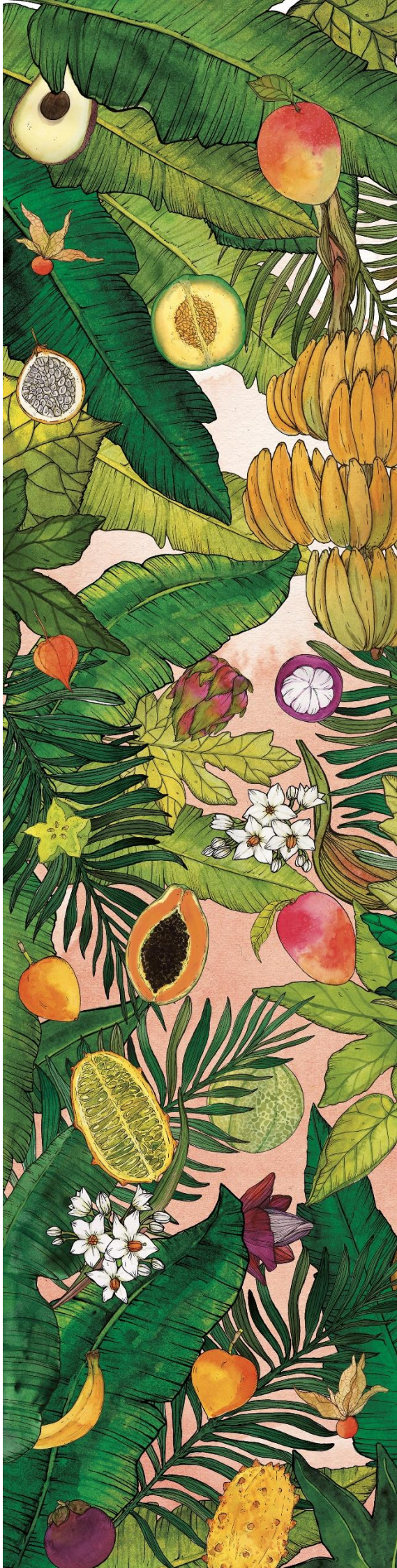
10. Severance indemnity

The Remuneration Policy provides for severance indemnity at end of office/employment (as the case may be) in favor of Executive Directors and Strategic Managers, in the event of termination of the office of director or termination of employment, for the following reasons:

- (a) revocation of the office of Director and/or dismissal of the Strategic Manager (as the case may be) in the absence of just cause,
- (b) resignation of the Executive Director or the Strategic Manager due to (i) a change of control of the Company following extraordinary transactions on exercisable capital within a maximum period of 12 months after the change of control, or (ii) just cause.

If one of the above hypotheses occurs, the indemnity due shall be equal to two years, depending on the case, of the gross fixed annual remuneration at the time of the event and/or of the gross fixed annual remuneration for the office of Director provided for the financial year previous to the occurrence of the event, including any benefits provided for under the law and the applicable national collective bargaining agreement.

In addition, the effects of termination of the office of Director or termination of employment on the incentive remuneration paid and/or to be paid under the Company's short and/or medium/long-term incentive plans, in the event of bad leaver and good leaver, are regulated in line with market practice.



SECTION II

Report on fees paid

This Section, by name for the remuneration attributed to Directors and members of the Board of Statutory Auditors and in aggregate form for the remuneration attributed to Managers with Strategic Responsibilities:

- **in Part One:**

- provides an adequate, clear and comprehensible representation of each of the items that make up remuneration, including the benefits provided in the event of termination of office or termination of employment, highlighting their compliance with the Company's remuneration policy for the financial year in question and the ways in which remuneration contributes to the Company's long-term results;
- provides information on the allocation of financial instruments to directors, managers and other employees of Orsero and its subsidiaries;

