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

SHAREHOLDERS' MEETING April 30, 2019

1. Introduction

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

- Section I details the remuneration policy of Safilo Group S.p.A. (the “**Company**” or “**Safilo**”) for the financial years 2019-2020, approved by the Board of Directors on March 13, 2019, upon proposal of the Remuneration and Nomination Committee (the “**Policy**”).

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

- Section II provides a representation of the individual items that make up the of the members of the Board of Directors, the Board of Statutory Auditors and the managers with strategic responsibilities, as well as an analytical representation of the compensation paid to these subjects in the 2018 financial year, for any reason and in any form, by the Company and its subsidiaries.

2. Definitions

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

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

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

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

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

Management: the Executive Directors and Managers with strategic responsibilities.

Managers with strategic responsibilities: managers, identified by the Company's Board of Directors, with the power and responsibility for planning and controlling the Company's activities or the power to adopt decisions that may affect the Company's development and future perspectives.

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

2010-2013 Stock Option Plan or 2010-2013 Plan: the stock-based remuneration plan resolved upon by Safilo's Shareholders' Meeting held on November 5, 2010, aimed at providing incentives for and retaining the Company's and/or its subsidiaries' Management.

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

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

SECTION I

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

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

- a) *the Shareholders' Meeting*
 - b) *the Board of Directors*
 - c) *the Chief Executive Officer*
 - d) *the Board of Statutory Auditors*
 - e) *the Remuneration and Nomination Committee*
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- a) *The Shareholders' Meeting shall:*
 - fix the remuneration of the Board of Directors, of the executive Committee, if any, and of the Statutory Auditors, according to Article 2364, paragraph 1, no. 3, of the Italian Civil Code;
 - express non-binding consultative advice on Section I of the report on remuneration (i.e. on this Policy);
 - obtain adequate information on the implementation of the Policy;
 - resolve on equity or other remuneration plans, if any, reserved to the members of the Board of Directors, to employees or collaborators, according to Article 114-bis, TUF.
 - b) *The Board of Directors shall:*
 - approve the Policy upon proposal of the Remuneration and Nomination Committee;
 - fix the remuneration of directors with specific duties, also including the Chief Executive Officer, with the favourable opinion of the Statutory Auditors and upon proposal of the Remuneration and Nomination Committee;
 - set up, *inter alia*, an internal Remuneration and Nomination Committee;
 - approve the report on remuneration;
 - draw up, with the assistance of the Remuneration and Nomination Committee, equity or other remuneration plans, if any, and submit them to the Shareholders' Meeting for its approval, pursuant to Article 114-bis, TUF;
 - implement equity or other remuneration plans.
 - c) *The Chief Executive Officer shall:*
 - fix the remuneration of managers with strategic responsibilities based on this Policy;
 - provide the Remuneration and Nomination Committee with any useful information for the latter to assess the adequacy, overall consistency and actual application of the Policy.

- d) *The Board of Statutory Auditors shall:*
- perform an advisory activity, expressing such opinions as requested by the existing regulations.
- e) *The Remuneration and Nomination Committee:*
- as regards the duties of the Remuneration and Nomination Committee, reference should be made to the paragraph below.

2. Remuneration and Nomination Committee

2.1 Composition

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

- Jeffrey Alan Cole: Non-Executive Director;
- Catherine Gérardin-Vautrin: Independent Director;
- Cinzia Morelli-Verhoog: Independent Director.

2.2 Duties

The Committee performs the functions set forth by the Corporate Governance Code with reference to both the remuneration and nomination themes.

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

- (i) to submit to the Board of Directors a policy for the remuneration of the directors and of the managers with strategic responsibilities;
- (ii) to submit to the Board of Directors proposals and opinions on the remuneration of the managing directors and of the other directors provided with special assignments as well as to set the performance targets linked to the variable component of their remuneration, monitoring the application of the resolutions of the Board itself and, in particular, the actual achievement of the performance objectives;
- (iii) to periodically evaluate the adequacy, overall consistency and actual application of the remuneration policy of directors and managers with strategic responsibilities, on the basis of the information provided by the managing director with regard to the implementation of this policy in relation to managers with strategic responsibilities and submitting general recommendations on the subject to the Board;
- (iv) with reference to stock options and other share-based incentive systems for executive directors and managers with strategic responsibilities, it submits proposals to the Board of Directors regarding their use and any relevant technical aspects related to their preparation and implementation, monitoring the actual implementation over time of the plans approved by the shareholders’ meeting

upon proposal of the Board of Directors.

