



**REPORT ON THE GENERAL REMUNERATION POLICY FOR THE THREE-YEAR PERIOD 2024-2026 AND ON
FEES PAID IN THE YEAR 2024**

pursuant to Article 123-ter of the TUF and Article 84-quater of the Issuers' Regulations

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GLOSSARY

Chief Executive Officer: means the chief executive officer of the Company. The current Chief Executive Officer of the Company is Mr. Pietro Iotti.

Executive Director: means the director of the Company to whom operational powers have been delegated, including the Chief Executive Officer, but who is not appointed as Chairman or Vice Chairman.

Shareholders' Meeting: means the shareholders' meeting of the Company.

Shares: means the ordinary shares of the Company.

Adjusted Invested Capital: means the invested capital as identified in the Group's reclassified consolidated balance sheet as at 31 December of each year, excluding the effects of applying IAS 29 (hyperinflation).

Claw back clause: means the agreement which allows the Company to request the full or partial reimbursement of a remuneration component that has been paid, where this component was granted on the basis of data which subsequently turn out to be incorrect or false, or where conduct is found not to be in compliance with legislative, regulatory or statutory provisions, the Code of Ethics or applicable company regulations and results in a significant loss for one of the Group's companies, or involves fraudulent conduct or gross negligence affecting one of the Group's companies.

Malus clause: means the agreement which allows the Company to retain, entirely or in part, a remuneration component, where this component was to be granted on the basis of data which subsequently turn out to be incorrect or false, or where conduct is found not to be in compliance with legislative, regulatory or statutory provisions, the Code of Ethics or applicable company regulations and which would result in a loss for one of the companies of the Group, or where it is established that fraudulent conduct or gross negligence affecting a company of the Group has occurred.

Civil Code: means Royal Decree No. 262 of 16 March 1942, as amended and supplemented.

Corporate Governance Code: means the *Corporate Governance Code* of listed companies approved in July 2020 by the *Corporate Governance Committee* and recommended by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria.

Board of Statutory Auditors: means the Company's Board of Statutory Auditors.

Committee: means the *Remuneration and Nomination Committee* of the Company.

Risk Committee: means the *Control and Risk Committee* of the Company.

Board of Directors: means the Board of Directors of the Company.

Consob: means the National Committee for Companies and the Stock Exchange.

General Manager: means the general manager of the Company. The current General Manager of the Company is Mr. Pietro Iotti.

Executives with Strategic Responsibilities or ESR: means the persons who have, directly or indirectly, the power and responsibility for the planning, management and control of the Company's business, pursuant to the definition in Annex 1 of the Related Party Regulation.

Adjusted EBIT: means the net operating margin as identified in the Group's consolidated income statement as at 31 December of each year, excluding the effects of applying IAS 29 (hyperinflation).

Adjusted EBITDA: means the gross operating margin as identified in the Group's consolidated income statement as of 31 December of each year, excluding the effects of applying IAS 29 (hyperinflation).

Group: means jointly, the Company and the companies directly and/or indirectly controlled by it pursuant to Article 2359 of the Civil Code and Article 93 of the TUF.

Replacement Amount: has the meaning given in paragraph B.2.2.2. .

KPIs: means the *Key Performance Indicators*, quantitative indicators of performance of a certain quantity/phenomenon / target.

Sustainability Objectives: means the Company's sustainability objectives, as identified by the Company's Board of Directors.

Business Plan: means the business plan of the Company approved by the Company's Board of Directors.

LTIP Plan: means the Company's new long-term incentive plan consisting of the "*Stock Grant Plan 2024-2026*" that the Board of Directors, by resolution of 19 March 2024, following the proposal of the Committee and in accordance with the

Multi-Year Business Plan and the Sustainability Objectives, approved and will submit to the Shareholders' Meeting for approval.

STI Plan: means the new "*Short-Term incentive plan*" that the Board of Directors, by resolution of 19 March 2024, following the proposal of the Committee and in accordance with the Sustainability Objectives Business Plan, approved and will submit to the Shareholders' Meeting for approval.

Policy: means the Company's "*General Remuneration Policy*" covering the three-year financial year 2024-2026, approved by the Board of Directors and described in Section One of the Report.

Chairman: means the person appointed as Chairman of the Board of Directors of the Company.

Reference Price: has the meaning set forth in paragraph B.2.2.2.

Gross Annual Salary: means the gross annual salary from employment.

Issuers' Regulations: means the Regulations issued by Consob with Resolution No. 11971 of 1999 on issuers, as amended and supplemented.

Regulation on Related Party Transactions: means the Regulation issued by Consob No. 17221 of 12 March 2010 on Related Party Transactions, as amended and supplemented.

Report: means this "*Report on the General Remuneration Policy for the three-year period 2024-2026 and on fees paid in the year 2024*" of the Company, prepared pursuant to Article 123-ter TUF and Article 84-*quater* of the Issuers' Regulations.

Adjusted ROI (Return on Investment): means the indicator that measures the profitability of the Group's core operations, in relation to invested capital, and is expressed as the ratio of Adjusted EBIT to total Adjusted Invested Capital.

Shareholders: means the shareholders of the Company.

Company or Sabaf: means Sabaf S.p.A.

STI (Short Term Incentive): means variable short-term remuneration.

Sustainable Success: the objective that guides the actions of the Board of Directors, involving the creation of long-term value for the benefit of Shareholders, taking into account the interests of other relevant stakeholders for the Company.

TUF: means Legislative Decree No. 58 of 24 February 1998, as amended and supplemented.

Vice President: means the person appointed as Vice President of the Board of Directors of the Company.

INTRODUCTION

This Report summarises the Company's general remuneration policy for the three-year period 2024 - 2026 with regard to the remuneration of the members of the Board of Directors, Managers with Strategic Responsibilities and, without prejudice to the provisions of Article 2402 of the Italian Civil Code, the members of the Board of Statutory Auditors; it also illustrates the fees for the year 2024.

In particular, this document is divided into two sections:

- Section One, entitled "*Report on the General Remuneration Policy of Sabaf S.p.A. for the three-year period 2024 - 2026*", illustrates the Policy for the three-year period 2024 - 2026 of the Company for the remuneration of the members of the Board of Directors, Executives with Strategic Responsibilities and of the members of the Board of Statutory Auditors, while specifying the purposes pursued, the bodies and persons involved and the procedures used for its adoption and implementation;
- Section Two, entitled "*Report on fees paid for the Year 2024*", sets out the fees for the year 2024 for Directors, Statutory Auditors and Executives with Strategic Responsibilities.

This Report has been prepared pursuant to Article 123-*ter* of the Consolidated Law on Finance, Article 84-*quater* and Annex 3A, Schedule 7-*bis* of the Issuers' Regulations, and in accordance with Article 5 of the Corporate Governance Code.

The First Section was approved by the Board of Directors of Sabaf on 19 March 2024 following a proposal of the Committee. Subsequently, it was approved by the Shareholders' Meeting of 8 May 2024 (binding resolution) with reference to the three-year period 2024 - 2026.

The contents of the Second Section of the Report, relating to the 2024 financial year, were approved by the Company's Board of Directors on 25 March 2025, following the Committee's proposal, and will be the subject of a non-binding advisory resolution by the General Meeting of Shareholders, convened on 29 April 2025.

The text of this Report is made available to the public at the Company's registered office and in the "Investors" section of the Company's website www.sabafgroup.com at least twenty-one days prior to the date of the Shareholders' Meeting convened to approve the financial statements for the financial year ending 31 December 2024, in accordance with the provisions of the prevailing regulations.

A. EXECUTIVE SUMMARY

A.1 GENERAL REMUNERATION POLICY

The following table summarises the components of the Company's "*General Remuneration Policy*" for the three-year period 2024 - 2026, without prejudice to the provisions of the first section of this Report. The disclosure documents relating to the existing remuneration plans based on financial instruments, pursuant to Article 114-*bis* of the TUF, can be found in the "Investors" section of the Company's website www.sabafgroup.com.

Components	Aims/Recipients	Summary	Paragraph
DIRECTORS FIXED REMUNERATION	Basic remuneration of the professionalism required for the role, also taking into account the size of the company.	Fixed remuneration determined by the Shareholders' Meeting: - a total of €225,000.00 - €25,000.00 for each Director	B.2.2.1.
FIXED REMUNERATION OF THE CHIEF EXECUTIVE OFFICER	Basic remuneration of the professionalism required for the role, also taking into account the size of the company and the expertise required for the role.	Chief Executive Officer: 2024 Gross Annual Salary as a manager: €403,000; Fees for delegated functions.	B.2.2.1.
FIXED REMUNERATION OF EXECUTIVES WITH STRATEGIC RESPONSIBILITIES	Remuneration of the professionalism required for the role, also taking into account the size of the company and the expertise required for the role.	Executive Director - CFO: 2024 Gross Annual Salary amounting to €224,000. Other ESR: Gross Annual Salary in accordance with the Collective Bargaining Agreement for " <i>Industrial Executives</i> ".	B.2.2.1.
FIXED REMUNERATION MEMBERS OF THE BOARD OF STATUTORY AUDITORS	Pursuant to Article 2402 of the Civil Code this is in the form of a fixed emolument.	Fixed remuneration determined by the Shareholders' Meeting amounting to €94,000.00: - Chairman: €40,000.00 - Standing auditors: €27,000.00	B.2.2.1.
SHORT-TERM VARIABLE COMPONENT (STI)	The aim is to promote the achievement of annual targets in accordance with the budget Recipients: - Chief Executive Officer; - Executive Director - CFO - Executives with Strategic Responsibilities	CEO: payout of 48% of the Gross Annual Salary, of which: • 45% on annual consolidated Adjusted EBIT • 55% on individual target. Executive Director - CFO: payout of 46% of Gross Annual Salary, of which: • 45% on annual consolidated Adjusted EBIT; • 55% on individual target.	B.2.2.2.

