



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

**In accordance with Articles 123-ter CFA and 84-quater of the Consob Issuers' Regulation**  
(approved by the Board of Directors on March 13, 2020)

LA DORIA S.P.A.

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## INTRODUCTION

This Report has been prepared as per Article 123-ter of Legislative Decree No. 58 of February 24, 1998 (Consolidated Finance Act or **CFA**) and Article 84-*quater* of the Consob Issuers' Regulation (Motion No. 11971/99 and subsequent amendments and supplements).

**Section I** of the Report contains information concerning the Remuneration Policy of La Doria S.p.A. (the "**Company**" or "**La Doria**"), as approved by the Board of Directors - on the proposal of the Remuneration and Appointments Committee - in its initial version of November 11, 2011 and subsequently amended on 13.03.2020.

This section therefore outlines the policy adopted by the company for 2020 concerning the remuneration of the members of the Board of Directors (the "**Directors**") - broken down by Executive Directors and Non-Executive Directors - and Senior Executives of the company, that is, those subjects with the power and the responsibility - directly or indirectly - for the planning, management and control of company operations according to the definition as per Annex 1 of the Consob Regulation concerning related party transactions adopted with motion No. 17221 of March 12, 2010 (the "**Senior Executives**").

Section I also presents the procedures adopted by the company for the preparation and approval of the Remuneration Policy, in addition to the bodies and parties responsible for its implementation.

The Remuneration Policy may be reviewed and updated by the Board of Directors, on the proposal of the Remuneration and Appointments Committee, which has the duty to periodically assess its overall consistency and concrete application.

Section I of this Report is submitted for the non-binding vote of the Shareholders' Meeting called for the approval of the 2019 Annual Accounts. The Shareholders' Meeting, however, expresses a consultative vote on section II.

**Section II** of the Report presents, with regards to financial year 2019, the individual items comprising the remuneration of members of the Company's Administration and Control Boards, an analysis of the fees paid by the company and its subsidiaries to such parties in any form and for any reason, and the fees yet to be paid at the approval date of this Report, although accruing in 2019.

Section II in addition provides an aggregated presentation of the fees of the Senior Executives.

As per the Consob Regulation concerning related party transactions, adopted with Motion No. 17221 of March 12, 2010, as subsequently amended and supplemented,

as incorporated into the Related Parties Transaction Policy adopted by the company in November 11, 2010 and latterly amended on November 14, 2019, the adoption by La Doria S.p.A. of the Remuneration Policy, in addition to the vote of the Shareholders' Meeting upon that Policy, exempts the company from application of the provisions, outlined in the Policy, to the motions of the Board of Directors regarding the remuneration of Directors and of Senior Executives.



## **SECTION I**

### **2020 REMUNERATION POLICY**

## **1. BODIES AND PARTIES INVOLVED IN THE PREPARATION, APPROVAL AND IMPLEMENTATION OF THE REMUNERATION POLICY**

The Remuneration Policy of Directors and Senior Executives is drawn up by the Board of Directors (or also the “**Board**”) on the proposal of the Remuneration and Appointments Committee (the “**Committee**”).

The Policy is subsequently submitted for the binding vote of the Shareholders’ Meeting called to approve the Annual Accounts.

The Committee, in drawing up its proposal on the Remuneration Policy, is supported by the Human Resources Department to the extent of its remit.

In preparing the Remuneration Policy, the Company has not made use of specific independent experts, though it has considered the remuneration policies adopted by comparable companies in terms of organisation size, including through the use of benchmark surveys and/or market surveys, in addition to remuneration positioning analyses conducted by specialist compensation companies.

The Board of Directors, supported by the Remuneration and Appointments Committee, verifies the correct implementation of the Remuneration Policy.

## **2. THE REMUNERATION AND APPOINTMENTS COMMITTEE**

The company set up the Remuneration Committee on 20.12.2006, on the basis of the recommendations of the Self-Governance Code.

At the meeting of 20.06.2014, the Board of Directors assigned to the Committee, in addition to the consultation and proposal functions of Article 6 of the cited Code concerning remuneration, also the consultation and proposal functions set out by Article 5 of the Code concerning the appointment of Directors. As a consequence, the Committee therefore took the name “*Remuneration and Appointments Committee*”.

The Remuneration and Appointments Committee carries out proposal and consultation functions for the assessments and decisions that the Board of Directors takes regarding the remuneration of Senior Directors and Executives.

