



BRUNELLO CUCINELLI

BRUNELLO CUCINELLI S.P.A.

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

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

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R.E.A. no. 165936

Institutional website: www.brunellocucinelli.it

REPORT ON THE REMUNERATION POLICY AND COMPENSATION PAID BY BRUNELLO CUCINELLI S.P.A. PREPARED PURSUANT TO ART. 123-TER OF THE ITALIAN LEGISLATIVE DECREE NO. 58/1998. APPROVED BY THE BOARD OF DIRECTORS OF THE COMPANY AT THE MEETING OF MARCH 14, 2024.

Letter from the Chairman of the Remuneration and Appointments Committee.

Dear Shareholders,

on behalf of the Remuneration and Appointments Committee and the Board of Directors, I am pleased to present you the Annual Report on Remuneration Policy and Compensation Paid of Brunello Cucinelli S.p.A.

The purpose of this document is to transparently illustrate to all stakeholders the components of the remuneration policy for the year 2024 and the results of its application for the year 2023.

The policy was revised in terms of content structure and related disclosure, consistent with market best practices. The Company's recent entry into the FTSE-MIB segment and the challenges of the international socio-economic environment inspired the main changes, thus aiming for greater flexibility and adaptability to market dynamics and medium- and long-term corporate objectives.

The main innovations include an annual rather than three-year duration of the compensation policy, a more flexible structure of the reward component to allow for greater customization based on performance, a clearer representation of the alignment between compensation and contributions made to business success, and greater evidence of the link between ESG objectives and the variable component. These changes are designed to ensure that our compensation policy remains relevant, supporting the Company's evolution and growth in the present and future environment. We believe that the tools outlined in the remuneration policy contribute to the pursuit of the Company's strategic objectives in a sustainable manner and consistent with the Company's principles and values, over a medium- to long-term horizon, taking into account risks and uncertainties related to the geopolitical and climate change environment.

I trust that the efforts made by the Committee with the structure and the choices made in continuity with the remuneration policy approved at the last Shareholders' Meeting can be understood and appreciated, with the support that will be given to the proposed Remuneration Policy for 2024.

I sincerely thank Directors Chiara Dorigotti and Ramin Arani whose experience and professionalism have made valuable contributions to the work of the Committee.

Cordially,

Emanuela Bonadiman

Chairman of the Remuneration and Appointments Committee of Brunello Cucinelli

Foreword

In compliance with Article 123-ter of the Italian Legislative Decree No. 58 of 24 February, 1998, as subsequently amended and supplemented ("**TUF**"), as well as Article 84-quater of Consob Resolution No. 11971/99, as subsequently amended and supplemented ("**Issuers' Regulations**"), which require listed companies to prepare and make available to the public a report on the remuneration of the administration and control bodies, the company Brunello Cucinelli S.p.A. (the "**Issuer**" or the "**Company**") has drawn up this report on the remuneration policy and fees paid (the "**Report**"), which was approved by the Remuneration and Appointments Committee (the "**Committee**") in the meeting held on March 13th, 2024 and by the Board of Directors (the "**Board**") at its meeting on March 14th, 2024.

The Report is made available to the public at the Issuer's registered office and on its *investor relations website* <http://investor.brunellocucinelli.com/en> in the section on the 2024 Shareholders' Meeting.

The Report has been prepared in accordance with the provisions of Schedule no. 7-bis of Annex 3A of the Issuers' Regulations.

The Report is divided into two sections:

- (i) the first, programmatic, dedicated to the description of the policy on the remuneration of Directors, key executives and members of the control body; it also describes the procedures used to adopt and implement the remuneration policy. This section of the Report is submitted to the Shareholders who, pursuant to Article 123-ter, paragraph 3-ter, of the TUF, approve it with a binding resolution;
- (ii) the second, describing the compensation paid in the financial year ended on December 31st, 2023 (the "**Year**") to the members of the management and control bodies and to key executives. The Shareholders' Meeting shall resolve in favour or against the second section of the Report; the resolution is not binding.

It should be noted that on April 27th, 2022, the Shareholders' Meeting, pursuant to Article 123-ter, paragraph 3-ter, of the TUF, approved, with a binding resolution, the remuneration policy contained in the first section of the Report provided for by Article 123-ter, paragraphs 3 and 3-bis, of the TUF (the "**Remuneration Policy**"), with reference to the financial years 2022, 2023 and 2024.

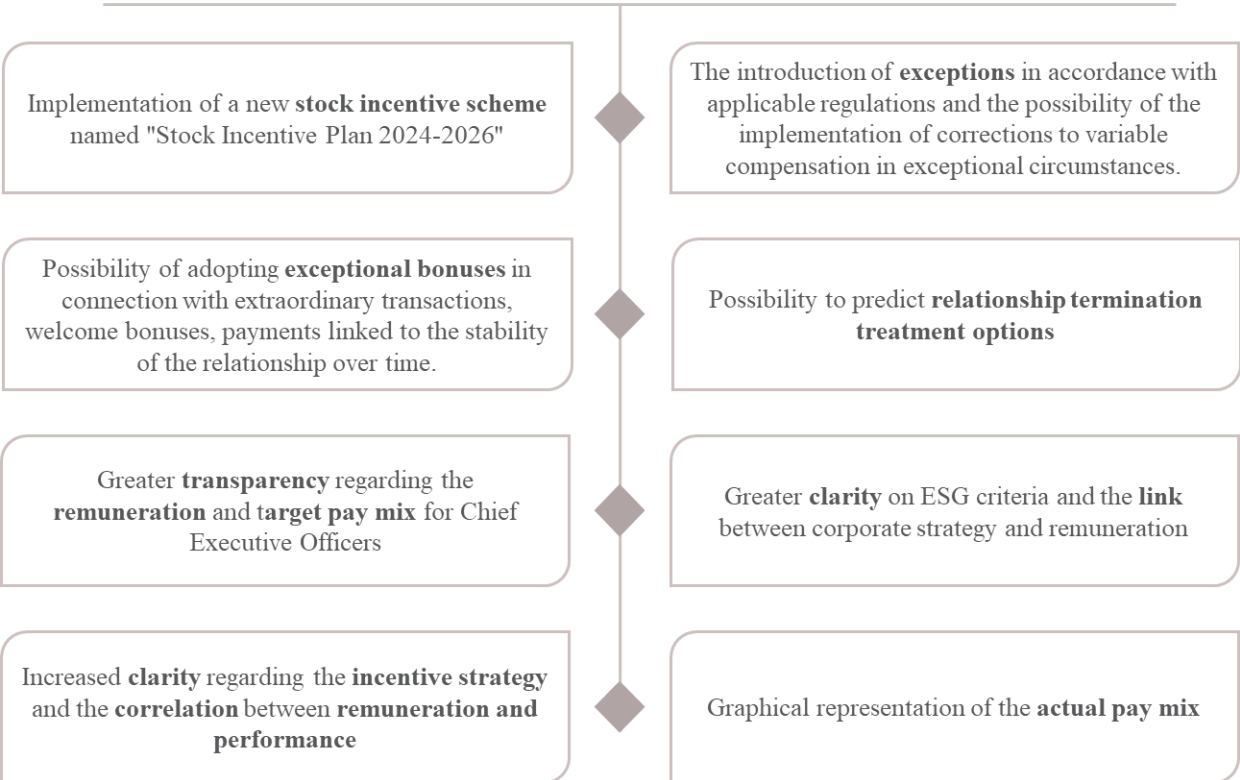
The Board of Directors (the "**Board**"), through the Committee, constantly monitors, with the support of qualified independent external consultants, market practices and benchmarks with reference peer groups, both in terms of pay-mix and remuneration levels, in order to assess the adequacy, from time to time, of the Remuneration Policy to effectively pursue the objectives that the Company has set itself of attracting and enhancing skills and experience and of adequately remunerating management according to the role and relative responsibilities, as well as the management complexity, and more generally and also in perspective, the size of the Company and of the Group ("the **Group**").

Consistently with these purposes, the Committee assessed the evolutions related, on the one hand, to the Company's stock entry, with effect from December 18th, 2023, in the FTSE-MIB segment, the main index of the Italian Stock Exchange organised and managed by Borsa Italiana S.p.A., with a capitalisation at the time of €5.7 billion, and, on the other hand, the complexities of the current international socio-economic context, influenced by exogenous factors that could have particularly intense distorting effects (such as, for example, the conflicts affecting Eastern Europe and the Middle East and their repercussions on the market, price dynamics and the monetary policy adopted by the regulatory authorities). These developments inevitably led to an in-depth review of the adequacy of the remuneration policy adopted in 2022.

In this context, on 14 March 14th, 2024, the Board resolved to submit to the approval of the Shareholders' Meeting, in the manner and within the limits imposed by applicable laws and regulations, a new Remuneration Policy for the financial year 2024 only, which therefore goes beyond the three-year horizon previously adopted, in favour of an annual horizon considered more functional to ensure the necessary flexibility that the historical, social and economic context requires in order to pursue, also through the remuneration of the top management, the objectives and mission of the Company and the Group.

In particular, the main changes in this Report are shown in the following table:

KEY CHANGES TO BRUNELLO CUCINELLI'S REPORT ON THE REMUNERATION POLICY AND COMPENSATION PAID



As of the date of the Report, the Issuer's executive directors are Cav. Lav. Brunello Cucinelli (Chairman of the Board with executive functions), Riccardo Stefanelli (Managing Director and CEO) and Luca Lisandrone (Managing Director and CEO), as well as, in accordance with the Board resolution of March 14th, 2024, Camilla Cucinelli and Carolina Cucinelli, to whom the Board has granted powers in the matters of product, image and communication.

It should be noted that the Remuneration Policy in the first section of this Report provides for variable remuneration instruments for managing directors only and not also for other executive directors.

As of December 31st, 2023, the Chief Financial Officer and the Co-Chief Financial Officer had been identified as key executives of the Issuer, based on the definition of them in Consob Regulation No. 17221 of March 12, 2010, as subsequently amended (“**Regulation on Related Party Transaction**”).

With the approval of this report, on March 14th, 2024, the Board of Directors also identified the following individuals as Key Executives of the Issuer: Chief Production Officer; Head of Communication and Strategic Marketing; Chief

Facilities & Real Estate Officer; General Counsel.

It should be noted that the Issuer's shares are traded on Euronext Milan, FTSE-MIB segment, organized and managed by Borsa Italiana S.p.A.

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SECTION I: REMUNERATION POLICY.

A. BODIES OR INDIVIDUALS INVOLVED IN THE PREPARATION AND APPROVAL OF THE REMUNERATION POLICY.

The definition of the Issuer's remuneration policy is the result of a process involving the Shareholders' Meeting, the Board, the Committee and the Board of Statutory Auditors.

The functions reserved for each subject involved in remuneration matters are briefly described below.

The Shareholders' Meeting:

- Is competent to decide on the remuneration of Directors and Auditors;
- Resolves on the report on the remuneration policy and fees paid to the members of the Board, the Board of Statutory Auditors and other key executives as defined by the Board, on the proposal of the Committee;
- Pursuant to Article 123-ter, paragraph 3-bis, of the TUF, it approves the remuneration policy with the frequency required by the duration of the policy itself, and, in any case, at least every three years or when the policy is amended. As clarified in the introduction, pursuant to Article 123-ter of the TUF, while the resolution concerning the first section of the Report is binding, the resolution concerning the second section of the Report is non-binding. As provided by the aforementioned provision, the Issuer grants compensation only in accordance with the remuneration policy approved by the Shareholders' Meeting;
- Resolves on incentive plans based on financial instruments designed to directors, employees and collaborators, including key executives, pursuant to Article 114-bis of the TUF.

