



BRUNELLO CUCINELLI

BRUNELLO CUCINELLI S.P.A.

Registered office: Corciano (PG), fraz. Solomeo, Viale Parco dell'Industria 5, Italy

Fully paid-up share capital: €13,600,000

Tax code, VAT code and Perugia Companies Register no. 01886120540

R.E.A. no. 165936

Institutional website: www.brunellocucinelli.com

REPORT ON THE POLICY REGARDING REMUNERATION AND FEES PAID OF BRUNELLO CUCINELLI S.P.A. PURSUANT TO ARTICLE 123-TER OF LEGISLATIVE DECREE NO. 58/1998. APPROVED BY THE COMPANY'S BOARD OF DIRECTORS ON 11TH MARCH 2020

(COURTESY TRANSLATION FOR THE CONVENIENCE OF INTERNATIONAL READERS)

Introduction

In compliance with article 123-ter of Legislative Decree no. 58 of 24th February 1998 (the “TUF”) and article 84-quater of Consob Resolution no. 11971/99 (the “**Issuers’ Regulations**”), which require listed companies to prepare a report on the remuneration of the management and control bodies and make this available to the public, Brunello Cucinelli S.p.A. (the “**Issuer**” or the “**Company**”) has prepared this remuneration report (the “**Report**”) which was approved by the Remuneration Committee at the meeting of 10th March 2020, and the Board of Directors at the meetings held on 11th March 2020.

The Report is available to the public at the Issuer’s registered office and on its investor relations website (<http://investor.brunellocucinelli.com/en>).

The Report contains two separate sections: (i) one programmatic section dedicated to the illustration of the remuneration policy regarding the Directors and key executives, with reference to at least the following financial year, and the members of the Board of Statutory Auditors; in the first section are also illustrated the procedures used for adopting and implementing this policy; (ii) the other section describes the remuneration paid in the year ended on 31st December 2019 (the “**Year**”) to members of the Company’s management and control bodies and to key executives during the Year.

The Shareholders’ Meeting, pursuant to Article 123-ter, paragraph 3-ter, of the TUF, is called upon to adopt a resolution on the remuneration policy contained in the first section of the Report as provided for by Article 123-ter, paragraphs 3 and 3-bis of the TUF; this resolution is binding. Therefore, should the Shareholders’ Meeting fail to approve the remuneration policy submitted for voting pursuant to paragraph 3-ter of Article 123-ter of the TUF, the Company will continue to pay remuneration in accordance with the most recent remuneration policy approved by the Shareholders’ Meeting.

The Shareholders’ Meeting, pursuant of article 123-ter, paragraph 6, of the TUF, is also called upon to resolve in favor of or against the second section of the Report; such resolution, is not binding.

At the date of the Report, the Issuer’s executive directors are Cav. Lav. Brunello Cucinelli (Chairman of the Board of Directors and Managing Director), Moreno Ciarapica (CFO and manager charged of preparing the corporate accounting documents), Riccardo Stefanelli (Co-CEO) and Luca Lisandroni (Co-CEO).

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As of 31st December 2019, based upon the definition provided for in Consob Regulation no. 17221 of 12th March 2010 (“Regulation on Related Party Transactions”), the Issuer’s key executives coincide with the current executive Directors, and therefore, in addition to Cav. Lav. Brunello Cucinelli, they are Mr. Moreno Ciarapica, Mr. Riccardo Stefanelli and Mr. Luca Lisandroni.

For information about the program called "Generational Transition", approved by the Board of Directors of the Issuer at its meeting of 13th December 2013, which aims at facilitating the succession in positions of responsibility of the most important offices and departments that comprise the organizational structure of the Company, please refer to paragraph 4.1 of the Report on corporate governance and ownership structure drafted for the Year, available on the investor relations website of the Company (<http://investor.brunellocucinelli.com/en/governance/shareholders-meetings>).

The Issuer’s shares have been traded on the Electronic Stock Exchange (“**MTA**”) organized and managed by Borsa Italiana S.p.A. since 27th April 2012.

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SECTION I

a) Bodies or persons involved in preparing or approving the remuneration policy.

Establishing the Issuer's remuneration policy is the result of a process involving the shareholders' meeting (the "**Meeting**"), the Board of Directors (the "**Board**") and the Remuneration Committee (the "**Committee**") and the Board of Statutory Auditors.