The Committee presently in office was appointed by the Board of Directors on June 16, 2017 and comprises three Non-Executive Directors, the majority of whom independent. Michele Preda, Chairman (independent), Michaela Castelli (independent) and Sergio Persico.

The members of the Committee possess both financial and remuneration policy expertise and experience.

The members of the Board of Statutory Auditors, the Investor Relations and Corporate Affairs Manager and the Human Resources Manager were invited to participate in the work of the Committee.

The minutes of Committee meetings were regularly taken.

The holding of the Committee meetings is governed by the organisational rules outlined in the Regulation of the Committee, approved by the Board of Directors and available on the website [www.gruppoloria.it](http://www.gruppoloria.it), in the *Corporate Governance/Regulations and Procedures* section.

The following remuneration functions are assigned to the Committee:

- (i) draw up for the Board of Directors proposals upon the remuneration policy of Senior Directors and Executives;
- (ii) periodically evaluate the adequacy, the consistency and the application of the remuneration policy for Directors and Senior Executives, utilising for this latter information provided by the Chief Executive Officers;
- (iii) to present proposals or express opinions to the Board of Directors on the remuneration of Executive Directors and other Senior Directors, as well as establishing the performance objectives related to the variable component of this remuneration; to monitor the application of the decisions adopted by the Board, verifying, in particular, the achievement of the performance objectives;
- (iv) to review in advance the annual Remuneration Report to be made available to the public at the Shareholders' Meeting for presentation of the Annual Financial Statements.

For the duties of the Committee regarding appointments, reference should be made to the Corporate Governance and Ownership Structure Report prepared as per Article 123-*bis* of the CFA.

### **Remuneration activities carried out by the Committee in 2019**

In 2019, the Committee met on six occasions, with an average meeting duration of 1 hour and 30 minutes and an average attendance record of 94% for the members of the Committee.

At least one member of the Board of Statutory Auditors and the IR/Corporate Affairs Manager as secretary of the Committee also attended the meetings. On one occasion, the Chairman and the Chief Executive Officer attended the Committee.

In 2019, the main activities that the Committee undertook were:

- (i) preparation of the proposal to the Board of Directors for the adoption of decisions concerning fees to be paid in 2019 to Senior Directors as per Article 2389, paragraph 3 of the

Civil Code, and identification of performance objectives;

- (ii) verification of achievement of the annual performance objectives for 2018 for Senior Directors;
- (iii) verification of the achievement of performance objectives set out in the 2016-2018 LTIP Plan for Senior Executives;
- (iv) preparation of the proposal to the Board of Directors concerning the variable remuneration of Senior Executives (LTIP) related to the achievement of the company's 2019-2021 three-year plan objectives;
- (v) review of the Committee's recommendations, drawn up by the Corporate Governance Committee with the Chairman's communication of 21.12.2018;
- (vi) review of the "Diversity and inclusion policy" with regards to the sections concerning corporate boards, submitted for the approval of the Board of Directors;
- (vii) preparation of the Annual Remuneration Report for 2018, including the Remuneration Policy of Senior Directors and Executives, prepared as per Article 123-ter of the CFA, submitted for the approval of the Board of Directors and, subsequently to the non-binding vote of the Shareholders' Meeting;
- (viii) prior review of the Corporate Governance and Ownership Structure Report for 2018 with regards to the sections regarding the Committee, submitted for the approval of the Board of Directors;
- (ix) review of the outcome of the Analysis and Assessment carried out by the Human Resources Department on the remuneration positioning of those reporting directly to management;
- (x) review of the Regulation of the Remuneration and Appointments Committee, submitted for the approval of the Board of Directors;
- (xi) review of the new issues introduced by the European Directive on shareholder rights (SHRD II), with regards to the definition of remuneration policies and on the Remuneration Report;

For the Committee's activity on appointments and Board review processes, reference should be made to the Corporate Governance and Ownership Structure Report prepared as per Article 123-bis of the CFA.

As regards remuneration activities carried out in the initial months of 2020, at the meeting of January 28 the Committee reviewed the recommendations of the Corporate Governance

Committee issued on 19.12.2019 in order to express its assessment in this regard, and drew up its conclusions for the Board of Directors' meeting on March 13.

At the meeting of 12.03.2020, the Committee preliminarily examined, within the extent of its remit, the Corporate Governance and Ownership Structure Report for 2019, expressing a favourable opinion and, in addition, preparing this Remuneration Report, both to be submitted for the approval of the Board of Directors on March 13.