The Committee, in performing its duties, ensures appropriate functional and operational connections with the relevant corporate structures.

2.3 Operating procedures

The Committee is convened, for the performance of its duties, by the Chairman any time he/she deems it necessary – on his/her initiative or following a written request from at least one of its members – and in any case at least on a half-yearly basis or upon request of the Chairman of the Board of Statutory Auditors or the Chairman of the Board of Directors or of the Chief Executive Officer.

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

The Chairman of the Board of Statutory Auditors attends the meetings of the Committee, he/she can designate another standing statutory auditor to be present at the meeting on his/her behalf; in any case the remaining statutory auditors are allowed to attend.

The Chairman may – from time to time – invite to attend the meetings of the Committee, without voting rights, the Chairman of the Board of Directors and/or persons that are not members of the Committee, with reference to specific items on the agenda, as well as members of the company structure or third parties whose presence might facilitate the functioning of the Committee itself.

The meetings of the Committee may take place via video or teleconference, on condition that it is possible to identify all participants and such identification must be reported in the related minutes and they must be able to follow the discussion of the items on the agenda and intervene in real time and exchange, if it is the case, documents.

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

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

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

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

Furthermore, the Committee shall report to the shareholders on the exercise of its functions; for this purpose, the Chairman or another member of the Committee should be

present at the annual shareholders' meeting.

3. Independent experts

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

4. Inspiring principles of the remuneration policy and its purposes

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

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

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

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

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

- v. prediction of overall contribution levels able to recognize the professional value of people and their contribution to the creation of sustainable value in the short and medium-long term.

Any deviation from the Policy guidelines must be approved by the Board of Directors, subject to the opinion or proposal of the Committee.

The Policy for the financial years 2019 and 2020, approved by the Board of Directors on March 13, 2019, upon proposal of the Committee, does not show any substantial differences from the policy adopted in the previous financial year and diverges only to the extent that it assigns to the Chief Executive Officer the power to determine the remuneration (also) of Managers with strategic responsibilities, in any case in compliance with the guidelines set out in this Policy.

5. Policies on fixed and variable components of the remuneration

5.1 Executive Directors

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

Upon their appointment or at the first meeting after their appointment, the Remuneration and Nomination Committee shall propose to the Board of Directors the remuneration payable to the Executive Directors (excluding their remunerations under their employment as managers).

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

- a gross annual fixed component;
- the STAR, as annual variable component;
- a medium-long term variable component paid in equity instruments (performance stock option) through the allocation of stock options and/or in long-term bonuses, subject – *inter alia* - to the achievement of certain Group performance targets.

As managers of the Group, Executive Directors are also entitled to the following:

- an additional gross annual fixed component;
- customary benefits.

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

a. Short term variable component

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

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

In particular, the objectives are quantitative and linked to the achievement of Key Performance Indicators, each with a different percentage weight on the total annual STAR amount and the achievement of which is to be assessed independently.

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

A maximum "threshold" to the STAR, should the target objectives be overachieved due to exceptional performance, shall be set.

b. Medium- long term variable component

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

The medium-long term variable component must in any case be linked to predetermined and measurable corporate performance targets, connected to the medium-long term strategy as reflected in the pluri-annual business plan updated annually.

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

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

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

c. Exceptional bonuses and other remunerations

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

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

d. Weight of components remuneration

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

- the fixed component generally weighs between 45% and 55% of the sum of the yearly fixed and short-term variable compensation;
- the STAR incentive should correspond to a percentage of the gross annual fixed remuneration weighing up to 100% of said remuneration, corresponding approximately to a range between 45% and 55% with respect to the sum of the yearly fixed and short-term variable compensation.

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

5.2 Managers with strategic responsibilities

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

- a gross annual fixed component;
- the STAR, as annual variable component;
- a medium-long term variable component paid as equity instruments (performance stock options) through the allocation of stock options or as long-term bonuses, subject – *inter alia* - to the achievement of Group Company performance targets;
- customary benefits.

a. Short term variable component

The STAR targets for Managers with strategic responsibilities are set by the Chief Executive Officer, giving notice to the Remuneration and Nomination Committee. These targets are connected to the Group's performance.