		<p>Executives with Strategic Responsibilities: payout of 30% of the Gross Annual Salary, of which:</p> <ul style="list-style-type: none"> • 35% on annual consolidated Adjusted EBIT; • 65% on individual target. <p>Floor:</p> <ul style="list-style-type: none"> • upon reaching 80% of the target, which gives rise to the right to receive 60% of the variable remuneration. <p>CAP:</p> <ul style="list-style-type: none"> • CAP: 105% corresponding to the payment of 110% of the theoretical STI 	
<p>LONG-TERM INCENTIVE PLAN (LTIP) -</p>	<p>The aim is to promote the creation of sustainable value for its Shareholders and stakeholders and the achievement of objectives in line with the Business Plan and Sustainability Targets, to foster the engagement of resources and their loyalty to the Company.</p> <p>The long-term incentive plan comprises a “stock grant” component, however, in cases provided for in the Regulation – following a resolution by the Board of Directors and after consulting the Committee – up to a limit of 40% of the value of the attributable shares, the Company can decide to make a “cash” payment in lieu of the attributable Shares to the respective beneficiaries, equal to the stock market value of the Shares at a date prior to that of the attribution.</p> <p>Recipients:</p> <ul style="list-style-type: none"> - Chief Executive Officer; - Executive Director - CFO; - Executives with Strategic Responsibilities - Additional persons identified by the Board of Directors. 	<p>Chief Executive Officer: allocation of 63,000 rights to shares for the three-year period of the LTIP.</p> <p>Executive Director-CFO: Allocation of 30,000 rights to shares for the three-year period of the LTIP.</p> <p>ESR and other key executives of the group: allocation of up to a total of 177,000 share rights for the three-year period of the LTIP.</p> <p>The LTIP includes the following performance objectives:</p> <ul style="list-style-type: none"> • Average consolidated Adjusted ROI 2024-2026, with a 35% weighting; • Cumulative consolidated Adjusted EBITDA 2024-2026, with a 45% weighting; • Sustainability goals with a 20% weighting, of which training accounts for 5%, safety for 5%, environment for 10%. <p>Floor 80% which corresponds to the accrual of 35% of the LTIP bonus; for each level of KPI achieved above the Floor, the percentage of the bonus payable increases in a linear manner up to the CAP of 100% of the bonus.</p>	<p>B.2.2.2.</p>

<p>EX POST CORRECTION MECHANISM OF THE VARIABLE COMPONENT</p>	<p>Instruments:</p> <ul style="list-style-type: none"> - Claw Back clauses; - Malus clauses. <p>Recipients:</p> <p>beneficiaries of variable remuneration.</p>		<p>B.2.2.4</p>
<p>NON-MONETARY BENEFITS</p>	<p>They integrate remuneration to retain resources while taking into account market standards .</p>	<p>Third Party Liability insurance policy for:</p> <ul style="list-style-type: none"> - Executive Directors - Non-Executive Directors - Executives with Strategic Responsibilities - Members of the Board of Statutory Auditors; <p>Supplementary healthcare policy:</p> <ul style="list-style-type: none"> - Chief Executive Officer; - Executives with Strategic Responsibilities. <p>Company cars:</p> <ul style="list-style-type: none"> - Chief Executive Officer; - Executives with Strategic Responsibilities. <p>Housing benefits:</p> <ul style="list-style-type: none"> - Chief Executive Officer, 	<p>B.2.2.3.</p>
<p>OTHER INCOME COMPONENTS - SUBSIDIARIES FEES</p>	<p>Recipients:</p> <ul style="list-style-type: none"> - Executive Directors - Executives with Strategic Responsibilities. 	<p>Exclusively as a fixed amount.</p>	<p>B.2.2.3.5</p>
<p>ALLOWANCE FOR SEVERANCE/END OF TERM OF OFFICE AND NON-COMPETITION AGREEMENTS</p>	<p>Fosters the retention and long-term affiliation of the resources involved by promoting an alignment with long-term interests.</p>	<p>In place for:</p> <ul style="list-style-type: none"> - Chief Executive Officer: 12-month non-competition agreement for a consideration of €30,000 per annum; - Executives with Strategic Responsibilities: 24-month non-competition agreement for a consideration of 10% of the Gross Annual Salary. 	<p>B.2.2.1.2</p>

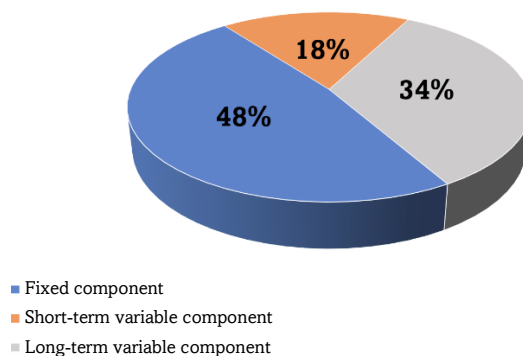
A.2 PAY MIX

Below is the theoretical pay mix upon the reaching of targets for the Company's Chief Executive Officer, Executive Director-CFO and the Group's other Executives with Strategic Responsibilities.

Based on the Policy, where a variable component is recognised due to the achievement of 100% the targets, the overall remuneration of the Chief Executive Officer is made up as follows:

- (i) the gross annual fixed component accounts for 48% (forty-eight per cent) of the remuneration;
- (ii) the short-term variable component accounts for 18% (eighteen per cent) of the remuneration;
- (iii) the long-term variable component accounts for 34% (thirty-four per cent).

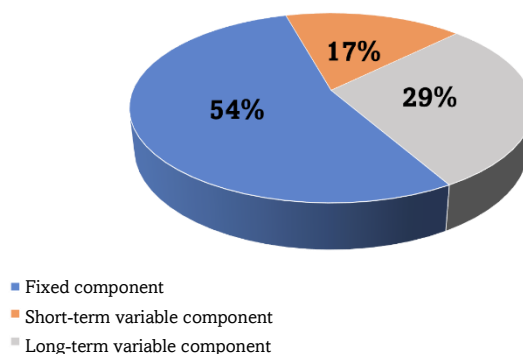
CHIEF EXECUTIVE OFFICER



Based on the Policy, where a variable component is recognised due to the achievement of 100% the targets, the overall remuneration of the executive director-CFO of the Company is made up as follows:

- (i) the gross annual fixed component accounts for 54% (fifty-four per cent) of the remuneration;
- (ii) the short-term variable component accounts for 17% (seventeen per cent) of the remuneration;
- (iii) the long-term variable component accounts for 29% (twenty-nine per cent).

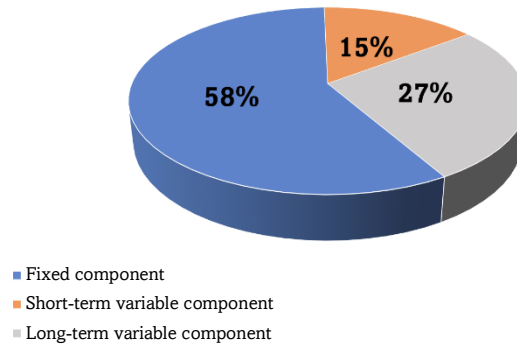
CFO



Based on the Policy, where a variable component is recognised due to the achievement of the targets, the overall remuneration of the Group's other Executives with Strategic Responsibilities is made up as follows:

- (i) the gross annual fixed component accounts for 58% (fifty-eight per cent) of the remuneration;
- (ii) the short-term variable component accounts for 15% (fifteen per cent) of the remuneration;
- (iii) the long-term variable component accounts for 27% (twenty-seven per cent).

EXECUTIVES WITH STRATEGIC RESPONSABILITIES

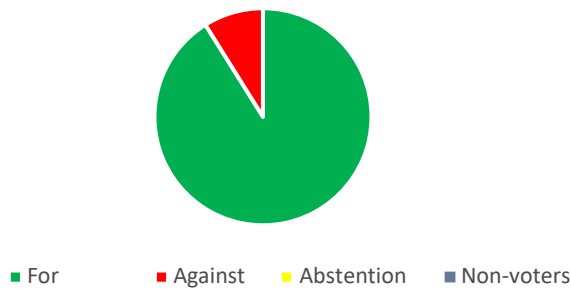


A.3 SHAREHOLDERS' MEETING VOTES ON THE GENERAL REMUNERATION POLICY

The Shareholders' Meeting held on 8 May 2024, in accordance with applicable regulations, cast an advisory vote on the Second Section of the "Report on the General Remuneration Policy" and on the fees paid for the financial year 2023.

Result of the voting	2024
For	91.1%
Against	8.9%
Abstention	0%
Non-voters	0%

Diagram illustrating the results of the votes of the shareholders' meeting



There were no indications from Shareholders to be considered for the purposes of this Report.

B. FIRST SECTION: REPORT ON THE 'GENERAL REMUNERATION POLICY' OF SABAF S.P.A. FOR THE THREE-YEAR PERIOD 2024 - 2026

B.1 CHANGES INTRODUCED WITH RESPECT TO THE PREVIOUS POLICY

With respect to the *General Remuneration Policy* submitted to the Shareholders at the Shareholders' Meeting of 6 May 2021, the following main changes are proposed:

- redrafting of the paragraph structure with a view to make these more concise and improve the clarity of presentation and to include an Introduction and an Executive Summary and include the theoretical pay mix;
- rebalancing of the short-term and long-term components of the variable remuneration (see section B.2.2) including in light of the benchmarking analysis;
- launching of the new LTIP Plan, since the previous "*Stock Grant Plan 2021-2023*" has expired.

B.2. THE COMPANY'S GENERAL REMUNERATION POLICY

B.2.1. Purposes of the Policy

The Company believes that the Policy represents an instrument for:

- ensuring the competitiveness of the Company in the labour market and attracting, motivating and increasing the loyalty of persons with appropriate professional expertise;
- protecting the principles of internal fairness and diversity;
- aligning the interests of the management with those of shareholders and stakeholders;
- fostering the creation of sustainable value in the long term, and maintaining an appropriate level of competitiveness for the Company in the sector in which it operates;
- pursuing the Sustainable Success of the Company through the attraction, motivation and retention of people with the expertise and professionalism required by their role in the Company; moreover, the Policy's training content, corporate welfare and, where possible, remote working methods are complementary in the Company's attention towards and development of human resources.



The Policy provides for structuring of the remuneration of Executive Directors and Executives with Strategic Responsibilities to include a significant variable remuneration, including through the granting of financial instruments: (i) whose payment is conditional on the achievement of shared objectives in the short and long term and short-term individual objectives, not only of an economic-financial nature, but also of a technical-productive and/or socio-environmental nature; (ii) subject, in part, to adequate retention and deferral mechanisms;

The objectives to which the disbursement of significant portions of variable remuneration is conditioned are structured in such a way as to prevent them from being achieved through short-term management choices that would potentially undermine the sustainability and/or the Company's ability to generate profit in the long term.

In this context, the policy aims to encourage the achievement of the strategic objectives set out in the pro tempore business plans and sustainability plans in force and to create long-term value for stakeholders, in line with the principles of corporate social responsibility.

B.2.2. Structure of the Policy

The principles and characteristics of the remuneration package regulated by the Policy for the persons to whom the Policy applies follow the same approach for determining, in general, the remuneration packages offered to employees. In defining each remuneration package proposed by Sabaf to its personnel, the following points are considered as priority elements for assessment:

- (i) the comparison with the external market and the internal equity of the Company;
- (ii) the characteristics of the position, the responsibilities assigned and the skills of the persons, taking care to avoid any form of discrimination;
- (iii) the pursuit of Sabaf's growth strategy and the strengthening of the Company's long-term interests and sustainability based on the principles of fairness, sustainability, equal opportunities, meritocracy and competitiveness in relation to the market.

