



Remuneration Report

**Pursuant to article 123-ter of the TUF
and article 84-quater of the Consob Issuers' Regulation**

www.gefran.com

Approved by the Board of Directors on 13 March 2018

Preliminary remarks

This Remuneration Report (the “**Report**”) is divided into two sections:

- Section I: Remuneration Policy for 2018 (the “**2018 Policy**”) and
- Section II: Remuneration Statement for 2017 (the “**2017 Statement**”).

This Report is prepared in accordance with art. 123-ter of the Consolidated Financial Act and art. 84-quater of the Consob Issuers' Regulations (as amended by Consob resolution no. 18049 of December 23, 2011 and resolution no. 18214 of 9.5.2012). It was prepared in accordance with article 6 of the Code of Conduct promoted by Borsa Italiana S.p.A., as amended in July 2015, which Gefran has adopted.

Moreover, the Report has been adopted pursuant to article 13, paragraph 3, letter b) of Consob Regulation 17221/2010 and article 13 of the Regulation governing transactions with related parties, approved by the Company's Board of Directors on 03 August 2017.

The information required under schedule 7-bis of attachment 3 to the Issuers' Regulation, adopted with Consob resolution 18049 of 23 December 2011 regarding the members of management bodies, chief executive officers and other executives with strategic responsibilities, is contained in Section I of this Report.

SECTION I

Remuneration Policy for 2018

1. General principles

The Remuneration Policy defines the whole series of principles and guidelines used to determine the remuneration of executive directors, directors with special duties and executives with strategic responsibilities.

This policy governs the remuneration system for the Gefran Group employees, both in the Parent Company Gefran S.p.A. and its foreign subsidiaries.

In light of the recommendations of the Code of Conduct promoted by Borsa Italiana, this policy was prepared to determine the remuneration system, in order to align the interests of management with those of the shareholders, and boost Gefran's sustainability in the medium/long term.

The remuneration system is an essential tool for attracting, motivating and retaining competent staff who can contribute to the Group's performance, while upholding Gefran's values and mission, given that company size and the size of the remuneration package are closely linked.

With this in mind, the remuneration policy implemented takes into account the Company's best practices and internal equilibrium more than those of other companies or external benchmarks, which are nevertheless assessed and taken into consideration.

The guidelines are adopted by Gefran when new managers join the Company and when career advancement paths are prepared and implemented for existing staff.

2. Determining and implementing the Policy and parties involved

The Remuneration Committee heads up the process of drawing up the Remuneration Policy, in light of the experience it has acquired in implementing the Policy in previous years. The document is then examined and approved by the Board of Directors.

The Remuneration Committee:

- periodically assesses the adequacy, overall consistency and actual application of the policy for the remuneration of directors and managers with strategic responsibilities, based on the information provided by the managers responsible; it submits proposals in relation thereto to the Board of Directors;
- submits proposals or expresses opinions to the Board of Directors on the remuneration of executive directors and other directors with special duties, and sets performance objectives associated with the variable component of this remuneration; it also monitors the application of the decisions adopted by the Board, checking in particular that performance objectives are actually achieved.

In preparing the Remuneration Policy, the Committee takes into account business strategies, the market environment and the Group's consequent performance, in order to better align its remuneration systems with Gefran's actual requirements.

In accordance with policy guidelines, the remuneration of executive directors and directors with special duties are determined by the Board of Directors, whereas the remuneration of executives with strategic responsibilities and management in Italy and abroad are determined by the Group's HR Department, in agreement with the CEO and Chairman.

The Remuneration Policy is implemented by the HR Department, which supervises the administration of remuneration, and reports regularly to the Remuneration Committee.

In order to assess the appropriateness, consistency and application of the Policy, HR provides all members of the Committee with documentation containing all the information necessary for such an assessment, including that pertaining to remuneration and incentive schemes, and cooperation agreements.