In particular, the objectives are quantitative and linked to the achievement of Key Performance Indicators, each with a different percentage weight on the total annual STAR amount and the achievement of which is to be assessed independently.

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

A maximum “threshold” to the STAR, should the target objectives be overachieved due to exceptional performance, shall be set.

b. Medium- long term variable component

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

The medium-long term variable component must in any case be linked to predetermined and measurable performance targets, connected to the medium-long term strategy as reflected in the pluri-annual business plan updated annually.

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

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

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

c. Exceptional bonuses

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

d. Weight of components remuneration

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

- the fixed components weight should generally range between 60% and 70% of the sum of the yearly fixed and short-term variable compensation;
- the STAR incentive, as managers of the Group, should equal to a pre-determined percentage of the gross annual fixed remuneration, whose weight is generally approximately 62,5% of said remuneration, corresponding approximately to a range between 30% and 40% with respect to the sum of the yearly fixed and short-term variable compensation.

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

5.3 Remuneration of Non-Executive Directors

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

If this meets the interest of the Company, an insignificant portion of the remuneration of Non-Executive Directors shall be linked to the economic results achieved by the Group, but only with a reasoned resolution by the Board of Directors upon proposal of the Committee.

Non-executive Directors shall not be beneficiaries of share-based compensation plans, unless it is so decided by the Shareholders' Meeting, which shall also give the relevant reasons.

For more details, please refer to Paragraph 12 below.

6. Non-monetary benefit policy

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

7. Criteria used for the evaluation of the performance targets in order to allocate shares, options, other financial instruments or other variable components of

With reference to the performance targets in order to allocate the variable components of the remuneration of the Chief Executive Officer and of the Managers with strategic responsibilities, please refer to details contained in previous Paragraph 5.

8. Consistency of the remuneration policy with the pursuit of the Company's long-term interests

The objective of the Policy is to align Management's and shareholders' interests, by pursuing the primary aim of creating sustainable value in the medium-long term, through the implementation of a strong relationship between remuneration, on one side, individual and Group's performance, on the other side. In particular, the mechanisms through which economic remunerations are determined create a generally balanced remuneration system, through a proper balance between fixed and variable components, by avoiding imbalances that may lead to behaviours not in line with the Company's result sustainability requirements and risk management.

9. Accrual of rights, deferred payment systems, with indication of deferment periods and criteria used for determining such periods and ex post adjustment measures, if any

Please refer to details contained in previous Paragraph 5.

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

The 2010-2013 Plan, the 2014-2016 Plan and the 2017-2020 Plan do not provide for any clause regarding the holding of the shares in the portfolio after their acquisition.

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

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

For Executive Directors and Managers with strategic responsibilities, in case of interruption of an existing relationship with the Company for reasons other than just cause, the Group's approach is to try to reach an agreement to terminate the relationship by mutual consent. Without prejudice, in any case, to the obligations existing under the law and/or arising from the National collective agreements for managers, the agreements for the termination of employment are guided by the applicable benchmark criteria on this subject and comply with the rules and procedures in force in the country in which the agreement is entered into.

In some cases, as an integration to the provisions of law and/or of the national collective employment agreement for managers, the Company may enter into agreements with Executive Directors or Managers with Strategic Responsibilities, in consideration of the particular professionalism expressed and the purpose of retention related to the role

covered, regulating ex ante the economic treatment provided for in the event of early termination of the relationship at the initiative of the Company or the interested party.

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

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

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

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

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

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

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

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

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

14. Definition of the remuneration policy

The analysis of the positioning, composition and more generally of the competitiveness of the Executive Directors' remuneration is based on market data and studies provided by independent external specialised companies.

SECTION II

Part I

1) Representation of each of the items comprising remuneration

Part I herein provides a suitable representation of each of the items comprising the remuneration of members of the Board of Directors, Statutory Auditors and Managers with strategic responsibilities.

The tables of Part II provide an analytical presentation of the compensation paid during the reference year; the information is nominative for members of the Board of Directors and Statutory Auditors, aggregated data is instead provided for Managers with strategic responsibilities).

(a) Fixed compensation

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

(b) Compensation for participation in committees

It specifies the emoluments received as Chairman or members on one of the Committees of the Board of Directors and the emoluments deriving from participation in the Supervisory Committee.

(c) Bonuses and other incentives

It includes the short-term part of the variable components, even if not yet paid during the year for objectives achieved during the year according to STAR.