The Board of Directors:

- in accordance with the recommendations of the Corporate Governance Code issued by Borsa Italiana S.p.A. (the "Code"), to which the Company adheres, the Company has set up a committee (the composition and powers of which are described below) to make proposals and provide advice regarding remuneration related matters;
- based on the proposal of the Committee, defines the remuneration policy to be applied to Directors, to the executive directors, to key managers and, without prejudice to the provisions of article 2402 of the Italian Civil Code, to the members of the Board of Statutory Auditors. It also brings such proposal to the attention of the Shareholders' Meeting for its approval;
- in compliance with the remuneration policy approved by the Shareholders' Meeting (and, if applicable, the conditions for its derogation), approves the report on the remuneration policy and the fees paid, pursuant article 123-ter of the TUF;
- based on the proposal of the Committee, defines the performance objectives related to the variable component of the remuneration of executive directors and key executives;
- prepares, with the assistance of the Committee, the incentive plans based on shares or other financial instruments and submits them to the approval of the Shareholders' Meeting pursuant to article 114-bis of the TUF;
- as a result of and subject to approval by the Shareholders' Meeting, implements, with the assistance of the
- Committee, the incentive plans based on financial instruments.

The **Committee** periodically assesses the adequacy, overall consistency and practical application of the policy for the remuneration of Directors and key executives and may make proposals to the Board regarding the remuneration policy to be adopted.

The Committee make proposal and provides advice to the Board and, in particular, on remuneration matters:

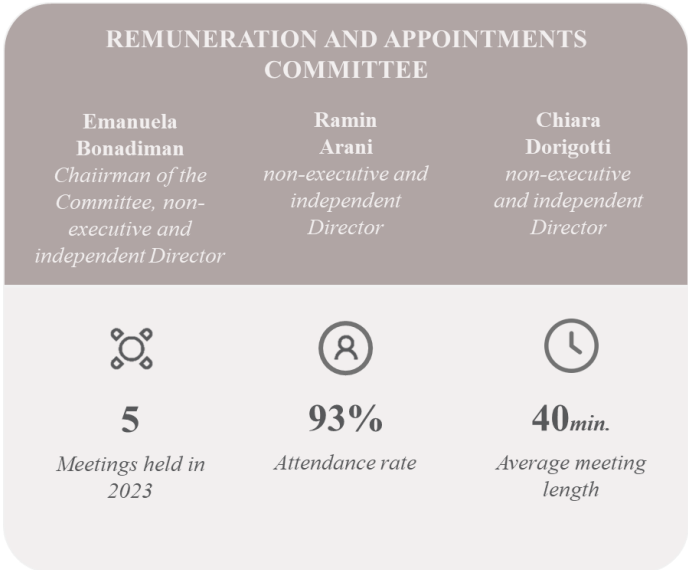
- i. assists the Board in the development of remuneration policy, including the preparation and implementation of incentive plans based on financial instruments;
- ii. submits proposals and expresses opinions on the remuneration of executive directors and other directors holding special offices, as well as on the definition of the performance objectives related to the variable component of such remuneration;
- iii. monitors the concrete application of the remuneration policy and verifies, in particular, the actual achievement of performance objectives;
- iv. periodically assesses the adequacy and overall consistency of the policy for the remuneration of directors and top management.

The Committee and the Board are responsible for the proper implementation of the remuneration policy.

The **Board of Statutory Auditors** plays an advisory role. It provides those opinions required by law with particular reference to the opinion concerning the proposals for the remuneration of Directors performing special duties, pursuant to Article 2389, paragraph 3, of the Italian Civil Code, verifying the consistency of the proposals made by the Committee to the Board, with the remuneration policy approved by the Shareholders' Meeting.

B. INVOLVEMENT OF A REMUNERATION COMMITTEE OR OTHER COMMITTEE HAVING COMPETENCE IN THE MATTER.

During the meeting on April 27th, 2023, the Board appointed the Committee, which was also assigned, among other things, the functions set out in Recommendation no. 25 of the Code. The Issuer, availing itself of the option set forth by the Code, has deemed it appropriate to concentrate the functions pertaining to the Appointments Committee and the Remuneration Committee in a single committee, in line with previous years.



(COURTESY TRANSLATION FOR THE CONVENIENCE OF INTERNATIONAL READERS)

All members of the Committee meet the independence requirements recommended by the Code. At the time of appointment, the Board assessed knowledge and experience in accounting and financial matters and in remuneration policies as adequate for all Committee members. In this regard, please refer to the *curricula vitae* of the individual members, which can be consulted in the *Investor Relations* section of the institutional website, at the following address: <https://investor.brunellocucinelli.com/en/governance/board-of-directors>.

The appointment of the Committee is valid until the approval of the Issuer's financial statements as at December 31st, 2025 and, therefore, until the Annual General Meeting of Shareholders convened to approve the financial statements for the year ending December 31st, 2025.



The meetings, chaired by the Chairman of the Committee and duly recorded in minutes, lasted an average of about 40 minutes. Almost all of the meetings were attended by all members of the Committee, while, upon invitation of the Committee itself, all or some members of the Board of Statutory Auditors attended all of the meetings. All Committee meetings held during the Year were attended by at least one Statutory Auditor.

The Committee was given access to the corporate functions necessary perform its duties.

No specific financial resources have been allocated to the Committee since it makes use of the Issuer's corporate means and structures to perform its duties; this is without prejudice to the Committee's right to make use of external consultants, whose expenses are borne by the Company.

Three Committee meetings have already been held in 2024 and, respectively, on March 1st, March 8th, and March¹³, 2024.

C. COMPENSATION AND WORKING CONDITIONS OF EMPLOYEES AND COMPENSATION POLICY.

The Company believes that the remuneration policy set put in this Section I is consistent with the Group's employee compensation policies and pursues similar goals of attracting, retaining, and motivating people with the professional qualities needed to successfully manage the Group's activities.

Great attention has always been paid to the working conditions of the Group's employees, with particular regard to the places in which they work, so that they are well kept and cosy, also in relation to the different physical and mental abilities present, and to the remuneration. In order to adequately remunerate its employees, the Group adopts policies

based on the enhancement of meritocracy and the recognition of fair remuneration, based on the definition of roles, responsibilities and delegations. Furthermore, the promotion of the principle of diversity and, in particular, the values of equity and inclusion related to it, plays a central role in the Company organization. Hence, by acknowledging diversity as a feature of the Group's employees, the Company promotes equal opportunities, the recognition of fair remuneration and the promotion of knowledge, skills and professional experience on the basis of impartiality and fairness.

The Company policies are aimed at understanding, promoting and including all the diversities present in the Group, with full respect for the dignity, freedom and autonomy of each individual. The Group's commitment in this area can also be seen in the "Diversity and Inclusion Policy," adopted in financial year 2021, which incorporates the distinctive principles of the philosophy that inspires the Company and formalise to the practices already in use. This policy is applicable to the Company as well as the companies belonging to the Group. The aforementioned Policy defines the Group's commitment to "*understand and welcome diversity within all the organisational and internal management processes, combating unfairness and humiliation of others, reinforcing respect for each individual, at the centre of every process, listening to individuality and enhancing the contribution of each person to the achievement of Group objectives*".

For more detailed information on the working conditions of the Group's employees and remuneration policies, please refer to the Consolidated Non-Financial Disclosure pursuant to Articles 3 and 4 of Legislative Decree No. 54/2016 concerning the Year, as approved by the Board on March 14th, 2024, and made available to the public at: <https://investor.brunellocucinelli.com/en/services/archive/investor/non-financial-disclosure> (the "DNF").

D. NAMES OF ANY INDEPENDENT EXPERTS INVOLVED IN THE PREPARATION OF THE REMUNERATION POLICY.

No independent expert was involved in the preparation of the Issuer's remuneration policy.

E. AIMS PURSUED WITH THE REMUNERATION POLICY, PRINCIPLES UNDERLYING IT AND ANY CHANGES TO THE REMUNERATION POLICY.

The Remuneration Policy described in this section of the Report was adopted by the Board - upon the Committee's proposal – in the meeting held on March 14th, 2024.

The Remuneration Policy outlined in this section of the Report is for one year and covers the year 2024.

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

The Remuneration Policy aims at attracting, retaining and motivating people with specific skills and professional qualities within the company, thus fostering successful management and competitiveness of the Company.

The Remuneration Policy pursues the following objectives: (i) to set out the procedures to define the remuneration of Directors - and in particular of Managing Directors – , of the key executives and Statutory Auditors of the Issuer, in compliance with applicable laws and regulations and also having regard to national and international best practices; (ii) to identify the persons and/or bodies involved in the adoption and implementation of the Remuneration Policy, who - according to their respective competences - propose, deliberate and/or determine the remuneration of Directors, key executives, and Statutory Auditors, express opinions on such matters, or verify the correct implementation of measures resolved or determined by the competent bodies; (iii) to ensure transparency on remuneration related matters for investors, both current and potential, through an adequate formalization of the decision-making processes, and of the principles and rationale underlying the Remuneration Policy; (iv) to make the different competent bodies involved in the

definition of the remuneration of Directors, key executives and Statutory Auditors accountable; (v) to contribute to the Company's strategy, to the pursuit of medium-long term interests and to the sustainability of the business activities carried out by the Company and by the Group, including the protection of working conditions and the welfare of employees. With the formalization of the Remuneration Policy, the Company intends to guarantee the proper design and implementation of remuneration systems, ensuring that the remuneration systems referring - in particular - to Managing Directors and key executives contribute to the pursuit of the corporate philosophy and values, of the medium-long term strategies and the sustainability of business activities, in a perspective of sound and prudent management of the economic activities and of the underlying risks.

With specific regard to **Managing Directors**, the Remuneration Policy is guided by the following principles:

- a) the fixed component shall be set in such an amount as to adequately remunerate the performance of the Managing Directors, even if the variable component (short- or medium- to long-term) is not paid in case the objectives to which the variable component is subject have not been achieved;
- b) the variable component may consist of a short-term component and a medium- to long-term component, and may also consist of incentive plans based on financial instruments. The compensation plan must provide that a significant part of the component so structured is tied to the achievement of medium- to long-term objectives.

With reference to the Year 2024, the variable component consisted of an annual incentive (MBO), linked to economic objectives (achievement of expected turnover on a consolidated basis) and *ESG* objectives, and an equity incentive plan (see *below* paragraph L);

- c) the variable component shall be paid within maximum limits;
- d) the objectives of economic performance and, where appropriate, of environmental and social sustainability to which the allocation of the variable component is based on must be predetermined, measurable, linked (at least for a significant part) to a medium- to long-term horizon, and related to the aim at creating value for shareholders, in compliance with the principles inspiring the company's philosophy. They must be consistent with the Company's strategic objectives and are designed to pursue its sustainable success, including, where relevant, non-financial criteria. The achievement of these objectives is verified by the Board, after evaluation by the Committee;
- e) indemnities may be provided for early termination of the administration or employment relationship or its non-renewal;
- f) Non-competition agreements may be entered into.

With regard to **key executives**, the Remuneration Policy provides that remuneration is predominantly fixed, with the possibility of short- or medium-term variable components that in total, on an annual basis, do not exceed 15 percent of the individual's total remuneration. The allocation of the variable component is linked to objectives, even if only of a qualitative nature, that are consistent with the company's system of principles and values.

With regard to the **Chairman of the Board of Directors, Non-Executive Directors and Statutory Auditors**, the Remuneration Policy stipulates that remuneration shall be exclusively fixed.

F. DESCRIPTION OF POLICIES ON FIXED AND VARIABLE COMPONENTS OF REMUNERATION.

The Remuneration Policy determines, with reference to the fixed and variable components of remuneration, the underlying criteria and rationale.

For the duration of the term of their respective office, the members of the Board are entitled to the reimbursement of their expenses and a fixed annual basic compensation in the amount set by the Shareholders' Meeting.

Directors holding special offices are also entitled to an additional annual remuneration set in consideration of the powers conferred and the related strategic responsibilities, as well as the participation in endo-committees.

The fixed remuneration of Directors is set in an absolute amount and in the payment of predetermined attendance fees, in relation to the meetings in which they take part. The fixed component of Managing Directors consists of the annual emolument pursuant to Article 2389, paragraph 3, of the Italian Civil Code and, where there is an employment relationship between the Managing Director and the Company, the gross annual remuneration.

