

**TINEXTA S.P.A.**  
**2018 REPORT ON REMUNERATION**

pursuant to Art. 123-*ter* of Legislative Decree 58/1998



Report approved by the Board of Directors of Tinexta S.p.A. at its meeting of 27/03/2019,  
available at [www.tinexta.com](http://www.tinexta.com), in the "Governance" section

**Please note that this English translation is provided as a courtesy to non-Italian speakers.  
The Italian version is considered the only valid version for legal purposes.**

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## INTRODUCTION

This Remuneration Report prepared pursuant to Art. 123-*ter* of Legislative Decree No. 58 of 1998 and subsequent amendments and additions (the "Consolidated Finance Law" or "TUF"), to Art. 84-*quater* of the regulation on issuers adopted by Consob with Resolution No. 11971 of 14 May 1999 and subsequent amendments and additions (the "Issuers' Regulations"), as well as in compliance with the recommendations of the Code of Self-Regulation for listed companies approved by the Corporate Governance Committee and promoted by Borsa Italiana, ABI, Ania, Assogestioni, Assonime and Confindustria, accessible to the public on the website of Borsa Italiana ([www.borsaitaliana.it](http://www.borsaitaliana.it)), as last amended in July 2018 (the "Code of Self-Regulation"), to which the Company subscribes (the "**Report**")

consists of two sections:

- Section I: illustration of the Company's policy on the remuneration of members of the Board of Directors and Key Managers (the "**Remuneration Policy**"), as well as a description of the bodies involved and the procedures used for its adoption.

The Shareholders' Meeting, called to approve the financial statements as at 31 December 2018, is called upon to express a non-binding vote, pursuant to Article 123-*ter* of the TUF, on Section I. The result of the vote will be made available to the public, pursuant to Article 125-*quater*, paragraph 2, of the TUF.

- Section II: report on the items making up the remuneration paid in the year ended 31 December 2018 to the members of the Board of Directors, the Key Managers and the members of the Board of Statutory Auditors, providing a representation of each of the items making up the remuneration.

Section II, pursuant to Article 84-*quater*, fourth paragraph, of the Issuers' Regulations also specifies the Shares held - in the Company and in its subsidiaries - by Directors, Statutory Auditors and Key Managers.

The Report, approved by the Board of Directors of Tinexta S.p.A. ("**Issuer**" or the "**Company**" or even "**Tinexta**") on 27 March 2019 on the proposal of the Remuneration Committee (as defined below), was drawn up and published in compliance with current legal and regulatory obligations.

The Remuneration Policy was also adopted by the Company in compliance with the provisions of the regulation on related party transactions adopted by Consob with Resolution No. 17221 of 2010 (the "**Consob RPT Regulation**") and the procedure on related party transactions adopted by the Company in compliance with the provisions of the Consob RPT Regulation (the "**Tinexta Related Parties Procedure**").

For the definition of the Remuneration Policy described in this Report, the Company has availed itself of the assistance of an expert external consultant, Crisci & Partners, as indicated below.

The Remuneration Policy does not present significant changes with respect to that presented to the Shareholders' Meeting of 24 April 2017 and applied in 2017. In any case, possible changes and modifications to the Remuneration Policy that may be made by the Company in the future will be appropriately highlighted and described in the remuneration reports for the next few years.

As set out by the Consob RPT Regulation, the approval of the Remuneration Policy by the Shareholders' Meeting exempts the Company from applying the aforementioned procedure in resolutions of the Board of Directors concerning the remuneration of Directors and Key managers

when the latter are in line with the Remuneration Policy. Furthermore, pursuant to Article 13, paragraph 1, of the Consob RPT Regulation, the aforementioned procedure does not apply to Shareholders' Meeting resolutions pursuant to Article 2389, paragraph 1, of the Italian Civil Code, relating to the remuneration of members of the Board of Directors and the Steering Committee, nor to resolutions relating to the remuneration of Directors vested with special offices falling within the total amount previously determined by the Shareholders' Meeting pursuant to Article 2389, paragraph 3, second sentence, of the Italian Civil Code.

## SECTION I – REMUNERATION POLICY

The Remuneration Policy defines the principles and guidelines that Tinexta follows in determining the remuneration practices for members of the Board of Directors and Key Managers.

### 1.1 BODIES AND INDIVIDUALS INVOLVED IN THE PREPARATION, APPROVAL AND IMPLEMENTATION OF THE REMUNERATION POLICY

The main bodies and individuals involved in the preparation and approval of the Remuneration Policy are the Board of Directors, the Remuneration Committee and the Board of Statutory Auditors.

They are also responsible for the correct implementation of the Remuneration Policy and ensure that it is properly applied. Below is a brief description of the tasks that, pursuant to the applicable legislation and Tinexta's internal regulations, are delegated to these bodies with regard to remuneration.

#### Board of Directors

The Board of Directors is exclusively responsible for defining every year the Remuneration Policy on the basis of a proposal made by the Remuneration Committee.

The Board of Directors:

- (i) shall set up an internal Remuneration Committee;
- (ii) shall determine the remuneration of directors vested with special offices on the proposal of the Remuneration Committee (and the Committee for Related Party Transactions of Tinexta, appointed in compliance with the Consob RPT Regulation and the Related Parties Procedure, the "**Related Parties Committee**", in the cases provided for by the Related Party Regulations), subject to the opinion of the Board of Statutory Auditors, possibly within the overall remuneration determined by the Shareholders' Meeting pursuant to Art. 2389, paragraph 3, of the Italian Civil Code;
- (iii) shall define, on the proposal of the Remuneration Committee, the Remuneration Policy;
- (iv) shall approve the Remuneration Report, pursuant to articles 123-*ter* of the TUF and 84-*quater* of the Issuers' Regulations;
- (v) shall prepare any share-based remuneration plans or other financial instruments for directors, employees and collaborators, including Key Managers, submit them to the Shareholders' Meeting for approval pursuant to Art. 114-*bis* of the TUF and oversee their implementation.

#### Remuneration Committee

The Remuneration Committee set up in implementation of the recommendations contained in Art. 6 of the Code of Self-Regulation (the "**Remuneration Committee**") has the task of assisting the Board of Directors with investigative, advisory and consulting functions, in the assessments and decisions relating to the remuneration of Directors and Key Managers. In particular, the Remuneration Committee:

- a) shall periodically assess the suitability, overall consistency and actual application of the Remuneration Policy for Directors and key managers, making use in this regard of the

information provided by the Executive Directors; formulating proposals on the matter to the Board of Directors;

- b) shall present proposals or expresses opinions to the Board of Directors on the remuneration of Executive Directors as well as on the establishment of performance objectives relating to the variable component of such remuneration; monitoring the application of decisions adopted by the Board, verifying, in particular, that performance objectives are achieved;
- c) shall examine in advance the annual report on remuneration to be made available to the public in view of the Annual General Meeting; and
- d) shall carry out any additional tasks assigned to it by the Board of Directors.

The establishment of this Committee guarantees the widest possible dissemination of information and transparency on the remuneration due to the Executive Directors, as well as on the respective methods of determination. However, it is understood that, in compliance with Art. 2389, paragraph 3, of the Italian Civil Code, the Remuneration Committee's role is to submit proposals, while the power to establish the remuneration of the Executive Directors is, in any event, held by the Board of Directors, after hearing the opinion of the Board of Statutory Auditors.