The Meeting has responsibility for adopting resolutions on the remuneration due to the directors and statutory auditors. It adopts resolutions on the Report as specified in the Introduction. In particular, pursuant to art. 123-ter, paragraph 3-bis, TUF, the Issuer must submit the remuneration policy to the shareholders' vote at the frequency required by the duration of the policy itself, and in any case at least every three years or whenever the policy is amended. As per the aforementioned provision, the Issuer grants compensation only in accordance with the remuneration policy approved by the shareholders.

The Board set up internally the Committee made up of only independent directors. On the proposal of the Committee and after consulting with the Board of Statutory Auditors, the Board establishes the policy for remunerating directors and key executives as well as the Statutory Auditors (in compliance with the provisions of art. 123-ter, paragraph 3, TUF). The Board approves the Report.

The Committee carries out a regular assessment of the adequacy, overall consistency and practical application of the policy for remunerating directors and key executives; further, it may make proposals to the Board on the remuneration policy to be adopted.

The Committee (as indicated above) and the Board are responsible for the correct implementation of the remuneration policy.

b) The possible intervention of a remuneration committee or another committee having competence in this matter.

At its meeting on 20th April 2017 the Board appointed the Committee responsible for the functions as per article 6 of the Borsa Italiana S.p.A. Corporate Governance Code (the "**Code**") and confirmed in their office the Committee's members formerly elected in the meeting held on 23rd April 2014.

The Committee consists of three independent non-executive directors, Matteo Marzotto, the Committee's Chairman, Candice Koo and Andrea Pontremoli. All the Committee's members hold the independence requirements listed in article 3 of the Code in addition to the requirements listed in article 6 of the Code; on such confirmation, the Board

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assessed that the knowledge and experience of all the Committee's members in accounting and financial matters and in compensation matters was adequate; this assessment has been renewed annually with positive results.

The Committee remains in office until the approval of the Issuer's financial statements for the year ending 31st December 2019 and, therefore, until 23rd April 2020 (date on which the Shareholders' Meeting will be held to approve the financial statements for the year ended 31st December 2019).

The Committee met twice during the Year, on 14th March 2019 and on 7th May 2019. The meetings, chaired by Matteo Marzotto as Committee's Chairman and duly recorded in the minutes, lasted an average of 50 minutes. All Committee members attended the meetings, as well as, at the invitation of the Committee itself, the members of the Board of Statutory Auditors. The Committee was able to access information useful for performing its duties, together with the relevant corporate functions.

The Committee has no budget, nevertheless Company's financial resources, means and structures are at complete Committee's disposal for the pursuit of its institutional goals and in order to meet its operational needs, also where such needs include consultancy services from third parties, whose fees are borne by the Company.

In 2020, a meeting has already been held on 10th March.

c) Name of independent experts who may have been involved in preparing the remuneration policy

No independent experts were involved in preparing the Issuer's remuneration policy.

d) Objectives pursued with the remuneration policy, underlying principles and any changes in the remuneration policy compared to the previous financial year.

At the meeting held on 11th March 2020, the Board, upon proposal of the Committee, defined the remuneration policy for the financial year 2020 and for the financial years 2021 and 2022 (the "**Remuneration Policy**").

The Remuneration Policy, as approved by the Board and to be submitted to the Shareholders' Meeting scheduled for 23rd April 2020, is aimed at attracting, retaining and motivating people with the professional qualities needed to manage the Issuer and continue to manage it successfully. At the same time, the Issuer's Remuneration Policy pursues the priority objective of creating value for shareholders in the medium and long term, and social sustainability, in keeping with the guiding principles of the corporate philosophy.

The principle underlying the Issuer's Remuneration Policy is that of a fair remuneration, proportionate to the commitment required from the Directors, the key executives and the members of the Issuer's Board of Statutory Auditors.

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With specific regard to executive Directors, the Remuneration Policy is inspired by the following principles:

- a) the fixed component is predominant over the variable component of remuneration and must be established in such a way as to adequately remunerate the performance of the executive Directors even if the variable component is not paid due to the failure to achieve the objectives indicated by the Board;
- b) the variable component must be contained and must be paid within maximum limits;
- c) the variable component of the remuneration consists of an annual incentive and is linked to criteria established by the Board, after evaluation by the Committee;
- d) the objectives of economic performance and social sustainability to which the payment of the variable component is linked must be predetermined and linked to the purpose of creating value for shareholders, in compliance with the guiding principles of the corporate philosophy. The Board shall verify the achievement of these objectives, upon evaluation by the Committee;
- e) indemnities may be provided for early termination from the office of director or non-renewal;
- f) non-competition agreements may be signed;
- g) the variable component does not include share-based compensation plans.