Such remuneration is established, also taking into account the level of remuneration adopted by other listed companies in Italy and/or in the sector in which the Group operates, to an extent sufficient to attract, retain and motivate people with the professional qualities necessary to manage the Company. In this regard, the Committee monitors the consistency with the market of the compensation payable to top management and Directors.

The remuneration of Managing Directors consists of (i) a fixed component; (ii) an annual variable component, linked to the achievement of short-term performance objectives, including those of a non-economic nature (i.e. ESG), and consisting of a cash remuneration; and (iii) a medium-long term variable component, linked to the achievement of medium-long term performance objectives, which also assumes relevance from a key resource retention perspective. This component may consist of share-based or monetary incentive plans.

In structuring the fixed and variable component, the Board takes into account and enhances the powers granted and the functions performed by the person concerned - ensuring consistency between the allocation of any variable components and the relevance and scope in which the functions are performed - as well as the need for the variable components to be tied in criteria that are predetermined, measurable or otherwise verifiable by the Board and the Committee.

REMUNERATION PACKAGE OF CHIEF EXECUTIVE OFFICERS

FIXED REMUNERATION	SHORT-TERM VARIABLE REMUNERATION (MBO)	LONG -TERM VARIABLE REMUNERATION (SGP)
Compensation, in terms of fixed remuneration, includes: compensation as key executive of the Issuer, compensation for acting as Chief Executive Officer and compensation for membership on the Board of Directors.	MBO <i>(target bonus)</i>	SGP 2022-2024 <i>(annualized target bonus)</i>
	300	600**
	<i>Objectives: 50% revenues, 50% ESG Cap: 100% vs. target</i>	SGP 2024-2026 <i>(annualized target bonus)</i>
		2.530***
		<i>Objective: 100% Ebit Cap: 100% vs. target</i>
TOTAL ('000 €)	TOTAL variable short- term <i>(target)</i> ('000 €)	TOTAL variable long- term <i>(target)</i> ('000 €)
670*	300	3.130
	TOTAL ('000 €)	
	4.100	



(*) Non-significantly different treatment may be provided for the issuer's key executive role between the two Managing Directors

(**) Annualized SGP 2022-2024 equity component value calculated based on the number of target rights (34,000) and the allocation price (€52.90)

(***) Value of the SGP 2024-2026 annualized equity component estimated based on the number of target rights (65,000) and the price as of 14/03/2024 (€116.80), the date of the Board of Directors' resolution

The remuneration package described refers to the financial year 2024, during which we observe the simultaneous presence of two long-term variable incentive initiatives. In particular, the "Stock Grant Plan 2022-2024" ("SGP 2022-2024") continues its vesting process, limited to the rights of the third tranche. At the same time, a new plan entitled "Stock Grant Plan 2024-2026" ("SGP 2024-2026") has been implemented. For more detailed information, please refer to the dedicated section.

The remuneration of **non-executive directors** (including independent directors) is established fixed measure and commensurate with the competence, professionalism and commitment required, also taking into account their possible participation in endo-committees.

The remuneration of the **Chairman of the Board of Directors** is set as a fixed amount.

Statutory Auditors are precluded from any form of variable remuneration. Therefore, the compensation of Statutory Auditors is fixed and must be commensurate with the competence, professionalism, and commitment required by the importance of the role held, as well as the dimensional characteristics of the Company.

REMUNERATION OF THE BOARD OF DIRECTORS AND THE BOARD OF STATUTORY AUDITORS AS OF THE DATE OF THE REPORT

CHAIRMAN OF THE BOARD WITH EXECUTIVE FUNCTIONS		BOARD OF STATUTORY AUDITORS	
	€ 1,000,000	Chairman	€ 75,000
DIRECTORS		Member	€ 58,000
	€ 36,000		
CONTROL AND RISKS COMMITTEE		REMUNERATION AND APPOINTMENT COMMITTEE	
Chairman	€ 24,000	Chairman	€ 18,000
Member	€ 12,000	Member	€ 12,000

In the meeting held on March 1st, 2024, the Committee examined, through a benchmarking analysis and taking into account the Company's entry into the FTSE MIB, the adequacy of the Directors' basic compensation compared with the sample of companies belonging to the FTSE-MIB index and expressed its opinion about the possible increase of the same.

The Board of Directors, in the meeting held on March 14th, 2024, taking into account the preliminary activity and the opinion expressed by the Committee, resolved to propose to the Shareholders' Meeting of April 23, 2024 an increase in the annual basic compensation from 36,000 euros to 60,000 euros until the end of the term of office (*i.e.* approval of the Company's financial statements for the year ending December 31, 2025). Regarding the proposal, please refer to the report published at <https://investor.brunellocucinelli.com/en/governance/shareholders-meetings>.

G. (CONTINUED, IN PARTICULAR): VARIABLE REMUNERATION

The variable compensation of the executive directors is determined periodically by the competent bodies and reflects the achievement of both financial and non-financial goals that are aligned with the strategic objectives of the Company. These objectives are designed to promote the sustainable success of the Company over the medium to long term and to significantly improve the performance of each individual.

The Committee is responsible for monitoring the implementation of the remuneration decisions made by the Board and for ensuring the achievement of the performance targets linked to the variable compensation of the executive directors. This oversight also extends to the performance objectives set out in the incentive plans for the top management. The assessments are based on external expert opinions and benchmarks, detailed analyses generated by the management control system and income statement figures ratified by the appropriate corporate bodies. This evaluation process uses a methodology for analysing results and variances that effectively mitigates the impact of external factors. This ensures an objective assessment of performance.

The Company reserves the right to award exceptional bonuses to executive directors and key executives for their involvement in operations and/or projects of strategic importance and/or exceptional performance of such magnitude that they have a significant impact on the Company's operations and/or profitability and cannot be adequately compensated under the standard variable compensation schemes. The criteria for determining the amount of these exceptional bonuses takes into account the value of the specific operation, project or achievement and also the total compensation previously awarded to the recipient under the standard compensation framework.

In order to attract or retain key figures, the Company may offer special compensation packages to certain executives at the beginning of their service and/or at the time of recruitment or throughout their tenure. Such packages may include, but are not limited to, the following:

- a) welcome bonuses, including those related to the loss of incentives from the previous employer and/or linked, where possible, to the commitment to maintain the corporate office and/or employment relationship with the Company for a specific period of time;
- b) guaranteed variable compensation for the first year (or such other period as the Board may determine upon the Committee's reasoned proposal);
- c) disbursements linked to the stability of the relationship over time.

In situations of significant market shifts compared to recent trends (for example, major changes in macroeconomic conditions or a deterioration in the financial environment) or extraordinary events affecting the Group's industrial and strategic planning, the Board, as part of the *governance* processes regarding remuneration, may adjust the variable compensation framework (also with reference to the reference objectives, the related metrics and the evaluation methods) if and insofar as functional to ensure that the economic value of the incentives remains consistent, thereby preserving their intended motivational and retention effects, subject to compliance with the limits and general principles of this Remuneration Policy (so-called Material Adverse Change or MAC clause).

The Remuneration Policy distinguishes between short-term and medium-to-long-term variable components; the former are linked to predetermined, measurable objectives related to value creation over an annual horizon (i.e., related to objectives referring to a single fiscal year), while medium-to-long-term variable remuneration components are linked to predetermined, measurable objectives related to value creation over a medium-to-long-term horizon of at least 24 months.

The Remuneration Policy states that both the short-term and long-term variable remuneration component should be determined within the following limits:

- for Managing Directors, the annualized target variable component may not exceed a ratio of 6:1 to the fixed component;

- For other key executives, the target variable component may not exceed 15 percent of total remuneration.

According to the Remuneration Policy, the fixed component shall be determined in an amount sufficient to remunerate performance in the event that the short-term variable component is not paid out due to failure to achieve performance targets set by the administrative body.

The Remuneration Policy, in order to pursue the medium-long term interests and sustainable success of the Group, provides for the assignment to the Managing Directors and, where appropriate, to the key executives, also of medium-long term variable remuneration components, to be determined on the basis of the following elements: (i) the functions performed within the Group and the related responsibilities assigned to the concerned subject; (ii) the ability to contribute to the sustainable success in the medium-long term of the Group; (iii) the overall remuneration received; and (iv) the loyalty and retention needs of key resources.

The accrual of the incentive remuneration components is, as a rule, subject to the condition to maintain the directorship or employment relationship with the Issuer or with the subsidiary concerned from time to time.

There are contractual *ex-post* correction mechanisms that allow the Company to:

- a) demand, in whole or in part, restitution (so-called *claw back*); or to
- (b) withholding, in whole or in part, amounts subject to deferral (so-called *malus*);

of variable remuneration components determined on the basis of data that later turned out to be manifestly erroneous. "*Manifestly erroneous data*" refers to those data that are useful for the purpose of verifying the achievement of the objectives set forth in the various incentive plans, to which the vesting of rights is conditioned. The manifest error that may characterize the data may be:

- a) an error in the calculation of the performance, which results in the achievement of an objective (basis for the payment of a variable form), which would not have been achieved in the absence of such material error;
- b) malicious alteration of the data used to achieve the targets or, in any case, the data on the basis of which the payment or allocation of the bonus was arranged, in order to obtain the right to the incentive; or
- c) the achievement of objectives through conduct contrary to legal provisions or Company regulations.

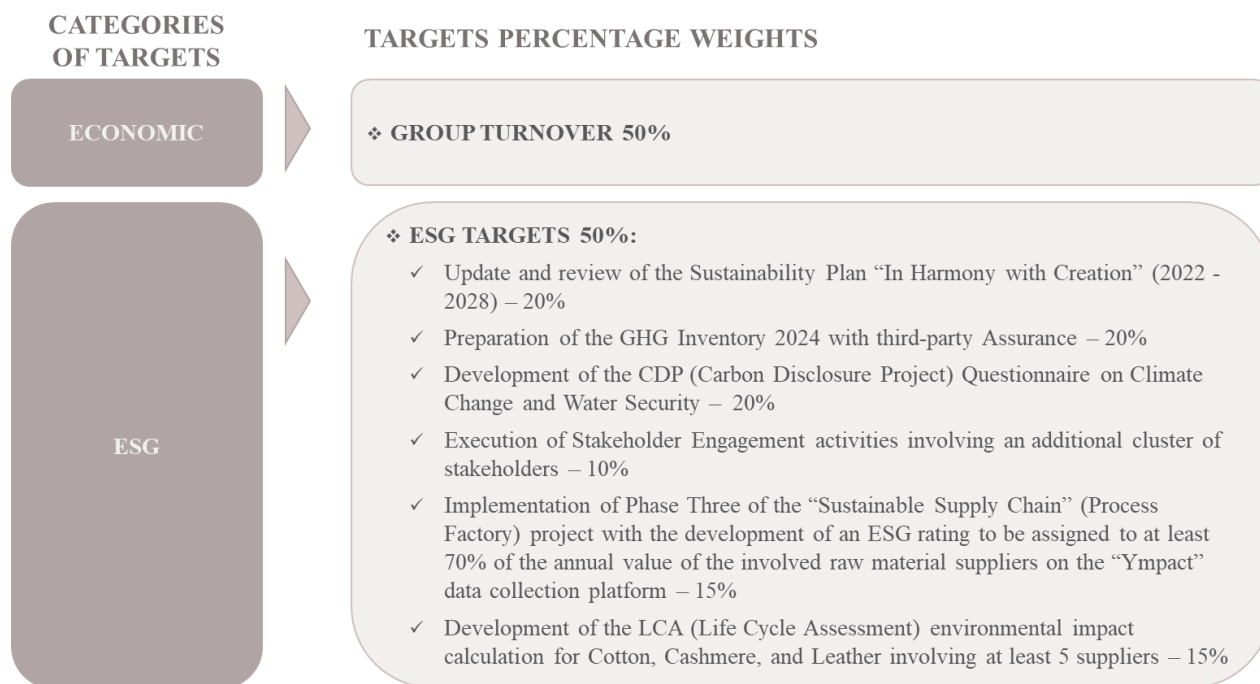
H. POLICY ADOPTED WITH REGARD TO NON-MONETARY BENEFITS.