At the same meeting, having examined and positively assessed the professional profile identified by the company to undertake the Operations Manager role, the Committee confirmed the inclusion of this role in the LTIP scope as a Senior Executive.

Finally, the Committee examined and positively assessed the proposal to extend the existing 2019-2021 long-term variable incentive system (LTIP) for Senior Executives to December 31, 2022, in order to align its timeframe with that of the system in place for top management (Chairman and Chief Executive Officer). The Committee therefore reserves the right to propose, by May 2020, a new long-term variable incentive system for Senior Executives for the 2019-2022 period.

### **3. PURPOSES OF THE REMUNERATION POLICY, THE UNDERLYING PRINCIPLES AND ANY CHANGES TO THE REMUNERATION POLICY ON THE PREVIOUS YEAR**

The Remuneration Policy of La Doria, drawn up also in compliance with the recommendations of the Self-Governance Code, pursues the following objectives:

- (i) attract, retain and motivate people with the individual and professional qualities required to achieve the company's business development goals and to successfully manage the company;
- (ii) align their interests with the achievement of value creation for shareholders and the company over the medium/long-term period. For this purpose, a significant portion of remuneration is based on achieving specific predetermined performance objectives, and is in line with the company's development guidelines.

In accordance with the Code's recommendations, the Remuneration Policy is based on the following criteria:

- a) the fixed and variable components of remuneration are adequately balanced in line with the strategic objectives, also taking into account the sector in which the company operates and the activities undertaken;
- b) the fixed component should sufficiently remunerate the professional services of the Directors and Senior Executives where the variable component is not paid when the performance objectives indicated are not met;



- c) the variable component of remuneration comprises a portion related to short-term criteria (Management by Objectives -MBO) and a portion related to long-term criteria (Long Term Incentive Plan - LTIP);
- d) the performance objectives - or rather the financial results and any other objectives linked to the variable components - are predetermined, measurable and focused on the creation of value for shareholders over the medium-long-term;
- e) maximum limits are established for the variable portion of remuneration (short and medium/long-term), broken down according to the role covered within the company and the capacity to impact results;
- f) the remuneration of Non-Executive Directors is fixed so as to recognise the commitment required and is not related to the company's results.

#### **Principal amendments to the 2020 remuneration policy**

Although the principles and objectives remain unchanged, the Remuneration Policy for 2020 reflects some changes to the remuneration packages envisaged for Executive Directors holding particular offices and for Senior Executives which was adopted by the Board of Directors in 2019. Specifically:

- modification of the fixed component of remuneration (GAR) (with an increase of Euro 100,000) for the Chairman and the Chief Executive Officer in order to bring this into line with the median provided for similar top management figures in comparable companies;
- Increase of the minimum EBITDA target measure, from 60% to 70%, for access to the short-term variable component of the remuneration of the Chairman and the Chief Executive Officer, in order to bring it into line with market best practices.
- alignment of the weighting of EBITDA targets (70%) and the Debt/EBITDA ratio (30%) of the long-term incentive compensation system (LTIP) envisaged for Senior Executives, to the weighting of the LTIP Plan envisaged for Executive Directors holding particular positions.

It should be noted that at the meeting held on March 13, 2020, pending the adaptation by Consob of the regulatory framework to the new provisions of the CFA on remuneration, the Board of Directors reserved the right to define a new Remuneration Policy for the Company that links a portion - between 5% and 10% - of the variable remuneration for Executive Directors and Senior Executives to non-financial performance objectives in 2021.

#### **4. DESCRIPTION OF THE FIXED AND VARIABLE REMUNERATION COMPONENT POLICIES, PARTICULARLY IN RELATION TO THE WEIGHTING IN TERMS OF OVERALL REMUNERATION AND THE BREAKDOWN BETWEEN VARIABLE AND SHORT-TERM AND LONG-TERM COMPONENTS.**

Firstly, it is stated that the compensation of the Directors is established by the Shareholders' Meeting.

Senior Directors, in addition to the basic compensation assigned to each Director, received additional compensation, as established by the Board in accordance with Article 2389, paragraph 3

of the Civil Code. The Board of Directors complies with the Remuneration Policy in defining the remuneration of the Chairman and the Chief Executive Officer and other Directors holding special positions.

The Executive Directors are also employees of the company and therefore, as employees, receive, as do the other Senior Executives, a fixed remuneration and a variable remuneration based on the achievement of specific performance objectives.