With regard to key executives, the Remuneration Policy is inspired by the following principles:

- a) remuneration is primarily based on a fixed component;
- b) a variable component may be established, to the extent it is linked to the achievement of predetermined objectives, with reference to the performance of the Company (or the Group) or of the subsidiary from time to time relevant, as well as it is linked to the purpose of creating value for shareholders, in compliance with the guiding principles of the corporate philosophy. The Board verifies the achievement of these objectives after evaluation by the Committee;
- c) indemnities may be provided for early termination of employment (in addition to those provided for by law or by the applicable collective agreement);
- d) non-competition agreements may be signed;
- e) no share-based remuneration plans are envisaged.

With regard to non-executive Directors and Statutory Auditors, the Remuneration Policy provides that the remuneration shall be exclusively fixed.

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Compared to previous years, the Remuneration Policy, as approved by the Board of Directors in the meeting held on 11th March 2020 and contained in the first section of this Report, provides for the possibility of a variable component of the remuneration for executive Directors and key executives.

e) Description of policies on the fixed and variable components of remuneration.

The Issuer's remuneration policy valid for the 2019 financial year provided only for a fixed component in the remuneration of directors and key executives, save for the executive Director Luca Lisandroni, entitled also to a variable component.

The Remuneration Policy introduces the variable component, providing for a different remuneration structure depending to whether it refers to executive Directors, non-executive or independent Directors, key executives or members of the Board of Statutory Auditors.

In particular, the remuneration structure is determined as follows:

Executive Directors

The remuneration of executive directors consists of: (a) a fixed component equal to at least 65% of the total remuneration and, in any case, adequate with respect to the powers and strategic responsibilities assigned; (b) a variable component defined within predetermined limits. The fixed component consists of the annual compensation pursuant to article 2389, paragraph 3, of the Italian Civil Code or the gross annual remuneration, where there is an employment relationship between the executive Director and the Company.

The fixed and variable components shall be differently arranged, also in order to ensure the social sustainability of the company's results and the creation of value for the shareholders, in compliance with the guiding principles of the corporate philosophy.

The objectives related to variable remuneration are pre-determined and defined in such a way as to ensure the remuneration of the performances based on: (i) quantitative annual results of an economic nature achieved by the Group (mainly including the Group's consolidated EBITDA); and (ii) qualitative objectives linked to social sustainability.

The variable remuneration shall be in such a way as to ensure that the portion of variable remuneration arising out of the achievement of the objectives set from time to time does not exceed, even in the case of over-performance, 35% of the

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total remuneration. The variable remuneration shall be paid at the end of the financial year to which the quantitative results refer or after verification of the achievement of the qualitative objectives linked to social sustainability.

The Remuneration Policy does not provide for executive Directors to receive incentive plans based on financial instruments pursuant to art. 114-bis of the TUF.

The benefits due to the executive Directors are defined in line with the practices of the reference remuneration markets and consistent with the regulations in force from time to time.

The Remuneration Policy provides that the executive Directors shall not be entitled to further compensations for positions as directors of Issuer's subsidiaries.

Non-executive Directors, Independent Directors and Chairman of the Board of Directors

The remuneration of non-executive Directors and/or independent Directors is determined on a fixed basis and is proportionate to the commitment required, also in relation to participation in Board Committees (in which case the role of Chairman of the Committee shall be valued). The remuneration of these Directors shall not be linked either to economic results or to specific Company objectives.

The remuneration of the Chairman of the Board of Directors is fixed in proportion to the responsibilities connected with the office and the commitment required. This compensation is in addition to the additional compensation payable to the Chairman of the Board of Directors for the other duties assigned to him.

Key executives

The Remuneration Policy provides that the remuneration paid is structured in such a way as to attract and retain highly qualified managers.

The remuneration primarily consists of a fixed component that is coherent with those remunerations which the Company considers to be in line with the reference market; it must adequately remunerate the commitment and activity provided by managers on an ongoing basis.