In preparing the remuneration package referred to in this Policy, account was therefore taken of the fact that employees are generally offered remuneration that includes, in addition to the pay envisaged by the National Collective Labour Contract for the Metalworking industry, supplemented by second-level negotiations, an individual fixed component and variable components based on the achievement of common or individual objectives. The training opportunities provided and access to the company welfare platform are also part of the remuneration, incentive and enhancement system. Sabaf also aims to establish and maintain effective and efficient working partnerships, aimed at the pursuit of general and individual objectives and, in this perspective, also to encourage - where possible - the development of smart working conditions, including through the use of technologies that ensure continuous value for the company and for individuals and that improve work-life balance.

The definition of a fair and sustainable remuneration package takes into account three main tools:

- fixed remuneration;
- variable remuneration (short and long-term)
- benefits.

Individual remuneration components are analysed in the following paragraphs.

B.2.2.1. The fixed component

The fixed component of the remuneration consists of an annual fixed component and, where applicable, a component that is paid at the end of the relationship with the Company.

The following table summarises the fixed components of the Company Policy for the Company's Board of Directors, Executives with Strategic Responsibilities and Statutory Auditors.

COMPONENTS OF THE REMUNERATION	CORPORATE OFFICES				
	Executive Directors	Non-Executive Directors	Members of committees within the BoD	Executives with Strategic Responsibilities	Statutory Auditors
FIXED ANNUAL COMPONENTS	<ul style="list-style-type: none"> - Fixed remuneration for the office of Director - Fixed remuneration for Executive Directors; - Gross Annual Salary in the case of a management relationship; - Remuneration for any offices in Group companies. 	<ul style="list-style-type: none"> - Fixed remuneration for the office of Director - Fixed remuneration for non-executive Directors holding special offices. 	<ul style="list-style-type: none"> - Fixed remuneration for directors who are members of Committees within the BoD 	<ul style="list-style-type: none"> - Gross Annual Salary; - Remuneration for any offices in Group companies 	<ul style="list-style-type: none"> - Fixed remuneration
ALLOWANCE FOR EARLY TERMINATION OF EMPLOYMENT AND NON-COMPETITION AGREEMENTS	<ul style="list-style-type: none"> - Remuneration for non-competition agreement (only for Chief Executive Officer) 	N/A	N/A	<ul style="list-style-type: none"> - Remuneration for non-competition agreement 	N/A

B.2.2.1.1. Fixed annual component

The annual fixed component of the remuneration is such that it is able to attract and motivate individuals with appropriate expertise for the relevant offices, and is set with reference to the remuneration paid for the same positions by other Italian groups listed in the stock exchange, of an industrial nature and of a similar size and complexity.

The members of the Board of Directors are paid a fixed remuneration that was determined by the Shareholders' Meeting on 8 May 2024 for the three-year term of office, up to the approval of the financial statements as at 31 December 2026, following the proposal of the outgoing Board of Directors:

- a fixed gross annual remuneration of €25,000.00 (twenty-five thousand/00) for each member and therefore €225,000.00 (two hundred and twenty-five thousand/00) for the new Board of Directors, which excludes the remuneration due to Directors who are employees by virtue of their employment relationship and any remuneration of Directors holding special offices pursuant to Article 2389, paragraph 3, of the Italian Civil Code, the determination of which is delegated, pursuant to law, to the Board of Directors.

With regard to the remuneration for the Chief Executive Officer and the Executive Directors, the Board of Directors, at the suggestion of the Committee and subject to the opinion of the Board of Statutory Auditors, determines the additional fixed remuneration. Directors who sit on committees formed within the Board are paid fixed remuneration intended to reward the commitment required of them.

If the Executive Directors are also assigned a management role within the Group, the Board of Directors shall resolve on the Gross Annual Salary, which shall be determined - in compliance with the "National Collective Bargaining Agreement for Managers of Companies producing goods and services" - at a level that is in itself sufficient to guarantee an adequate basic salary level, even where the variable components are not paid due to a failure to achieve objectives.

In this regard, please note- for information purposes only - that, in consideration of the fact that the Gross Annual Salary was unchanged since the 2021 financial year, following a proposal by the Committee's and after conducting benchmarking activities, the Board of Directors resolved to increase, as of the current financial year (2024 financial year), the Gross Annual Salary of the Chief Executive Officer and the Executive Director - CFO, to €403,000.00 (four hundred and three thousand/00) and €224,000.00 (two hundred and twenty-four thousand/00), respectively. This is without prejudice to the rights of the competent bodies to change the Gross Annual Salary in compliance with the applicable legislation.

Executives with Strategic Responsibilities are paid a fixed annual remuneration, determined so that it is sufficient in itself to guarantee an appropriate basic salary level, even in the event that the variable components are not paid owing to a failure to reach the objectives. This gross annual remuneration is regulated by the National Collective Bargaining Agreement for Managers of Companies producing goods and services. In this regard, fixed remuneration is determined so that it is sufficient in itself to guarantee an appropriate basic salary level, even in the event that the variable components are not paid owing to a failure to reach the objectives.

In this regard, please note- for information purposes only - that, in consideration of the fact that the Gross Annual Salary was unchanged since the 2021 financial year, following a proposal by the Committee's and after conducting benchmarking activities, the Board of Directors resolved to increase, as of the current financial year (2024 financial year), the gross annual remuneration of the ESR, with an average increase of 14%. This is without prejudice to the rights of the competent bodies to change the Gross Annual Salary in compliance with the applicable legislation.

The members of the Board of Statutory Auditors are granted a fixed emolument, the value of which was determined at the time of their appointment by the Shareholders' Meeting on 8 May 2024, following a proposal by the outgoing Board of Directors, for the three-year term of office, until the approval of the financial statements as of 31 December 2026, and consists of a total fixed gross annual remuneration of €94,000.00 (ninety-four thousand/00), of which €40,000.00 (forty thousand/00) for the Chairman and €27,000.00 (twenty-seven thousand/00) for each of the other two Standing Auditors. The commitment required of the Board of Statutory Auditors for the performance of its duties can be inferred from the Report on the Corporate Governance System to which reference should be made.

B.2.2.1.2. Allowance for early termination of employment and non-competition agreements

The current Chief Executive Officer entered into a permanent employment contract with the Company, effective as from 12 September 2017. The managerial employment relationship is regulated by the National Collective Bargaining Agreement for Managers of Companies producing goods and services. In the event of early termination of the employment relationship at the Company's initiative, not due to just cause, an allowance for termination of employment shall be paid, as a redundancy incentive, equal to €700,000.00 (seven hundred thousand/00). The same allowance is also envisaged in case of resignation for just cause from the office of Chief Executive Officer or from the executive position. There are no specific clauses linking the payment of the termination allowance and the performance of the Company.

Without prejudice to the relationships already in place, the Policy envisages, as a general rule, that the contractual termination-of-employment allowances for the Chief Executive Officer shall not exceed, as a general rule, a maximum of 24 (twenty-four) months of the total gross remuneration (including both the gross remuneration as an executive and any gross remuneration for the management position) paid to the Chief Executive Officer, without prejudice to more favourable provisions of any applicable collective bargaining agreement. The Policy also envisages that future agreements with Chief Executive Officers will specify the portion of the termination-of-employment allowance based on the fixed component of remuneration and the portion of the termination-of-employment allowance based on the Company's performance, and provide for specific cases of exclusion of the payment of the termination-of-employment allowance due to the failure to achieve, within pre-defined minimum thresholds, the objectives of the Business Plan.

There are no agreements for other Directors or other Executives with Strategic Responsibilities regulating ex ante the economic part concerning the early termination of the employment relationship. In case of termination of the relationship for reasons other than just cause or justified reasons by the employer, the Company's remuneration policy allows for consensual agreements to end the relationship in compliance with legal and contractual obligations. These agreements must be approved by the Board of Directors at the suggestion of the Committee.

The Company does not provide Directors other than the Chief Executive Officer with benefits subsequent to the end of their service.

Non-competition agreements concerning employment relationships are entered into by the Company in accordance with Art. 2125 of the Italian Civil Code.

As a manager, the acting Chief Executive Officer is bound by a post contractual non-competition agreement with a duration of 12 (twelve) months after the termination of the working relationship, which provides for a fixed annual fee, which is paid out in monthly instalments over the course of the relationship. The non-competition agreement is protected by a fixed penalty for breach, without prejudice to the possibility of compensation for greater damages. There is no link between the corporate performance and the payment of the fee for the non-competition agreement.

Based on the Policy, non-competition agreements are also envisaged with certain Executives with strategic responsibilities, the terms of which were approved by the Board of Directors, after obtaining the opinion of the Committee. These agreements have a duration of 24 (twenty-four) months following the termination of the employment relationship and provide for annual fees, paid during the employment relationship in monthly instalments, equal to 10% (ten per cent) of the gross annual remuneration. There is no link between the corporate performance and the payment of fees for non-competition agreements.

The termination of the employment or collaboration relationship with the Chief Executive Officer, the other Directors and the Executives with Strategic Responsibilities - if they are beneficiaries of incentive plans based on financial instruments - determines the effects indicated under "Long-term variable component".

The remuneration policy does not envisage the assignment or maintenance of non-monetary benefits, nor the signing of consultancy contracts, for periods after the termination of the relationship with the Chief Executive Officer, other Directors or Executives with Strategic Responsibilities.

B.2.2.2. Variable component

The Policy aims to attract, incentivise and retain key professional profiles. The Policy is structured to align the interests of the management and the Shareholders, with the objective of sustainable value creation.

In particular, the variable component of the remuneration policy provides that:

- Executive Directors, Executives with Strategic Responsibilities and any additional managers specifically identified by the Chief Executive Officer are entitled to short-term variable remuneration (STI). The objectives which are linked to the payment of the variable component is linked - including in consideration of an individual' respective role and responsibilities - are connected to the budget for each financial year;
- Executive Directors, Executives with Strategic Responsibilities and any additional managers specifically identified by the Board of Directors are entitled to long-term variable remuneration. The objectives which are linked to the payment of the variable component is linked - including in consideration of an individual' respective role and responsibilities - are a) of an economic-financial nature and connected to the Group's Business Plan and b) sustainability (ESG).

The following table summarises the variable components of the Policy for the Board of Directors.

VARIABLE COMPONENTS OF THE REMUNERATION	CORPORATE OFFICES				
	Executive Directors	Non-Executive Directors	Members of Committees within the BoD	Executives with Strategic Responsibilities	Statutory Auditors
SHORT-TERM VARIABLE COMPONENT	Annual STI plan based on achieving a common objective and individual objectives	N/A	N/A	Annual STI plan based on achieving a common objective and individual objectives	N/A
LONG-TERM VARIABLE COMPONENT	LTIP based on the achievement of the objectives of the Business Plan and the Sustainability Objectives	N/A	N/A	LTIP based on the achievement of the objectives of the Business Plan and the Sustainability Objectives	N/A

B.2.2.2.1. Short-term variable component

The Board of Directors, at the suggestion of the Committee and in accordance with the budget, defines an STI Plan, for the benefit of:

- Executive Directors (Chief Executive Officer and CFO);
- Executives with Strategic Responsibilities
- other persons, identified by the Chief Executive Officer, among the managers who report directly to him or who report to the aforementioned managers.