The basic compensation of Non-Executive Directors is increased, by Board decision, on the basis of attendance at each Committee and/or the Supervisory Board as per Legislative Decree 231/2001 (SV), with an additional increase for the Non-Executive Director acting as Chairperson of the SV.

The other Senior Executives receive an overall remuneration package which comprises a fixed portion and a variable portion related to the achievement of specific performance objectives. The remuneration of the Senior Executives is set, as per the Remuneration Policy, by the Chairman and the Chief Executive Officer and by the Chief Executive Officer and the General Manager.

The balancing of the fixed and variable components and between the variable remuneration and the achievement of the operating and financial performance objectives are in line with the principle for the alignment of management's interests with those of the shareholders and with the key objective of pursuing the long-term interests of the company.

#### 4.1 Executive Directors and Senior Executives

The remuneration package of the Executive Directors and Senior Executives is broken down into the following components:

- **fixed remuneration**, i.e. Gross Annual Remuneration (GAR) which should compensate the responsibilities assigned, the experience and the distinctive expertise held, and be consistent with market practice, so as to guarantee an adequate retention level. The fixed remuneration must sufficiently remunerate the level of professional service, in the case in which the variable component was not paid due to the performance objectives not being met. This is also received by the Executive Directors who are employees of the company;
- **annual variable remuneration**, which establishes a direct link between remuneration and the performance targets set annually in the budget, established to award the achievement of company and individual objectives (MBO – Management by Objectives) defined by the company and measured according to pre-established operating parameters and weighting.

The annual variable remuneration system of **Senior Directors** (Chairman, Chief Executive Officer, Chief Executive Officer/General Manager) is based on three objectives, EBITDA, with the weighting of 70%, turnover with a weighting of 15%

and the Net financial position (NFP), accounting for the remaining 15%. The overall target represents around 40% of the Gross Annual Remuneration.

The system sets a target access limit, a proportional reduction in the case of the partial achievement of the objectives and a proportional increase in the case of the objectives being exceeded, up to a maximum limit of double the target.

The annual variable remuneration system of **Senior Executives (including Executive Directors not holding particular positions)** stipulates the assignment of a common objective (gross operating margin or EBITDA) with a weighting of 50%, and three or four individual objectives, strictly related to the role covered, accounting for the remaining 50%. The overall target represents 20%/25% of the Gross Annual Remuneration.

The system sets a target access limit, a proportional reduction in the case of the partial achievement of the objectives and a proportional increase in the case of the objectives being exceeded, up to a maximum limit of 20% of the target.

The annual variable remuneration, where accruing, is issued together with the April-May remuneration and following approval by the Board of Directors of the draft company Financial Statements, which details the gross operating profit upon which achievement of the objective is based.

- **variable medium/long-term remuneration (LTIP)**, which links remuneration with the achievement of results sustainable over time, outside of that established annually in the budget, while aligning management's objectives with those of the Shareholders and engendering loyalty among the company's key personnel.

The medium/long-term remuneration is linked to the achievement of specific objectives of the three-year industrial plan of the company which is approved by the Board of Directors.

The variable medium/long-term remuneration for the **Senior Directors** (Chairman/Chief Executive Officer, Chief Executive Officer/General Manager) is linked to the achievement of the following three-year plan objectives:

-EBITDA (70% weighting), as an operating performance indicator, calculated as the ratio between average EBITDA against average revenues in the three-year period (three-year average EBITDA margin);

-Debt/EBITDA (30% weighting), as a financial management and debt sustainability indicator, calculated as the ratio between NFP and EBITDA over the latest three-year period;

The LTIP system for Senior Executives establishes an overall target of not under 50% of the average Gross Annual Remuneration of the three-year period in view of the particular strategic importance of these positions. This includes a target access limit, a proportional reduction in the case of partial achievement of objectives and a proportional increase in the case of exceeding objectives, up to a maximum of 50%.

The medium/long-term variable remuneration of **Senior Executives (including Non-Executive Senior Directors)** is based on the achievement of the following three-year plan objectives:

-EBITDA (70% weighting), as an operating performance indicator, calculated as the ratio between average EBITDA against average revenues in the three-year period (three-year average EBITDA margin);

-Debt/EBITDA (30% weighting), as a financial management and debt sustainability indicator, calculated as the ratio between NFP and EBITDA over the latest three-year period;

The LTIP system sets an overall target of 30% of the average Gross Annual Remuneration of the three-year period. This includes a target access limit, a proportional reduction in the case of partial achievement of objectives and a proportional increase in the case of exceeding objectives, up to a maximum of 30%.