- **in Part Two:**

- - explains: (i) analytically, the remuneration paid in the Financial Year for any reason, and in any form, by the Company and by subsidiaries or associates, indicating any components of these fees that are related to activities carried out in years previous to the year in question, and also highlighting the fees to be paid in one or more subsequent financial years against activities carried out in the year in question, and possibly indicating an estimated value for the components that are not objectively quantifiable in the Financial Year.; (ii) where applicable, how the Company has taken into account the vote cast the previous year by the Shareholders' Meeting on Section Two of the Report;
- - indicates, with the criteria established in Annex 3A, Scheme 7-ter of the Issuers' Regulation, the shareholdings held in the Issuer and its subsidiaries by Directors, Statutory Auditors and Managers with Strategic Responsibilities, as well as by spouses who are not legally separated and underage children, either directly or through subsidiaries, trust companies or third parties, resulting from the register of shareholders, communications received and other information acquired by the same members of the management and control bodies and other Managers with Strategic Responsibilities.

With reference to agreements providing for indemnities in the event of early termination of the employment relationship, again pursuant to Annex 3A, Scheme 7-bis of the Issuers' Regulation, the Company provides the relevant information also with reference to Managers with Strategic Responsibilities.

It should be noted that, the independent auditors KPMG S.p.A. verified - in compliance with the provisions of Article 123-ter, paragraph 8-bis, of the Consolidated Law on Finance - that the Board of Directors had prepared this Section of the Remuneration Report.

1. Part one

Below is a representation of the items that make up the remuneration for FY 2019 of members of the Board of Directors, Managers with Strategic Responsibilities and members of the Board of Statutory Auditors.

1.1 Remuneration of members of the management bodies

The Board of Directors receives the annual fees for the mandate approved by the Issuer's Shareholders' Meeting at the time of appointment (on November 30, 2016, with effect from February 13, 2017), based on the proposals submitted to the Shareholders. In particular, the aforesaid Shareholders' Meeting resolved to grant the Board of Directors a total gross annual emolument not exceeding Euro 300,000.00 to be divided internally by the Board of Directors, in accordance with the provisions of the Articles of Association.

On February 13, 2017, the Board of Directors allocated the total remuneration determined by the Shareholders' Meeting as follows:

- to all other Directors a gross annual fee of Euro 15,000.00, pro rata temporis;
- to the Chairman - and Chief Executive Officer until the date of listing of the Company on the MTA (December 23, 2019) - Paolo Prudenziati the annual gross remuneration of Euro 30,000.00, pro rata temporis, as recognition of the particular duties;
- to the Deputy Chairman and Chief Executive Officer Raffaella Orsero the gross annual remuneration of Euro 70,000.00 pro rata temporis, as recognition of the particular duties;
- to the Chief Executive Officer Matteo Colombini the gross annual remuneration of Euro 50,000.00 pro rata temporis, as recognition of the particular duties;
- to each member of the Related Parties Committee and the Remuneration Committee a gross annual emolument of Euro 5,000 pro rata temporis.

In addition, on September 30, 2019, the Board of Directors recognized, for each member of the Remuneration and Appointments Committee (formerly the Orsero Remuneration Committee, prior to the Company's listing on the MTA), a one-off fee equal to Euro 2,000.00 and, for each member of the Control, Risks and Related Parties Committee (formerly the Orsero Risks and Related Parties Committee, prior to the Company's listing on the MTA), a one-off fee of Euro 2,500.00, in consideration of the additional functions assigned by the Board to these committees in view of the Company's listing on the MTA.

1.2 Remuneration of Strategic Managers

It should be noted that in FY 2019 the Company's Strategic Managers were Raffaella Orsero, Matteo Colombini and Paolo Prudenziati in accordance with the provisions of Consob Regulation no. 17221/2010 as amended and supplemented on related parties, applicable to the Company, as issuer of shares traded on AIM Italia, by express reference of Borsa Italiana.

From December 23, 2019 (date of commencement of trading of the Company's shares on the MTA) until the end of the Financial Year, the Company's Strategic Managers identified in accordance with Consob regulations are Raffaella Orsero and Matteo Colombini.