In addition, it may be provided a variable component, normally not exceeding 50% of the fixed remuneration, linked to the achievement of predetermined objectives with reference to the performance of the Group or the subsidiary from time to time relevant. The variable component for those who are entitled must be aimed at achieving quantitative annual results of an economic nature (including EBITDA and turnover), as well as qualitative objectives of strategic importance (with particular regard to those linked to social sustainability).

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The variable component must be paid at the end of the reference period to which the quantitative results refer or after assessment of the achievement of qualitative objectives.

The review of remuneration depends on the level of responsibility and competence of key executives.

The Remuneration Policy does not provide that key executives are beneficiaries of incentive plans based on financial instruments pursuant to Article 114-bis of the TUF.

The benefits due to the key executives are defined in line with the practices of the reference remuneration markets and consistent with the regulations in force from time to time.

The Remuneration Policy provides that the key executives shall not be entitled to further compensations for positions as directors of Issuer's subsidiaries..

f) Policy followed with regard to non-monetary benefits.

The Issuer's Remuneration Policy accepts the payment of non-monetary benefits to executive Directors or key executives in line with the practice, provided that they are consistent with the role held. Non-monetary benefits include healthcare coverage and the use of car.

g) Description of the performance objectives underlying the granting of the variable components.

Reference is made to item e).

No incentive mechanisms have been provided for the positions of head of the Internal Auditing Department and manager charged of preparing the corporate accounting documents.

h) Criteria utilized for assessing the performance objectives underlying the granting of shares, options, other financial instruments or other variable components of remuneration.

As mentioned above, under no circumstances, it is allowed the granting of shares, options or other financial instruments.

With regard to the variable component introduced by the Remuneration Policy, the assessment of the quantitative and qualitative objectives shall be based on criteria that reflect the creation of value for shareholders over the medium-long term and the social sustainability of the business results, in accordance with the guiding principles of the corporate philosophy.

i) Information designed to show the consistency of the remuneration policy with the pursuit of the company's long-term interests.

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The Issuer's Board of Directors believes that the Remuneration Policy is consistent with the pursuit of the Issuer's commercial and financial objectives in the medium-long term, as well as the creation of value.

In particular, the Board believes that a moderate recourse to variable remuneration instruments is more compatible with the principle of a healthy and prudent management of the Issuer. Although the variable remuneration consists of an annual incentive, this shall have a limited weight on the overall remuneration and in any case its payment also depends on the achievement of objectives of social sustainability of the Company's results.

j) Vesting periods and any deferred payment schemes.

No vesting periods for remuneration are set.

k) Information on any clauses requiring the holding of financial instruments after acquisition.

There are no clauses regarding the holding of financial instruments.

l) Policy relating to the treatment envisaged if a position is no longer held or on termination of the employment relationship.

As of the Report's date, no policies have been adopted regarding the treatment envisaged on the termination of the employment relationship with directors and key executives or if they no longer hold their position.

m) Information on any non-compulsory insurance, welfare or pension coverage.

The Directors Moreno Ciarapica and Luca Lisandroni are members of the "Previnda" fund as far as non-compulsory welfare coverage is concerned. This fund provides for a monthly payment of a sum of money designed to supplement the employees' leaving entitlement (the Italian *trattamento di fine rapporto*). The Issuer pays 50% of this amount (included in the non-monetary benefits' calculation as shown in Table 1).

The Issuer has taken out an insurance to cover the civil liability of directors, including independent directors, the statutory auditors and the other corporate bodies of the Issuer and its subsidiaries.

n) Any remuneration policy followed with regard to independent directors, membership of committees and the performance of specific duties.

The Issuer's remuneration policies with regard to the independent directors, the membership of committees and the performance of specific duties are considered at item "e)" of this Report, to which reference should be made.

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o) Any other companies used as a reference for establishing the remuneration policy.

For the purposes of the Issuer's Remuneration Policy, the remuneration policies of other companies in the sector in which the Issuer operates have been examined. Yet, the Issuer's Remuneration Policy is peculiar and different from the remuneration policies examined, due to the absence of medium-long term incentive plans as well as share-based remuneration plans.

SECTION II

This section consists of two different parts and sets out details on a name basis of the remuneration paid to members of the management body (including the key executives) and the control body.

Part one

Description of the items making up the remuneration of the members of the management and control bodies.