At the end of the financial year, the HR Department, assisted by the Remuneration Committee, ascertains to what extent targets have been met, based on final figures supplied by Management Control.

3. Remuneration Committee

The Company has set up a Remuneration Committee composed of three non-executive directors, the majority of which are independent directors, who will remain in office until the approval of the 2019 financial statements. At the time of its appointment, the Board believed that the Committee's members included persons with sufficient financial know-how and experience. The Remuneration Committee does not have the same members as the Committee for Transactions with Related Parties.

The Directors currently sitting on the Committee are:

Office	First name and surname
Independent Director Committee Chairman	Daniele Piccolo
Independent Director	Monica Vecchiati

Non-executive Director	Romano Gallus
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The Remuneration Committee has advisory, proposal-making and supervisory functions to ensure the remuneration policies are defined and applied within the Group. The purpose of these policies is, on the one hand, to attract, motivate and retain staff with the professional skills required to successfully pursue the Group's objectives, and, on the other, to align the interests of management and shareholders.

The Committee submits proposals or expresses opinions to the Board of Directors on the remuneration of executive directors and other directors with special duties, and sets performance objectives associated with the variable component of their remuneration; it also monitors the application of the decisions adopted by the Board, checking in particular that the performance objectives are actually achieved.

Fees for directors with special duties must be calculated after consultation with the Board of Statutory Auditors, pursuant to article 2389 of the Civil Code.

The Committee also formulates proposals regarding the division among the members of the Board of the overall remuneration package approved by the Shareholders' Meeting.

In addition, it formulates proposals on any incentive plans for the aforementioned parties.

It periodically assesses the adequacy, overall consistency and actual application of the policy for the remuneration of directors and managers with strategic responsibilities, based on the information provided by the managers responsible; it submits proposals in relation thereto to the Board of Directors;

The Committee also consults with the Board of Directors, whenever requested to do so, on remuneration and other related matters.

The Committee has access to all company information and may also use external consultants, when this is considered useful for comparing the market standards of remuneration systems, after ascertaining that their independence of judgement is not compromised in any way.

The Remuneration Committee meets whenever the chairman of the Committee considers it necessary or when requested at least by one member, and in any event, with the frequency required to perform its duties. The Secretary of the Board of Directors acts as the Secretary for the Remuneration Committee. The meetings are duly minuted.

Committee meetings may be attended by the Chairman of the Board of Directors, provided that he has no personal interest in the matters being discussed. Meetings may also be attended by other representatives of the Company, especially the HR manager, when deemed appropriate or on the Committee's invitation.

The Chairman of the Board of Statutory Auditors and the standing auditors are also entitled to attend Committee meetings.

No director may attend Remuneration Committee meetings in which proposals concerning their own remuneration are being formulated for the Board of Directors.

Available and necessary documentation and information are sent to all members of the Remuneration Committee sufficiently in advance of the meeting to enable them to express an opinion.

In 2017, the Committee held four meetings with an average duration of one hour, attended by all members. On the chairman's invitation, the Group's HR manager also attended to provide details of the incentive scheme adopted by the Company.

One Committee meeting has so far been scheduled for 2018.

4. Directors' remuneration

Remuneration policy requires Directors to be paid:

- (i) a fixed annual sum determined by the Shareholders' meeting, in accordance with article 2389, paragraph one of the Civil Code, shared out by the Shareholders' meeting or the Board of Directors;
- (ii) a possible additional fee for participation in committees within the Board of Directors;
- (iii) a possible additional fee for executive positions of various kinds held and resolved on by the Board of Directors, in response to a proposal made by the Remuneration Committee, under article 2389, paragraph 3 of the Civil Code.

At the Gefran Shareholders' Meeting held on 20 April 2017 to appoint the Board of Directors, the shareholders approved an overall remuneration package for the directors pursuant to article 2389, paragraph 1, of the Civil Code, and assigned the Board of Directors the task of sharing it out.