It should also be noted that the information relating to the Strategic Managers is provided by name, taking into account that they are also Chief Executive Officers of the Company.

The remuneration of Strategic Managers consists of the following items:

- (a) fixed remuneration, employed work;
- (b) annual variable remuneration - MBO, not due for the Financial Year in consideration of the failure to achieve performance objectives in the Financial Year to which the said remuneration is subject. In this respect, reference is made to Section II, Part III;
- (c) 2017-2019 Stock Grant Plan, the last tranche of which has not matured for the Financial Year in consideration of the failure to achieve the performance objectives to which the rights assigned under the Plan are subject during the Financial Year. In this respect, reference is made to Section II, Part III;
- (d) non-monetary benefits, consisting of: (a) motor vehicle assigned for both personal and professional use on the basis of the Group car policy; (b) insurance policy covering the risk of work- and non work-related injuries, including life risk; (c) supplementary health care insurance policy; and (d) in certain particular cases, temporary accommodation for managers working off-site.

It should be noted that during the Financial Year no *ex post* correction mechanisms were applied to the variable component of the remuneration of Strategic Managers.

1.3 Remuneration of members of the control bodies

The remuneration of the Chairman of the Board of Statutory Auditors and the Standing Auditors was defined by the Shareholders' Meeting on November 30, 2016 at the time of their appointment, on the proposal of the Shareholders as Euro 35,000.00 gross per year

for the Chairman and Euro 20,000.00 gross per year for each Standing Auditor in addition to the lump-sum reimbursement.

1.4 Severance indemnity

No severance pay paid.

Pursuant to Article 84-*quater* of the Issuers' Regulation, in compliance with the provisions of Annex 3A, Schedule 7-*bis* of the same Regulations, the remuneration paid during the Financial Year to the members of the Management and Control Bodies and, of the other Managers with Strategic Responsibilities, in accordance with corporate practice in use prior to the approval of the Remuneration Policy, is shown below.

1.5 Information on the allocation of financial instruments to directors, managers and other employees of ORSERO S.p.A. and its subsidiaries

(a) Stock Grant Plan of Orsero S.p.A.

With reference, among other things, to the Financial Year, the Company has adopted a 2017-2019 incentive plan called "Stock Grant Plan", to be implemented through the free allocation of ordinary Orsero shares in the Company's portfolio. This Plan is reserved for the Company's executive directors and certain managers who hold or perform strategically important roles or functions in Orsero, including the Strategic Managers in office during the Financial Years, Paolo Prudenziati, Matteo Colombini, and Raffaella Orsero.

For a description of this Plan, please refer to the Prospectus relating to the admission to trading on the MTA of Orsero ordinary shares, sub Section 13 Point 13.1.4, published on December 19, 2019 and available on the Company's website www.orserogroup.it, in the "Listing on MTA Market" section, as well as the explanatory report of the said Plan prepared for the Shareholders' Meeting of May 16, 2017 which approved the Plan itself, available on the Company's website www.orserogroup.it, in the "Investors / Shareholders' Meeting" section.

For information on the financial instruments attributed under this Plan to these entities, please refer to Table 3A.

(b) MBO Plan

With reference to the Financial Year, in line with previous years, the Company has adopted a short-term variable remuneration plan linked to annual performance targets

(the "MBO Plan") in favor of Paolo Prudenziati, Raffaella Orsero and Matteo Colombini among others.

For a description of this Plan, please refer to the Prospectus relating to the admission to trading on the MTA of Orsero ordinary shares, sub Section 13 Point 13.1.4, published on December 19, 2019 and available on the Company's website www.orserogroup.it, in the "Listing on MTA Market" section.

For information on the financial instruments attributed under this Plan to these persons, please refer to Table 3B.