- The statutory auditors received a fixed compensation as resolved by the Shareholders' Meeting, in addition to a refund of the expenses incurred for the performance of their duties.
- The Chairman of the Board of Directors received a fixed amount as annual remuneration as resolved by the Board of Directors.
- The Managing Director received a fixed amount as annual remuneration as resolved by the Board of Directors.
- The independent directors received a fixed amount as annual remuneration as resolved by Shareholders' Meeting, in addition to a refund of the expenses incurred for the performance of their duties.
- The non-independent directors who are also executives received a fixed annual remuneration as employees of the Issuer (except as provided herein below).
- The Directors received a Board of Directors' attendance fee.
- The chairmen and other members of the Remuneration Committee and the Control and Risks Committee received a fixed amount as annual remuneration as resolved by the Board of Directors.

During the Year 2019, Director Luca Lisandrone received variable compensation; further, bonuses have been paid in favor of Directors Riccardo Stefanelli e Luca Lisandrone (in addition to their fixed executive salary).

The Issuer has no incentive plans based on financial instruments.

As of the date of this Report, the Issuer does not have a policy which governs any indemnity which might be payable to directors and key executives in the event of the early termination of the employment relationship.

Part two

Details of the remuneration paid by the Issuer during the Year 2019 to members of the management and control bodies and key executives are provided in the attached tables.

Details of investments in the Issuer's share capital held by members of the management and control bodies and key executives are also provided.

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Table 1 – Remuneration paid to members of the management and control bodies and to key executives.

(in thousands of Euro)

| (A) | (B) | (C) | (D) | 1 | 2 | 3 | | 4 | 5 | 6 | 7 | 8 |
|--|---|--|---|--------------------|---|----------------------------------|----------------|-----------------------|--------------------|-------|-----------------------------------|---------------------------|
| First and last name | Position | Period for which the position was held | Expiry date of the position | Fixed remuneration | Remuneration for membership of committees | Variable non-equity remuneration | | Non-monetary benefits | Other remuneration | Total | Fair value of equity remuneration | Total severance indemnity |
| | | | | | | Bonus and other incentives | Profit-sharing | | | | | |
| Brunello Cucinelli (1) | Chairman of the Board and Managing Director | 01/01 – 31/12/2019 | The date of the shareholders' meeting approving the financial statements for the year ending 31/12/2019 | | | | | | | | | |
| (I) Remuneration in the company preparing the financial statements | | | | 802.4 | - | - | - | - | - | 802.4 | - | - |
| (II) Remuneration from subsidiaries and associates | | | | - | - | - | - | - | - | - | - | - |
| (III) Total | | | | 802.4 | - | - | - | - | - | 802.4 | - | - |
| Luca Lisandrone (2) | Director | 01/01 – 31/12/2019 | The date of the shareholders' meeting approving the financial statements for the year ending 31/12/2019 | | | | | | | | | |
| (I) Remuneration in the company preparing the financial statements | | | | 398.1 | - | 300 | - | 9.5 | - | 707.6 | - | - |
| (II) Remuneration from subsidiaries and associates | | | | - | - | - | - | - | - | - | - | - |
| (III) Total | | | | 398.1 | - | 300 | - | 9.5 | - | 707.6 | - | - |
| Riccardo Stefanelli (3) | Director | 01/01 – 31/12/2019 | The date of the shareholders' meeting approving the financial statements for the year ending 31/12/2019 | | | | | | | | | |
| (I) Remuneration in the company preparing the financial statements | | | | 394.5 | - | 300 | - | - | - | 694.5 | - | - |
| (II) Remuneration from subsidiaries and associates | | | | - | - | - | - | - | - | - | - | - |
| (III) Total | | | | 394.5 | - | 300 | - | - | - | 694.5 | - | - |