With regard to the role, composition and operations of the Remuneration Committee, reference should be made to the following Section.

#### Board of Statutory Auditors

The Board of Statutory Auditors, with regard to remuneration, expresses its opinion on the proposals for the remuneration of Executive Directors, pursuant to Article 2389, paragraph 3, of the Italian Civil Code, verifying that such proposals are in line with the Remuneration Policy adopted by the Company.

#### Shareholders' Meeting' Meeting

It should also be noted that the Shareholders' Meeting has the following responsibilities with regard to remuneration:

- (i) it shall determine the remuneration of the members of the Board of Directors pursuant to Article 2364, paragraph 1, no. 3), of the Italian Civil Code, and where appropriate also pursuant to Article 2389, paragraph 3, of the Italian Civil Code, and the Company's Articles of Association (the "**Articles of Association**");
- (ii) pursuant to Art. 123-ter, paragraph 6, of the TUF, it shall be called upon to decide in favour of or against Section I of the Remuneration Report (pursuant to the aforementioned legislative provision, this Shareholders' meeting resolution is non-binding);
- (iii) it shall deliberate on any share-based compensation plans or other financial instruments intended for Directors, General Managers, employees, collaborators or other Key Managers of Tinexta, pursuant to Article 114-bis of the TUF.

## **1.2 POSSIBLE INTERVENTION OF A REMUNERATION COMMITTEE OR OF ANOTHER COMMITTEE COMPETENT IN THIS MATTER, DESCRIBING THE COMPOSITION (WITH THE DISTINCTION BETWEEN NON-EXECUTIVE AND INDEPENDENT DIRECTORS), RESPONSIBILITIES AND OPERATING PROCEDURES**

In light of the provisions of Article 2.2.3, paragraph 3, letter m) of the Stock Market Regulations, applicable to issuers holding the STAR qualification, and in compliance with the Code of Self-Regulation, the Company has set up a Remuneration Committee within its Board of Directors.

The Remuneration Committee is composed of five non-executive directors, the majority of whom are independent, they are as follows:

- Giada Grandi (Chairman) - independent non-executive director;
- Eugenio Rossetti - independent non-executive director;
- Paola Generali - independent non-executive director;
- Lorena Pellissier - independent non-executive director;
- Riccardo Ranalli - non-executive director.

On 8 May 2018, the Board of Directors appointed Paola Generali, Lorena Pellissier and Riccardo Ranalli as members of the Remuneration Committee and Giada Grandi and Eugenio Rossetti as of 20 September 2018.

At the time of the appointment, the Board of Directors positively assessed that all members possessed the requirements of adequate knowledge and competence in financial matters and remuneration policies.

The composition, duties and operating procedures of the Remuneration Committee are governed by the Code of Self-Regulation and by specific regulations adopted by the Remuneration Committee as from 15 May 2018.

The meetings of the Remuneration Committee were held on a collective basis and minutes were taken.

In light of the provisions of Criteria 6.C.6 of Corporate Governance Code no director took part in the meetings of the Remuneration Committee at which proposals for the Board of Directors relating to their own remuneration were made.

The meetings of the Remuneration Committee may be attended, if invited in advance, by representatives of Company departments and independent experts and/or other individuals whose participation would be considered useful in relation to the issues under discussion.

If it deems it necessary or appropriate for the performance of certain tasks assigned to it, the Remuneration Committee may avail itself of the support of external consultants with expertise in remuneration policies.

The Remuneration Committee makes use of the Company's resources and structures to carry out its tasks.

With reference to the activities carried out by the Remuneration Committee during 2018, reference should be made to the report on corporate governance and ownership structure as at 31 December

2018, made available on the Company's website, [www.tinexta.com](http://www.tinexta.com), in the "Governance" section, in accordance with the law.

### **1.3 INDEPENDENT EXPERTS INVOLVED IN THE PREPARATION OF THE REMUNERATION POLICY**

In preparing the Remuneration Policy described in this report, the Company availed itself of the advice of an independent expert, Crisci & Partners, who specialise in governance practices.

### **1.4 AIMS PURSUED BY THE REMUNERATION POLICY, UNDERLYING PRINCIPLES AND POSSIBLE CHANGES IN THE REMUNERATION POLICY COMPARED TO THE PREVIOUS FINANCIAL YEAR**

The Remuneration Policy is defined in such a way as to ensure an overall remuneration structure capable of recognising the managerial value of the individuals involved and the contribution made to the growth of the Company in relation to their respective competences. This policy aims to attract, retain and motivate highly professional resources, with particular attention to positions considered key to business development and management, and to reward the achievement of individual and corporate performance objectives linked to economic and financial indicators of business growth, and has as its main objective the alignment of the interests of the Company's management with the pursuit of the priority objective of creating value for the Shareholders of Tinexta in the medium-long term.

The Remuneration Policy, in line with the general purposes illustrated above, is based on the following reference principles and is defined in line with the following criteria:

- (i) suitable balancing of the fixed and variable components according to the Company's strategic objectives and risk management policy, taking into account the sector in which the Group operates and the characteristics of the activities it actually carries out, in order to avoid behaviour that is not aligned with the creation of sustainable value in the short and medium-long term;
- (ii) setting limits for variable components;
- (iii) predetermination and measurability of performance objectives for the provision of variable components;
- (iv) the provision of overall salary levels that recognise the professional value of individuals and their contribution to the creation of sustainable value in the short and medium-long term.

The assignment of variable components (short or medium-long term) of remuneration is linked to the achievement of predetermined performance objectives which are fairly predetermined by the Board of Directors, on the proposal of the Remuneration Committee.

The Shareholders' Meeting resolves on the total amount of compensation due to the Board of Directors, including any compensation to be attributed to Directors vested with special offices. Within the scope of that decided by the Shareholders' Meeting, it is then up to the Board of Directors to implement the decisions of the Meeting with the attribution of compensation to individual members, establishing any additional compensation for Directors vested with special

offices, on the proposal of the Remuneration Committee and after hearing the opinion of the Board of Statutory Auditors.

The Company may provide share-based incentive and loyalty plans or other financial instruments for directors, employees and collaborators, including Key Managers, pursuant to Article 114-*bis* of the TUF.

In line with the principles outlined above, the Company has adopted an Virtual Stock Option plan as defined below at the Section 1 paragraph 1.1.9 in order to recognise the managerial value of the individuals to whom the plan is addressed and the contribution made to the Company's growth in relation to their respective skills. The Company's Virtual Stock Option plan aims to attract, retain and motivate a management team with high professional qualities, capable of successfully managing the Company's business.

It should be noted that the Remuneration Policy does not present significant changes with respect to that presented to the Shareholders' Meeting of 24 April 2018 and applied in 2017.

In any case, in 2019 the Remuneration Committee formulates further proposals to the Board for the Remuneration Policy for Executive Directors and the Key Managers, with regard to the consistency of performance results related to the variable remuneration component with the pursuit of the sustainability objective of the Company in the medium to long term.

#### **1.5 DESCRIPTION OF POLICIES RELATING TO FIXED AND VARIABLE REMUNERATION COMPONENTS, PARTICULARLY WITH RESPECT TO THEIR RESPECTIVE WEIGHT WITHIN TOTAL REMUNERATION, DISTINGUISHING BETWEEN SHORT AND MEDIUM-LONG TERM VARIABLE COMPONENTS**

The Remuneration Policy provides that fixed and variable components are articulated according to different principles and methods in relation to the different types of recipients and are suitably balanced.