2. Part two

TABLE 1: FEES PAID TO THE MEMBERS OF THE BOARD OF DIRECTORS

Compensi corrisposti ai componenti del Consiglio di Amministrazione													
Nome Cognome	Carica	Periodo per cui è stata ricoperta la carica	Scadenza della carica	Tipologia compensi	Compensi Fissi	Compensi per partecipazione a comitati	Compensi Variabili non Equity		Benefici non monetari**	Altri compensi	Fair value compensi equity	Totale	Compensi di fine carica o di cessazione del rapporto di lavoro
							Bonus e altri incentivi	Partecipazione agli utili					
PAOLO PRUDENZATI	Presidente Amm.re Delegato *	dal 13/02/2017	approvazione bilancio al 31/12/2019	a) b) c)	15.000 30.000 290.000		-		1.965		-	336.965	
				Totale	335.000								
RAFFAELLA ORSERO	Vice Presidente Amm.re Delegato	dal 13/02/2017	approvazione bilancio al 31/12/2019	a) b) c) d)	15.000 70.000 100.000 150.000		-		6.058		-	341.058	
				Totale	335.000								
MATTEO COLOMBINI	Amm.re Delegato	dal 13/02/2017	approvazione bilancio al 31/12/2019	a) b) c) d)	15.000 50.000 200.000 10.000		-		7.449		-	282.449	
				Totale	275.000								
ARMANDO DE SANNA	Amministratore Indipendente	dal 13/02/2017	approvazione bilancio al 31/12/2019	a)	15.000	14.500						29.500	
LUCA GIACOMETTI	Amministratore	dal 13/02/2017	al 23/12/2019	a)	15.000	5.000						20.000	
LAURA SOIFER	Amministratore Indipendente	dal 23/12/2019	approvazione bilancio al 31/12/2019	a)	5.000	2.500						7.500	
GINO LUGLI	Amministratore	dal 13/02/2017	approvazione bilancio al 31/12/2019	a)	15.000	7.000						22.000	
VERA TAGLIAFERRI	Amministratore Indipendente	dal 13/02/2017	approvazione bilancio al 31/12/2019	a)	15.000	14.500						29.500	
ALESSANDRO PICCARO	Amministratore	dal 25/03/2017	approvazione bilancio al 31/12/2019	a) c) d)	15.000 111.000 80.000				4.888	40.000***	-	250.888	
				Totale	206.000								
CARLOS FERNANDEZ	Amministratore	dal 25/03/2017	approvazione bilancio al 31/12/2019	a) c)	15.000 50.000		-					65.000	
				Totale	65.000								

a) compenso per la carica Società Emittente

b) compenso per cariche ex art.2383 comma 3 cc Società Emittente

c) retribuzione da lavoro dipendente Società Emittente

d) compensi società controllate e collegate

e) retribuzione da lavoro dipendente da controllate e collegate

*) Amministratore Delegato fino al 23/12/2019

**) Benefici non monetari: per Paolo Prudenziati, Raffaella Orsero e Alessandro Piccaro consistono in: i) autoveicolo assegnato ad uso promiscuo, sulla base dei valori assegnati previdenzialmente e fiscalmente (ex previsione tabelle ACI), in ragione del rapporto dirigenziale;

ii) polizza assicurativa a copertura del rischio da infortunio professionale ed extraprofessionale, comprendente rischio vita; iii) polizza assicurativa di assistenza sanitaria integrativa.

***) Benefici non monetari: per Matteo Colombini consistono in: i) assegnazione abitazione per i dirigenti operanti fuorisede; ii) autoveicolo assegnato ad uso promiscuo, sulla base dei valori assegnati previdenzialmente e fiscalmente (ex previsione tabelle ACI), in ragione del rapporto dirigenziale; iii) polizza assicurativa a copertura del rischio da infortunio professionale ed extraprofessionale, comprendente rischio vita; iv) polizza assicurativa di assistenza sanitaria integrativa.