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| (A) | (B) | (C) | (D) | 1 | 2 | 3 | | 4 | 5 | 6 | 7 | 8 |
|--|----------|--|---|--------------------|---|----------------------------------|----------------|-----------------------|--------------------|-------|-----------------------------------|---------------------------|
| First and last name | Position | Period for which the position was held | Expiry date of the position | Fixed remuneration | Remuneration for membership of committees | Variable non-equity remuneration | | Non-monetary benefits | Other remuneration | Total | Fair value of equity remuneration | Total severance indemnity |
| | | | | | | Bonus and other incentives | Profit-sharing | | | | | |
| Moreno Ciarapica (4) | Director | 01/01 – 31/12/2019 | The date of the shareholders' meeting approving the financial statements for the year ending 31/12/2019 | | | | | | | | | |
| (I) Remuneration in the company preparing the financial statements | | | | 341.4 | - | - | - | 6 | - | 347.4 | - | - |
| (II) Remuneration from subsidiaries and associates | | | | - | - | - | - | - | - | - | - | - |
| (III) Total | | | | 341.4 | - | - | - | 6 | - | 347.4 | - | - |
| Camilla Cucinelli (5) | Director | 01/01 – 31/12/2019 | The date of the shareholders' meeting approving the financial statements for the year ending 31/12/2019 | | | | | | | | | |
| (I) Remuneration in the company preparing the financial statements | | | | 242.7 | - | - | - | - | - | 242.7 | - | - |
| (II) Remuneration from subsidiaries and associates | | | | - | - | - | - | - | - | - | - | - |
| (III) Total | | | | 242.7 | - | - | - | - | - | 242.7 | - | - |
| Giovanna Manfredi (6) | Director | 01/01 – 31/12/2019 | The date of the shareholders' meeting approving the financial statements for the year ending 31/12/2019 | | | | | | | | | |
| (I) Remuneration in the company preparing the financial statements | | | | 344.8 | - | - | - | - | - | 344.8 | - | - |
| (II) Remuneration from subsidiaries and associates | | | | - | - | - | - | - | - | - | - | - |
| (III) Total | | | | 344.8 | - | - | - | - | - | 344.8 | - | - |
| Carolina Cucinelli (7) | Director | 01/01– 31/12/2019 | The date of the shareholders' meeting approving the financial statements for the year ending 31/12/2019 | | | | | | | | | |

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| (A) | (B) | (C) | (D) | 1 | 2 | 3 | | 4 | 5 | 6 | 7 | 8 |
|--|----------|--|---|--------------------|---|----------------------------------|----------------|-----------------------|--------------------|-------|-----------------------------------|---------------------------|
| First and last name | Position | Period for which the position was held | Expiry date of the position | Fixed remuneration | Remuneration for membership of committees | Variable non-equity remuneration | | Non-monetary benefits | Other remuneration | Total | Fair value of equity remuneration | Total severance indemnity |
| | | | | | | Bonus and other incentives | Profit-sharing | | | | | |
| (I) Remuneration in the company preparing the financial statements | | | | 50.8 | - | | | | - | 50.8 | - | - |
| (II) Remuneration from subsidiaries and associates | | | | - | - | - | - | - | - | - | - | - |
| (III) Total | | | | 50.8 | - | - | - | - | - | 50.8 | - | - |
| Andrea Pontremoli (8) | Director | 01/01/ – 31/12/2019 | The date of the shareholders' meeting approving the financial statements for the year ending 31/12/2019 | | | | | | | | | |
| (I) Remuneration in the company preparing the financial statements | | | | 27.8 | 17.5 | - | - | - | - | 45.3 | - | - |
| (II) Remuneration from subsidiaries and associates | | | | - | - | - | - | - | - | - | - | - |
| (III) Total | | | | 27.8 | 17.5 | - | - | - | - | 45.3 | - | - |
| Matteo Marzotto (9) | Director | 01/01 – 31/12/2019 | The date of the shareholders' meeting approving the financial statements for the year ending 31/12/2019 | | | | | | | | | |
| (I) Remuneration in the company preparing the financial statements | | | | 27.4 | 10 | - | - | - | - | 37.4 | - | - |
| (II) Remuneration from subsidiaries and associates | | | | - | - | - | - | - | - | - | - | - |
| (III) Total | | | | 27.4 | 10 | - | - | - | - | 37.4 | - | - |
| Candice Koo (10) | Director | 01/01 – 31/12/2019 | The date of the shareholders' meeting approving the financial statements for the year ending 31/12/2019 | | | | | | | | | |
| (I) Remuneration in the company preparing the financial statements | | | | 43.2 | 2.5 | - | - | - | - | 45.7 | - | - |
| (II) Remuneration from subsidiaries and associates | | | | - | - | - | - | - | - | - | - | - |
| (III) Total | | | | 43.2 | 2.5 | - | - | - | - | 45.7 | - | - |