The Remuneration Policy allows the payment of non-monetary benefits to executive directors and key executives in line with practice and provided that they are appropriate to the role held. Non-monetary benefits include healthcare coverage and the use of a car, even for personal purposes.

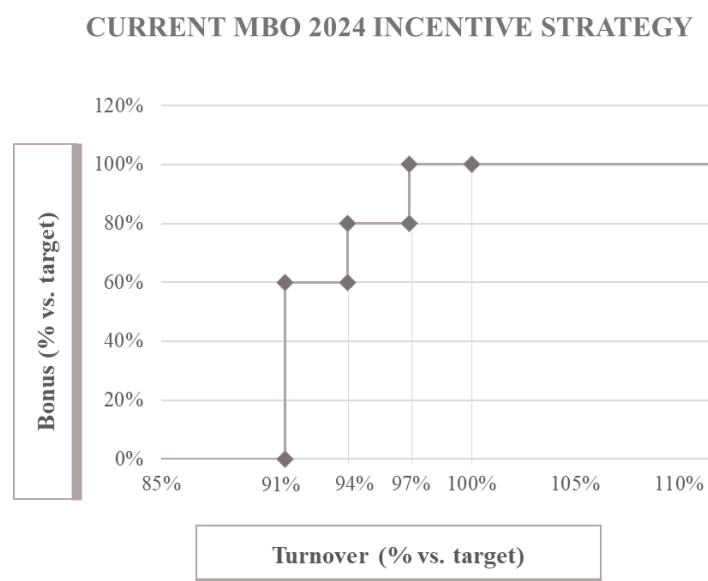
I. DESCRIPTION OF THE PERFORMANCE OBJECTIVES ON THE BASIS OF WHICH VARIABLE COMPONENTS OF THE REMUNERATION ARE ALLOCATED.

The following is a description of the *performance* targets set by the Issuer with reference to each component in relation to the remuneration structure due to the Managing Directors.

The short-term variable components for 2024 are tied to the achievement of pre-determined, measurable objectives, connected to the creation of value in a time frame which is normally equal to one year (*i.e.*, relating to targets referring to the single fiscal year). The system provides for the assignment of performance objectives structured as a percentage of the target incentive amount assigned:



The short-term variable component can never exceed a *cap* equal to 100% of the target award. In particular, with regard to the financial economic parameter, the incentive strategy is given below:



Medium- to long-term variable remuneration components are tied to predetermined, measurable objectives related to the creation of value over a medium- to long-term time horizon (of at least 24 months). These objectives mainly consist of economic parameters of revenues and profitability (established in line with the Group's strategic plans). For information on the plans in place, please refer to the paragraphs k-l) below.

J. CRITERIA ADOPTED TO ASSESS THE PERFORMANCE OBJECTIVES UNDERLYING THE ALLOCATION OF SHARES, OPTIONS, OTHER FINANCIAL INSTRUMENTS OR OTHER VARIABLE COMPONENTS OF REMUNERATION.

With regard to the variable component, including the component consisting of equity incentive plans, the criteria to be used for evaluating the objectives consist of parameters that reflect the creation of value for shareholders and other *stakeholders* over a medium- to long-term horizon and the sustainability of the company's results, in accordance with the principles underlying the company's philosophy.

In particular, regarding the payment of variable compensation to the Managing Directors for the Year, please refer to Section II of this Report.

K. INFORMATION AIMED AT HIGHLIGHTING THE CONTRIBUTION OF REMUNERATION POLICY TO CORPORATE STRATEGY, THE PURSUIT OF LONG-TERM INTERESTS AND THE SUSTAINABILITY OF THE COMPANY.

As described in paragraphs e) and f) above of this Report, the Board believes that the Remuneration Policy is consistent with the pursuit of the Group's value creation and commercial and financial objectives in the medium to long term.

Consistently with these purposes and with the principle of sound and prudent management of the Issuer as the guiding principle of the company's philosophy, the remuneration of Managing Directors is structured in such a way as to:

- i. strike a balance between the fixed and variable components of remuneration with the aim of creating value in the medium to long term in a sustainable manner for the Issuer;
- ii. connect the variable component of remuneration to the achievement of performance objectives, of economic nature, on the one hand, and related to the sustainability of the Issuer (i.e., ESG relevant areas), on the other, aligned with the creation of value in the medium to long term and with the actual results achieved by the Company;
- iii. recognize adequate remuneration aimed at attracting, retaining and motivating people with the professional qualities needed to successfully manage the Group's activities. Precisely for the purpose of pursuing this goal, the Remuneration Policy envisages, *inter alia*, the adoption of incentive instruments based on the Company's shares (with reference to which please refer to paragraph L. below) aimed at aligning the interests of the beneficiaries with those of the Company and the shareholders over a medium-to-long-term time horizon, recognizing them for their contribution to the increase in value of the Company.

SUSTAINABILITY PLAN «In Harmony with Creation» 2022-2028					
	ENVIRONMENTAL SUSTAINABILITY	ECONOMIC SUSTAINABILITY	CULTURAL SUSTAINABILITY	SPIRITUAL SUSTAINABILITY	MORAL SUSTAINABILITY
	Procurement and management of raw materials; Combating climate change; Sustainable supply chain management	Sustainable growth and healthy profitability; Brand identity; Special and authentic relationship with the customer	Support for local communities and the surrounding region; Quality and craftsmanship Made in Italy	Dignity and beauty in the workplace	Diversity, inclusion and equity; Protection of human rights and dignity of work
MBO 2024					
Turnover		◆			
Update and review of the Sustainability Plan 2022-2028	◆	◆	◆	◆	◆
GHG Inventory 2024 with third-party assurance	◆				
CDP Questionnaire - Climate Change e Water Security	◆				
Stakeholder's Engagement					◆
Phase three of the "Sustainable Supply Chain" project	◆				◆
LCA (Life Cycle Assessment) environmental impact calculation	◆				
SGP 2024-2026					
Ebit		◆			

With reference to the variable incentive systems of Managing Directors, the Policy is consistent with the pursuit of value creation and the Group's objectives in the medium to long term, in particular with the Sustainability Plan "In Harmony with Creation" 2022-2028.

L. VESTING PERIODS AND DEFERRED PAYMENT SYSTEMS, IF ANY, AND INFORMATION ON ANY PROVISIONS REQUIRING THE HOLDING OF FINANCIAL INSTRUMENT AFTER THEIR ACQUISITION.

The Issuer's Remuneration Policy provides for share-based incentive plans of the Issuer as an additional remuneration element; these are prepared by the Board with the assistance of the Committee and approved by the Shareholders' Meeting pursuant to Article 114-*bis* of the TUF.

These plans are generally intended for people who hold strategically important roles or, in any case, capable of making a significant contribution to the pursuit of the Group's long-term strategic objectives. These figures are generally identified as follows: (i) the Managing Directors; (ii) the directors and managers of the Issuer's subsidiaries.

The criteria with which, in preparing the plans, the Board must comply are as follows: a) there must be a vesting period that, at least for a preponderant portion of the benefit to be granted, is multi-year in nature; b) the vesting of the right to receive the Company's ordinary shares at the end of the vesting period must be subject to predetermined and measurable performance objectives. The same must be related to the creation of sustainable value for shareholders and other stakeholders in line with the prospects and strategic development plans of the Issuer and the Group; c) the plans must be structured in such a way as to pursue at least the purposes of retaining the beneficiaries, incentivizing their retention within the Group; d) the plans must include the beneficiaries' commitment, according to which beneficiaries will be under the obligation to hold continuously, for a period defined by the Board, a part of the shares assigned; and e) the plans must provide for appropriate *ex post* correction mechanisms (so-called claw back/*malus* clauses).

As already represented in the Reports of previous years, the "Stock Grant Plan 2022-2024" ("SGP 2022-2024") is still

being vested, based on the free allocation, in favour of the beneficiaries identified by the plan itself, of ordinary shares of the Company, subject to and depending on the achievement of specific performance targets. This instrument, introduced, as of fiscal year 2022, a variable component of medium- to long-term compensation alongside the short-term variable component (MBO).

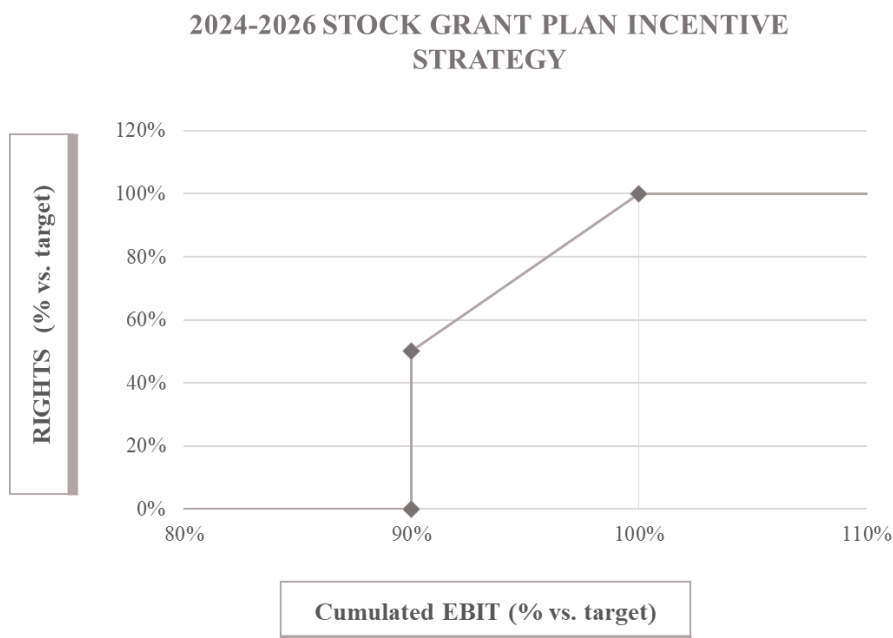
For more information on the features of this plan, please refer to the disclosure documents (<https://investor.brunellocucinelli.com/en/governance/shareholders-meetings/2024#docs>).

On March 14th, 2024, the Board approved a new plan called "Stock Grant Plan 2024-2026" ("**SGP 2024-2026**") for approval by the Shareholders' Meeting. In accordance with the general criteria described above with reference to compensation plans based on financial instruments, and in line with SGP 2022-2024, SGP 2024-2026 has the following features:

- i. the SGP 2024-2026 will have as its object the allocation, free of charge, to the beneficiaries (as identified and defined in the relevant information document prepared pursuant to Articles 114-bis of the TUF and 84-bis of the Issuers' Regulations, respectively the "**Information Document**" and the "**Beneficiaries**"), of rights to receive an equal number of shares of the Issuer subject to the achievement of certain performance targets (the "**Objectives**") and the satisfaction of the additional conditions set forth in the Plan (the "**Rights**"). The number of shares subject to possible allocation will be determined based on the level of achievement and/or exceedance of the aforementioned targets. In lieu of the award of the shares, the Company reserves the right to replace all or part of the shares with payment of a replacement amount;
- ii. the Beneficiaries of the SGP 2024-2026 will be the Managing Directors of the Issuer and the employees or directors of the Group companies who hold strategically relevant roles or, in any case, capable of making a significant contribution with a view to commercial development and, in general, to the pursuit of the strategic objectives of the Brunello Cucinelli Group. Subject to the approval of the 2024-2026 SGP, the Committee will be presented with a list of individuals who, based on the joint assessment of the Managing Directors, should benefit from the instrument. These individuals will be identified in the managers of the main markets in which the Group operates as key figures for the purposes of business development;
- iii. SGP 2024-2026 provides for only one allocation cycle;
- iv. the granting of Rights to the Beneficiaries is subject to a) the achievement of the Objectives (see below); and b) the existence of the condition of permanence, as described in the Information Document. As for point a), the Objectives are defined by the Board, subject to the proposal of the Committee, and are related to the creation of sustainable value for shareholders and other stakeholders, consistent with the prospects and strategic development plans of the Company and the Group. The Board and the Committee are also entrusted with the verification of the achievement of the Objectives, to be carried out following the approval of the consolidated financial statements for the fiscal years to which they refer. Specifically, the Objectives identified by the Plan are as follows:
 - for the Issuer's Managing Directors and other Beneficiaries who have an employment relationship with the Issuer, consist of a minimum cumulative consolidated EBIT to be achieved during the three-year period 2024, 2025 and 2026;
 - for the Beneficiaries who have a directorship and/or employment relationship with a subsidiary of the Issuer, consist of minimum cumulative revenues of the subsidiary concerned to be achieved during the

three-year period 2024, 2025 and 2026;