***) Compenso una tantum da controllate

Compensi corrisposti ai componenti del Collegio Sindacale

Nome Cognome	Carica	Periodo per cui è stata ricoperta la carica	Scadenza della carica	Tipologia compensi	Compensi Fissi*	Compensi per partecipazione a comitati	Compensi Variabili non Equity		Benefici non monetari	Altri compensi	Fair value comeprnsi equity	Totale	Compensi di fine carica o di cessazione del rapporto di lavoro
							Bonus e altri incentivi	Partecipazione agli utili					
MICHELE PAOLILLO	PRESIDENTE COLLEGIO SINDACALE	dal 13/02/2017	approvazione bilancio al 31/12/2019	a)	35.600						-	35.600	-
GUIDO RICCARDI	SINDACO EFFETTIVO	dal 13/02/2017	approvazione bilancio al 31/12/2019	a)	21.000		-				-	21.000	-
PAOLO ROVELLA	SINDACO EFFETTIVO	dal 13/02/2017	approvazione bilancio al 31/12/2019	a)	20.900		-				-	44.100	-
				b)	23.200								

a) Compensi fissi comprensivi di rimborsi spese forfettari da Emittente

b) Compensi fissi comprensivi di rimborsi spese forfettari da Società Controllate

Compensi corrisposti Dirigenti con Responsabilità Strategiche

La Tabella non è stata compilata in quanto per l'anno 2019 i Dirigenti con Responsabilità Strategiche sono coincidenti con gli Amministratori Esecutivi e, pertanto, già indicati nella tabella Compensi corrisposti ai componenti del Consiglio di Amministrazione

TABLE 2: STOCK OPTIONS ASSIGNED TO MEMBERS OF THE MANAGEMENT BODY, GENERAL MANAGERS AND OTHER MANAGERS WITH STRATEGIC RESPONSIBILITIES

Not applicable.

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TABLE 3A: INCENTIVE PLANS FOR MEMBERS OF THE MANAGEMENT BODY, GENERAL MANAGERS AND OTHER MANAGERS WITH STRATEGIC RESPONSIBILITIES

			Strumenti finanziari assegnati negli esercizi precedenti non vestiti nel corso dell'esercizio		Strumenti finanziari assegnati nel corso dell'esercizio					Strumenti finanziari vestiti nel corso dell'esercizio e non attribuiti	Strumenti finanziari vestiti nel corso dell'esercizio e attribuibili		Strumenti finanziari di competenza dell'esercizio
A	B	1	2	3	4	5	6	7	8	9	10	11	12
Nome e cognome	Carica	Piano	Numero e tipologia di strumenti finanziari	Periodo di vesting	Numero e tipologia di strumenti finanziari	Fair value alla data di assegnazione	Periodo di vesting	Data di assegnazione	Prezzo di mercato all'assegnazione	Numero e tipologia di strumenti finanziari	Numero e tipologia di strumenti finanziari	Valore alla data di maturazione	Fair value
Paolo Prudenziati	Presidente e Amministratore Delegato	Piano Stock Grant (16/05/2017)	32.000 stock grant*	2017 e 2018	0					16.667 stock grant	0	0	0
Raffaella Orsero	Vice Presidente e Amministratore Delegato	Piano Stock Grant (16/05/2017)	64.000 stock grant *	2017 e 2018	0					33.333 stock grant	0	0	0
Matteo Colombini	Amministratore Delegato	Piano Stock Grant (16/05/2017)	89.600 stock grant *	2017 e 2018	0					46.667 stock grant	0	0	0
Alessandro Piccardi	Amministratore	Piano Stock Grant (16/05/2017)	32.000 stock grant *	2017 e 2018	0					16.667 stock grant	0	0	0
Totale altri		Piano Stock Grant (16/05/2017)	102.400 stock grant*	2017 e 2018	0					53.333 stock grant	0	0	0
Totale		Piano Stock Grant (16/05/2017)	320.000 stock grant *	2017 e 2018	0					166.667 stock grant	0	0	0

*Le Stock Grant maturate negli esercizi precedenti venivano assegnate all'approvazione del bilancio 2019