The Company therefore considered it appropriate to distinguish the remuneration structure in relation to competences and executive/managerial responsibilities accorded to the individuals concerned and consequently to independently define the criteria for determining the remuneration of:

- (i) Chief Executive Officer (this definition specifies the Directors of the Company to whom operational or managerial powers are assigned or to whom the Board of Directors assigns particular duties). As of the date of this Report, Pier Andrea Chevallard is Chief Executive Officer);
- (ii) other Directors;
- (iii) Key Managers (individuals who have the power and the responsibility, directly or indirectly of planning, direction and monitoring of the Company's activities, who are identified over time by the Board of Directors with the support of the Chief Executive Officer). In any event they include: (i) the General Manager; and (ii) the Manager responsible for drawing up the corporate accounting documents.

#### **Directors**

The compensation of non-executive Directors (whether independent or not) is formulated in such a way as to attract and motivate the highest levels of professionalism and skills for an improved performance in the respective offices and to ensure the achievement of Remuneration Policy objectives.

A fixed component of compensation, approved by the Shareholders' Meeting of 24 April 2018 for an gross annual amount of EUR 32,000, is envisaged for all Directors to ensure adequate remuneration for their activities and commitment of the Directors towards the Company, in addition to the reimbursement of expenses incurred, pursuant to Art. 15 of the Articles of Association, and attendance fees.

These Directors are not entitled to a variable remuneration component, because their activities are not likely to directly affect the Company's performance, which is normally linked to the pay-out of variable components.

On 24 April 2018, the Board of Directors decided to pay the following additional compensation for the participation of the Company's Directors in committees: gross annual EUR 20,000 for the Chairman of the Committees and gross annual EUR 14,000 for each member of the Committees.

The remuneration provided for the Independent Directors is the same as that provided for the other non-executive Directors: therefore, there is no particular remuneration policy for the Independent Director, while a differentiated compensation is provided for Directors who take on the role of Chairman and Deputy Chairman. The relative amounts were set at gross annual EUR 150,000 and gross annual EUR 50,000 respectively.

With regard to the positions held in subsidiaries by any Director or Key Manager of Tinexta, the remuneration principles for 2018 have been defined independently by Tinexta, without any reference to the remuneration policies adopted by other companies.

### **Chief Executive Officer**

The Chief Executive Officer's remuneration is suitably balanced in order to ensure consistency between short-term development objectives and the sustainability of creating value for the Shareholders in the medium-long term.

In particular, the remuneration structure of the Chief Executive Officer consists of:

- a fixed component (equal to gross annual EUR 130,000 for the office of Chief Executive Officer and gross annual EUR 32,000 for the office of Director). This component is determined taking into account the magnitude and strategic nature of the specific role, the distinctive subjective characteristics and the strategic skills possessed by the manager. Its extent is sufficient to remunerate the individual's services even in the event of failure to achieve the performance objectives that condition the payment of variable remuneration and this - among other reasons - is to discourage the adoption of behaviours that are inconsistent with the risk propensity of the Company. In particular, the fixed component is determined on the basis of the magnitude of business that they manage and their capacity to contribute to the Group's consolidated results.

This fixed component consists of the compensation approved for each Director by the Ordinary Shareholders' Meeting, at the time of appointment to the position of Board of Directors member, of gross annual EUR 32,000, and the compensation approved by the Board of Directors, on the proposal of the Remuneration Committee and subject to the favourable opinion of the Board of Statutory Auditors, pursuant to Article 2389, paragraph 3, of the Italian Civil Code, of gross annual EUR 130,000.

- short-term variable component (up to a maximum disburseable CAP of gross annual EUR 185,300) This component pursues the objective of providing an incentive for the Chief Executive Officer to work towards achieving annual objectives in order to maximise the value of the Group, in line with the interests of Shareholders. This component can only be achieved if the minimum annual performance objectives established by the Board of Directors on the proposal of the Remuneration Committee. , The vesting of the short-term variable component is, in fact, subject to the achievement of both access conditions (so-called “on/off”) indicated below:
  - exceed 95% of the EBITDA forecast in the 2018 Budget and approved by the Board of Directors on 31 January 2018;
  - an NFP/EBITDA ratio not exceeding 2X.

In any case, this component is balanced - with respect to others - in such a way as to avoid short-term or opportunistic rationale from prevailing over medium-long term strategies, in the interests of stakeholders and business sustainability.

This component makes up between 30% and 50% of the total remuneration;

- a medium-long term variable component commensurate with the growth in value of the shares (Long Term Incentive based on financial instruments, according to the Virtual Stock Option plan for 300,000 shares, with maturation for increasing pre-established instalments between 18 and 36 months, of which 90,000 can be exercised between 31/01/2018 and 31/07/2020 and 210,000 can be exercised between 31/07/2019 and 31/07/2020).

This component pursues the objective of encouraging the Chief Executive Officer to operate with a view to maximising the value of the Group and aligning the interests of such Directors with those of the Shareholders, according to a medium-long term rationale. This compensation will be paid on a deferred basis, at the end of a three-year period, and is intended to pay sums corresponding to the growth in value of the Company;

- fringe benefits: these are defined in line with the practices of the reference remuneration markets in order to complete and enhance the overall remuneration package, taking into account the roles and/or responsibilities assigned. They are exclusively attributable to the Chief Executive Officer for his/her position as General Manager and consist of the supply of goods and/or services assigned with instruments that may also supplement the provisions of current legislation (motor vehicle assigned for mixed use and health, life, permanent disability, accident, professional and extra-professional indemnity policies).

EUR 270,000 should be added to these amounts for the Chief Executive Officer, allocated as a fixed remuneration to the Chief Executive Officer by virtue of the executive relationship relating to his role as General Manager.

### **Key Managers**

The remuneration of Key Managers is structured with the aim of focusing management on long-term business results and the creation of value.

The Company has therefore also adopted a policy aimed at achieving these objectives through the implementation of variable components of the remuneration system.

The remuneration of Key Managers is composed of:

- a fixed component, pre-determined to a significant extent, consistent with the position and commitment required and, in any case, sufficient to remunerate services in the event that the variable component is not paid out due to failure to achieve the objectives set out below. In any case, the fixed component must not represent more than 75% of the total annual remuneration envisaged.
- a short-term variable component (on an annual basis), in cash;
- a medium-long term variable component based on a Virtual Stock Option plan with a vesting period and maturation for increasing pre-established instalments between 18 and 36 months, described in detail in paragraph 1.10 below.
- non-monetary fringe benefits (motor vehicle assigned for mixed use, health, life, permanent disability, accident, professional and extra-professional indemnity policies, in addition to mandatory ones).

Payment of variable components of the remuneration system may be carried out on the basis of the achievement of pre-established Company objectives (the so-called MBO), linked to the expected results on the basis of the Strategic Plan approved by the Company. The variable component is equal to a pre-established percentage of fixed gross annual remuneration of a weight generally no less than 30% of said remuneration and no more than 50%.

It should be noted that the vesting of the short-term variable component is subject to eligibility requirements ("on/off") and is commensurate to the exceeding of 95% of the Company's consolidated EBITDA value as set out in the 2018 Budget.

#### **1.6 POLICY APPLICABLE TO NON-MONETARY BENEFITS (FRINGE BENEFITS)**

The Company has not prepared a policy regarding non-monetary benefits for Directors, with the exception of insurance cover for liability arising from carrying out their role as 'Directors and Officer'.