The annual variable remuneration, where accruing, is issued following approval by the Board of Directors of the draft company Financial Statements for the last year of the three-year period.

In addition to the remuneration established by the Shareholders' Meeting and the fixed remuneration as employees of the company, with Board of Directors motion as per Article 2389, on the proposal of the Remuneration and Appointments Committee, medium/long-term annual variable remuneration, established as outlined above, is allocated to the Senior Executive Directors (Chairman/Chief Executive Officer; Chief Executive Officer/General Manager).

- **Non-monetary benefits**, the overall remuneration package is supplemented with a range of benefits, as suggested by the applicable market practice (company car, supplementary health insurance to the healthcare established under the Executive's contract - an insurance policy which covers the third-party liability of Directors and Executives). Life and Accident insurance is governed by the Executives Contract. No form of supplementary pension to that contractually undertaken is provided for (PREVINDAI-INPS).

Certain Senior Executives are required to sign non-competition agreements.

- **Post-employment benefits and claw-back clause.** No "post-employment benefits" are stipulated for Senior Directors and Executives in the case of resignation or termination. For the Senior Executives, the indemnities established by the National Collective Labour Contract for Industrial Enterprise Executives are applied.

In addition, currently no contractual agreements are expected which would allow the repayment of the variable portions of remuneration, on the basis of figures which were subsequently manifestly erroneous (clawback clause).

#### **4.2 Non-Executive Directors**

In addition to the remuneration established by the Shareholders' Meeting, the Non-Executive Directors receive the remuneration established by the Board of Directors on appointment as members of the Control, Risks and Sustainability Committee, of the Remuneration and Appointments Committee and of the Supervisory Board.

The Non-Executive Directors receive other remuneration, further to that outlined above. Their remuneration is not linked to the company's results.

#### **4.3 Senior Non-Executive Directors (Vice Chairman)**

In addition to the remuneration established by the Shareholders' Meeting, the Vice Chairman of the Board of Directors receives the annual fixed remuneration established by the Board of Directors as per Article 2389 of the Civil Code.

He also receives the remuneration as per paragraph 4.2 above, as a member of the Control and Risks Committee, of the Remuneration and Appointments Committee and of the Supervisory Board.

#### **4.4 Statutory Auditors**

The remuneration of the members of the Board of Statutory Auditors is established by the Shareholders' Meeting.



## SECTION II

### 2019 COMPENSATION AND REMUNERATION

## PART I

### DESCRIPTION OF COMPENSATION AND REMUNERATION

The items comprising the remuneration accruing and/or issued in 2019 in favour of the following is outlined below:

- (i) the Chairman and Chief Executive Officer
- (ii) the Vice Chairman
- (iii) the Chief Executive Officer and General Manager
- (iv) other members of the Board of Directors
- (v) the members of the Board of Statutory Auditors
- (vi) other Senior Executives (information provided at an aggregate level).

Preliminarily, on June 16, 2017, the Shareholders' Meeting approved total gross annual remuneration in favour of the Directors of Euro 270,000, as Euro 30,000 for each Director and total gross annual remuneration for the Board of Statutory Auditors of Euro 80,000, of which Euro 30,000 for the Chairman and Euro 25,000 for each Statutory Auditor.

On the same date, the Board of Directors established the remuneration of the Senior Directors, the members of the various Committees within the Board and for the members of the Supervisory Board as per Legislative Decree 231/2001. Specifically, the Board recognised gross annual remuneration of Euro 5,000 to each member of the Control, Risks and Sustainability Committee and the Remuneration and Appointments Committee. The gross annual remuneration approved for the Supervisory Board amounts to Euro 10,000 for the Chairman and Euro 5,000 for each of the other members.

#### **Chairman and Chief Executive Officer – Antonio Ferraioli**

- i. "basic" remuneration as Director of La Doria S.p.A. - Euro 30,000;
- ii. remuneration for the special appointment as Chairman and Chief Executive Officer as per Article 2389 of the Civil Code (estimated variable remuneration related to the FY 2019 objectives) – Euro 315,000;
- iii. fixed remuneration as a company Executive - Euro 400,000;
- iv. variable medium/long-term remuneration (LTIP) relating to the 2017-2019 three-year period Euro 95,000 (estimated amount accruing for FY 2019);
- v. non-monetary benefits – Euro 5,259;
- vi. remuneration for the office of Chairman and Chief Executive Officer of La Doria S.p.A. subsidiaries – Euro 17,979.