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| (A) | (B) | (C) | (D) | 1 | 2 | 3 | | 4 | 5 | 6 | 7 | 8 |
|--|---|--|---|--------------------|---|----------------------------------|----------------|-----------------------|--------------------|-------|-----------------------------------|---------------------------|
| First and last name | Position | Period for which the position was held | Expiry date of the position | Fixed remuneration | Remuneration for membership of committees | Variable non-equity remuneration | | Non-monetary benefits | Other remuneration | Total | Fair value of equity remuneration | Total severance indemnity |
| | | | | | | Bonus and other incentives | Profit-sharing | | | | | |
| Massimo Bergami (11) | Director | 01/01 – 31/12/2019 | The date of the shareholders' meeting approving the financial statements for the year ending 31/12/2019 | | | | | | | | | |
| (I) Remuneration in the company preparing the financial statements | | | | 27.8 | 5 | - | - | - | - | 32.8 | - | - |
| (II) Remuneration from subsidiaries and associates | | | | - | - | - | - | - | - | - | - | - |
| (III) Total | | | | 27.8 | 5 | - | - | - | - | 32.8 | - | - |
| Paolo Prandi (12) | Chairman of the Board of Statutory Auditors | 01/01 – 31/12/2019 | The date of the shareholders' meeting approving the financial statements for the year ending 31/12/2019 | | | | | | | | | |
| (I) Remuneration in the company preparing the financial statements | | | | 59.5 | | - | - | - | - | 59.5 | - | - |
| (II) Remuneration from subsidiaries and associates | | | | - | - | - | - | - | - | - | - | - |
| (III) Total | | | | 59.5 | | - | - | - | - | 59.5 | - | - |
| Gerardo Longobardi (13) | Standing auditor | 01/01 – 31/12/2019 | The date of the shareholders' meeting approving the financial statements for the year ending 31/12/2019 | | | | | | | | | |
| (I) Remuneration in the company preparing the financial statements | | | | 45.5 | - | - | - | - | - | 45.5 | - | - |
| (II) Remuneration from subsidiaries and associates | | | | - | - | - | - | - | - | - | - | - |
| (III) Total | | | | 45.5 | - | - | - | - | - | 45.5 | - | - |
| Alessandra Stabilini (14) | Standing auditor | 01/01 – 31/12/2019 | The date of the shareholders' meeting approving the financial statements for the year ending 31/12/2019 | | | | | | | | | |

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| (A) | (B) | (C) | (D) | 1 | 2 | 3 | | 4 | 5 | 6 | 7 | 8 |
|--|-------------|--|-----------------------------|--------------------|---|----------------------------------|----------------|-----------------------|--------------------|-------|-----------------------------------|---------------------------|
| First and last name | Position | Period for which the position was held | Expiry date of the position | Fixed remuneration | Remuneration for membership of committees | Variable non-equity remuneration | | Non-monetary benefits | Other remuneration | Total | Fair value of equity remuneration | Total severance indemnity |
| | | | | | | Bonus and other incentives | Profit-sharing | | | | | |
| (I) Remuneration in the company preparing the financial statements | | | | 45.5 | - | - | - | - | - | 45.5 | - | - |
| (II) Remuneration from subsidiaries and associates | | | | - | - | - | - | - | - | - | - | - |
| (III) Total | | | | 45.5 | - | - | - | - | - | 45.5 | - | - |
| Key executives (15) | See note 15 | See note 15 | See note 15 | | | | | | | | | |
| (I) Remuneration in the company preparing the financial statements | | | | - | - | - | - | - | - | - | - | - |
| (II) Remuneration from subsidiaries and associates | | | | - | - | - | - | - | - | - | - | - |
| (III) Total | | | | - | - | - | - | - | - | - | - | - |

Notes:

DATES ARE IN THE FOLLOWING FORMAT: DD/MM/YYYY

(1) The remuneration of Brunello Cucinelli consists of € 50,000 as Chairman of the Board of Directors, € 750,000 as Managing Director and € 2,400 for attendance at board meetings (6 attendance fees of € 400 each).

(2) The remuneration of Luca Lisandrone consists of € 395,659.87 as Issuer's executive fixed salary, additional € 100,000 as a bonus due under the employment relationship, € 200,000 as a variable remuneration and € 2,400 for attendance at board meetings (6 attendance fees of € 400 each), plus € 9,558.69 as non-monetary benefits shown in Section I, items "f" and "m", of the Report. Mr. Lisandrone has waived any specific remuneration as Director.