Key Managers will be assigned corporate cars for mixed use and will adhere to pension and insurance plans that reflect ordinary retirement and welfare protection, as provided for in the applicable National Collective Labour Agreement.

The recognition of non-monetary benefits is carried out in accordance with market practice and in compliance with current tax regulations.

#### **1.7 WITH REFERENCE TO VARIABLE COMPONENTS, A DESCRIPTION OF THE PERFORMANCE OBJECTIVES ON THE BASIS OF WHICH THEY ARE ASSIGNED, DISTINGUISHING BETWEEN SHORT AND MEDIUM-LONG TERM VARIABLE COMPONENTS, AND INFORMATION ON THE LINK BETWEEN CHANGE IN RESULTS AND CHANGE IN REMUNERATION**

The incentive system provides for the application of a criterion for calculating the variable component suitable for establishing a link between changes in Company results and changes in remuneration. In particular, for the determination of the medium-long term variable component, a

calculation system commensurate with the growth in value of the Shares as provided for in Virtual Stock Option Plan as described at paragraph 1.10 sec. I below.

**1.8 CRITERIA USED FOR EVALUATING THE PREREQUISITE PERFORMANCE OBJECTIVES FOR THE ASSIGNMENT OF SHARES, OPTIONS, OTHER FINANCIAL INSTRUMENTS, OR OTHER VARIABLE REMUNERATION COMPONENTS**

With regard to the criteria used to assess the performance objectives underlying the assignment of Shares, options, other financial instruments or other variable remuneration components, it should be noted that these are based on the economic results and profitability achieved by the Company. In general, the objectives are based on the specific activities carried out by the Company and are indicators of the Company's ability to produce value in a sustainable manner and to manage the risk associated with its business in the medium-long term.

**1.9 INFORMATION INTENDED TO VERIFY THE CONSISTENCY OF THE REMUNERATION POLICY WITH THE PURSUIT OF THE COMPANY'S LONG-TERM INTERESTS AND WITH THE RISK MANAGEMENT POLICY, WHERE FORMALISED**

Reference should be made to Section 1.5 above.

**1.10 VESTING PERIOD, POSSIBLE DEFERRED PAY-OUT SYSTEMS, DEFERMENT PERIODS AND CRITERIA USED FOR DETERMINING SUCH PERIODS, AS WELL AS EX POST CORRECTION MECHANISMS IF ANY.**

At the date of this Report, the remuneration policy does not provide for incentive plans based on financial instruments pursuant to Art. 114-*bis* of the TUF, in addition to the Virtual Stock Option Plan for which reference should be made to paragraph 1.1.9 sec. II, the purpose of the plan, pursuant to Art. 2.2.3 of the Regulations for markets organised and managed by Borsa Italiana S.p.A. with reference to the STAR segment requirements and in accordance with the principles of Article 6 of the Code of Self-Regulation for Listed Companies with regard to the remuneration of executive Directors, is to align the interests of investors and Senior Key Managers of Tinexta, introducing for the latter a medium-long term remuneration system corresponding to the growth in value of Shares and consequently the creation of sustainable value for Shareholders.

The assignment of virtual stock options under the Virtual Stock Option Plan for Senior Key Managers of Tinexta, aimed at the disbursement of deferred amounts corresponding to the growth in value of the Company's Shares and, therefore, without the issue of new Tinexta Shares and without dilution for Shareholders, resulted in the entire amount resolved in a maximum of 500,000 options under the following terms: to the Chief Executive Officer, Pier Andrea Chevallard, 300,000 options, of which 90,000 may be exercised between 31.01.2018 and 31.07.2020 and 210,000 may be exercised between 31.07.2019 and 31.07.2020; the remaining 200,000 to Senior Key Managers in the Company, of which 60,000 options are exercisable between 31.01.2018 and 31.07.2020 and 140,000 are exercisable between 31.07.2019 and 31.07.2020.

Finally, please note, that in accordance with the Incentive Plan, the allocation of options to the recipients was free of charge. The sum due to each of the recipients as a result of the actual

exercising of the options is calculated according to the difference between (i) the Benchmark Value, meaning the mean weighted price on the basis of the quantities exchanged of each individual Tinexta Share on the MTA in the calendar month preceding each notification of the exercising of an option, and (ii) the Allocation Value equal to EUR 3.4 for each ordinary Tinexta Share.

**1.11 INFORMATION ON ANY CLAUSES REQUIRING THE MAINTENANCE IN THE PORTFOLIO OF FINANCIAL INSTRUMENTS AFTER THEIR ACQUISITION, WITH THE MAINTENANCE PERIODS AND THE CRITERIA USED FOR DETERMINING SUCH PERIODS**

Reference should be made to Section 1.10 above.

**1.12 POLICY APPLICABLE TO INDEMNITIES IN CASE OF CESSATION FROM OFFICE OR TERMINATION OF EMPLOYMENT**

The Remuneration Policy does not envisage the payment of any compensation in favour of Directors and Key Managers (other than the Chief Executive Officer) in the event of early termination of the office and/or working relationships or its non-renewal.

For the Chief Executive Officer who also holds the office of General Manager, in the event of early termination by the Company without just cause and/or revocation and/or non-renewal and/or if the Chief Executive Officer or General Manager has to resign from both relationships at the request of the Company, the Chief Executive Officer or General Manager will be paid an amount, as an incentive to leave, equal to three years' worth of overall emoluments received as General Manager.

No agreements have been entered into which take effect, are modified or are extinguished in the event of a change of control of the Company or a request for resignation following a takeover bid or a public exchange offer.

The Chief Executive Officer and General Manager of the Company has undertaken not to carry out, for a period of one year after the termination of the employment relationship, on their own or directly, throughout the European Union, any type of activity that may be in competition with that carried out by the Company. In return for this commitment, the Company has undertaken to pay the Company's Chief Executive Officer and General Manager the annual sum equal to the fixed gross annual emoluments received in relation to both the relationship of director and manager, including the variable portion calculated on the basis of the average amount received in the last three years.

**1.13 INFORMATION ON THE PRESENCE OF ANY INSURANCE COVERS, OR SOCIAL SECURITY OR RETIREMENT BENEFITS, OTHER THAN THOSE REQUIRED BY LAW**

Directors are not granted insurance coverage other than compulsory insurance and insurance to cover liabilities arising from the exercise of their office, Directors & Officers Policy (Directors' civil and financial liability).

**1.14 REMUNERATION POLICY APPLICABLE TO: (I) INDEPENDENT DIRECTORS, (II) PARTICIPATION IN COMMITTEES, AND (III) PERFORMANCE OF CERTAIN DUTIES (CHAIRMAN, DEPUTY CHAIRMAN, ETC.)**

In accordance with the recommendations of the Code of Self-Regulation, the remuneration of Independent Directors is not linked to the economic results achieved by the Company.

The remuneration policy provides for the attribution of an additional fixed amount of remuneration to non-executive Directors and to Independent Directors who are members of Committees established within the Board in order to adequately remunerate the additional activities and commitments required and carried out for the benefit of the Company.

For further information, reference should be made to Section 1.5 above.