### **Vice Chairman – Sergio Persico**

- i. “basic” remuneration as Director of La Doria S.p.A. - Euro 30,000;
- ii. remuneration for the special position of Vice Chairman, as per Article 2389 of the Civil Code - Euro 70,000;
- iii. remuneration as a member of the Remuneration and Appointments Committee - Euro 5,000;
- iv. remuneration as a member of the Control and Risks Committee - Euro 5,000;
- v. remuneration as a member of the Supervisory Board - Euro 5,000;
- vi. remuneration for the position of Director of La Doria S.p.A. subsidiaries – Euro 17,979.

### **Chief Executive Officer and General Manager – Andrea Ferraioli**

- i. “basic” remuneration as Director of La Doria S.p.A. - Euro 30,000;
- ii. remuneration for the special appointment as Chief Executive Officer as per Article 2389 of the Civil Code and as General Manager (estimated variable remuneration related to the FY 2019 objectives) - Euro 315,000;
- iii. fixed remuneration as a company Executive - Euro 400,000;
- iv. variable medium/long-term remuneration (LTIP) relating to the 2017-2019 three-year period Euro 95,000 (estimated amount accruing for FY 2019);
- v. non-monetary benefits – Euro 4,905;
- vi. remuneration for the office of Director and Chief Executive Officer of La Doria S.p.A. subsidiaries – Euro 17,979.

### **Other members of the Board of Directors**

#### **Director - Michaela Castelli**

- (i) “basic” remuneration as Director of La Doria S.p.A. - Euro 30,000;
- (ii) remuneration as a member of the Remuneration and Appointments Committee - Euro 5,000;
- (iii) remuneration as a member of the Control and Risks Committee - Euro 5,000;
- (iv) remuneration as Chairperson of the Supervisory Board - Euro 10,000.

#### **Director - Elena David**

- (i) “basic” remuneration as Director of La Doria S.p.A. - Euro 30,000;
- (ii) remuneration as Chairperson of the Control and Risks Committee - Euro 5,000.

#### **Director - Diodato Ferraioli**

- (i) “basic” remuneration as Director of La Doria S.p.A. - Euro 30,000.



**Executive Director - Operating Control Manager - Iolanda Ferraioli**

- (i) “basic” remuneration as Director of La Doria S.p.A. - Euro 30,000;
- (ii) fixed remuneration as a company Executive - Operating Control Manager - Euro 110,036;
- (iii) variable M.B.O. remuneration linked to 2019 objectives - Euro 24,232;
- (iv) variable medium/long-term remuneration (LTIP) relating to the 2016-2018 three-year period - Euro 32,817 (amount settled in 2019);
- (v) variable medium/long-term remuneration (LTIP) relating to the 2019-2021 three-year period - Euro 11,000 (estimated amount accruing for FY 2019);
- (vi) non-monetary benefits – Euro 4,723.

**Director - Enzo Diodato Lamberti**

- (i) “basic” remuneration as Director of La Doria S.p.A. - Euro 30,000.

**Director – Lead Independent Director - Michele Preda**

- (i) “basic” remuneration as Director of La Doria S.p.A. - Euro 30,000;
- (ii) remuneration as Chairman of the Remuneration and Appointments Committee - Euro 5,000.

**Members of the Board of Statutory Auditors****Ottavia Alfano (Chairperson of the Board of Statutory Auditors)**

- (i) remuneration for the position of Chairperson of the Board of Statutory Auditors - Euro 30,000.

**Adele Caldarelli (Statutory Auditor)**

- (i) remuneration for the position of Statutory Auditor - Euro 25,000.

**Maurizio D’Amore (Statutory Auditor)**

- (i) remuneration for the position of Statutory Auditor - Euro 25,000.

**Other Senior Executives (aggregated)**

Eight Senior Executives:

- Chief Financial Officer:
- Italy Sales Manager
- Integrated Logistics Manager
- Operations Manager
- Human Resources Manager
- Quality Assurance and New Product Development Manager
- Technical Manager

- Foreign Sales Manager

- (i) fixed remuneration as company Executive – Euro 1,247,502;
- (ii) variable M.B.O. remuneration related to 2019 objectives – Euro 291,862;
- (iii) variable medium/long-term remuneration (LTIP) relating to the 2016-2018 three-year period - Euro 354,030 (amount settled in 2019);
- (iv) variable medium/long-term remuneration (LTIP) relating to the 2019-2021 three-year period – Euro 149,000 (estimated amount accruing for FY 2019);
- (v) non-monetary benefits – Euro 38,610;
- (vi) remuneration for the position of Director of La Doria S.p.A. subsidiaries - Euro 17,979.