The STI Plan provides for two different types of targets ("KPIs"): (a) a shared objective based on Adjusted EBIT as an indicator of economic performance ; and (b) individual, quantifiable and measurable objectives of an economic-financial, technical-productive and/or social-environmental nature. Some individual objectives refer to technical (e.g. efficiency and quality), management (e.g. meeting deadlines for completion of relevant projects) and sustainability (e.g. environmental performance) parameters. The shared Adjusted EBIT target is correlated with a fixed variable portion of between 35% (thirty-five per cent) and 45% (forty-five per cent) of the variable remuneration covered by the STI Plan. The STI Plan envisages, with regard to the Adjusted EBIT objective, the payment of remuneration according to the objective achievement range.

This provides for: (a) an entry threshold ("Floor") at the achievement of 80% (eighty per cent) of the target objective; the achievement of this objective gives rise to the right to receive 60% (sixty per cent) of the applicable amount and (b) an extra bonus in the event of the target objective being exceeded by more than 5% (five per cent), which gives rise to the right to receive an increase of 10% in the applicable amount (the "CAP").

For the portion of the variable component of the STI Plan, the payment of which is linked to the achievement of the other objectives, no ranges are routinely provided according to the level of achievement of the target.

The STI plan includes malus and/or claw back clauses in the event that the objectives of the STI Plan were achieved on the basis of data that later proved to be incorrect.

The allocation of the variable component under the STI Plan is conditional on continued employment until the end of the vesting period.

The objectives of the Chief Executive Officer and of the Executives with Strategic Responsibilities are decided by the Board of Directors, at the suggestion of the Committee, in accordance with the budget.

The objectives of the other beneficiaries of the incentive plans are defined by the Chief Executive Officer, in accordance with the budget.

SHORT-TERM VARIABLE COMPONENT (STI)		
PAYOUT AND KPIS	Chief Executive Officer	Payout upon reaching target of 48% of the Gross Annual Salary, of which: <ul style="list-style-type: none"> • 45% on annual consolidated Adjusted EBIT • 55% on individual targets.
	Executive Director - CFO	Payout upon reaching target of 46% of the Gross Annual Salary, of which: <ul style="list-style-type: none"> • 45% on annual consolidated Adjusted EBIT • 55% on individual targets.
	ESR	payout upon reaching target of 25% of the Gross Annual Salary, of which: <ul style="list-style-type: none"> • 35% on annual consolidated Adjusted EBIT; • 65% on individual targets.
FLOOR AND CAP	consolidated Adjusted EBIT	Floor 80% corresponding to the payment of 60% of the theoretical STI; CAP: 105% corresponding to the payment of 110% of the theoretical STI
	Individual Objectives	Floor: 100% achievement of objective CAP: no extra bonus is provided for.

Non-executive directors are not paid any variable remuneration.

B.2.2.2.2. Long-term variable component

On 19 March 2024, following a proposal by the Committee and in accordance with the Business Plan, the Board of Directors approved the new LTIP Plan, which was subsequently also approved by the Shareholders' Meeting on 8 May 2024 and whose recipients are:

- Executive Directors (Chief Executive Officer and CFO);
- Executives with Strategic Responsibilities
- other persons, identified by the Chief Executive Officer, among the managers who report directly to him or who report to the aforementioned managers.

The new LTIP Plan governs the requirements for the disbursement of a bonus to beneficiaries upon the achievement, in whole or in part, of targets (KPIs) as specified below.

The Plan provides for the allocation of financial instruments, consisting of Company Shares. It provides for the assignment of up to a maximum of 270,000 (two hundred and seventy thousand) rights to Shares.

The overall LTIP Plan is subject to the assessment and approval of the Shareholders' Meeting. Subsequently, in compliance with the authorising resolution of the Shareholders' Meeting, pursuant to Article 114-*bis* TUF, after consulting the Committee the Board of Directors:

- determined the regulations of the LTIP Plan;
- defined, where these had not already been identified, the beneficiary executives of the Company or Subsidiaries who hold or will hold key positions in the implementation of the Business Plan and/ or the Group's sustainability objectives. For the Executive Directors and ESR, the identification has taken place or will take place following a specific proposal by the Committee; in other cases, the identification will take place following a proposal by the Chief Executive Officer;
- defined the total number of rights under the LTIP Plan to be allocated to each beneficiary in accordance with the limits set by the Shareholders' Meeting.

The Plan also provides for the right of the Company - to be exercised by resolution of the Board of Directors, after obtaining the opinion of the Committee - to pay to the beneficiaries, instead of and in lieu of the shares, all or part of a sum of money (the "**Replacement Amount**") not exceeding 40% (forty per cent) of the shares actually vested and allocated, in the cases provided for in the Plan Regulations. The Replacement Amount will be calculated on the basis of the value of the Shares at the official closing price, on the regulated market managed by Borsa Italiana S.p.A., on the day preceding the date of the resolution to allocate the Shares (the "**Reference Price**"). The calculation will therefore be based on the following formula:

$$\text{Replacement Amount} = \text{no. Shares to be allocated} \times \text{Reference Price.}$$

The LTIP Plan normally provides for a multi-year vesting period, with subsequent allocation of the financial instruments.

The allocation of financial instruments under the LTIP Plan is related to predetermined financial and non-financial performance targets measurable and linked to the creation of value for Shareholders over a long-term horizon, based on Business Plan approved by the Board of Directors.

The new LTIP Plan is linked to the achievement of targets for three three-year performance indicators (*KPIs*), namely (i) the three-year cumulative Adjusted EBITDA ; (ii) the average Adjusted ROI over the three-year period; and (iii) to Sustainability Targets. The first two KPIs are based on the Business Plan, while the third is based on Sustainability Targets and, in particular, on the target of carrying out a human resources training plan, a target workplace safety indicator and an environmental target .

The weighting of the individual indicators in terms of the total allocation is 45% (forty-five per cent) for the three-year cumulative Adjusted EBITDA , 35% (thirty-five per cent) for the average Adjusted ROI over the three-year period and 20% (twenty per cent) for sustainability indicators, of which 5% (five per cent) for performance KPIs of human resources training aimed at the social sustainability of the Group's business and the enhancement of internal skills, 5% (five per cent) for the workplace safety indicator aimed at the social sustainability of the Group's business and the protection of employees' health, and 10% (ten per cent) for the environmental indicator aimed at environmental sustainability with a view to reducing CO2 emissions. Please note that the Remuneration and Appointments Committee and the Board of Directors deemed it advisable not to use targets that were expressed as a relative measure of the performance of comparable companies (such as, for example, the *Total Shareholder*

Return compared to a reference benchmark), in view of the low liquidity of the stock and the resulting potential misalignment between the stock market price and the company's performance.

For each of the selected indicators the following is provided for:

- a minimum *performance* level ("*Floor*"), equal to 80% (eighty percent) of the value of each *target*.
- a performance target level, at the achievement of which the target bonus is paid for each of the indicators in question up to 100% (one hundred per cent) of the LTIP Plan ("*CAP*").

The payment of the bonus is conditional on the continuation of the employment and/or collaboration and/or directorship relationship between the beneficiary and the Company at the date of approval of the financial statements for the year in which the bonus is payable, according to the criteria established by the LTIP Plan, without prejudice to the provisions of the Plan itself in the event of early termination of the relationship where the beneficiary qualifies as a *Good Leaver*.

In order to promote the alignment of interests between the beneficiaries of the LTIP Plan and the stakeholders of the Company, the LTIP Plan provides for a period of lock-up for the beneficiaries, with regard to 40% of the Shares actually granted to beneficiaries, as governed below:

- *lock-up* of 1 (one) year on a portion of the stock grant that is actually assigned, equal to 20% of the same;
- *lock-up* of 2 (two) years on a portion of the stock grant that is actually assigned, equal to a further 20% of the same.

The LTIP Plan provides for malus and/or claw back clauses in the following cases:

- a) the Beneficiary has engaged in fraudulent or grossly negligent behaviour that has caused damage to the assets or image of the Company or its Subsidiaries or the Group;
- b) the beneficiary has affected, by its own fraudulent or grossly negligent behaviour, the achievement of the objectives of the LTIP Plan;
- c) the objectives of the LTIP Plan were achieved based on data that later proved to be manifestly incorrect.

On the basis of the Policy, the allocation, in whole or in part, of the bonus is made by the Board of Directors; for the Chief Executive Officer and the Executives with Strategic Responsibilities, the allocation is made on the basis of a proposal by the Committee.

LONG-TERM INCENTIVE PLAN (LTIP)		
COMPOSITION	Chief Executive Officer	allocation of 63,000 rights to shares for the three-year period of the LTIP.
	Executive Director - CFO	allocation of 30,000 rights to shares for the three-year period of the LTIP.
	ESR	allocation of up to a total of 177,000 share rights for the three-year period of the LTIP.
KPI		<ul style="list-style-type: none"> • Cumulative consolidated Adjusted EBITDA 2024-2026, with a 45% weighting; • Average consolidated Adjusted ROI 2024-2026, with a 35% weighting; • ESG goals with a 20% weighting, of which training accounts for 5%, safety for 5%, environment for 10%.
FLOOR AND CAP	Cumulative Consolidated Adjusted EBITDA 2024-2026	Floor 80% which corresponds to the accrual of 35% of the bonus; for each level of KPI

		achieved above the Floor, the % payable increases in a linear manner up to the CAP of 100% of the bonus.
	Adjusted average ROI 2024-2026	Floor 80% which corresponds to the accrual of 35% of the bonus; for each level of KPI achieved above the Floor, the % payable increases in a linear manner up to the CAP of 100% of the bonus.
VESTING		The LTIP Plan provides for a period of <i>lock-up</i> , of the financial instruments allocated to each beneficiary, which is normally equal to 40% of the total of which: a) 20% is made available from the end of the 1st year from the relevant allocation; and b) a further 20% is made available from the end of 2nd year from the relevant allocation.

B.2.2.3 Non-Monetary Benefits and other income components

The following table summarises the non-monetary benefits and other income components of the Policy.