**1.15 WHETHER THE REMUNERATION POLICY HAS BEEN DEFINED USING THE REMUNERATION POLICIES OF OTHER COMPANIES AS A REFERENCE, AND IF SO, THE CRITERIA USED FOR THE CHOICE OF SUCH COMPANIES**

In defining the Remuneration Policy, the Company did not use the remuneration policies of other companies as a reference.

## **SECTION II - REMUNERATION RECEIVED BY MEMBERS OF THE BOARD OF DIRECTORS AND THE BOARD OF STATUTORY AUDITORS, AS WELL AS BY KEY MANAGERS**

This section identifies the remuneration attributed to Directors and Statutory Auditors and to the General Manager, and in aggregate form, the remuneration attributed to Key Managers:

- in the first part, it provides an adequate representation of each of the items that make up the remuneration, including the remuneration provided for in the event of termination of office or employment relationship, highlighting the consistency with the remuneration policy of the Company approved in the previous year; it should be noted that the remuneration paid in 2018 is consistent, in its amount and in the items that it is comprised of, with the Remuneration Policy adopted by the Board of Directors;
- in the second part, it analytically illustrates the compensation paid in the reference year (2018) for any reason and in any form by the Company and by subsidiary or associated companies, indicating any components of the aforesaid compensation that refer to activities carried out in years prior to the reference year and also highlighting the compensation to be paid in one or more subsequent years for the activities carried out in the reference year, possibly indicating an estimate value for the components that cannot be objectively quantified in the reference year;
- in the third part, it specifies, with the criteria established in Annex 3A, Schedule 7-ter of the Issuers' Regulations, the shares held in the Issuer and its subsidiaries by members of the administration and control bodies, the General Manager and other Key Managers, as well as by spouses not legally separated and dependent children, directly or through subsidiaries, trust companies or third parties, resulting from the shareholders' register, communications received and other information acquired from the same members of the administration and control bodies as well as from the General Manager and other Key Managers.

## **1.1 PART 1 – ITEMS THAT MAKE UP 2018 REMUNERATION**

### **1.1.1 Board of Directors**

The Shareholders' Meeting of 24 April 2018 has appointed as Directors, the following Board members: Pier Andrea Chevallard, Laura Benedetto, Giada Grandi, Elisa Corghi, Eugenio Rossetti, Riccardo Ranalli, Lorena Pellissier, Alessandro Potestà and Alessandro Barberis and appointed Enrico Salza as Chairman.

The Shareholders' Meeting of 24 April 2018 set the gross annual compensation for each member of the Board of Directors at EUR 32,000 and the gross annual compensation for the Chairman of the Board of Directors, Enrico Salza, at EUR 150,000 for each of the years from 2018 to 2020, in addition to reimbursement for expenses incurred as indicated in Article 15 of the Articles of Association and an individual attendance fee of EUR 600 gross for participation in each meeting of the Board of Directors.

The Board of Directors, which met on 15 May 2018, in accordance with the provisions of the Remuneration Policy, established the additional remuneration payable to members of the Board of Directors vested with special offices and for participation in committees, as follows:

- to the Chief Executive Officer Pier Andrea Chevallard, on the proposal of the Remuneration Committee and subject to the favourable opinion of the Board of Statutory Auditors, an annual compensation of EUR 130,000, to be understood as gross of withholdings and legal charges and in addition to the basic compensation approved by the Shareholders' Meeting;
- to each member of the Internal Control and Risk Management Committee, an annual compensation of EUR 14,000 and EUR 20,000 for the Chairman, to be understood as gross of withholdings and legal charges and an attendance fee of EUR 600 gross for each member of the Board committees, for each meeting held on a date different from the meetings of the Board of Directors at which the member is present;
- to each member of the Remuneration Committee, an annual compensation of EUR 14,000 and EUR 20,000 for the Chairman, to be understood gross of withholdings and legal charges, and an attendance fee of EUR 600 gross for each member of the internal committees, for each meeting held on a date different from the meetings of the Board of Directors at which the member is present.

On 23 July 2018, Alessandro Barberi resigned from the Board of Directors of the Company. On 7 November 2018, the Shareholders' Meeting, pursuant to Article 2386 of the Italian Civil Code, appointed Gian Paolo Coscia as a new member of the Board of Directors.

It should be noted that the remuneration of Independent Directors is not linked to the economic results of the Company.

No compensation is set at the end of the mandate or in the event of early termination of office or employment other than benefits provided by Law and the provisions set out below with regard to the Chief Executive Officer.

With reference to the indemnities in case of early termination of office or non-renewal of the appointment, please refer to Section 1.1.8 below.

There are no agreements that provide for the assignment or maintenance of non-monetary benefits in favour of persons who have ceased to hold office or for the stipulation of consultancy contracts for a period subsequent to the termination of their employment.

### **1.1.2 Chief Executive Officer**

During 2018, the Director Pier Andrea Chevallard served as Chief Executive Officer, as a result of confirmation by the Board of Directors on 24 April 2018, which appointed him Chief Executive Officer following his appointment by the Ordinary Shareholders' Meeting on 24 April 2018..

Mr. Chevallard has also held the position of General Manager of the Company since January 2015.

Below is a description of each of the items that made up the remuneration of the Chief Executive Officer and General Manager in 2018.

Fixed component consisting of:

- gross annual compensation of EUR 32,000 for the office of member of the Board of Directors, as decided by the Shareholders during the meeting of 24 April 2018;
- total compensation of EUR 130,000 for the office of Chief Executive Officer as approved by the Board of Directors on 15 May 2018;
- gross annual compensation of EUR 270,000 because of his position as an executive (General Manager);

Variable component: a portion of the Chief Executive Officer's compensation is linked to the achievement of specific performance objectives set by the Company. For the 2018 year, the variable component of Chief Executive Officer's remuneration was determined by the Board of Directors on 15 May 2018 with effect from 1 January 2018, following a favourable opinion of the Board of Statutory Auditors. For completeness of information, it should be noted that in 2018 the Chief Executive Officer received variable compensation accrued in relation to the objectives assigned to him for the 2017 year amounting to a total of EUR 139,101.

With reference to the indemnities in case of early termination of office or non-renewal of the appointment, please refer to Section 1.1.8 below.

### **1.1.3 Chairman of the Board of Directors**

During 2018 the Chairman of the Board of Directors was Director Enrico Salza, who was appointed, upon renewal of the Board, by the Ordinary Shareholders' Meeting on 24 April 2018. The Chairman's total compensation for 2018 was EUR 150,000.00, as decided by the Shareholders during the meeting of 24 April 2018, for the office of Chairman of the Board.

The Chairman's remuneration is not linked to the Company's operating performance, and therefore consists solely of a fixed component.

#### **1.1.4 Deputy Chairman of the Board of Directors**

During 2018, the position of Deputy Chairman was held by Director Alessandro Barberis, nominated on 24 April 2018, as a result of confirmation by the Board of Directors till 23 July 2018, has since resigned as member from Board of Directors. Since 14 November 2018, the position of Deputy Chairman has been held by Director Riccardo Ranalli, following his appointment by the Board of Directors on the same date, with the attribution of an emolument consisting of a fixed annual compensation, *pro rata temporis* for the duration of the office, amounting to EUR 50,000, attributed to him subject to the favourable opinion of the Remuneration Committee

#### **1.1.5 Members of Committees within the Board of Directors**

##### Remuneration Committee

On 8 May 2018, the Board of Directors appointed as members of the Remuneration Committee, the Independent Director Paola Generali, the Independent Director Lorena Pellissier, the non-executive director Riccardo Ranalli and, as of 20 September 2018, the independent Director Giada Grandi (Chairman) and the Independent Director Eugenio Rossetti.