TABLE 3B: MONETARY INCENTIVE PLANS IN FAVOR OF MEMBERS OF THE MANAGEMENT BODY, GENERAL MANAGERS AND OTHER MANAGERS WITH STRATEGIC RESPONSIBILITIES

A	B	1	2			3			4
Nome e Cognome	Carica	Piano	Bonus dell'anno (Euro)			Bonus di anni precedenti			Altri Bonus
			Erogabile/ Erogato	Differito	Periodo di Differimento	Non più erogabili	Erogabile/ Erogati	Ancora Differiti	
Paolo Prudenziati	Presidente e Amministratore Delegato	MBO*	0	-	2019	-	-	-	0
Raffaella Orsero	Vicepresidente e Amministratore Delegato	MBO*	0	-	2019	-	-	-	0
Matteo Colombini	Amministratore Delegato	MBO*	0	-	2019	-	-	-	0
Alessandro Piccardo	Amministratore	MBO*	0	-	2019	-	-	-	0
Carlos Fernandez	Amministratore	MBO **	0	-	2019	-	-	-	0
Totale			0	-	2019	-	-	-	0

*) MBO da Società Emittente

**) MBO da Società Controllata

2.2. Shares held by members of the Board of Directors and the Board of Statutory Auditors and other Managers with Strategic Responsibilities

SCHEME 7-TER: scheme giving information on the shareholdings held by members of the management and control bodies, general managers and managers with strategic responsibilities

Componenti organo amministrativo

Partecipazioni nell'emittente Orsero S.p.A.

NOME E COGNOME	SOCIETA' PARTECIPATA	NUMERO AZIONI POSSEDUTE ALLA FINE DELL'ESERCIZIO 2018	NUMERO AZIONI ACQUISTATE NELL'ESERCIZIO 2019	NUMERO AZIONI VENDUTE NELL'ESERCIZIO 2019	NUMERO AZIONI POSSEDUTE ALLA FINE DELL'ESERCIZIO 2019
Paolo Prudenziati	Orsero SpA	1.500 azioni ordinarie	0	0	1.500 azioni ordinarie
Matteo Colombini	Orsero SpA	1.000 azioni ordinarie	0	0	1.000 azioni ordinarie
Luca Fabio Giacometti *	Orsero SpA	299.656 azione ordinarie (1,5% del capitale) di cui 169.719 azioni ordinarie detenute tramite Gaburo srl di cui detiene il 90%	0	0	299.656 azione ordinarie (1,5% del capitale) di cui 169.719 azioni ordinarie detenute tramite Gaburo srl di cui detiene il 90%
Gino Lugli	Orsero S.p.A.	282.000 azioni ordinarie di cui 270.000 detenute tramite GLP srl di cui detiene il 56%	0	0	282.000 azioni ordinarie di cui 270.000 detenute tramite GLP srl di cui detiene il 56%

*) Amministratore fino al 23/12/2019

Altre partecipazioni nelle società del Gruppo

Non applicabile.

Componenti organo di controllo**Partecipazioni nell'emittente Orsero S.p.A.**

NOME E COGNOME	SOCIETA' PARTECIPATA	NUMERO AZIONI POSSEDUTE ALLA FINE DELL'ESERCIZIO 2018	NUMERO AZIONI ACQUISTATE NELL'ESERCIZIO 2019	NUMERO AZIONI VENDUTE NELL'ESERCIZIO 2019	NUMERO AZIONI POSSEDUTE ALLA FINE DELL'ESERCIZIO 2019
Paolo Rovella	Orsero S.p.A.	500 azioni ordinarie	0	0	500 azioni ordinarie

Dirigenti con Responsabilità Strategiche

La Tabella non è stata compilata in quanto i Dirigenti con Responsabilità Strategiche sono coincidenti con gli Amministratori Esecutivi e, pertanto, già indicati nella tabella Componenti Organo Amministrativo