COMPONENTS OF THE REMUNERATION		CORPORATE OFFICES			
		Executive Directors	Non-Executive Directors	Executives with Strategic Responsibilities	Statutory Auditors
BENEFITS AND OTHER COMPONENTS	NON-MONETARY BENEFITS	<ul style="list-style-type: none"> > Third-party liability insurance policy > Life insurance policy to cover medical expenses (Supplementary healthcare policy), supplementary medical expenses > Company cars > Reimbursement of rent for accommodation. 	<ul style="list-style-type: none"> > Third-party liability insurance policy 	<ul style="list-style-type: none"> > Third-party liability insurance policy > Life insurance policy to cover medical expenses (Supplementary healthcare policy), supplementary medical expenses > Company cars 	<ul style="list-style-type: none"> > Third-party liability insurance policy
	OTHER INCOME COMPONENTS	<ul style="list-style-type: none"> > Fixed remuneration for holders of offices in subsidiaries 	N/A	<ul style="list-style-type: none"> > Fixed remuneration for holders of offices in subsidiaries 	N/A

B.2.2.3.1. Third-party civil liability insurance policy

The Company has taken out a third-party civil liability insurance policy for Directors (Executive and non-executive), Executives with Strategic Responsibilities and statutory auditor for unlawful acts committed in the exercise of their respective duties, in violation of obligations established by law and the Bylaws, with the sole exclusion of deliberate intent. The taking-out of this policy is approved by the Shareholders' Meeting.

B.2.2.3.2. Life insurance policy and cover for medical expenses

Chief Executive Officers and Executives with Strategic Responsibilities are also provided with a life insurance policy and cover for medical expenses (FASI supplementary healthcare policy) for executives, as established by the National Collective Labour Contract or Industrial Managers; moreover, the Company has stipulated an additional policy to cover medical expenses not covered by the supplementary healthcare policy).

B.2.2.3.3. Company cars

Following a proposal by the Committee, the Board of Directors may provide for the allocation of company cars to Executive Directors and Executives with Strategic Responsibilities.

B.2.2.3.4. Accommodation costs

At the suggestion of the Committee, the Board of Directors can provide for housing to be made available to Executive Directors, rent for a house to be reimbursed or for the temporary reimbursement of accommodation costs in a hotel.

B.2.2.3.5. Remuneration for holders of offices in subsidiaries

Executive Directors and other Executives with Strategic Responsibilities may be paid remuneration – exclusively as a fixed amount – for offices held in subsidiaries. In addition to the approval of the subsidiaries' corporate bodies, this remuneration is subject to the favourable opinion of the Committee.

B.2.2.4. *Clawback and Malus clauses*

As from 2018, the Company established mechanisms for the ex-post adjustment of the variable remuneration component or claw back clauses to demand the return of all or part of the variable components of remuneration paid out (or to withhold deferred sums), which were determined on the basis of data subsequently found to be clearly incorrect. In this regard, please see item "Short-term variable component" and "Long-term variable component" of the Policy.

B.2.3. Departures from the Policy

Pursuant to Art. 123-ter paragraph 3-bis TUF, in the event of exceptional circumstances (as defined below), the Company may temporarily derogate from the Policy, with regard to provisions concerning fixed and variable remuneration as well as the allowance for early termination of employment

The departure may only be made in compliance with the procedures of Consob Regulation on Related Parties (Related party Transactions).

Exceptional circumstances are only situations where the departure from the Policy is required to pursue the long-term interests and Sustainability Objectives of the Company as a whole or to ensure its ability to stay in the market (such as, for example, the need to attract and/or retain key management figures or the need to incentivise key management figures in office with regard to specific industrial objectives that, in contingent conditions, are of particular importance).

B.3. GOVERNANCE OF THE REMUNERATION PROCESS - CORPORATE BODIES AND PERSONS INVOLVED IN PREPARING, APPROVING AND IMPLEMENTING THE POLICY

The determination of the Policy is the result of a process involving the Board of Directors, the Committee, the Board of Statutory Auditors and the Shareholders' Meeting.

B.3.1 The Shareholders' Meeting

The Shareholders' Meeting of the Company:

- determines the fixed remuneration due to the members of the Board of Directors;
- resolves remuneration plans based on the allocation of financial instruments with regard to Directors and employees;
- it casts a binding vote on the first section of the Report on remuneration and remuneration paid to the Board of Directors, to Executives with strategic responsibilities and, without prejudice to the provisions of Art. 2402 of the Italian Civil Code, to the members of the Board of Statutory Auditors, and a non-binding vote on the Second Section of that Report

B.3.2. The Board of Directors

B.3.2.1. Composition of the Board of Directors

The Board of Directors of the Company whose term of office expires with the approval of the financial statements as at 31 December 2026 is composed as follows:

Name and surname	Board of Directors	Nomination and Remuneration Committee	Risk Committee	Sustainability Committee
Claudio Bulgarelli	Chairman	/	/	/
Pietro Iotti	Chief Executive Officer	/	/	Member
Gianluca Beschi	Director	/	/	Member
Alessandro Potestà	Director	Member	/	/
Cinzia Saleri	Director	Member	/	/
Laura Ciambellotti	Independent Director	Member	Member	/
Francesca Michela Maurelli	Independent Director	Member	/	Member
Federica Menichetti	Independent Director	/	Member	/
Daniela Toscani	Independent Director	Member	Member	/

B.3.2.2. Functions of the Board of Directors

The Board of Directors of the Company.

- following a proposal by the Committee, and subject to the opinion of the Board of Statutory Auditors, determines the remuneration for the Executive Directors;
- defines the remuneration policy of Executives with Strategic Responsibilities

- after obtaining the opinion of the Committee, resolves the signing of non-competition agreements for the Chief Executive Officer and Executives with Strategic Responsibilities;
- at the suggestion of the Committee, defines incentive plans based on short- and long-term variable remuneration to be assigned to the Chief Executive Officer and Executives with strategic Responsibilities;
- at the suggestion of the Chief Executive Officer, defines the incentive plans based on short-term variable remuneration for the Company's management and other employees;
- at the suggestion of the Committee, resolves to assign non-monetary benefits to executives;
- makes proposals to the Shareholders' Meeting on remuneration plans based on the allocation of financial instruments with regard to directors and employees
- drafts the Report pursuant to Article 123-ter of the TUF and Article 84-quater of the Issuers' Regulations;
- ensures that the remuneration paid and accrued is consistent with the principles and criteria defined in the remuneration policy, in the light of the results achieved and other circumstances relevant to its implementation
- upon the termination of office and/or termination of the relationship with the Chief Executive Officer, Executive Directors or directors holding specific positions, along with the General Manager, discloses in a press release to the market at the end of internal processes leading to the allocation or recognition of any allowance and/or other benefits, or upon the occurrence or establishment of the circumstances detailed below, detailed information concerning:
 - a) the allocation or recognition of allowances and/or other benefits, the circumstances justifying their accrual and the deliberative procedures followed for this purpose within the Company;
 - b) the total amount of the allowance and/or other benefits, the related components (including non-monetary benefits, the maintenance of rights related to incentive plans, the fee for non-competition commitments or any other remuneration allocated for any reason and in any form) and the timing of their payment (distinguishing the part paid immediately from the part subject to deferral mechanisms);
 - c) the application of any claw-back or malus clause for part of the sum;
 - d) the compliance of the elements indicated in letters a), b) and c) above with what is indicated in the Policy, with a clear indication of the reasons and the deliberative procedures followed in the event of even partial non-compliance with the Policy;
 - e) information on any procedures that have been or will be followed for the replacement of the Executive Director or General Manager no longer in office.

The Board of Directors is responsible for properly implementing the Policy.

B.3.3. The Remuneration and Nomination Committee

B.3.3.1. Composition of the Committee

The term of the Committee that is currently in office lapses with the Shareholders' Meeting to approve the Financial Statements as at 31 December 2026 and is made up as follows:

Name and surname	Role
Daniela Toscani	Independent Director and Chairman of the Committee
Alessandro Potestà	Director and Committee Member
Cinzia Saleri	Director and Committee Member
Laura Ciambellotti	Independent Director and Committee Member
Francesca Michela Maurelli	Independent Director and Committee Member

The Remuneration and Nomination Committee currently in office comprises five non-executive members, the majority of them independent with the knowledge and experience in accounting, finance and remuneration policies that is deemed adequate by the Board of Directors.

B.3.3.2. Functions of the Committee

The *Remuneration and Nomination Committee* of the Company:

- assists the Board in drawing up the remuneration policy;
- makes proposals to the Board of Directors, in the absence of the persons directly concerned, for remuneration of the Chief Executive Officer and Executive Directors;
- examines, with the support of the Chief Executive Officer and Human Resources Department, the policy for the remuneration of executives, with a special attention to Executives with Strategic Responsibilities;
- makes suggestions and proposals to the Board of Directors concerning the setting of objectives on which the annual variable component and long-term incentives for the Chief Executive Officer, Directors holding specific positions and Executive Directors and Executives with Strategic Responsibilities should be dependent, in order to ensure alignment with Shareholders' long-term interests and the Company's strategy;
- monitors the actual application of the Policy and assesses the level of achievement of the short- and long-term variable incentive objectives of Directors and executives;
- prepares the proposals to the Board of Directors of remuneration plans based on financial instruments;
- assesses the adequacy, actual application and consistency of the Company's remuneration policy, also with reference to the actual company performance, making suggestions and proposals for change;
- follows the development of the regulatory framework of reference and best market practices on remuneration, getting inspired by them for formulating the remuneration policy and identifying aspects for improving the Policy.

B.3.4. The Board of Statutory Auditors

B.3.4.1. Composition of the Board of Statutory Auditors

The term of the Board of Statutory Auditors that is currently in office lapses with the Shareholders' Meeting to approve the Financial Statements as at 31 December 2026 and is made up as follows:

Name and surname	Board of Statutory Auditors
Alessandra Tronconi	Chairman
Mauro Vivenzi	Standing Auditor
Maria Alessandra Zunino de Pignier	Standing Auditor
Giovanna Marangoni	Alternate Statutory Auditor
Federico Pozzi	Alternate Statutory Auditor

B.3.4.2. Functions of the Board of Statutory Auditors

The Board of Statutory Auditors;

- expresses the opinions required by the regulations in force on the remuneration proposals of the Executive Directors pursuant to Article 2389, third paragraph of the Italian Civil Code; .
- can attend Committee meetings as a board or through the Chairman of the Board of Statutory Auditors or another Statutory Auditor designated by the Chairman.

B.3.5. The Human Resources Department

The Human Resources Department of the Company is responsible for the operational implementation of the resolutions passed by the Board of Directors and the Shareholders' Meeting.

B.3.6. The market practices

During the updating of the Remuneration Policy, the Company conducted a comparative analysis of the remuneration levels of the Board of Directors, including Board offices and committees, the Board of Statutory Auditors, the Chief Executive Officers and the executive managers of listed companies comparable in size, income profile, organisational complexity and governance structure. The comparative analysis also focused on the consolidated best practices concerning remuneration policies in the period since the previous review in 2021.

Companies considered for comparative purposes include Avio, Datalogic, Emak, Elica, Eurogroup Laminations, Fiera Milano, Fine Foods & Pharmaceuticals, Openjobmetis, Orsero, Saes Getters, SECO.