## PART II

The second part of the Section breaks down, in the following tables, the remuneration owing or paid in 2019 in any regard and in any form by La Doria S.p.A. and by the subsidiaries to parties who during the course of the year covered, including for a portion thereof, the role of Director, Statutory Auditor, General Manager or Senior Executive.

**TABLE 1: Remuneration paid to members of the Board of Directors and Board of Statutory Auditors** (prepared according to diagram 7-bis of annex 3A of the Consob Issuers' Regulation - Table 1).

Specifically:

- in the column **"Fixed remuneration"**, on an accruals basis, the fixed emoluments and the remuneration of employees in the year are reported separately, gross of social security and tax charges relating to the employee;
- in the column **"Fees for attendance of Committee meetings"**, on an accruals basis, the remuneration of Directors for attendance at the Committee meetings of the Board is reported;
- the columns **"Non-equity variable remuneration"** report under "Bonuses and other incentives" (i) the annual variable incentives accruing in the year;
- the column **"Non-monetary benefits"**, on an accruals and tax assessable basis, reports the value of the allocated fringe benefits.

**TABLE 2: Monetary incentive plans in favour of members of the Board of Directors, General Managers and other Senior Executives.**

(prepared according to Diagram 7-bis annex 3B of Consob Issuers' Regulation - table 3B).

In particular:

- the **"Bonuses in the year"** column under "Issuable" reports the variable annual incentives accruing in the year and the estimate of the portion accruing in the year of the variable long-term incentives;
- the **"Prior year bonuses"** column under "Issued" reports the variable annual incentives accruing in the previous year and under "Still deferred" the estimate of the portion accruing in the previous year of the variable long-term incentives.



**TABLE 3: Investments of members of the Board of Directors, Board of Statutory Auditors, General Managers and other Senior Executives.**

(prepared according to Diagram 7-ter annex 3B of Consob Issuers' Regulation - table 1).

The Board of Directors  
The Chairman  
Antonio Ferraioli

TABLE 1

TABLE 1: Remuneration paid to members of the Board of Directors, Board of Statutory Auditors, General Managers & other Senior Managers with strategic responsibility													
(A)	(B)	(C)	(D)	(1)		(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name & Surname	Office	Period of service	Conclusion of office (*)	Fixed remuneration		Fees for Committee participation	Non equity variable remuneration		Non-monetary	Other remuneration	Total	Fair Value equity remuneration	Post-employment benefits
				Emoluments approved by Shareholders' Meeting	Remuneration as employee		Bonuses & other incentives	Profit participation					
<b>BOARD OF DIRECTORS</b>													
<b>Antonio Ferraioli</b> (I) La Doria S.p.A. remuneration (II) Remuneration from subsidiaries & associated companies** (III) Total	Chairman and Chief Executive Officer	01/01/2019-31/12/2019	2020	30.000 17.979 <b>47.979</b>	400.000 <b>400.000</b>		315.000 <b>315.000</b>		5.259 <b>5.259</b>		750.259 17.979 <b>768.238</b>		
<b>Sergio Persico</b> (I) La Doria S.p.A. remuneration (II) Remuneration from subsidiaries & associated companies** (III) Total	Vice Chairman	01/01/2019-31/12/2019	2020	30.000 17.979 <b>47.979</b>		10.000 <b>10.000</b>	70.000 <b>70.000</b>		5.000 <b>5.000</b>		115.000 17.979 <b>132.979</b>		
<b>Andrea Ferraioli</b> (I) La Doria S.p.A. remuneration (II) Remuneration from subsidiaries & associated companies** (III) Total	Chief Executive Officer and General Director	01/01/2019-31/12/2019	2020	30.000 17.979 <b>47.979</b>	400.000 <b>400.000</b>		315.000 <b>315.000</b>		4.905 <b>4.905</b>		749.905 17.979 <b>767.884</b>		
<b>Michaela Castelli</b>	Director	01/01/2019-31/12/2019	2020	<b>30.000</b>		<b>10.000</b>			<b>10.000</b>		<b>50.000</b>		
<b>Elena David</b>	Director	01/01/2019-31/12/2019	2020	<b>30.000</b>		<b>5.000</b>					<b>35.000</b>		
<b>Diodato Ferraioli</b>	Director	01/01/2019-31/12/2019	2020	<b>30.000</b>							<b>30.000</b>		
<b>Iolanda Ferraioli</b>	Director	01/01/2019-31/12/2019	2020	<b>30.000</b>	<b>110.036</b>		<b>24.232</b>		<b>4.723</b>		<b>168.991</b>		
<b>Enzo Diodato Lamberti</b>	Director	01/01/2019-31/12/2019	2020	<b>30.000</b>							<b>30.000</b>		
<b>Michele Preda</b>	Director	01/01/2019-31/12/2019	2020	<b>30.000</b>		<b>5.000</b>					<b>35.000</b>		
<b>BOARD OF STATUTORY AUDITORS</b>													
<b>Ottavia Alfano</b>	Chairman	01/01/2019-31/12/2019	2020	<b>30.000</b>							<b>30.000</b>		
<b>Maurizio D'Amore</b>	Statutory Auditor	01/01/2019-31/12/2019	2020	<b>25.000</b>							<b>25.000</b>		
<b>Adele Caldarelli</b>	Statutory Auditor	01/01/2019-31/12/2019	2020	<b>25.000</b>							<b>25.000</b>		
<b>SENIOR MANAGERS WITH STRATEGIC RESPONSIBILITY***</b>				<b>17.979</b>	<b>1.247.502</b>		<b>291.862</b>		<b>38.610</b>		<b>1.595.953</b>		