(d) Profit sharing

Not applicable.

(e) Non-monetary benefits

It includes the value of fringe benefits.

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

With reference to the former Chief Executive Officer Luisa Delgado, who decided to retire starting from February 28, 2018, this includes the overall economic treatment pursuant to the termination agreement entered into on February 16, 2018 approved by the Board of Directors of the Company with the favorable opinion of the Remuneration and Nomination

Committee, the Transactions with Related Parties Committee and the Board of Statutory Auditors, and in particular: (i) as exit incentive relating to the mutual termination of her employment relationship, the gross amount of Euro 500,000; (ii) as consideration for the non-competition and non-solicitation undertakings assumed by the former Chief Executive Officer for a period of six months, Euro 200,000, paid in four equal instalments; (iii) as settlement consideration, the gross amount of Euro 300,000, out of which Euro 280,000 gross in relation to the corporate offices and Euro 20,000 in relation to the employment relationship.

Pursuant to the termination agreement, the former Chief Executive Officer has maintained the stock options already vested on the date of effect of the termination of the relationship (i.e. no. 70,000 stock options of the 2014-2016 Stock Option Plan) and the following non-monetary benefits: (i) company car for March 2018; (ii) apartment up to December 31, 2018 and (iii) insurance coverage up to December 31, 2018.

On 16 February 2018 the Company signed an agreement with the current Chief Executive Officer Angelo Trocchia, aimed, inter alia, to settle ex ante the economic aspects relating to any early termination of the mandate (a) at the Company's initiative without just cause, or (b) at the initiative of the same Chief Executive Officer in the event of (x) a change of control in the Company, of (y) non-compliance by the Company with the obligation to pay a significant portion of the remuneration or bonus due to him as Chief Executive Officer or Manager or of (z) the Company's withdrawal from the employment contract without cause.

In particular, the agreement provides for the payment of the following "exit package", payable upon the occurrence of certain additional conditions, in the event that the Company revokes the mandate as Chief Executive Officer or does not renew it until the approval of the Company's financial statements at 31 December 2023:

- i. a six-month notice period or, upon the Company's choice, an amount in lieu corresponding to the aggregate of (x) 6-month fees as Director and Chief Executive Officer, (y) 6-month salary as Manager and (z) 50% of the maximum bonus provided in the agreement, if the termination or non-renewal occurs at any time before 31 December 2019, or the actual bonus earned in the year before the termination year if the termination or non-renewal occurs after 31 December 2019; and
- ii. an amount corresponding to the aggregate of:
 - (x) 18-month fees as Director and Chief Executive Officer, (y) 18-month salary as Manager and (z) 150% of the maximum bonus provided in the agreement, if the termination or non-renewal occurs at any time before April 24, 2020 (the second anniversary of the appointment); or
 - (x) 12-month fees as Director and Chief Executive Officer, (y) 12-month salary as Manager and (z) 100% of the actual bonus earned in the year before the

termination year, if the termination or non-renewal occurs at any time after the second anniversary of the appointment onwards.

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

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

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

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

At the end of the financial year closed at December 31, 2018, there is no other agreement providing, in favour of the Chief Executive Officer and of the Managers with strategic responsibilities, for the granting or maintenance of non-monetary benefits after cessation of office or termination of employment or which provides for the entering into advisory agreements for a period of time following the termination.

(g) Other compensation

It includes extraordinary bonuses and *una tantum* payments to neutralize fiscal effects on benefits.

(h) Fair value of equity compensation

It indicates the fair value on the assignment date of compensation that is competent of the year, against the 2010-2013 Stock Option Plan, the 2014-2016 Stock Option Plan and the 2017-2020 Stock Option Plan, estimated according to international accounting standards.

For any information on the 2010-2013 Stock Option Plan, the 2014-2016 Stock Option Plan and the 2017-2020 Stock Option Plan, including with regard to the consequences of termination, reference should be made to the informative documents drawn up pursuant to article 84-*bis* of the Issuers' Regulation, available on the web site in the *Investors Relations - Corporate Governance* section.

With specific reference to the above mentioned Plans, it has to be noted that, following the capital increase for a maximum amount of Euro 150 million, pursuant to Article 2441, paragraph 1 of the Italian Civil Code, approved by the Extraordinary Shareholders Meeting on October 29, 2018, the number of options and the exercise price of the options under the Plans have been adjusted through the application of an adjustment ratio, as resolved upon by the same Extraordinary Shareholders' Meeting.