C. SECOND SECTION: REPORT ON FEES PAID FOR THE YEAR 2024

C.1 INTRODUCTION

This Section provides information about the events and activities during the year 2024, for the purpose of disclosure on the remuneration and fees paid during the year by the Company. With particular reference to the short-term variable components accrued on the basis of performance results in the reporting period, information is provided on the level of achievement of the underlying common financial objective (EBIT). This choice reflects Sabaf's desire to provide the market, its shareholders and other stakeholders with even clearer and more transparent information.

This Section which includes two sub-sections listing the names of Directors and Statutory Auditors:

- describes each of the items that make up the remuneration, showing their consistency with Sabaf's general policy on remuneration and the ways in which remuneration contributes to the Company's long-term results;
- analytically illustrates the remuneration paid in the financial year under review (2024), for any reason and in any form, by the Company or by subsidiaries or affiliates, identifying any components of this remuneration that relate to activities undertaken in previous years to the year under review.

C.2 FIRST SUB-SECTION: IMPLEMENTATION OF THE GENERAL REMUNERATION POLICY

C.2.1 The components of the remuneration paid to Directors for 2024

The Directors in office for the 2024 financial year were granted a fixed annual gross remuneration of €25,000.00 (twenty-five thousand/00), as resolved by the Shareholders' Meeting on 8 May 2024. The following additional remuneration was also paid for the offices held or attendance to Committees set up within the Board of Directors:

- to the Chairman Claudio Bulgarelli €80,000.00 (eighty thousand/00);
- To the Chief Executive Officer Pietro Iotti €8,000.00 (eight thousand/00);
- to the Chairman of the Control and Risk Committee (Federica Menichetti) €21,000.00 (twenty-one thousand/00), to the other members of the Committee (Laura Ciambellotti and Daniela Toscani) €16,000.00 (sixteen thousand/00) each;
- to the Chairman of the Remuneration and Appointments Committee (Daniela Toscani) €16,000.00 (sixteen thousand/00), to the other members of the Committee (Laura Ciambellotti, Francesca Michela Maurelli, Alessandro Potestà and Cinzia Saleri) €12,000.00 (twelve thousand/00) each;
- to the members of the Sustainability Committee (Pietro Iotti, Gianluca Beschi and Francesca Michela Maurelli) €11,000.00 (eleven thousand/00) each.

A fixed remuneration component for employment and a fixed remuneration for offices in subsidiaries are paid to executive directors appointed as executives.

With reference to variable components, which are intended only for Executive Directors, the following is pointed out:

- a) in relation to the annual variable incentive plan established for 2023, remuneration of €91,000.00 (ninety-one thousand/00) accrued in the previous financial year (and disbursed in 2024). In particular:
 - the Chief Executive Officer, Pietro Iotti, accrued variable remuneration of €49,000 (forty-nine thousand/00) for the partial achievement of the objectives of the 2023 MBO plan. The business objective, represented by the budget EBIT (€24,473 million), was not achieved; the individual objectives were achieved by 58.33% (fifty-eight point three per cent);
 - the Director, Gianluca Beschi, accrued variable remuneration of €42,000 (forty-two thousand) for the partial achievement of the objectives of the 2023 MBO plan. The business objective, represented by the budget EBIT (€24,473 million), was not achieved; the individual objectives were achieved by 100% (one hundred per cent);
- b) with reference to the annual variable incentive plan established for 2024, remuneration of €275,133.00 (two hundred and seventy-five thousand one hundred and thirty-three/00) which will be paid in the financial year 2025. Specifically:
 - the Chief Executive Officer, Pietro Iotti, accrued variable remuneration of €179,512.00 (one hundred and seventy-nine thousand five hundred and twelve/00) for the partial achievement of the objectives of the 2024 MBO plan. The business target, represented by the budget EBIT (€22.914 million), was achieved at a level of 92% (ninety-two per cent) and gave the right to accrue a bonus equal to 84% (eighty-four per cent), individual targets were achieved at a level of 100% (one hundred per cent);
 - The Director, Gianluca Beschi, accrued variable remuneration of €95,621.00 (ninety-five thousand six hundred and twenty-one/00) for the partial achievement of the objectives of the 2024 MBO plan. The business target, represented by the budget EBIT (€22.914 million), was achieved at a level of 92% (ninety-two per cent) and gave the right to accrue a bonus equal to 84% (eighty-four per cent), individual targets were achieved at a level of 100% (one hundred per cent);
- c) with reference to the 2021-2023 stock incentive plan, whose beneficiaries included the Chief Executive Officer and Director Gianluca Beschi, following the partial achievement of the objectives and the verification of the existence of the conditions set out in the Regulations of the plan, in May 2024 the accrued shares were allocated.
- d) with reference to the 2024-2026 stock incentive plan, whose beneficiaries include the Chief Executive Officer and Director Gianluca Beschi, rights to receive shares have been assigned in 2024, the allocation of which is subject to the achievement of company targets (based on EBITDA, ROI and sustainability targets) over the three-year period 2024 to 2026 consistent with the objectives of the business plan and the continued

employment of the beneficiary at the approval date of the 2026 financial statements. For further details, please refer to the information contained in the Information Document prepared pursuant to Article 114-bis of the TUF, Article 84-bis of the Issuers' Regulations, submitted to the Shareholders' Meeting on 8 May 2024.

The proportion of fixed and variable remuneration paid during the 2024 financial year within the total remuneration of Executive Directors is as follows:

- Chief Executive Officer Pietro Iotti: fixed remuneration 91% (ninety-one per cent), variable remuneration 9% (nine per cent);
- Director Gianluca Beschi: fixed remuneration 88% (eighty-eight per cent), variable remuneration 12% (twelve per cent).

The percentage of variable remuneration was calculated as the ratio between the total of the "Bonuses and other incentives" column and the "Total" column of Table 1 contained in the second part of this Report.

In 2024, Executive Directors received remuneration from subsidiaries totalling €101,000.00 (one hundred and one thousand/00).

Note that, during 2024, with regard to Executive Directors:

- no indemnity and/or other benefits were granted for the termination of office or termination of employment;
- no ex-post correction mechanisms were applied to the variable remuneration component;
- there were no departures from the remuneration policy.

C.2.2 Remuneration of Executives with Strategic Responsibilities for 2024

The remuneration of the other Executives with Strategic Responsibilities (two Sales Managers) for the year 2024 was as follows:

- a) A total of €317,268.00 (three hundred and seventeen thousand two hundred and sixty-eight/00) was paid as fixed remuneration from employment;
- b) with reference to the variable incentive plan (MBO) of 2023, during 2024, remuneration totalling €36,462.00 (thirty-six thousand four hundred and sixty-two/00) was paid for the partial achievement of the objectives of the 2023 MBO plan. The business objective, represented by the budget EBIT (€24.473 million), was not achieved; the individual objectives were achieved by 75% (seventy-five per cent);
- c) with reference to the variable incentive plan (MBO) for 2024, remuneration totalling €80,400.00 (eighty thousand four hundred/00) accrued for the partial achievement of the objectives of the 2024 MBO plan. Its payment is deferred and dependent upon the continuation of the employment relationship. The business target, represented by the budget EBIT (€22.914 million), was achieved at a level of 92% (ninety-two per cent) and gave the right to accrue a bonus equal to 84% (eighty-four per cent), individual targets were achieved at an average level of 84.72% (eighty-four point seven two per cent);
- d) with reference to the 2021-2023 stock incentive plan, whose beneficiaries included the Executives with Strategic Responsibilities, following the partial achievement of the objectives and the verification of the existence of the conditions set out in the Regulations of the plan, in May 2024 the accrued shares were allocated;
- e) with reference to the 2024-2026 stock incentive plan, whose beneficiaries included the Executives with Strategic Responsibilities, rights to receive shares have been assigned in 2024, the allocation of which is subject to the achievement of company targets (based on EBITDA, ROI and sustainability targets) over the three-year period 2024 to 2026 consistent with the objectives of the business plan and the continued employment of the beneficiary at the approval date of the 2026 financial statements. For further details, please refer to the information contained in the Information Document prepared pursuant to Article 114-*bis* of the TUF, Article 84-*bis* of the Issuers' Regulations, submitted to the Shareholders' Meeting on 8 May 2024.

In 2024, remuneration from subsidiaries totalling €48,000.00 (forty-eight thousand/00) was paid to Executives with Strategic Responsibilities.

The proportion of fixed and variable remuneration paid during the 2024 financial year within the total remuneration is as follows: fixed remuneration 91% (ninety-one per cent), variable remuneration 9% (nine per cent).

The percentage of variable remuneration was calculated as the ratio between the total of the "Bonuses and other incentives" column and the "Total" column of Table 1 contained in the second part of this Report.

It should be noted that for other Managers with Strategic Responsibilities:

- no indemnity and/or other benefits were granted for the termination of employment;
- no ex-post correction mechanisms were applied to the variable remuneration component;

C.2.3 Remuneration of Statutory Auditors for 2024

The remuneration paid to the Statutory Auditors is the fixed remuneration determined by the Shareholders' Meeting of 8 May 2024 in the total amount of €94,000.00 (ninety-four thousand/00), of which €40,000.00 (forty thousand/00) to the Chairman of the Board of Statutory Auditors and €27,000.00 (twenty-seven thousand/00) to each of the Standing Auditors. This remuneration accrued to a level of 8/12 during the first year of office, i.e. €57,511.00 (fifty-seven thousand five hundred and eleven). For the first four-month period, the remuneration accrued by the Statutory Auditors in office until 8 May 2024 was €29,874.00 (twenty-nine thousand eight hundred and seventy-four/00).

C.2.4 Annual variation of remuneration paid by the Company

Comparison with previous years:

<i>(amounts in €/000)</i>	% change	% change	% change	% change	% change
	2024 vs.	2023 vs.	2022 vs.	2021 vs.	2020 vs.
	2023	2022	2021	2020	2019
Chief Executive Officer Pietro Iotti					
<i>Total remuneration (a)</i>	-19.3%	+28.7%	-18.4%	+24.8%	+6.8%
Director Gianluca Beschi					
<i>Total remuneration (b)</i>	+6.5%	+1.2%	-18.8%	+22.3%	+17.9%
Executives with Strategic Responsibilities					
<i>Total remuneration (c)</i>	-13.2%	-25.6%	-5.6%	+5.8%	+10.1%
Sabaf Group turnover	+19.8%	-6.0%	-3.9%	+42.4%	+18.6%
Sabaf S.p.A. turnover	+6.8%	-16.5%	-17.3%	+40.4%	+8.1%
Sabaf Group EBITDA	+47.6%	-26.1%	-25.9%	+45.9%	+37.2%
Sabaf S.p.A. EBITDA	+67.1%	-35.2%	-63.1%	+45.9%	+20.5%
Sabaf Group EBIT	+60.4%	-49.5%	-41.6%	+86.7%	+68.9%
Sabaf S.p.A. EBIT	+198.5%	-329.6%	-94.3%	+109.3%	+124.2%
Sabaf Group net profit	+123.3%	-79.7%	-36.2%	+71.2%	+40.8%
Sabaf S.p.A. Net profit	-62.1%	+55.9%	-77.6%	+56.7%	+67.7%
Average gross annual remuneration of employees					
<i>(excluding persons marked with a), b), and c) in this table)</i>	+7.3%	+0.6%	-0.8%	+10.3%	+0.1%

The average gross annual remuneration of employees increased compared to 2023, mainly as a result of the pay increases provided for in the Metalworking Collective Labour Agreement and applied from June 2024.