- v. the vesting of the Rights and the consequent award of shares to each Beneficiary will take place in a single instalments and (i) for the Managing Directors only, in a variable amount depending on the level of achievement of the Objectives, as analytically illustrated in the Information Document and in the graphic representation below, and (ii) for the other Beneficiaries in a fixed amount (on/off) only if the Objectives are achieved or exceeded;

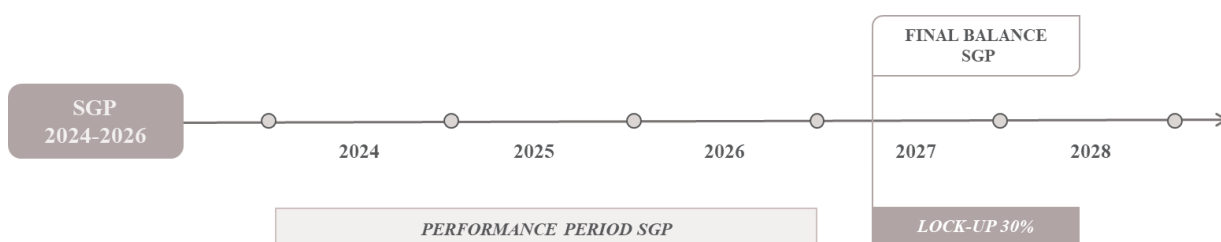


- vi. the shares, in the number corresponding to the related accrued Rights, will be granted to each Beneficiaries no later than the 60th calendar day following the date of approval of the Group's consolidated financial statements for fiscal year 2026;
- vii. the Beneficiaries will be obligated to continuously hold a number of shares equal to 30 percent of the shares subject to the assignment until the end of 12 months from the actual allocation date;
- viii. the SGP 2024-2026 provides for *claw back* and *malus* clauses in cases where, according to the terms and conditions set forth in the Regulation, it appears that the Objectives: a) have been ascertained by the Board on the basis of data that have turned out to be manifestly incorrect; b) fraudulent or grossly negligent behavior to the detriment of the Company or detrimental to the interests of the Company has been ascertained against the Beneficiary concerned.

The Board of Directors, at its meeting held on March 14th, 2024, determined the maximum total number of Rights to be granted to the Beneficiaries to be 200,000, entitling them to receive a maximum of 200,000 Shares. At the same meeting, after consultation with the Committee, with the abstention of the Managing Directors, and subject to the approval of the 2024-2026 SGP by the Shareholders' Meeting convened for April 23rd, 2024, the Board determined the maximum number of Shares to be granted to each Managing Director to be 65,000.

For a more detailed description of the terms and conditions of the Plan, please refer to the additional documentation made available by the Company and, in particular, to the Information Document accessible from the Company's website at <https://investor.brunellocucinelli.com/en/governance/shareholders-meetings/2024#docs> in the section dedicated to the 2024 Shareholders' Meeting.

With regard to the recommendation contained in the Code that share-based compensation plans for executive directors and top management should provide that a substantial part of the plan have an overall vesting period for the Rights and retention of the shares granted of at least five years, it should be noted that the SGP 2022-2024 provides that a significant portion of the Rights, equal to 50%, will vest after three years from the grant and that each Beneficiary must comply with a lock-up period on part of the shares granted (namely, 30%) equal to 12 months from the effective grant date of each tranche, while the SGP 2024-2026 provides that the entirety of the Rights will vest only at the end of the three-year period always subject to the lock-up for the subsequent period. The Board of Directors has assessed that the time horizon of the Plans is still suitable and functional for the achievement of the beneficiaries' incentive and retention objectives that it intends to pursue. Below is a graphic representation of the time horizon of the new SGP 2024-2026.



M. POLICY ON TREATMENT IN THE EVENT OF TERMINATION OF OFFICE OR EMPLOYMENT.

No policy concerning the treatment of Directors and key executives in the event of termination of their respective office or employment relationship has been adopted by the Company. Any termination will therefore be governed by current regulations and the National Collective Bargaining Agreement for executives of companies producing goods and services or by individual agreements, if applicable.

At the Committee's proposal, the Board may provide for executive directors and other key executives an indemnity for the early termination of the directorship or its non-renewal and/or termination of employment, defined in such a way that its total amount does not exceed a certain number of annual remuneration payments within a ceiling equal to 24 months calculated on the basis of the fixed component and the average variable component paid in the last three years, in addition, for employees only, to the notice determined in accordance with the applicable national collective bargaining agreements.

In the absence of *ex ante* covenants, the Remuneration Policy states that any severance pay - in addition, for employees only, to notice determined in accordance with applicable national collective bargaining agreements - shall not exceed 24 months' total remuneration as calculated above.

Regarding the effects of termination on the rights granted under the long-term incentive plans, please refer to the Information Documents published on the Company's website.

N. INFORMATION RELATED TO ANY NON-COMPULSORY INSURANCE, SOCIAL SECURITY OR PENSION COVERAGE.

With reference to any non-compulsory social security coverage, one of the two Managing Directors and some key executives joined the "Previndai" fund. This fund provides for the monthly payment of a sum of money to increase the severance pay (the Italian "*trattamento di fine rapporto*"). The Issuer pays 50% of this amount (included in the calculation of non-monetary benefits in Table 1).

The Issuer has subscribed an insurance policy for the civil liability of directors, including independent directors, and

auditors, as well as other corporate bodies of the Issuer and its subsidiaries.

O. ANY REMUNERATION POLICY ADOPTED WITH REFERENCE TO INDEPENDENT DIRECTORS, MEMBERSHIP OF COMMITTEES AND PERFORMANCE OF PARTICULAR DUTIES.

The remuneration policy adopted by the Issuer with reference to the independent directors, their membership in Committees and the performance of specific duties has already been mentioned above under F) of this Report, to which reference should be made.

P. OTHER COMPANIES THAT MAY HAVE BEEN USED AS A REFERENCE FOR SETTING COMPENSATION POLICY.

For the purposes of the Issuer's remuneration policy, the remuneration policies of other companies operating in the same industry of the Issuer have been taken into account.

Q. ELEMENTS OF THE REMUNERATION POLICY WHICH MAY BE WAIVED.

The Board may perform all acts, including acts of disposition, deemed appropriate for the achievement of the corporate purpose, excluding only those which the law expressly reserves to the Shareholders' Meeting.

In this context, the Remuneration Policy- approved by the Shareholders' Meeting - defines the role and boundaries within which the Board may exercise its power to define, quantify, increase or decrease awards and remuneration based on its own assessments and considerations, within the limits allowed by applicable rules and legislation.

The Board may exercise this power only within the framework of the Group's governance processes, complying with the approval procedure for related party transactions where necessary, and providing full and adequate disclosure.

The presence of flexibility in the Board's powers is a valuable element in the company's ability to attract, motivate and retain key resources.

Specifically, under exceptional circumstances, the Company may deviate from the elements of the Remuneration Policy as outlined below. It should be noted that "*exceptional circumstances*" are defined as those situations in which the waiver of the Remuneration Policy is necessary for the pursuit of the long-term interests and sustainability of the Company as a whole or to ensure its ability to stay in the market, such as but not limited to: i) the occurrence, nationally or internationally, of extraordinary and unforeseeable events affecting the Company and/or the sectors and/or markets in which it operates, which significantly affect the Company's results, including the occurrence of significant negative effects not only of an economic or financial nature such as those resulting from the health emergency or war events; ii) the intervention of substantial changes in the organization of business activities, whether of an objective nature (such as extraordinary transactions, mergers, divestments, etc.), and of a subjective nature, such as changes in the top management structure and the possible identification of individuals (other than directors and auditors) qualifying as executives with strategic responsibilities relevant for the purposes of this Remuneration Policy; iii) appreciable changes in the scope of the company's business during the validity of the Remuneration Policy, such as the sale of a business on whose activities the performance objectives of the relevant Remuneration Policy were based or the acquisition of a significant business not contemplated for the purposes of the preparation of the Remuneration Policy. Without prejudice to the foregoing, the waiver may concern: i) the re-modulation of the performance objectives to which the variable remuneration is linked and of the periodicity of their determination; ii) the revision of the criteria used for the evaluation of said objectives; iii) the variation of the ratio between fixed and variable components of remuneration; iv) the allocation of one-off monetary bonuses; v) the allocation of special allowances, in order to take into account the aforementioned exceptional circumstances and only to the extent that this is instrumental to the pursuit of the interests

indicated above.

SECTION II: FEES PAID

This section is divided into two parts and illustrates:

- a) On a name basis, the compensation of members of the management and control bodies;
- b) At the aggregate level, the compensation of key management personnel.

First Part

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

- The Chairman of the Board of Directors received a fixed remuneration as resolved by the Board of Directors.
- The independent directors received a fixed fee as approved by the Shareholders' Meeting, in addition to reimbursement of expenses incurred in the performance of their duties.
- Non-executive and non-independent directors who are managers of the Issuer received a fixed annual remuneration as employee.
- Directors also received an attendance fee for attending Board's meetings.
- For the chairmen and other members of the Remuneration and Appointments Committee and the Control and Risks Committee, only fixed compensation was paid, as approved by the Board of Directors.
- The Statutory Auditors received a fixed compensation as resolved by the Shareholders' Meeting, in addition to reimbursement of expenses incurred in the performance of their duties.

As of the date of this Report, the Company has not adopted any ad hoc provisions governing the compensation of directors and key executives in the event of early termination of employment.

With reference to the items that make up the remuneration of **Managing Directors**, the following should be noted.

For the fiscal year ending December 31st, 2023, the total compensation package awarded to CEOs consists of a fixed and a variable component.

The variable component is divided into a short-term component consisting of additional monetary compensation payable based on the achievement of short-term objectives (MBOs) and a medium- to long-term component consisting of the award of shares, in execution of the 2022-2024 Stock Grant Plan.

In accordance with what has been described in Paragraph I) above in relation to the performance objectives linked to the recognition of the variable components of remuneration, the **short-term variable component** of the remuneration awarded to the Managing Directors for the period relating to the Financial Year (*Management By Objectives*, MBO 2023) has been determined on the basis of the parameters detailed below, each of which has been given a percentage weight of 50%:

- An economic parameter, represented by the achievement of a Group turnover target for the Year; and
- a qualitative parameter, consisting of the achievement of objectives related to environmental, social and governance sustainability issues (so-called Environmental, Social & Governance indicators or ESG)."

For the purpose of drawing up the proposal for variable compensation to be assigned to the Managing Directors for the achievement of the objectives outlined above, account was taken of the vote cast by the shareholders with respect to the compensation policy most recently approved by the Shareholders' Meeting, by binding resolution, on April 27, 2022, which contemplated the use of variable compensation components.

The Committee, in its meeting held on March 13th, 2024, and the Board, in its meeting held on March 14th, 2024, verified the achievement of both objectives identified above with reference to the Year, given, on the one hand, the approval of the Group's consolidated financial statements showing a consolidated revenue figure (amounting to €1,139.4 million) higher than the assigned target (amounting to €1,057.6 million), and, on the other hand, the verification of the implementation of activities in the ESG sphere underlying the proposal for variable compensation. In the latter regard, the following activities are included: drafting of GHG Inventory 2022 with third-party assurance, preparation of the CDP 2022 Questionnaire; implementation of the *Regenerative Agriculture Himalaya* project; implementation of projects related to Stakeholders' Engagement ; implementation of the Sustainable Supply Chain project aimed at collecting data from raw material suppliers; implementation of the "*Production Waste Management*" project with involvement of third-party laboratories; and application of the SROI methodology to certain projects. For more information on the activities carried out during the Year with reference to ESG elements, please refer to the DNF for the Year, made available to the public on the Issuer's institutional website at the following address: <https://investor.brunellocucinelli.com/it/servizi/archivio-generale/investor/dichiarazione-non-finanziaria>.