With particular reference to the 2017-2020 Stock Option Plan, the mentioned adjustments have resulted in an increase of the numbers of options to be granted under the Plan, from maximum no. 2,500,000 to maximum no. 2,891,425.

Part II

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

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

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

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

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

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

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

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and Surname	Position	Period for which position has been held	Position end-date	Fixed compensation €	Compensation for participation in committees €	Non-equity variable compensation		Non-monetary benefits €	Other compensation €	Total €	Fair value of equity compensation	Indemnity for end of position or cessation of employment relationship
						Bonuses and other incentives €	Profit-sharing					
EUGENIO RAZELLI	Chairman	Year 2018	Approval of the financial statements 2020									
(I) Compensation paid by the company that prepares the financial statements				300,000						300,000	270	
(II) Compensation paid by subsidiaries and associates												
(III) Total				300,000						300,000	270	
ANGELO TROCCHIA	Chief Executive Officer	From April 24, 2018	Approval of the financial statements 2020									
(I) Compensation paid by the company that prepares the financial statements				473,985		514,583		11,218	1,045,161	2,044,948	317	
(II) Compensation paid by subsidiaries and associates												
(III) Total				473,985		514,583		11,218	1,045,161	2,044,94	317	
ROBERT BRAM POLET	Director	Year 2018	Approval of the financial statements 2020									
(I) Compensation paid by the company that prepares the financial statements				50,000	15,000					65,000		
(II) Compensation paid by subsidiaries and associates												
(III) Total				50,000	15,000					65,000		

¹ As member of the Remuneration and Nomination Committee

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and Surname	Position	Period for which position has been held	Position end-date	Fixed compensation €	Compensation for participation in committees €	Non-equity variable compensation		Non-monetary benefits €	Other compensation €	Total €	Fair value of equity compensation	Indemnity for end of position or cessation of employment relationship
						Bonuses and other incentives €	Profit-sharing					
JEFFREY ALAN COLE	Director	Year 2018	Approval of the financial statements 2020									
(I) Compensation paid by the company that prepares the financial statements				50,000	21,000					71,000		
(II) Compensation paid by subsidiaries and associates												
(III) Total				50,000	21,000					71,000		
MELCHERT FRANS GROOT	Director	Year 2018	Approval of the financial statements 2020									
(I) Compensation paid by the company that prepares the financial statements				50,000	15,000					65,000		
(II) Compensation paid by subsidiaries and associates												
(III) Total				50,000	15,000					65,000		
CINZIA MORELLI-VERHOOG	Director	From April 24, 2018	Approval of the financial statements 2020									
(I) Compensation paid by the company that prepares the financial statements				33,333	10,000					43,333		
(II) Compensation paid by subsidiaries and associates												
(III) Total				33,333	10,000					43,333		

² As Chairman of the Remuneration and Nomination Committee

³ As member of the Control Risk and Sustainability Committee

⁴ As member of the Remuneration and Nomination Committee

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and Surname	Position	Period for which position has been held	Position end-date	Fixed compensation €	Compensation for participation in committees €	Non-equity variable compensation		Non-monetary benefits €	Other compensation €	Total €	Fair value of equity compensation	Indemnity for end of position or cessation of employment relationship
						Bonuses and other incentives €	Profit-sharing					
CATHERINE GERARDIN-VAUTRIN	Director	From April 24, 2018	Approval of the financial statements 2020									
(I) Compensation paid by the company that prepares the financial statements				33,333	10,000					43,333		
(II) Compensation paid by subsidiaries and associates												
(III) Total				33,333	510,000					43,333		
INES MAZZILLI	Director	Year 2018	Approval of the financial statements 2020									
(I) Compensation paid by the company that prepares the financial statements				50,000	52,000					102,000		
(II) Compensation paid by subsidiaries and associates					20,000					20,000		
(III) Total				50,000	672,0000					122,0000		
GUIDO GUZZETTI	Director	Year 2018	Approval of the financial statements 2020									
(I) Compensation paid by the company that prepares the financial statements				50,000	30,000					80,000		
(II) Compensation paid by subsidiaries and associates												
(III) Total				50,000	730,000					80,000		