C.3 SECOND SUB-SECTION: ANALYTICAL DATA OF THE IMPLEMENTATION OF THE GENERAL REMUNERATION POLICY 2024

For details of the remuneration paid in the 2024 financial year 2024, please refer to the tables below (Tab. 1, Tab. 2 and Tab. 3), which contain remuneration paid to Directors and Statutory Auditors, listed by name, and, at the aggregate level, other Executives with Strategic Responsibilities, taking into account any roles held for less than the entire year. Remuneration received from subsidiaries and/or affiliates, with the exception of that waived or paid back to the Company, is also indicated separately.

With particular reference to **Table 1**, the column:

- **"Fixed remuneration"** shows, for the portion attributable to 2024, the fixed remuneration approved by the Shareholders' Meeting (and distributed with resolution of the Board of Directors), including the remuneration received for the carrying-out of special offices (pursuant to Article 2389, paragraph 3, Italian Civil Code; attendance fees as approved by the Shareholders' Meeting; employee salaries due for the year gross of social security contributions and income taxes owed by the employee.
- "Remuneration for attendance at Committee meetings", shows, for the portion relating to 2024, the remuneration due to directors who attended the meetings of the Committees set up within the Board of Directors and the related attendance fees.
- **"Bonus and other incentives"** includes the variable remuneration accrued during the year, for monetary incentive plans. This value corresponds to the sum of the amounts provided in Table 3 in the "Bonus for the year - payable/paid", "Bonus of previous years - payable/paid" and "Other bonuses" columns.
- **"Non-monetary benefits"** shows, according to accrual and tax liability criteria, the value of outstanding insurance policies and the company cars assigned.
- **"Other remuneration"** shows, for the portion attributable to 2024, any other remuneration resulting from other services provided.
- **"Total"** shows the sum of the amounts provided under the previous items.

For a breakdown of other items, see attachment 3A, statement 7-bis and 7-ter of the Issuers' Regulation.

Table 2 shows the information relating to the stock grant plan approved by the Shareholders' Meeting and aimed at the Group's Executive Directors and executives who hold or will hold key positions in the implementation of the business plan. Specifically, the column:

- **"Financial instruments assigned in previous financial years not vested during the financial year"** shows the financial instruments assigned in previous years and not vested during the year, indicating the vesting period;
- **"Financial instruments assigned during the financial year" shows the financial instruments assigned during the year** indicating the fair value at the assignment date, the vesting period, the assignment date and the market price at the assignment;
- **"Financial instruments vested during the year and not assigned"** shows the number and type of instruments vested during the financial year and not assigned;
- **"Financial instruments vested during the year and attributable"** contains information on instruments vested during the financial year of reference and attributable, indicating the value at the vesting date.

"Vesting period" means the period between the time when the right to participate in the incentive scheme is assigned and the time when the right accrues. Financial instruments vested during the financial year and not assigned are financial instruments for which the vesting period ended during the financial year and which were not assigned to the recipient for failure to meet the conditions under which the assignment of the instrument was conditional (for example, failure to meet performance targets).

The value at the vesting date is the value of the financial instruments accrued, even if not yet paid (for example, due to the presence of lock up clauses), at the end of the vesting period.

For a breakdown of other items, see attachment 3A, statement 7-bis and 7-ter of the Issuers' Regulation.

Table 3 contains information on monetary incentive plans for members of the administration body, General Managers and other Executives with Strategic Responsibilities; in particular, it shows:

(a) For the section “**Bonus for the year**”

- in the column “**Payable/paid**”, the bonus accrued for the year for the objectives reached during the year and paid or payable because not subject to further conditions (known as upfront fee).
- the column “**Deferred**” shows the bonus dependent on the objectives to be reached during the year but not payable because subject to further conditions (known as deferred bonus).

(b) For the section “**Bonus of previous years**”

- the column “No longer payable” shows the sum of bonuses deferred in previous years still to be paid at the beginning of the financial year and no longer payable for failure to meet the conditions to which they are subject.
- the column “**Payable/Paid**” shows the sum of bonuses deferred in previous years still to be paid at the beginning of the financial year and paid during the year or payable.
- the column “**Still deferred**” shows the sum of bonuses deferred in previous years still to be paid at the beginning of the financial year and still deferred.
- lastly, the column “**Other bonuses**” shows the bonuses for the year not explicitly included in specific ex ante defined plans.

Finally, pursuant to Article 84-quater, paragraph four of the Issuers' Regulations, **Table 4** shows shareholdings in Sabaf S.p.A. held by Directors and Executives with Strategic Responsibilities, as well as their non-separated spouses and dependent children, directly or through subsidiaries, trust companies or third parties, as shown in the shareholder register, communications received and other information acquired from the same parties. This includes all persons who held office during the year, even for only part of the year. The number of shares held is shown by individual Director and in aggregate form for Executives with Strategic Responsibilities.

C.3.1 TAB. 1 - Gross remuneration paid to members of the Board of Directors and Board of Statutory Auditors and other Executives with Strategic Responsibilities

(figures in euro)

Name and surname	Office	Period of office	Expiry of office	Fixed remuneration	Remuneration for attendance at Committee meetings	Variable remuneration (non equity)			Total	Fair Value of equity remuneration	Allowance for end of office or termination of employment
						Bonus and other incentives	Profit sharing	Non-monetary benefits			
Board of Directors											
Claudio Bulgarelli	Chairman	1 Jan - 31 Dec 2024	Approval of 2026 financial statements								
(I) Remuneration at Sabaf S.p.A.				105,000 ^(a)	0	0	0	0	0	105,000	0
(II) Remuneration from subsidiaries and affiliates				0	0	0	0	0	0	0	0
(III) Total				105,000	0	0	0	0	0	105,000	0
<i>(a) Of which €25,000 as Director and €80,000 as Chairman</i>											
Pietro Iotti	Chief Executive Officer	1 Jan - 31 Dec 2024	Approval of 2026 financial statements								
(I) Remuneration at Sabaf S.p.A.				436,000 ^(a)	11,000 ^(b)	49,000	0	11,178	0	507,178	119,610
(II) Remuneration from subsidiaries and affiliates				54,000	0	0	0	0	0	54,000	0
(III) Total				490,000	11,000	49,000	0	11,178	0	561,178	119,610
<i>(a) Of which €25,000 as director, €8,000 as Chief Executive Officer, and €403,000 as Chief Executive Officer (including €30,000 relating to Remuneration for non-competition agreement)</i>											
<i>(b) €11.000 as Chairman of the Sustainability Committee</i>											

Name and surname	Office	Period of office	Expiry of office	Fixed remuneration	Remuneration for attendance at Committee meetings	Variable remuneration (non equity)			Total	Fair Value of equity remuneration	Allowance for end of office or termination of employment	
						Bonus and other incentives	Profit sharing	Non-monetary benefits				Other remuneration
Gianluca Beschi	Director	1 Jan - 31 Dec 2024	Approval of 2026 financial statements									
(I) Remuneration at Sabaf S.p.A.				249,000 ^(a)	11,000 ^(b)	42,000	0	5,569	0	307,569	56,957	0
(II) Remuneration from subsidiaries and affiliates				47,000	0	0	0	0	0	47,000	0	0
(III) Total				296,000	11,000	42,000	0	5,569	0	354,569	56,957	0
<i>(a) of which €25,000 as director and €224,000 as CFO</i>												
<i>(b) €11,000 as a member of the Sustainability Committee</i>												

Alessandro Potestà ^(c)	Director	1 Jan - 31 Dec 2024	Approval of 2026 financial statements									
(I) Remuneration at Sabaf S.p.A.				25,000 ^(a)	12,000 ^(b)	0	0	0	0	37,000	0	0
(I) Remuneration from subsidiaries and affiliates				0	0	0	0	0	0	0	0	0
(III) Total				25,000	12,000	0	0	0	0	37,000	0	0
<i>(a) €25,000 as a director</i>												
<i>(b) €12,000 as a member of the Remuneration and Nomination Committee</i>												
<i>(c) the remuneration paid to the Director Alessandro Potestà is paid to the company Quaestio Capital Management SGR S.p.A.</i>												

Name and surname	Office	Period of office	Expiry of office	Fixed remuneration	Remuneration for attendance at Committee meetings	Variable remuneration (non equity)		Non-monetary benefits	Other remuneration	Total	Fair Value of equity remuneration	Allowance for end of office or termination of employment
						Bonus and other incentives	Profit sharing					
Cinzia Saleri	Director	1 Jan - 31 Dec 2024	Approval of 2026 financial statements									
(I) Remuneration at Sabaf S.p.A.				25,000 ^(a)	12,000 ^(b)	0	0	0	0	37,000	0	0
(II) Remuneration from subsidiaries and affiliates				0	0	0	0	0	0	0	0	0
(III) Total				25,000	12,000	0	0	0	0	37,000	0	0
<i>(A) €25,000 as a director</i>												
<i>(b) €12,000 as a member of the Remuneration and Nomination Committee</i>												
Laura Ciambellotti	Director	8 May - 31 Dec 2024	Approval of 2026 financial statements									
(I) Remuneration at Sabaf S.p.A.				25,000 ^(a)	28,000 ^(b)	0	0	0	0	53,000	0	0
(I) Remuneration from subsidiaries and affiliates				0	0	0	0	0	0	0	0	0
(III) Total				25,000	28,000	0	0	0	0	53,000	0	0
Francesca Michela Maurelli	Director	8 May - 31 Dec 2024	Approval of 2026 financial statements									

Name and surname	Office	Period of office	Expiry of office	Fixed remuneration	Remuneration for attendance at Committee meetings	Variable remuneration (non equity)			Total	Fair Value of equity remuneration	Allowance for end of office or termination of employment	
						Bonus and other incentives	Profit sharing	Non-monetary benefits				
(I) Remuneration at Sabaf S.p.A.				25,000 ^(a)	23,000 ^(b)	0	0	0	0	48,000	0	0
(I) Remuneration from subsidiaries and affiliates				0	0	0	0	0	0	0	0	0
(III) Total				25,000	23,000	0	0	0	0	48,000	0	0

(a) €25,000 as a director

(b) Of which €11,000 as a member of the Sustainability Committee and €12,000 as a member of the Remuneration and Nomination Committee