Directors who are members of the Remuneration Committee receive, in addition to the compensation of EUR 32,000 gross per annum, as determined by the Shareholders' Meeting of 24 April 2018, a refund of expenses incurred, to which they are entitled under Article 15 of the Articles of Association, and attendance fees for each Board of Directors meeting, an additional compensation of EUR 20,000 gross per year for the Chairman of the Committee and the other members, an annual compensation of EUR 14,000 gross for the performance of activities related to the office, and an attendance fee of EUR 600 gross for each member of the Board committees, for each meeting held on a date different from the meetings of the Board of Directors at which the member is present.

##### Internal Control and Risk Management Committee

On 24 April 2018, the Board of Directors appointed as members of the Internal Control and Risk Management Committee the Independent Director Eugenio Rossetti (Chairman), the Independent Director Elisa Corghi, the Independent Director Gian Paolo Coscia, the non-executive director Alessandro Potestà and the non-executive director Riccardo Ranalli.

Directors who are members of the Internal Control and Risk Management Committee receive, in addition to the gross annual compensation of EUR 32,000 as determined by the Shareholders' Meeting of 24 April 2018, a refund of expenses incurred, to which they are entitled under Article 15 of the Articles of Association, and attendance fees for each Board of Directors meeting, additional gross compensation of EUR 20,000 per year for Committee Chairmen, and gross compensation of EUR 14,000 per year for the other members, to carry out activities related to their office, and an attendance fee of EUR 600 gross for each member of the Board committees, for each meeting held on a date different from the meetings of the Board of Directors at which the member is present..

The Internal Control and Risk Management Committee also functioned as the Related Parties Committee.

#### **1.1.6 Board of Statutory Auditors**

By resolution of 24 April 2018, the Shareholders' Meeting appointed the following members of the Board of Statutory Auditors: Luca Laurini (Chairman), Monica Mannino (Statutory Auditor),

Alberto Sodini (Statutory Auditor), Maria Cristina Ramenzoni (Alternate Auditor) and Domenica Serra (Alternate Auditor).

During the same meeting, the Shareholders determined a gross annual compensation of EUR 45,000 for the Chairman and EUR 34,000 for each Statutory Auditor, in addition to refund of documented out-of-pocket expenses incurred.

### ***1.1.7 Key Managers***

The incentive mechanisms are consistent with the tasks assigned to them and, with regard to the Company's Key Managers, their remuneration is divided into a fixed and a variable component. In general, Key Managers' remuneration packages consist of (i) an gross annual fixed component and (ii) a short-term variable component (on an annual basis) in cash, payment of which is subject to the achievement of predetermined corporate and individual performance objectives.

It should be noted that the vesting of the short-term variable component is subject to eligibility requirements ("on/off") to the exceeding of 95% of the value of EBITDA provided for in the 2018 Budget and approved by the Board of Directors on 31 January 2018.

Payment of variable components of the remuneration system may be carried out on the basis of the achievement of pre-established corporate objectives (the so-called MBO), linked to the expected results on the basis of the Strategic Plan approved by the Company. The variable component is equal to a pre-established percentage of fixed gross annual remuneration of a weight generally no less than 30% of said remuneration and no more than 50%.

The total compensation allocated to the two Key Managers was determined on the basis of the existing employment relationship with the Company and amounts to EUR 393,037 for 2018. It includes the fixed component of remuneration represented by gross annual compensation from employment (so-called RAL) and the variable component by way of incentives, as well as compensation from subsidiaries and associates for positions held as Director.

Key Managers will be assigned corporate cars for mixed use, as fringe benefits, and will benefit from pension and insurance plans that are supplementary to those that are mandatory and reflect ordinary retirement and welfare protection, as provided for in the applicable National Collective Labour Agreement.

### ***1.1.8 Agreements providing for indemnities in the event of early termination***

There are no agreements providing for indemnities in the event of early termination.

For the Chief Executive Officer who also holds the office of General Manager, in the event of early termination by the Company without just cause and/or revocation and/or non-renewal and/or if the Chief Executive Officer or General Manager has to resign from both relationships at the request of the Company, the Chief Executive Officer or General Manager will be paid an amount, as an incentive to leave, equal to three years' worth of overall emoluments received as General Manager.

### **1.1.9 Incentive plans based on financial instruments**

The payment policy adopted by the Company entails the use of incentive plans based on financial instruments.

In particular, on 31 May 2016, the “*Guidelines for a Virtual Stock Option plan*” were approved, aimed at Key Managers in Tinexta, including their executive directors (the “**Guidelines for the Incentive Plan**”).

On 22 June 2016, the Board of Directors approved the Regulations concerning the incentive plan (the “**Regulations**”) which establishes, *inter alia*, the conditions for exercising options, with maturation for increasing pre-established instalments between 18 and 36 months and the issue of a maximum number of 500,000 options that can be exercised in the period between 31 January 2018 and 31 July 2020, in the ratio of 1 figurative share for each option.

The purpose of the plan, pursuant to Art. 2.2.3 of the Regulations for markets organised and managed by Borsa Italiana S.p.A. with reference to the STAR segment requirements and in accordance with the principles of Article 6 of the Code of Self-Regulation for Listed Companies with regard to the remuneration of executive directors, is to align the interests of investors and senior Key Managers of Tinexta, introducing for the latter a medium-long term remuneration system corresponding to the growth in value of shares and consequently the creation of sustainable value for shareholders.

On 14 November 2016, the Board of Directors approved the allocation of Virtual Stock Options, in the context of the Plan intended for senior Key Managers of Tinexta aimed at paying deferred sums corresponding to the growth in value of the Company’s Shares and thus without the issue of new Tinexta Shares and without dilution for Shareholders.

In particular, the entire allocation of the maximum 500,000 options was approved, of which the Chief Executive Officer, Pier Andrea Chevallard has 300,000 options, of which 90,000 can be exercised between 31.01.2018 and 31.07.2020 and 210,000 options can be exercised between 31.07.2019 and 31.07.2020. The other 200,000 options were allocated to the Company’s other Senior Key Managers, of which 60,000 options can be exercised between 31.01.2008 and 31.07.2020 and 140,000 can be exercised between 31.07.2019 and 31.07.2020.

On 8 February 2019, 24,000 options were exercised, allocated to other Key Managers within the Company, exercisable between 31.01.2018 and 31.07.2020.

Finally, please note that in accordance with the Incentive Plan, the allocation of options to the recipients is free of charge. The sum due to each of the recipients as a result of the actual exercising of the options is calculated according to the difference between (i) the Benchmark Value, meaning the mean weighted price on the basis of the quantities exchanged of each individual Tinexta Share on the MTA, in the calendar month preceding each notification of the exercising of an option, and (ii) the Allocation Value equal to EUR 3.4 for each ordinary Tinexta Share.

For further information on the Incentive Plan, please refer to the documents and regulations published on the Company's website ([www.tinexta.com](http://www.tinexta.com)).

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TABLES

## Part II - Tables

The tables below present analytically the compensation for members of the Board of Directors and the Board of Statutory Auditors and, in aggregate form, for Key Managers executives paid or to be paid by the company and by its subsidiaries and associated companies for the year 2018.