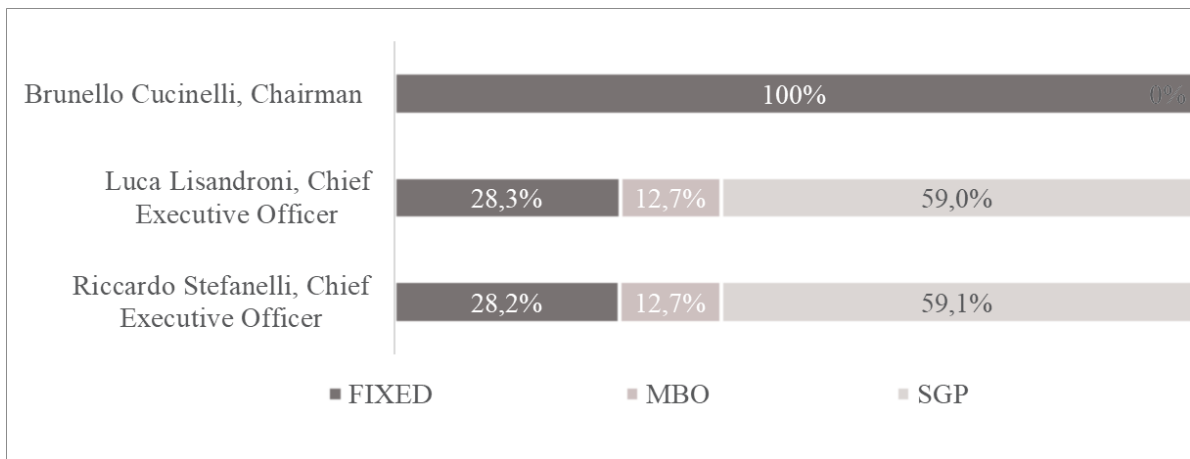
The short-term variable compensation (MBO 2023) related to the Year awarded to the two Managing Directors represents a percentage of approximately 12.7% of total compensation. The variable compensation of the Managing Directors related to the Year was, therefore, in compliance with the limit set in the previously adopted remuneration policy valid for the Year.

For further information, please refer to footnotes no. 3 and no. 5 of Table No. 1 in Part II of this Section II of the Report.

With reference to the **mainly medium- to long-term variable component**, consisting of the "2022-2024 Stock Grant Plan," the following should be noted.

The Board of Directors, at its meeting of March 14th, 2024, verified the achievement by the Managing Directors of the objectives set forth in the aforementioned Plan for the purpose of the vesting of second tranche rights, to the extent of 100%. Consequently, and in accordance with the provisions of the Plan itself, the Managing Directors will be granted ordinary shares of the Company corresponding to a level of 100% achievement of the objectives. The variable component in question related to the Year was found to be in compliance with the limits set in the previously adopted remuneration policy valid for the Year.

For detailed information, please refer to Table 3A available in the second section of this Report. For the sake of completeness, it should be noted that, following the Board of Directors' verification of the achievement of the set targets, the shares corresponding to the second tranche rights were also awarded to the additional beneficiaries of the Plan identified by the Board of Directors.



Below is the comparison information required by paragraph 1.5 of the first part of Section II of Schedule No. 7-bis of Annex 3A of the Issuers' Regulations.

Table No. 1 - Annual change in total remuneration of directors and standing auditors.

(in thousands of euros)

FIRST NAME LAST NAME	OFFICE	2023	2022	2021	2020	2019	2022 vs 2023	2023 vs 2022	2020 vs 2021	2019 vs 2020
Brunello Cucinelli	Chairman of the Board of Directors	895,1	802,4	802,4	804	802,4	11,6%	0,0%	-0,2%	0,2%
Riccardo Stefanelli	Managing Director and CEO	966,9	943	926,1	1.092,8	694,5	2,5%	1,8%	-15,3%	57,4%
Luca Lisandrone	Managing Director and CEO	982,9	967,6	952,3	1.100,7	707,6	1,6%	1,6%	-13,5%	55,6%
Camilla Cucinelli	Non-executive Director	402,3	264,7	265,1	273,4	242,7	52,0%	-0,2%	-3,0%	12,6%
Carolina Cucinelli	Non-executive Director	254,4	166,6	140,2	91,8	50,8	52,7%	18,8%	52,7%	80,7%
Alessio Piastrelli	Non-executive Director	352,9	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Giovanna Manfredi	Non-executive Director	348,9	347,3	339,4	352,8	344,8	0,5%	2,3%	-3,8%	2,3%
Andrea Pontremoli	Non-executive Director	40,9	43,2	42,8	45	45,3	-5,3%	0,9%	-4,9%	-0,7%

(COURTESY TRANSLATION FOR THE CONVENIENCE OF INTERNATIONAL READERS)

Stefano Domenicali	Independent Director	40,1	42,4	42,8	26,8	n/a	-5,4%	-0,9%	59,7%	n/a
Emanuela Bonadiman	Independent Director	65,7	52,5	42,8	26,8	n/a	25,1%	22,7%	59,7%	n/a
Maria Cecilia La Manna	Independent Director	59,2	49	42,4	26,8	n/a	20,8%	15,6%	58,2%	n/a
Ramin Arani	Independent Director	128,6 ¹	39,4	33,2	20	n/a	226,4%	18,7%	66,0%	n/a
Guido Maria Barilla	Independent Director	26,5	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Chiara Dorigotti	Independent Director	42,4	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Paolo Prandi	Chairman of the Board of Statutory Auditors	71,8	62	62	61,5	59,5	15,8%	0,0%	0,8%	3,4%
Dante Valobra	Standing Auditor	43,5	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Anna Maria Fellegara	Standing Auditor	43,5	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Notes:

Unavailable data refer to the remuneration of directors who were not in office before April 27, 2023.

¹ This compensation includes fees received by Director Arani under a consulting contract signed with the Company during the Year.

Table No. 2 – Annual change in performance.

(in thousands of euros)

	2023	2022	2021	2020	2019	2022 vs 2023	2021 vs 2022	2021 vs 2020	2019 vs 2020
Net revenue	1.139.420	919.708	712.179	544.013	607.761	23,9%	29,1%	30,9%	-10,5%
EBITDA	326.251	266.357	193.311	89.466	169.626	22,5%	37,8%	>+100,0%	-47,3%
Results for the year	123.809	87.205	56.295	-32.069	53.083	42,0%	54,9%	>-100,0%	<-100,0%
Operating results	187.406	134.412	77.036	-14.818	83.376	39,4%	74,5%	>-100,0%	<-100,0%

Table No. 3 - Average remuneration of employees of the Group

	2023	2022	2021	2020	2019	2023 vs 2022	2022 vs 2021	2021 vs 2020	2020 vs 2019
Gross annual remuneration of Group employees	57.310,6	53.830,0	47.354,6	45.346,9	45.051,33	6,5%	13,7%	4,4%	0,7%

Notes:

The data shown in the table refer to the average gross annual remuneration of the Group's employees.

For the purposes of the calculation, those persons whose remuneration is shown in Table no. 1 of this Section II of the Report (i.e. Directors who are also employees of the Issuer) have been excluded.

Second Part

The following tables analytically report the remuneration paid during the Year by the Issuer to the members of the governing and control bodies. The shareholding in the Issuer's share capital held by the members of the governing and control bodies and key managers are also shown.

It should also be noted that during the Year:

- no exceptional circumstances made it necessary to waive the remuneration policy contained in the first section of the report which was last approved by the Shareholders' Meeting by binding resolution on April 27th, 2022;
- no *ex-post* correction mechanisms of the variable component (*malus* or "*claw-back*" variable compensation) were applied.

Table 1 - Remuneration paid to members of management and control bodies and to key executives

(in thousands of euros)

(A)	(B)	(C)	(D)	1	2	3		4	5	6	7	8
First and Last Name	Office	Period for which office was held	Office expiry	Fixed Remuneration ⁽¹⁾	Compensation for committee participation	Variable non-equity compensation		Non-monetary benefits	Other remuneration	Total	Fair value of equity compensation	Severance for termination of office or termination of employment
						Bonuses and other incentives	Profit sharing					
Brunello Cucinelli ⁽²⁾	Chairman of the Board of Directors	01/01 - 31/12/2023	Shareholders' meeting to approve the financial statements as at 31/12/2025									
(I) Compensation in the company preparing the financial statement				895,1	-	-	-	-	-	895,1	-	-
(II) Compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
(III) Total				895,1	-	-	-	-	-	895,1	-	-
Luca Lisandrone ⁽³⁾	Managing Director - CEO	01/01 - 31/12/2023	Shareholders' meeting to approve the financial statements as at 31/12/2025									

¹ Directors' compensation shown in the table, in the fixed compensation column, includes attendance fees.

² The remuneration of the Chairman Cav. Lav. Brunello Cucinelli includes exclusively the remuneration for the position of Executive Chairman, amounting to €1,000,000, as determined by the Board of Directors at its meeting on July 13th, 2023.

³ Luca Lisandrone's compensation, with reference to the fixed component, includes remuneration as manager of the Issuer and remuneration for the office of Chief Executive Officer; it also includes the amount of euro 36,000 for the office of member of the Board of Directors. With reference to the variable component, the annual compensation due to Luca Lisandrone is 300,000 euros and will be paid in the first half of the 2024 fiscal year following verification of the achievement of the quantitative and qualitative (ESG) objectives referred to in the first part of Section II of the Report. Finally, 13,860 euros were paid to Luca Lisandrone for the non-monetary benefits mentioned in Section I, letters h) and n) of the Report.

(A)	(B)	(C)	(D)	1	2	3		4	5	6	7	8
First and Last Name	Office	Period for which office was held	Office expiry	Fixed Remuneration ⁽¹⁾	Compensation for committee participation	Variable non-equity compensation		Non-monetary benefits	Other remuneration	Total	Fair value of equity compensation	Severance for termination of office or termination of employment
						Bonuses and other incentives	Profit sharing					
(I) Compensation in the company preparing financial statements				669	-	300	-	13,9	-	982,9	1.396	-
(II) Compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
(III) Total				669	-	300	-	13,9	-	982,9	1.396 ⁽⁴⁾	-
Riccardo Stefanelli ⁽⁵⁾	Managing Director - CEO	01/01 - 31/12/2023	Shareholders' meeting to approve the financial statements as at 31/12/2025									
(I) Compensation in the company preparing the financial statements				666,9	-	300	-	-	-	966,9	1.396	-
(II) Compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
(III) Total				666,9	-	300	-	-	-	966,9	1.396 ⁽⁶⁾	-

⁴ The figure reported was computed by multiplying the number of rights pertaining to the 2023 fiscal year (related to the 2022-2024 Stock Grant Plan) by the market price of the shares as of the grant date (7/27/2022). For further information, please refer to Table 3A.

⁵ Riccardo Stefanelli's compensation, with reference to the fixed component, includes remuneration as manager of the Issuer and remuneration for the position of Chief Executive Officer; it also includes the amount of 36,000 euros for the position of member of the Board of Directors. With reference to the variable component, the annual compensation due to Riccardo Stefanelli is 300,000 euros and will be paid in the first half of the 2024 fiscal year following the verification of the achievement of the quantitative and qualitative (ESG) objectives referred to in the first part of Section II of this Report.

⁶ The figure reported was computed by multiplying the number of rights pertaining to the 2023 fiscal year (related to the 2022-2024 Stock Grant Plan) by the market price of the shares as of the grant date (7/27/2022). For further information, please refer to Table 3A.