⁵ As member of the Transactions with Related Parties Committee

⁶ As Chairman of the Control Risk and Sustainability Committee, the Transactions with Related Parties Committee and member of the Supervisory Board

⁷ As member of the Control Risk and Sustainability Committee and the Transactions with Related Parties Committee

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and Surname	Position	Period for which position has been held	Position end-date	Fixed compensation €	Compensation for participation in committees €	Non-equity variable compensation		Non-monetary benefits €	Other compensation €	Total €	Fair value of equity compensation	Indemnity for end of position or cessation of employment relationship
						Bonuses and other incentives €	Profit-sharing					
LUISA DEPLAZES DE ANDRADE DELGADO	Ex Chief Executive Officer	Until February 28, 2018	Until February 28, 2018									
(I) Compensation paid by the company that prepares the financial statements				108,333				55,249	47,459	211,040		1,090,909
(II) Compensation paid by subsidiaries and associates				25,000						25,000		
(III) Total				133,333				55,249	47,459	236,040		1,090,909
MARCO JESI	Director	Until April 24, 2018	Approval of the financial statements 2020									
(I) Compensation paid by the company that prepares the financial statements				16,667	10,000					26,667		
(II) Compensation paid by subsidiaries and associates												
(III) Total				16,667	810,000					26,667		
1	Managers with strategic responsibilities	Year 2018										
(I) Compensation paid by the company that prepares the financial statements				448,000				12,478	3,311	463,789	399	
(II) Compensation paid by subsidiaries and associates												
(III) Total				448,000				12,478	3,311	463,789	399	

⁸ As member of the Remuneration and Nomination Committee and the Transactions with Related Parties Committee

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and Surname	Position	Period for which position has been held	Position end-date	Fixed compensation €	Compensation for participation in committees €	Non-equity variable compensation		Non-monetary benefits €	Other compensation €	Total €	Fair value of equity compensation	Indemnity for end of position or cessation of employment relationship
						Bonuses and other incentives €	Profit-sharing					
CARMEN PEZZUTO	Chairman of Statutory auditors	Year 2018	Approval of the financial statements 2019									
(I) Compensation paid by the company that prepares the financial statements				57,000						57,000		
(II) Compensation paid by subsidiaries and associates				40,000						40,000		
(III) Total				97,000						97,000		
FRANCO CORGNATI	Standing statutory auditor	Year 2018	Approval of the financial statements 2019									
(I) Compensation paid by the company that prepares the financial statements				38,000	10,000					48,000		
(II) Compensation paid by subsidiaries and associates				50,000	20,000					70,000		
(III) Total				88,000	30,000					118,000		
BETTINA SOLIMANDO	Standing statutory auditor	Year 2018	Approval of the financial statements 2019									
(I) Compensation paid by the company that prepares the financial statements				38,000						38,000		
(II) Compensation paid by subsidiaries and associates				50,000						50,000		
(III) Total				88,000						88,000		

⁹ As Chairman of the Supervisory Board

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

			Options held at the start of the financial year (FY)			Options allocated during the FY						Options exercised during the FY			Options that expired during the FY	Options held at end of the FY	Options for the FY
A	B	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) = (2)+(5)-(11)-(14)	(16)
Name and surname	Position	Plan	No. of Options	Exercise price	Exercise period (from - to)	No. of Options	Exercise price	Exercise period (from - to)	Fair value at allocation date	Allocation date	Market price of underlying shares at option allocation	No. of Options	Exercise price	Market price of underlying shares at exercise date	No. of Options	No. of Options	Fair value
Angelo Trocchia	Chief Executive Officer																
(I) Compensation paid by the company that prepares the financial statements																	
		Plan 2017-2020 (SM 26/04/2017) ¹⁰				95,000	3.09	From 31/12/2020 ¹¹ to 31/05/2026	950	RNC 10.12.2018 BoD 10.12.2018	0.81					95,000	317
(II) Compensation paid by subsidiaries and associates																	
(III) Total						95,000										95,000	317

¹⁰ The Plan includes only the second tranche as, following the resolution of the Shareholders' Meeting of April 24, 2018, each beneficiary of the first tranche was allowed to return the options granted under the first tranche, in exchange being assigned, under the second tranche, the same number of options already assigned under the first tranche.