**Table 1 Compensation paid to the members of the Administration and Control Bodies and to Key Managers in 2018 (in thousands of Euro)**

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and Surname	Office	Period of office	Office expiration date	Fixed Compensation	Fees for participation in committees	Non-equity variable compensation		Non-monetary benefits <sup>1</sup>	Other Compensation	Total	Fair value of equity Compensation	Total severance indemnity
						Bonuses and other incentives	Profit sharing					
<b>Enrico Salza</b>	Chairman	Jan-Dec 2018	Appr. of 2020 Fin Stat									
(I) Compensation in the company preparing the Financial Statements				116.666,67	--	--	--	--	9.200	125.866,67	--	--
(II) Compensation from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				116.666,67	--	--	--	--	9.200	125.866,67	--	--
<b>Riccardo Ranalli</b>	Vice Chairman <sup>1</sup>	April-Dec 2018	Appr. of 2020 Fin Stat									
(I) Compensation in the company preparing the Financial Statements				21.333,33	22.866,67	--	--	--	6.600	50.800	--	--
(II) Compensation from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				21.333,33	22.866,67	--	--	--	6.600	50.800	--	--
<b>Pier Andrea Chevallard</b>	Managing Director	Jan-Dec 2018	Appr. of 2020 Fin Stat									
(I) Compensation in the company preparing the Financial Statements				156.333,33	--	139.101 <sup>2</sup>	--	--	9.200	304.634,33	--	--
(II) Compensation from subsidiaries and associated companies				160.000	--	--	--	--	4.500	164.500	--	--
(III) Total				316.333,33	--	139.101	--	--	13.700	469.134,33	--	--
<b>Laura Benedetto</b>	Director	Jan-Dec 2018	Appr. of 2020 Fin Stat									
(I) Compensation in the company preparing the Financial Statements				26.333,33	1.666,67	--	--	--	6.400	34.400	--	--
(II) Compensation from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				26.333,33	1.666,67	--	--	--	6.400	34.400	--	--

<sup>1</sup> Appointed on 14 November 2018.

<sup>2</sup> Variable remuneration amount accrued in 2017 for objectives achieved during the same year and approved on 14 March 2018.

<b>Elisa Corghi</b>	Director	Jan-Dec 2018	Appr. of 2020 Fin Stat									
(I) Compensation in the company preparing the Financial Statements				26.333,33	12.800,00	--	--	--	9.200	48.333,33	--	--
(II) Compensation from subsidiaries and associated companies				6.452,00 <sup>3</sup>	--	--	--	--	--	6.452	--	--
(III) Total				32.785,33	12.800,00	--	--	--	9.200	54.785,33	--	--
<b>Gian Paolo Coscia</b>	Director	Jan-April 2018 July-Dec 2018	Appr. of 2020 Fin Stat									
(I) Compensation in the company preparing the Financial Statements				19.202,74	6.245,66	--	--	--	5.000	30.448,40	--	--
(II) Compensation from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				19.202,74	6.245,66	--	--	--	5.000	30.448,40	--	--
<b>Paola Generali</b>	Director	April - Dec 2018	Appr. of 2020 Fin Stat									
(I) Compensation in the company preparing the Financial Statements				21.333,33	11.733,33	--	--	--	6.600	39.666,66	--	--
(II) Compensation from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				21.333,33	11.733,33	--	--	--	6.600	39.666,66	--	--
<b>Giada Grandi</b>	Director	Jan- Dec 2018	Appr. of 2020 Fin Stat									
(I) Compensation in the company preparing the Financial Statements				26.333,33	17.548,86	--	--	--	6.400	50.282,19	--	--
(II) Compensation from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				26.333,33	17.548,86	--	--	--	6.400	50.282,19	--	--
<b>Eugenio Rossetti</b>	Director	April- Dec 2018	Appr. of 2020 Fin Stat									
(I) Compensation in the company preparing the Financial Statements				--	--	--	--	--	--	--	--	--
(II) Compensation from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				--	--	--	--	--	--	--	--	--
<b>Lorena Pellissier</b>	Director	April- Dec 2018	Appr. of 2020 Fin Stat									
(I) Compensation in the company preparing the Financial Statements				21.333,33	11.733,33	--	--	--	7.200	40.266,66	--	--
(II) Compensation from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				21.333,33	11.733,33	--	--	--	7.200	40.266,66	--	--
<b>Alessandro Potestà</b>	Director	Jan- Dec 2018	Appr. of 2020 Fin Stat									
(I) Compensation in the company preparing the Financial Statements				26.333,33	12.200	--	--	--	8.600	47.133,33	--	--
(II) Compensation from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				26.333,33	12.200	--	--	--	8.600	47.133,33	--	--

<b>OUTGOING DIRECTORS</b>												
<b>Ivanhoe Lo Bello</b>	Director	Jan-April 2018	Appr. of 2017 Fin Stat									
(I) Compensation in the company preparing the Financial Statements				5.000	--	--	--	--	800	5.800	--	--
(II) Compensation from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				5.000	--	--	--	--	800	5.800	--	--
<b>Alessandro Barberis</b>	Vice Chairman <sup>4</sup>	Jan-April 2018	Appr. of 2017 Fin Stat									
(I) Compensation in the company preparing the Financial Statements				7.349,77	4.533,33	--	--	--	3.600	15.483,10	--	--
(II) Compensation from subsidiaries and associated companies				17.500 <sup>5</sup>	--	--	--	--	1.500	19.000	--	--
(III) Total				24.849,77	4.533,33	--	--	--	5.100	34.483,10	--	--
<b>Aldo Pia</b>	Director	Jan-April 2018	Appr. of 2017 Fin Stat									
(I) Compensation in the company preparing the Financial Statements				5.000	1.666,67	--	--	--	2.000	8.666,67	--	--
(II) Compensation from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				5.000	1.666,67	--	--	--	2.000	8.666,67	--	--

<sup>4</sup> Vice Chairman till 23 July 2018.

<sup>5</sup> Jan- July 2018.

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and Surname	Office	Period of office	Office expiration date	Fixed compensation	Fees for participation in committees	Non-equity variable compensation		Non-monetary benefits <sup>1</sup>	Other compensation	Total	Fair value of Equity compensation	Total severance indemnity
						Bonuses and other incentives	Profit sharing					
<b>Luca Laurini</b>	Chairman of the Board of Statutory Auditors	April-Dec 2018	Apr. of 2020 Fin Stat									
(I) Compensation in the company preparing the Financial Statements				30.945,21	--	--	--	--	--	30.945,21	--	--
(II) Compensation from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				30.945,21	--	--	--	--	--	30.945,21	--	--
<b>Monica Mannino</b>	Standing Auditor	April-Dec 2018	Apr. of 2020 Fin Stat									
(I) Compensation in the company preparing the Financial Statements				23.380,32	--	--	--	--	--	23.380,32	--	--
(II) Compensation from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				23.380,32	--	--	--	--	--	23.380,32	--	--
<b>Alberto Sodini</b>	Standing Auditor	April-Dec 2018	Apr. of 2020 Fin Stat									
(I) Compensation in the company preparing the Financial Statements				23.380,32	--	--	--	--	--	23.380,32	--	--
(II) Compensation from subsidiaries and associated companies				16.712 <sup>6</sup>	--	--	--	--	1.800	18.512	--	--
(III) Total				40.092,32	--	--	--	--	1.800	41.892,32	--	--
<b>Maria Cristina Ramenzoni</b>	Alternate Auditor	April-Dec 2018	Apr. of 2020 Fin Stat									
(I) Compensation in the company preparing the Financial Statements				--	--	--	--	--	--	--	--	--
(II) Compensation from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				--	--	--	--	--	--	--	--	--

<sup>6</sup> Jan-Dec 2018.