\* With the approval of the 2019 Annual Accounts

\*\*includes also foreign subsidiary remuneration of £ 7,000 at 2019 average exchange rate of 0,8773:

\*\*\* includes fixed remuneration and variable remuneration for 8 Senior Managers, emoluments from subsidiaries for no. 1 Senior Manager

(2) Remuneration for participation on Control &amp; Risks Committee (Euro 5,000) &amp; Remuneration and Appointments Committee (Euro 5,000)

(3) Includes share of remuneration for reaching of specific objectives

(4) Includes company car &amp; insurance policy

(5) Fee as member of Supervisory Board as per Legs. Decree 231/2001

TABLE 2

TABLE 3B: Monetary incentive plans in favour of members of the Board of Directors, General Managers & Senior Managers with strategic responsibility									
(A)	(B)	(1)	(2)			(3)			(4)
Name & Surname	Office	Plan	Bonus for the year			Prior year bonuses			Other bonuses
			(A) Issuable	(B) Deferred	(C) Deferment period	(A) No longer issuable	(B) Issued	(C) Deferred further	
<b>BOARD OF DIRECTORS</b>									
<b>Antonio Ferraioli</b> (I) La Doria S.p.A. remuneration	Chairman Chief Executive Officer	MBO 2018					239.762		
		MBO 2019	315.000						
		LTIP 2017-2019	95.000					162.552	
<b>Total</b>			<b>410.000</b>				<b>239.762</b>	<b>162.552</b>	
<b>Andrea Ferraioli</b> (I) La Doria S.p.A. remuneration	Chief Executive Officer Director & General Manager	MBO 2018					239.762		
		MBO 2019	315.000						
		LTIP 2017-2019	95.000					162.552	
<b>Total</b>			<b>410.000</b>				<b>239.762</b>	<b>162.552</b>	
<b>Iolanda Ferraioli</b> (I) La Doria S.p.A. remuneration	Director Operating Control Manager	MBO 2018					24.233		
		MBO 2019	24.232						
		LTIP 2016-2018					32.817		
		LTIP 2019-2021	11.000						
<b>Total</b>			<b>35.232</b>				<b>57.050</b>		
<b>SENIOR MANAGERS WITH STRATEGIC RESPONSIBILITY*</b>									
		MBO 2018					291.865		
		MBO 2019	291.862						
		LTIP 2016-2018					354.030		
		LTIP 2019-2021	149.000						
<b>Total</b>			<b>440.862</b>				<b>645.895</b>	-	

\*includes 8 Senior Managers

**TABLE 3****TABLE 1 SCHEDULE No. 7-ter: Investments of members of the Board of Directors and Board of Statutory Auditors & General Managers**

Name and Surname	Office	Number of shares held at end of previous year (2018)	Number of shares purchased in 2019	Number of shares sold in 2019	Number of shares held at end of year (2019)
Antonio Ferraioli	Chairman/Chief Executive Officer	3.151.301	0	0	3.151.301
Andrea Ferraioli	Chief Executive Officer /General Manager	2.959.062	0	0	2.959.062
Iolanda Ferraioli	Director	2.684.088	0	0	2.684.088