(A)	(B)	(C)	(D)	1	2	3		4	5	6	7	8
First and Last Name	Office	Period for which office was held	Office expiry	Fixed Remuneration ⁽¹⁾	Compensation for committee participation	Variable <i>non-equity</i> compensation		Non-monetary benefits	Other remuneration	Total	Fair value of equity compensation	Severance for termination of office or termination of employment
						Bonuses and other incentives	Profit sharing					
Camilla Cucinelli ⁽⁷⁾	Director	01/01 - 31/12/2023	Shareholders' meeting to approve the financial statements as at 31/12/2025									
(I) Compensation in the company preparing the financial statements				402,3	-	-	-	-	-	402,3		
(II) Compensation from subsidiaries and affiliates					-	-	-	-	-			
(III) Total				402,3	-	-	-	-	-	402,3		
Giovanna Manfredi ⁽⁸⁾	Director	01/01 - 31/12/2023	Shareholders' meeting to approve the financial statements as at 31/12/2025									
(I) Compensation in the company preparing the financial statements				347,7	-	-	-	1,2	-	348,9	-	-
(II) Compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
(III) Total				347,7	-	-	-	1,2	-	348,9	-	-

⁷ Camilla Cucinelli's compensation is euro 399,533 as fixed remuneration as manager of the Issuer. Director Cucinelli has waived the specific remuneration for the position of Director.

⁸ Giovanna Manfredi's compensation is 344,479 euros as fixed remuneration as manager of the Issuer. Director Manfredi waived the specific remuneration for the position of Director. Finally, 1,232 euros were paid to Giovanna Manfredi for the non-monetary benefits mentioned in Section I (h) and (n) of the Report.

(A)	(B)	(C)	(D)	1	2	3		4	5	6	7	8
First and Last Name	Office	Period for which office was held	Office expiry	Fixed Remuneration ⁽¹⁾	Compensation for committee participation	Variable <i>non-equity</i> compensation		Non-monetary benefits	Other remuneration	Total	Fair value of equity compensation	Severance for termination of office or termination of employment
						Bonuses and other incentives	Profit sharing					
Carolina Cucinelli ⁽⁹⁾	Director	01/01 - 31/12/2023	Shareholders' meeting to approve the financial statements as at 31/12/2025									
(I) Compensation in the company preparing the financial statements				254,4	-	-	-	-	-	254,4	-	-
(II) Compensation from subsidiaries and affiliates					-	-	-	-	-		-	-
(III) Total				254,4	-	-	-	-	-	254,4	-	-
Alessio Piastrelli ⁽¹⁰⁾	Director	27/04 - 31/12/2023	Shareholders' meeting to approve the financial statements as at 31/12/2025									
(I) Compensation in the company preparing the financial statements				352,9	-	-	-	-	-	352,9	-	-
(II) Compensation from subsidiaries and affiliates					-	-	-	-	-		-	-
(III) Total				352,9	-	-	-	-	-	352,9	-	-

⁹ Carolina Cucinelli's compensation is euro 251,215 as fixed remuneration as manager of the Issuer. Director Cucinelli has waived the specific remuneration for the position of Director.

¹⁰ Alessio Piastrelli's compensation is 351,377 euros as fixed remuneration as manager of the Issuer. Director Piastrelli waived the specific remuneration for the position of Director.

(A)	(B)	(C)	(D)	1	2	3		4	5	6	7	8
First and Last Name	Office	Period for which office was held	Office expiry	Fixed Remuneration ⁽¹⁾	Compensation for committee participation	Variable <i>non-equity</i> compensation		Non-monetary benefits	Other remuneration	Total	Fair value of equity compensation	Severance for termination of office or termination of employment
						Bonuses and other incentives	Profit sharing					
Andrea Pontremoli ⁽¹¹⁾	Director	01/01 - 31/12/2023	Shareholders' meeting to approve the financial statements as at 31/12/2025									
(I) Compensation in the company preparing the financial statements				37,7	3,2	-	-	-	-	40,9	-	-
(II) Compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
(III) Total				37,7	3,2	-	-	-	-	40,9	-	-
Stefano Domenicali ⁽¹²⁾	Director	01/01 - 31/12/2023	Shareholders' meeting to approve the financial statements as at 31/12/2025									
(I) Compensation in the company preparing the financial statements				36,9	3,2	-	-	-	-	40,1	-	-
(II) Compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
(III) Total				36,9	3,2	-	-	-	-	40,1	-	-

¹¹ Andrea Pontremoli's compensation consists of 36,000 euros for the office of Director, as resolved by the Shareholders' Meeting on April 27, 2023, and 10,000 euros for the office of member of the Control and Risk Committee. The latter amount was shown in the table *pro-rata*, limited to the period during the Financial Year in which Director Pontremoli held that office, namely from 1/1/2023 to 4/26/2023.

¹² Stefano Domenicali's compensation consists of 36,000 euros for the office of Director, as resolved by the Shareholders' Meeting on April 27, 2023, and 10,000 euros for the office of member of the Remuneration and Appointments Committee. The latter amount was shown in the *pro-rata* table, limited to the period during the Fiscal Year in which Director Pontremoli held that office, namely from 1/1/2023 to 4/26/2023.

(A)	(B)	(C)	(D)	1	2	3		4	5	6	7	8
First and Last Name	Office	Period for which office was held	Office expiry	Fixed Remuneration ⁽¹⁾	Compensation for committee participation	Variable <i>non-equity</i> compensation		Non-monetary benefits	Other remuneration	Total	Fair value of equity compensation	Severance for termination of office or termination of employment
						Bonuses and other incentives	Profit sharing					
Emanuela Bonadiman ⁽¹³⁾	Director	01/01 - 31/12/2023	Shareholders' meeting to approve the financial statements as at 31/12/2025									
(I) Compensation in the reporting company.				37,3	28,4	-	-	-	-	65,7	-	-
(II) Compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
(III) Total				37,3	28,4	-	-	-	-	65,7	-	-
Maria Cecilia La Manna ⁽¹⁴⁾	Director	01/01 - 31/12/2023	Shareholders' meeting to approve the financial statements as at 31/12/2025									
(I) Compensation in the company preparing the financial statements				36,5	22,7	-	-	-	-	59,2	-	-
(II) Compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
(III) Total				36,5	22,7	-	-	-	-	59,2	-	-

¹³ Emanuela Bonadiman's compensation consists of 36,000 euros for the position of Director, as resolved by the shareholders' meeting on April 27, 2023, 18,000 euros for the position of Chairman of the Remuneration and Appointments Committee held since April 27, 2023, and 12,000 euros for the position of member of the Control and Risk Committee held since April 27, 2023.

¹⁴ Maria Cecilia La Manna's compensation consists of 36,000 euros for the position of Director and 24,000 euros for the position of Chairman of the Control and Risk Committee held since April 27, 2023.

(A)	(B)	(C)	(D)	1	2	3		4	5	6	7	8
First and Last Name	Office	Period for which office was held	Office expiry	Fixed Remuneration ⁽¹⁾	Compensation for committee participation	Variable <i>non-equity</i> compensation		Non-monetary benefits	Other remuneration	Total	Fair value of equity compensation	Severance for termination of office or termination of employment
						Bonuses and other incentives	Profit sharing					
Ramin Arani ⁽¹⁵⁾	Director	01/01 - 31/12/2023	Shareholders' meeting to approve the financial statements as at 31/12/2025									
(I) Compensation in the company preparing the financial statements				37,2	11,4	-	-	-	80	128,6	-	-
(II) Compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
(III) Total				37,2	11,4	-	-	-	80	128,6	-	-
Guido Maria Barilla ⁽¹⁶⁾	Director	27/04 - 31/12/2023	Shareholders' meeting to approve the financial statements as at 31/12/2025									
(I) Compensation in the company preparing the financial statements				26,5	-	-	-	-	-	26,5	-	-
(II) Compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
(III) Total				26,5	-	-	-	-	-	26,5	-	-

¹⁵ Ramin Arani's remuneration consists of euro 36,000 for the position of Director and euro 12,000 for the position of member of the Remuneration and Appointments Committee held since 04/27/2023. In addition, Director Arani received 80,000 euros as consideration for activities performed under an existing consulting contract with the Company signed during the Year.

¹⁶ Guido Maria Barilla's remuneration is Euro 36,000 for the position of Director. The amount in the table has been shown *pro-rata*, limited to the period during the Year in which Director Barilla held that office, i.e. from 04/27/2023 to 12/31/2023.

(A)	(B)	(C)	(D)	1	2	3		4	5	6	7	8
First and Last Name	Office	Period for which office was held	Office expiry	Fixed Remuneration ⁽¹⁾	Compensation for committee participation	Variable <i>non-equity</i> compensation		Non-monetary benefits	Other remuneration	Total	Fair value of equity compensation	Severance for termination of office or termination of employment
						Bonuses and other incentives	Profit sharing					
Chiara Dorigotti ⁽¹⁷⁾	Director	27/04 - 31/12/2023	Shareholders' meeting to approve the financial statements as at 31/12/2025									
(I) Compensation in the reporting company.				26,1	16,3	-	-	-	-	42,4	-	-
(II) Compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
(III) Total				26,1	16,3	-	-	-	-	42,4	-	-
Paolo Prandi ⁽¹⁸⁾	Chairman of the Board of Statutory Auditors	01/01 - 31/12/2023	Shareholders' meeting to approve the financial statements as at 31/12/2025									
(I) Compensation in the company preparing the financial statements				71,8	-	-	-	-	-	71,8	-	-
(II) Compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
(III) Total				71,8	-	-	-	-	-	71,8	-	-

¹⁷ Chiara Dorigotti's remuneration consists of 36,000 euros for the position of Director, 12,000 euros for the position of member of the Control and Risk Committee, and 12,000 euros for the position of member of the Remuneration and Appointments Committee. The amounts shown in the table have been calculated *pro-rata* limited to the period during the Year in which Director Dorigotti held the positions, i.e. from 04/27/2023 to 12/31/2023.

¹⁸ Paolo Prandi's compensation is 75,000 euros annually for the position of Chairman of the Board of Statutory Auditors, as approved by the shareholders' meeting on April 27, 2023.

(A)	(B)	(C)	(D)	1	2	3		4	5	6	7	8
First and Last Name	Office	Period for which office was held	Office expiry	Fixed Remuneration ⁽¹⁾	Compensation for committee participation	Variable <i>non-equity</i> compensation		Non-monetary benefits	Other remuneration	Total	Fair value of equity compensation	Severance for termination of office or termination of employment
						Bonuses and other incentives	Profit sharing					
Dante Valobra ⁽¹⁹⁾	Standing Auditor	27/04/ - 31/12/2023	Shareholders' meeting to approve the financial statements as at 31/12/2025									
(I) Compensation in the company preparing the financial statements				43,5	-	-	-	-	-	43,5	-	-
(II) Compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
(III) Total				43,5	-	-	-	-	-	43,5	-	-
Anna Maria Fellegara ⁽²⁰⁾	Standing Auditor	27/04 - 31/12/2023	Shareholders' meeting to approve the financial statements as at 31/12/2025									
(I) Compensation in the company preparing the financial statements				43,5	-	-	-	-	-	43,5	-	-
(II) Compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
(III) Total				43,5	-	-	-	-	-	43,5	-	-

¹⁹ Dante Valobra's compensation is 58,000 euros per year for the position of Standing Auditor, as approved by the shareholders' meeting on April 27, 2023.

²⁰ Anna Maria Fellegara's compensation is 58,000 euros per year for the position of Standing Auditor, as approved by the shareholders' meeting on April 27, 2023.