¹¹ It means the day following the resolution of the Company's Shareholders' Meeting which approves the financial statements of the Company for the year ended 31/12/2020

			Options held at the start of the financial year (FY)			Options allocated during the FY						Options exercised during the FY			Options that expired during the FY	Options held at end of the FY	Options for the FY
A	B	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) = (2)+(5)-(11)-(14)	(16)
Name and surname	Position	Plan	No. of Options	Exercise price	Exercise period (from - to)	No. of Options	Exercise price	Exercise period (from - to)	Fair value at allocation date	Allocation date	Market price of underlying shares at option allocation	No. of Options	Exercise price	Market price of underlying shares at exercise date	No. of Options	No. of Options	Fair value
Eugenio Razelli	Chairman																
(I) Compensation paid by the company that prepares the financial statements		Plan 2017-2020 (SM 26/04/2017) ¹²	50,000	6.54	From 31/12/2019 to 31/05/2025	80,822 ¹³	3.09	From 31/12/2020 ¹⁴ to 31/05/2026	808	RNC 10.12.2018 BoD 10.12.2018	0.81				50,000 ¹⁵	80,822	270
(II) Compensation paid by subsidiaries and associates																	
(III) Total			50,000			80,822										80,822	270

¹² The Plan includes only the second tranche as, following the resolution of the Shareholders' meeting of April 24, 2018, each beneficiary of the first tranche was allowed to return the options granted under the first tranche, in exchange being assigned, under the second tranche, the same number of options already assigned under the first tranche.

¹³ The number of options granted to beneficiaries of the first tranche, now beneficiaries of the second tranche (see the previous footnote), has been adjusted by the Board of Directors to take into account the effects of the share capital increase up to a maximum of Euro 150 million, resolved upon by the Extraordinary Shareholders' meeting of October 29, 2018, pursuant to Article 2441, paragraph 1 of the Italian Civil Code.

¹⁴ It means the day following the resolution of the Company's Shareholders' Meeting which approves the financial statements of the Company for the year ended 31/12/2020

¹⁵ Options granted under the first tranche of the Stock Option Plan 2017-2020 have been cancelled due to the exchange with options of the second tranche.

			Options held at the start of the financial year (FY)			Options allocated during the FY						Options exercised during the FY			Options that expired during the FY	Options held at end of the FY	Options for the FY
A	B	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) = (2)+(5)-(11)-(14)	(16)
Name and surname	Position	Plan	No. of Options	Exercise price	Exercise period (from - to)	No. of Options	Exercise price	Exercise period (from - to)	Fair value at allocation date	Allocation date	Market price of underlying shares at option allocation	No. of Options	Exercise price	Market price of underlying shares at exercise date	No. of Options	No. of Options	Fair value
1	Manager with strategic responsibilities																
(I) Compensation paid by the company that prepares the financial statements		Plan 2014-2016 (SM 15/04/2015)	35,000	8.35	From 28/04/2019 to 31/05/2024										35,000		
		Plan 2017-2020 (SM 26/04/2017) ¹⁶	40,000	6.54	From 31/12/2019 to 31/05/2025	119,658 ¹⁷	3.09	From 31/12/2020 ¹⁸ to 31/05/2026	1,197	RNC 10.12.2018 BoD 10.12.2018	0.81				40,000 ¹⁹	119,658	399
(II) Compensation paid by subsidiaries and associates																	
(III) Total			75,000			119,658									75,000	119,658	

¹⁶ The Plan includes only the second tranche as, following the resolution of the Shareholders' meeting of April 24, 2018, each beneficiary of the first tranche was allowed to return the options granted under the first tranche, in exchange being assigned, under the second tranche, the same number of options already assigned under the first tranche.

¹⁷ The number of options granted to beneficiaries of the first tranche, now beneficiaries of the second tranche (see the previous footnote), has been adjusted by the Board of Directors to take into account the effects of the share capital increase up to a maximum of Euro 150 million, resolved upon by the Extraordinary Shareholders' meeting of October 29, 2018, pursuant to Article 2441, paragraph 1 of the Italian Civil Code.

¹⁸ It means the day following the resolution of the Company's Shareholders' Meeting which approves the financial statements of the Company for the year ended 31/12/2020.

¹⁹ Options granted under the first tranche of the Stock Option Plan 2017-2020 have been cancelled due to the exchange with options of the second tranche.