(3) The remuneration of Riccardo Stefanelli consists of € 391,704.04 as Issuer's executive fixed salary, additional € 300,000 as a bonus due under the employment relationship and € 2,800 for attendance at board meetings (7 attendance fees of € 400 each). Mr. Stefanelli has waived any specific remuneration as Director.

(4) The remuneration of Moreno Ciarapica consists of € 338,616.60 as Issuer's executive fixed salary and € 2,800 for attendance at board meetings (7 attendance fees of € 400 each), plus € 6,000 as non-monetary benefits shown in Section I, item "m", of the Report. Mr. Ciarapica has waived any specific remuneration as Director.

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- (5) The remuneration of Camilla Cucinelli consists of € 241,132.59 as Issuer's executive fixed salary and € 1,600 for attendance at board meetings (4 attendance fees of € 400 each). Mrs. Cucinelli has waived any specific remuneration as Director.
- (6) The remuneration of Giovanna Manfredi consists of € 342,403.43 as Issuer's executive fixed salary and € 2,400 for attendance at board meetings (6 attendance fees of € 400 each). Mrs. Manfredi has waived any specific remuneration as Director.
- (7) The remuneration of Carolina Cucinelli consists of € 48,796.40 as Issuer's employee fixed salary and € 2,000 for attendance at board meetings (5 attendance fees of € 400 each). Mrs. Cucinelli has waived any specific remuneration as Director.
- (8) The remuneration of Andrea Pontremoli consists of € 25,000 as Director, € 15,000 as Chairman of the Control and Risks Committee, € 2,500 as a member of the Remuneration Committee, and € 2,800 for attendance at board meetings (7 attendance fees of € 400 each).
- (9) The remuneration of Matteo Marzotto consists of € 25,000 as Director, € 5,000 as Chairman of the Remuneration Committee, € 5,000 as a member of the Control and Risks Committee and € 2,400 for attendance at board meetings (6 attendance fees of € 400 each).
- (10) The remuneration of Candice Koo consists of € 25,000 as Director, € 2,500 as a member of the Remuneration Committee, € 2,800 for attendance at board meetings (7 attendance fees of € 400 each) and € 15,469.52 as a refund of the expenses incurred for the performance of her duties.
- (11) The remuneration of Massimo Bergami consists of € 25,000 as Director, € 5,000 as a member of the Control and Risks Committee, and € 2,800 for attendance at board meetings (7 attendance fees of € 400 each).
- (12) The remuneration of Paolo Prandi as Chairman of the Board of Statutory Auditors, as approved by the Shareholders' Meeting for the reference year, amounts to € 59,530. The refund of the expenses incurred for the performance of his duties amounts to € 8,663.36.
- (13) The remuneration of Gerardo Longobardi as standing member of the Board of Statutory Auditors, as approved by the Shareholders' Meeting for the reference year, amounts to € 45,553. The refund of the expenses incurred for the performance of his duties amounts to € 4,406.62.
- (14) The remuneration of Alessandra Stabilini as standing member of the Board of Statutory Auditors, as approved by the Shareholders' meeting for the reference year, amounts to € 45,553. The refund of the expenses incurred for the performance of her duties amounts to € 1,278.06.
- (15) The three key executives, Moreno Ciarapica, Riccardo Stefanelli and Luca Lisandrone, are also Directors of the Issuer. Information on their remuneration is contained in the respective items in the Table 1.

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Table 2 - Shareholdings held by members of the management and control bodies and by key executives.

| FIRST AND LAST NAME | POSITION | COMPANY IN WHICH SHAREHOLDING IS HELD | SHARES OWNED AT THE END OF THE PREVIOUS YEAR | NUMBER OF SHARES PURCHASED | NUMBER OF SHARES SOLD | SHARES OWNED AT THE END OF THE CURRENT YEAR |
|---------------------|----------------------------|---------------------------------------|--|----------------------------|-----------------------|---|
| Moreno Ciarapica | Director and key executive | Brunello Cucinelli S.p.A. | 40,800 | 0 | 17,000 | 23,800 |
| Giovanna Manfredi | Director | Brunello Cucinelli S.p.A. | 1,156,100 | 0 | 0 | 1,156,100 |

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