(A)	(B)	(C)	(D)	1	2	3		4	5	6	7	8
First and Last Name	Office	Period for which office was held	Office expiry	Fixed Remuneration ⁽¹⁾	Compensation for committee participation	Variable <i>non-equity</i> compensation		Non-monetary benefits	Other remuneration	Total	Fair value of equity compensation	Severance for termination of office or termination of employment
						Bonuses and other incentives	Profit sharing					
Gerardo Longobardi ⁽²¹⁾	Standing Auditor	01/01/ - 26/04/2023	Meeting that approved the financial statements as of 31/12/2022									
(I) Compensation in the company preparing the financial statements				12	-	-	-	-	-	12	-	-
(II) Compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
(III) Total				12	-	-	-	-	-	12	-	-
Alessandra Stabilini ⁽²²⁾	Standing Auditor	01/01/ - 26/04/2023	Meeting that approved the financial statements as of 31/12/2022									
(I) Compensation in the company preparing the financial statements				12	-	-	-	-	-	12	-	-
(II) Compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-
(III) Total				12	-	-	-	-	-	12	-	-
Key Executives												
(I) Compensation in the company preparing the financial statements				769,6	-	-	-	16	-	785,6	-	-
(II) Compensation from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-

²¹ Gerardo Longobardi's compensation was 48,000 euros per year for the position of Statutory Auditor, as resolved by the shareholders' meeting of May 21, 2020. The amount shown in the table was calculated *pro-rata* limited to the period during the Fiscal Year in which Auditor Longobardi held that office, namely from 01/01/2023 to 26/04/2023.

²² Alessandra Stabilini's compensation was 48,000 euros per year for the position of Statutory Auditor, as resolved by the shareholders' meeting of May 21, 2020. The amount shown in the table was calculated *pro-rata* limited to the period during the Fiscal Year in which Auditor Stabilini held that office, i.e. from 01/01/2023 to 26/04/2023.

(A)	(B)	(C)	(D)	1	2	3		4	5	6	7	8
First and Last Name	Office	Period for which office was held	Office expiry	Fixed Remuneration ⁽¹⁾	Compensation for committee participation	Variable <i>non-equity</i> compensation		Non-monetary benefits	Other remuneration	Total	<i>Fair value of equity compensation</i>	Severance for termination of office or termination of employment
						Bonuses and other incentives	Profit sharing					
(III) Total				769,6	-	-	-	16	-	785,6	-	-

Schedule 7-ter - Relating to the information on the shareholdings of the members of the management and control Bodies, the general manager and other key executives of the Group

Table 1: Shareholdings of members of management and control bodies as of December 31, 2023

FIRST NAME AND LAST NAME	OFFICE	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
Riccardo Stefanelli	Managing Director and CEO	Brunello Cucinelli S.p.A.	0	17.000 ⁽¹⁾	11.900	5.100 ⁽²⁾
Luca Lisandrone	Managing Director and CEO	Brunello Cucinelli S.p.A.	0	17.000 ⁽³⁾	8.500	8.500
Giovanna Manfredi	Administrator	Brunello Cucinelli S.p.A.	1.156.100	0	0	1.156.100 ⁽⁴⁾
Ramin Arani	Administrator	Brunello Cucinelli S.p.A.	8.600	0	0	8.600

Note:

Cav. Lav. Brunello Cucinelli, Executive Chairman of the Company, is also Chairman and Chief Executive Officer of *Foro delle Arti S.r.l.*, which owns shares in the Company equal to 50.05% of the Company's share capital. Cav. Lav. Brunello Cucinelli is also the settlor of the "Brunello Cucinelli Trust," the trustee of which is the company Spafid Trust S.r.l., which holds in that capacity 100% of the share capital of *Foro delle Arti S.r.l.*

¹ Shares granted to CEO Stefanelli on March 22, 2023 in execution of the 2022-2024 Stock Grant Plan

² The shares are owned through subsidiaries of the director concerned.

³ Shares granted to CEO Lisandrone on March 22, 2023 in execution of the 2022-2024 Stock Grant Plan

⁴ The shares are owned through subsidiaries of the director concerned.

Table 2: Shareholdings of key executives as of December 31, 2023

NUMBER OF KEY EXECUTIVES	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
(1)	Brunello Cucinelli S.p.A.	23.800	0	5.800	18.000

TABLE 3A: *Incentive plans based on financial instruments other than stock options, for members of the administrative body, general managers and other key executives*

	Financial instruments assigned during previous years and not vested during the year		Financial instruments assigned during the Year						Financial instrument vested during the year and not assigned	Financial instruments vested during the year and able to be assigned		Financial instruments of the year
	1 Plan	2 Number and type of financial instruments	3 Vesting period	4 Number and type of Financial instrument	5 Fair value on assignment date	6 Vesting period	7 Assignment date	8 Market price on Assignment date	9 Number and type of financial instruments	10 Number and type of financial instruments	11 Value on the vesting date	12 Fair value (in thousands of euros)
Riccardo Stefanelli <i>Managing Director and CEO</i>												
(I) Compensation in the company preparing the financial statement	Stock Grant Plan 2022 - 2024 (approved by the Shareholders' Meeting on April 27 th , 2022).	51.000 (1)	2022-2024 (1)							17.000	1.506 (2)	1.396 (3)
(II) Compensation from subsidiaries and associates	None											
(III) Total										1.506 (2)	1.396	

												(3)
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Luca Lisandroni <i>Managing Director and CEO</i>												
(I) Compensation in the company preparing the financial statement	Stock Grant Plan 2022 - 2024 (approved by the Share- holders' Meeting on April 27, 2022).	51.000 (1)	2022- 2024 (1)							17.000	1.506 (2)	1.396 (3)
(II) Compensation from subsidiaries and associ- ates	None											
(III) Total											1.506 (2)	1.396 (3)

(1) The number indicated refers to the number of rights granted to each managing director to receive, free of charge, Brunello Cucinelli ordinary shares (in the ratio 1:1) upon achievement of certain performance targets, all as described in the Information Document of the Stock Grant Plan 2022-2024, available on the investor website <https://investor.brunellocucinelli.com/en/governance/shareholders-meetings/2022#docs>, to which please refer. The number of rights indicated takes into account the rights related to the number of shares that can be granted (and thus also in case of over-performance) at the end of the vesting period. It should be noted that the first tranche of rights (No. 17,000) vested upon the achievement of a performance target linked to the Group's consolidated financial statements for fiscal year 2022 (consolidated EBIT). In accordance with the terms and conditions of the 2022-2024 Stock Grant Plan, the Board of Directors verified at its meeting on March 15th, 2023, the achievement of the performance targets linked to the vesting of the first tranche rights. Consequently, and in accordance with the terms of the Plan, shares corresponding to the first tranche rights equal to, respectively, no. 17,000 Brunello Cucinelli ordinary shares for each CEO and a total number equal to 13,250 Brunello Cucinelli ordinary shares for additional beneficiaries of the Plan, identified by the Board of Directors from among employees or managers of Group companies other than the Issuer who hold strategically relevant roles in the pursuit of the Group's strategic objectives (for a total of no. 7 beneficiaries), were awarded. The second tranche (no. 17,000) vests upon the achievement of a

performance target linked to the Group's consolidated financial statements for fiscal year 2023 (consolidated EBIT) and the third and final tranche (maximum no. 51,000) vests upon the achievement of a target based on the cumulative results of fiscal years 2022, 2023 and 2024, all as described in the Information Document of the 2022-2024 *Stock Grant* Plan available on the investor website <https://investor.brunellocucinelli.com/en/governance/shareholders-meetings/2022#docs>, to which please refer. Lastly, it should be noted that the Board of Directors verified, at its meeting of March 14th, 2024, the achievement of the performance targets related to the vesting of second tranche rights. Consequently and in accordance with the provisions of the Plan, the shares corresponding to the second tranche rights equal to, respectively, no. 17,000 Brunello Cucinelli ordinary shares for each CEO and a total number equal to 13,250 Brunello Cucinelli ordinary shares for the additional beneficiaries of the Plan, identified by the Board of Directors from among the employees or managers of Group companies other than the Issuer who hold strategically relevant roles in the pursuit of the Group's strategic objectives (for a total of no. 7 beneficiaries), will be allocated.

- (2) The figure reported was computed by multiplying the number of rights vested during the 2023 financial year and attributable by the market price of the shares as of 29/12/2023, last day of listing for the Year.
- (3) The figure reported was computed by multiplying the number of rights pertaining to the 2023 financial year by the market price of the shares on the grant date (27/07/2022).

The total (III) is specified with reference to columns (5), (11) and (12).

In table 3A, for each party concerned and for each incentive plan intended for him, the following are specified:

- financial instruments assigned during previous years and not vested during the year, specifying the vesting period;
- financial instruments assigned during the year, indicating the fair value on the assignment date, of the vesting period, the assignment date and the market price at the time of assignment;
- financial instruments vested during the year and not assigned;
- financial instruments vested during the year and assignable, with an indication of the value on the maturity date;
- the fair value of the financial instruments of the relevant year.

The term “vesting period” is used to refer to the period running from the time when the right to participate in the incentive plan is assigned to that when the right matures.

Financial instruments vested during the year and not assigned are financial instruments for which the vesting period concluded during the year and which have not been assigned to the addressee due to failure to fulfil the conditions to which assignment of the instrument was subject (e.g. failure to achieve performance objectives).

The value on vesting date is the value of the financial instruments vested, even if not yet paid (e.g. due to the inclusion of lock up clauses) at the end of the vesting period.

If an aggregated representation criterion is adopted, the following information is provided in the Table:

- the total number of non-vested financial instruments held at the start of the year, indicating average maturity;
- the total number of financial instruments assigned at the start of the year, indicating the total fair value, average maturity and average market price at the time of assignment;
- total number of financial instruments vested during the year and not assigned;
- the total number of financial instruments vested during the year and assignable, specifying the total market value;
- the total fair value of the financial instruments of the relevant year.

TABLE 3B: Monetary incentive plans for members of the board of directors, general managers and other key executives

(in euros)

Riccardo Stefanelli Managing Director and CEO								
	PLAN	BONUS OF THE YEAR			BONUSES of PREVIOUS YEARS			OTHER BO- NUSES
		Payable / Paid ⁽²⁾	Deferred ⁽³⁾	Deferral pe- riod	Not payable anymore ⁽⁴⁾	Payable/paid ⁽⁵⁾	Still Dif- ferred ⁽⁶⁾	
(I) Compensation in the company prepar- ing the financial state- ments	Annual incentive (MBO 2023)	300.000	-	-	-	-	-	-
(II) Compensation from subsidiaries and associates	None	-	-	-	-	-	-	-
(III) Total		300.000	-	-	-	-	-	-

(in euros)

Luca Lisandroni <i>Managing Director and CEO</i>								
	PLAN	BONUS OF THE YEAR			BONUSES OF PREVIOUS YEARS			OTHER BO-NUSES
		Payable / Paid ⁽²⁾	Deferred ⁽³⁾	Deferral pe-riod	Not payable anymore ⁽⁴⁾	Payable/paid ⁽⁵⁾	Still Dif-ferred ⁽⁶⁾	
(I) Compensation in the company prepar- ing the financial state- ments	Annual incentive (MBO 2023).	300.000	-	-	-	-	-	-
(II) Compensation from subsidiaries and associates	None.	-	-	-	-	-	-	-
(III) Total		300.000	-	-	-	-	-	-

The total (III) is specified with reference to all columns apart from the deferral period.

⁽²⁾ specifies the bonus competent to the year accrued for the objectives achieved during the year and disbursed or able to be disbursed because not subject to any other conditions (upfront compensation).

⁽³⁾ specifies the bonus linked to objectives to be achieved during the year, but which cannot be disbursed because it is subject to additional conditions (deferred bonus).

⁽⁴⁾ specifies the sum of the bonuses deferred in previous years, still to be disbursed at the start of the year and no longer able to be disbursed due to failure to fulfil the conditions to which they are subject.

⁽⁵⁾ specifies the sum of bonuses deferred in previous years, still to be disbursed at the start of the year and disbursed during the year or able to be disbursed.

⁽⁶⁾ specifies the sum of the bonuses deferred in previous years, still to be disbursed at the start of the year and which are further deferred.

The sum of the amounts specified in columns (4) (5) and (6) corresponds to the sum of the amounts indicated in columns (3) and (5) of the previous year.

Other Bonuses specifies the bonuses competent for the year, not specifically included in specific plans defined ex ante.