<b>Domenica Serra</b>	Alternate Auditor	April-Dec 2018	Appr. of 2020 Fin Stat									
(I) Compensation in the company preparing the Financial Statements				3.666,67	--	--	--	--	2.000	5.666,67	--	--
(II) Compensation from subsidiaries and associated companies				19.726 <sup>7</sup>	--	--	--	--	1.200	20.926	--	--
(III) Total				23.392,67	--	--	--	--	3.200	26.592,67	--	--
<b>OUTGOING AUDITORS</b>												
<b>Riccardo Ranalli</b>	Chairman of the Board of Statutory Auditors	Jan-April 2018	Appr. of 2017 Fin Stat									
(I) Compensation in the company preparing the Financial Statements				5.000	--	--	--	--	2.000	7.000	--	--
(II) Compensation from subsidiaries and associated companies				4.685 <sup>8</sup>	--	--	--	--	200	4.885	--	--
(III) Total				9.685	--	--	--	--	2.200	11.885	--	--

<sup>7</sup> Gen-dic 2018

<sup>8</sup> Gen-aprile2018

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and Surname	Office	Period of office	Office expiration date	Fixed compensation	Fees for participation in committees	Non-equity variable compensation		Non-monetary benefits <sup>1</sup>	Other compensation	Total	Fair value of equity compensation	Total end-of-office indemnity
						Bonuses and other incentives	Profit sharing					
<b>Gianfranco Chinellato</b>	Standing Auditor	Jan-April 2018	Apr. of 2017 Fin Stat									
(I) Compensation in the company preparing the Financial Statements				3.666,67	--	--	--	--	2.000	5.666,67	--	--
(II) Compensation from subsidiaries and associated companies				39.789 <sup>9</sup>	--	--	--	--	1.800	41.589	--	--
(III) Total				43.455,67	--	--	--	--	3.800	47.255,67	--	--
<b>Domenica Serra</b>	Standing Auditor	Jan-April 2018	Apr. of 2017 Fin Stat									
(I) Compensation in the company preparing the Financial Statements				3.666,67	--	--	--	--	2.000	5.666,67	--	--
(II) Compensation from subsidiaries and associated companies				19.726 <sup>10</sup>	--	--	--	--	1.200	20.926	--	--
(III) Total				23.392,67	--	--	--	--	3.200	26.592,67	--	--
<b>Alberto Sodini</b>	Alternate Auditor	Jan-April 2018	Apr. of 2017 Fin Stat									
(I) Compensation in the company preparing the Financial Statements				--	--	--	--	--	--	--	--	--
(II) Compensation from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				--	--	--	--	--	--	--	--	--
<b>Laura Raselli</b>	Alternate Auditor	Jan-April 2018	Apr. of 2017 Fin Stat									
(I) Compensation in the company preparing the Financial Statements				--	--	--	--	--	--	--	--	--
(II) Compensation from subsidiaries and associated companies				10.000 <sup>11</sup>	--	--	--	--	--	10.000	--	--
(III) Total				10.000	--	--	--	--	--	10.000	--	--
	<b>General Manager</b>											
(I) Compensation in the company preparing the Financial Statements				270.000	--	--	--	--	--	270.000	--	--
(II) Compensation from subsidiaries and associated companies				--	--	--	--	--	--	--	--	--
(III) Total				270.000	--	--	--	--	--	270.000	--	--

<sup>9</sup> Jan-Dec 2018

<sup>10</sup> Jan-Dec 2018

<sup>11</sup> Jan-Dec 2018

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and Surname	Office	Period of office	Office expiration date	Fixed compensation	Fees for participation in committees	Non-equity variable compensation		Non-monetary benefits <sup>1</sup>	Other compensation	Total	Fair value of equity compensation	Total end-of-office indemnity
						Bonuses and other incentives	Profit sharing					
	<b>Key Managers</b>											
(I) Compensation in the company preparing the Financial Statements				253.200	--	72.737	--	--	--	325.937	--	--
(II) Compensation from subsidiaries and associated companies (1)				65.000	--		--	--	2.100	67.100	--	--
(III) Total				318.200	--	72.737	--	--	2.100	393.037	--	--

<sup>4</sup> Variable remuneration amount accrued in 2017 for objectives achieved during the same year.

**Table 2: Stock options granted to members of the Board of Directors and Key Managers (KMs)**

		Options held at beginning of year				Options granted during the year						Options exercised during the year			Options expired during the year	Options held at year end	Options pertaining to the year
A	B	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) (2)+(5)- -(11)-(14)	(16)
Name and Surname	Office	Plan	No. of options	Exercise price	Possible exercise period (from – to)	No. of options	Exercise price	Possible exercise period (from – to)	Fair value at Grant date	Grant date	Market price of the underlying shares at the grant date	No. of options	Exercise price	Market price of the underlying shares at exercise date	No. of options	No. of options	Fair value
<b>Pier Andrea Chevallard</b>	<b>Managing Director</b>																
(I) Compensation in the company preparing the Financial Statements	Virtua Stock Options	--	--	--		300,000	--	90,000 exercisable between 31.01.2018 and 31.07.2020 and 210,000 exercisable between 31.07.2019 and 31.07.2020	1.17/share	14.11.2016	--	--	--	--	--	300,000	--
(II) Compensation from subsidiaries and associated companies		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
(III) Total		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

<b>Marco Sanfilippo</b>	<b>Key Manager</b>																
(I) Compensation in the company preparing the Financial Statements	Virtual Stock Options	--	--	--	120,000	--	36,000 exercisable between 31.01.2018 and 31.07.2020 and 84,000 exercisable between 31.07.2019 and 31.07.2020	1.17/share	14.11.2016	--	--	--	--	--	--	120,000	--
(II) Compensation from subsidiaries and associated companies		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
(III) Total		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Nicola Di Liello</b>	<b>Key Manager</b>																
(I) Compensation in the company preparing the Financial Statements	Virtual Stock Options	--	--	--	80,000	--	24,000 exercisable between 31.01.2018 and 31.07.2020 and 56,000 exercisable between 31.07.2019 and 31.07.2020	1.17/share	14.11.2016	--	--	--	--	--	--	80,000	--
(II) Compensation from subsidiaries and associated companies		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
(III) Total		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

(a) NOTES

**(b) TABLE 1: Shares held by members of the Board of Directors and Control Bodies**

SURNAME, NAME	OFFICE	INVESTEE COMPANY	NO. OF SHARES HELD AT THE END OF THE PREVIOUS YEAR	NO. OF SHARES PURCHASED	NO. OF SHARES SOLD	NO. OF SHARES HELD AT THE END OF THE CURRENT YEAR
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--

(c) TABLE 2: Shares held by Key Managers

NO. OF KEY MANAGERS	INVESTEES COMPANY	NO. OF SHARES HELD AT THE END OF THE PREVIOUS YEAR	NO. OF SHARES PURCHASED	NO. OF SHARES SOLD	NO. OF SHARES HELD AT THE END OF THE CURRENT YEAR
1	Tinexta S.p.A.	2,920		--	2,920
--	--	--	--	--	--

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