			Approval of 2026										
			financial statements										
Federica Menichetti	Director	8 May - 31 Dec 2024											
(I) Remuneration at Sabaf S.p.A.				25,000 ^(a)	21,000 ^(b)	0	0	10,000 ^(c)	0	56,000	0	0	
(I) Remuneration from subsidiaries and affiliates				0	0	0	0	2,500 ^(d)	0	2,500	0	0	
(III) Total				25,000	21,000	0	0	12,500	0	58,500	0	0	

			Approval of 2026										
			financial statements										
Daniela Toscani	Director	1 Jan - 31 Dec 2024											
(I) Remuneration at Sabaf S.p.A.				25,000 ^(a)	32,000 ^(b)	0	0	0	0	57,000	0	0	
(II) Remuneration from subsidiaries and affiliates				0	0	0	0	0	0	0	0	0	
(III) Total				25,000	32,000	0	0	0	0	57,000	0	0	

Name and surname	Office	Period of office	Expiry of office	Fixed remuneration	Remuneration for attendance at Committee meetings	Variable remuneration (non equity)			Total	Fair Value of equity remuneration	Allowance for end of office or termination of employment
						Bonus and other incentives	Profit sharing	Non-monetary benefits			
(a)	€25,000 as director's fee										
(b)	Of which €16,000 as a member of the Risk Committee and €16,000 as Chairman of the Remuneration and Nomination Committee										

Directors no longer in office during the year under review^(a)

Nicla Picchi	Vice Chairman	1 Jan - 8 May 2018	Approval of 2023 financial statements									
(I)	Remuneration at Sabaf S.p.A.			0	0	0	0	0	0	0	0	0
(II)	Remuneration from subsidiaries and affiliates			0	0	0	0	0	0	0	0	0
(III)	Total			0	0	0	0	0	0	0	0	0

Stefania Triva	Director	1 Jan - 8 May 2018	Approval of 2023 financial statements									
(I)	Remuneration at Sabaf S.p.A.			0	0	0	0	0	0	0	0	0
(II)	Remuneration from subsidiaries and affiliates			0	0	0	0	0	0	0	0	0
(III)	Total			0	0	0	0	0	0	0	0	0

Carlo Scarpa	Director	1 Jan - 8 May 2018	Approval of 2023 financial statements									
(I)	Remuneration at Sabaf S.p.A.			0	0	0	0	0	0	0	0	0
(II)	Remuneration from subsidiaries and affiliates			0	0	0	0	0	0	0	0	0

Name and surname	Office	Period of office	Expiry of office	Fixed remuneration	Remuneration for attendance at Committee meetings	Variable remuneration (non equity)			Total	Fair Value of equity remuneration	Allowance for end of office or termination of employment	
						Bonus and other incentives	Profit sharing	Non-monetary benefits				
						Other remuneration						
(III) Total				0	0	0	0	0	0	0	0	0

(a) With regard to the directors who have left office, the remuneration accrued in 2024 for the period during which they held office was paid in advance during the 2023 financial year.

Name and surname	Office	Period of office	Expiry of office	Fixed remuneration	Remuneration for attendance at Committee meetings	Variable remuneration (non equity)	Non-monetary benefits	Other remuneration	Total	Fair Value of equity remuneration	Allowance for end of office or termination of employment
Board of Statutory Auditors											
Alessandra Tronconi	Chairman	1 Jan - 31 Dec 2024	Approval of 2026 financial statements								
(I) Remuneration at Sabaf S.p.A.				37,552	0	0	0	0	37,552	0	0
(II) Remuneration from subsidiaries and affiliates				9,000	0	0	0	0	9,000	0	0
(III) Total				46,552	0	0	0	0	46,552	0	0
Mauro Giorgio Vivenzi	Standing Auditor	1 Jan - 31 Dec 2024	Approval of 2026 financial statements								
(I) Remuneration at Sabaf S.p.A.				24,500	0	0	0	0	24,500	0	0
(II) Remuneration from subsidiaries and affiliates				0	0	0	0	0	0	0	0
(III) Total				24,500	0	0	0	0	24,500	0	0
Maria Alessandra Zunino de Pignier	Statutory Auditor	1 Jan - 31 Dec 2024	Approval of 2026 financial statements								
(I) Remuneration at Sabaf S.p.A.				25,333	0	0	0	0	25,333	0	0
(II) Remuneration from subsidiaries and affiliates				0	0	0	0	0	0	0	0
(III) Total				25,333	0	0	0	0	25,333	0	0

Name and surname	Office	Period of office	Expiry of office	Fixed remuneration	Remuneration for attendance at Committee meetings	Variable remuneration (non equity)	Non-monetary benefits	Other remuneration	Total	Fair Value of equity remuneration	Allowance for end of office or termination of employment
<u>Other Executives with Strategic Responsibilities</u>											
Other Executives with Strategic Responsibilities (2)	1 Jan - 31 Dec 2024	n/a									
(I) Remuneration at Sabaf S.p.A.			317,268 ^(a)	0	36,462	0	11,581	0	365,311	60,754	0
(II) Remuneration from subsidiaries and affiliates			48,000	0	0	0	0	0	48,000	0	0
(III) Total			365,268	0	36,462	0	11,581	0	413,311	60,754	0

(a) remuneration including €37,743 related to Remuneration for non-competition agreement

C.3.2 TAB. 2 - Incentive plans based on financial instruments, other than stock options, for members of the board of directors, general managers and other Executives with Strategic Responsibilities

Name and surname	Office	Plan	Financial instruments assigned in previous financial years not vested during the financial year		Financial instruments assigned during financial year					Financial instruments vested during financial year and not assigned	Financial instruments vested during financial year and assigned	Financial instruments pertaining to the financial year	
			Number and type of financial instruments	Vesting period	Number and type of financial instruments	Fair Value at the assignment date	Vesting period	Assignment date	Market price on assignment	Number and type of financial instruments	Number and type of financial instruments	Value at vesting date	Fair Value
Pietro Iotti	Chief Executive Officer	2021 Stock Grants Plan (May 2021)	62,000 rights corresponding to 62,000 shares	3 years old	0	-	-	-	-	31,632 rights corresponding to 31,632 shares	30,368 rights corresponding to 30,368 shares	€ 525,913	-
		2024 Stock Grants Plan (June 2024)	0	-	63,000 rights corresponding to 63,000 shares	€ 558,180	3 years old	01/07/24	€16.60 / share	0	0	-	€ 119,610
Remuneration at Sabaf S.p.A.													
Gianluca Beschi	Director	2021 Stock Grants Plan (May 2021)	30,000 rights corresponding to 30,000 shares	3 years old	0	-	-	-	-	15,306 rights corresponding to 15,306 shares	14,694 rights corresponding to 14,694 shares	€ 254,471	-
		2024 Stock Grants Plan (June 2024)	0	-	30,000 rights corresponding to 30,000 shares	€ 265,800	3 years old	01/07/24	€16.60 / share	0	0	-	€ 56,957
Remuneration at Sabaf S.p.A.													

Name and surname	Office	Plan	Financial instruments assigned in previous financial years not vested during the financial year		Financial instruments assigned during financial year					Financial instruments vested during financial year and not assigned	Financial instruments vested during financial year and assigned	Financial instruments pertaining to the financial year	
			Number and type of financial instruments	Vesting period	Number and type of financial instruments	Fair Value at the assignment date	Vesting period	Assignment date	Market price on assignment	Number and type of financial instruments	Number and type of financial instruments	Value at vesting date	Fair Value
Other executives with strategic responsibilities (2)													
		2021 Stock Grants Plan (May 2021)	30,000 rights corresponding to 30,000 shares	3 years old	0	-	-	-	-	15,306 rights corresponding to 15,306 shares	14,694 rights corresponding to 14,694 shares	€ 254,471	-
Remuneration at Sabaf S.p.A.													
		2024 Stock Grants Plan (June 2024)	0	-	32,000 rights corresponding to 32,000 shares	€ 283,520	3 years old	01/07/24	€16.60 / share	0	0	-	€ 60,754
TOTAL						€ 1,107,500						€ 1,034,854	€ 60,754

C.3.3 TAB. 3 - Monetary incentive plans for members of the administration body and other Executives with Strategic Responsibilities

Name and surname	Office	Plan	Bonus for the year			Bonus of previous years			Other bonuses
			Payable / Paid	Deferred	Deferment period	No longer payable	Payable / Paid	Still deferred	
Pietro Iotti	Chief Executive Officer								
Remuneration at Sabaf S.p.A.		2023 MBO Plan (March 2024)	0	0		0	49,000	0	0
Remuneration at Sabaf S.p.A.		2024 MBO Plan (March 2025)	0	179,512	March 2025	0	0	0	0
Gianluca Beschi	Executive Director								
Remuneration at Sabaf S.p.A.		2023 MBO Plan (March 2024)	0	0		0	42,000	0	0
Remuneration at Sabaf S.p.A.		2024 MBO Plan (March 2025)	0	95,621	March 2025	0	0	0	0
Other executives with strategic responsibilities (2)									
Remuneration at Sabaf S.p.A.		2023 MBO Plan (March 2024)	0	0		0	36,462	0	0
Remuneration at Sabaf S.p.A.		2024 MBO Plan (March 2025)	0	80,400	March 2025	0	0	0	0
Total			0	355,533		0	127,462	0	0

C.3.4 TAB. 4 - Shareholdings of members of the administration and control bodies and other Executives with Strategic Responsibilities

Surname and Name	Office	Type of Ownership	Investee Company	No. shares held	No. shares acquired/allocated on the basis of the 2021-2023 incentive plan (TAB. 2)	No. shares sold	No. shares transferred	No. shares held
				at 31 December 2023				at 31 December 2024
Pietro Iotti	Chief Executive Officer	Indirect through the subsidiary Petrae S.r.l.	Sabaf S.p.A.	134,300	2,000	-	50,700	187,000
		Direct	Sabaf S.p.A.	73,210	32,018	-	-50,700	54,528
Daniela Toscani	Director	Indirect through spouse	Sabaf S.p.A.	2,419	-	-	-	2,419
		Direct	Sabaf S.p.A.	498	2,000	-	-	2,498
Claudio Bulgarelli	Director	Indirect through the company Fintel S.r.l.	Sabaf S.p.A.	898,722	-	-	-	898,722
		Direct	Sabaf S.p.A.	2,379	-	-	-	2,379
Cinzia Saleri	Director	Indirect through the company Cinzia Saleri S.a.p.a.	Sabaf S.p.A.	2,365,644	-	100,235	-	2,265,409
Mauro Giorgio Vivenzi	Statutory Auditor	Indirect through spouse	Sabaf S.p.A.	600	-	-	-	600
Gianluca Beschi	Director	Direct	Sabaf S.p.A.	20,916	14,694	-	-	35,610
Executives with Strategic Responsibilities		Direct	Sabaf S.p.A.	10,205	14,694	9,517	-	15,382