			Options held at the start of the financial year (FY)			Options allocated during the FY						Options exercised during the FY			Options that expired during the FY	Options held at end of the FY	Options for the FY
A	B	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) = (2)+(5)-(11)-(14)	(16)
Name and surname	Position	Plan	No. of Options	Exercise price	Exercise period (from - to)	No. of Options	Exercise price	Exercise period (from - to)	Fair value at allocation date	Allocation date	Market price of underlying shares at option allocation	No. of Options	Exercise price	Market price of underlying shares at exercise date	No. of Options	No. of Options	Fair value
LUISA DEPLAZES DE ANDRADE DELGADO	Ex-Chief Executive Officer																
(I) Compensation paid by the company that prepares the financial statements		Plan 2014-2016 (SM 15/04/2015)	113,151 ²⁰	9.31 ²¹	From 28/04/2017 to 31/05/2022											113,151	
		Plan 2014-2016 (SM 15/04/2015)	70,000	8.35	From 28/04/2019 to 31/05/2024										70,000		
		Plan 2017-2020 (SM 26/04/2017) ²²	60,000	6.54	From 31/12/2019 to 31/05/2025										60,000 ²³		
(II) Compensation paid by subsidiaries and associates																	
(III) Total			243,151												130,000	113,151	

²⁰ The number of options has been adjusted by the Board of Directors to take into account the effects of the share capital increase up to a maximum of Euro 150 million, resolved upon by the Extraordinary Shareholders' meeting of October 29, 2018, pursuant to Article 2441, paragraph 1 of the Italian Civil Code.

²¹ The exercise price, originally set at Euro 15.05 per share, has been subsequently adjusted by the Board of Directors to take into account the effects of the share capital increase up to a maximum of Euro 150 million, resolved upon by the Extraordinary Shareholders' meeting of October 29, 2018, pursuant to Article 2441, paragraph 1 of the Italian Civil Code

²² The Plan includes only the second tranche as, following the resolution of the Shareholders' meeting of April 24, 2018, each beneficiary of the first tranche was allowed to return the options granted under the first tranche, in exchange being assigned, under the second tranche, the same number of options already assigned under the first tranche.

²³ Options granted under the first tranche of the Stock Option Plan 2017-2020 have been cancelled due to termination of employment relationship in 2018.

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

A	B	(1)	(2)			(3)			(4)
Name and surname	Position	Plan	Bonus for year			Bonus for previous years			Other bonuses
			(A)	(B)	(C)	(A)	(B)	(C)	
			Payable/paid	Deferred	Deferral period	No longer payable	Payable/paid	Deferred again	
Angelo Trocchia	Chief Executive Officer								
(I) Compensation paid by the company that prepares the financial statements			514,583		24/04/2018-31/12/2018				
(II) Compensation paid by subsidiaries and associates									
(III) Total			514,583						

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

Name and surname	Position	Investee Company	No. of shares owned at end of previous FY	No. of shares purchased	No. of shares sold	no. of shares owned at end of FY in progress
Directors						
Eugenio Razelli	Chairman	SAFILO GROUP S.p.A.	-	-	-	-
Angelo Trocchia	CEO	SAFILO GROUP S.p.A.	-	242,000	-	242,000
Jeffrey A. Cole	Director	SAFILO GROUP S.p.A.	3,250	11,050	-	14,300
Catherine Gèrardin-Vautrin	Director	SAFILO GROUP S.p.A.	-	-	-	-
Melchert Frans Groot	Director	SAFILO GROUP S.p.A.	-	-	-	-
Guido Guzzetti	Director	SAFILO GROUP S.p.A.	-	-	-	-
Ines Mazzilli	Director	SAFILO GROUP S.p.A.	-	-	-	-
Cinzia Morelli-Verhoog	Director	SAFILO GROUP S.p.A.	-	-	-	-
Robert Polet	Director	SAFILO GROUP S.p.A.	-	-	-	-
Board of statutory auditors						
Carmen Pezzuto	Chairman	SAFILO GROUP S.p.A.	-	-	-	-
Franco Corgnati	Standing statutory auditor	SAFILO GROUP S.p.A.	-	-	-	-
Bettina Solimando	Standing statutory auditor	SAFILO GROUP S.p.A.	-	-	-	-

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

No. of directors with strategic responsibilities	Investee Company	No. of shares owned at end of previous FY	No. of shares purchased	No. of shares sold	No. of shares owned at end of FY in progress
1	SAFILO GROUP S.p.A.	10,000	34,000	-	44,000