The Shareholders' Meeting approved an overall gross annual remuneration package of EUR 240,000.00, divided as follows by the Board of Directors, on the Remuneration Committee's proposal:

- EUR 225,000.00 divided equally among the directors, that is a gross amount of EUR 25,000 a year for each director;
- EUR 14,000.00 for the committees;
- EUR 1,000.00 for the Lead Independent Director.

The members of the Board of Directors are divided into:

- (i) Directors with special duties, who may also be granted specific powers;
- (ii) Directors without special duties.

At 31 December 2017:

- Directors with special duties: Chairman Ennio Franceschetti, Vice-chairman Maria Chiara Franceschetti, Chief Executive Officer Alberto Bartoli and directors Giovanna Franceschetti and Andrea Franceschetti;
- Directors without special duties: Directors Romano Gallus, Marco Agliati, Daniele Piccolo and Monica Vecchiati.

The 20 April 2017 meeting also approved the change to the company's Articles of Association to permit appointment of an Honorary Chairman, a person who has made an important contribution to the company's growth and success. The Honorary Chairman need not be a member of the Board of Directors. More than one Vice-chairman may be appointed.

For more information, see the Report on Corporate Governance and Ownership Structure.

Remuneration of directors without special duties

In line with best international practices, directors without special duties are not entitled to a variable component of their fees (bonus).

Committee members are entitled to an attendance fee of EUR 500.00 for every committee meeting attended, up to the maximum limit of EUR 14,000.00 established by the Shareholders' Meeting. This criterion enables non-executive directors to be remunerated according to their actual commitment.

Remuneration of directors with special duties

The following directors with special duties were paid additional fees for these duties as of 31.12.2017:

- the Chairman of the Board of Directors, Ennio Franceschetti, is paid the fixed all-inclusive sum of EUR 420,000.00 every year, in addition to the fee of EUR 25,000.00 paid to each director;

- Chief Executive Officer Alberto Bartoli is paid the sum of EUR 335,000 for his duties, in addition to the fee of EUR 25,000.00 paid to each director, as well as a variable sum as MBO and LTI; the sums paid as MBO and LTI are subject to a clawback provision applicable in the event of material violation of company regulations or fraudulent or seriously negligent behaviour with the aim of altering the figures used to determine achievement of targets.

Executive directors Maria Chiara Franceschetti, Giovanna Franceschetti and Andrea Franceschetti also have MBO plans linked with the results achieved in the company areas of which they were in charge in the year 2017.

The Board of Directors has the option of adjusting remuneration policy in response to changes in the company's organisational structure and any other circumstances that make changes appropriate in view of the Remuneration Committee's periodic assessments of the adequacy, overall consistency and concrete application of this policy.

In particular, under article 2389, paragraph three of the Civil Code, it may award fees for particular duties to additional parties as a result of changes in the company's governance, for instance to the Honorary Chairman and Vice-chairmen, if appointed. It may also revoke the awarding of variable fees linked with results, if it is no longer in line with the company's organisational set-up.

When a director receives both a fixed component and a variable component of pay, the fixed component and the variable component are always appropriately balanced in accordance with the Company's strategic objectives. Furthermore, the fixed fee is considered sufficient to remunerate directors if the variable component is not paid due to a failure to meet the performance targets set.

The financial results and any other specific targets to which the variable component is linked are predetermined, measurable and related to the creation of shareholder value in the medium to long term. They are also consistent with the guidelines contained in the general Remuneration Policy drawn up by the Board of Directors.

In line with international best practice, an insurance policy of the type known as D&O (*Directors & Officers Liability*) will provide third-party liability coverage for corporate bodies, General Managers, executives with strategic responsibilities, Senior Managers and Executives in the exercise of their functions, with the aim of protecting the Group against claims for compensation consequent upon the provisions of the applicable national collective labour contracts and regulations governing mandates.

5. Remuneration of the Board of Statutory Auditors

Standing auditors are entitled to the fee set by the Shareholders' Meeting of 20 April 2017, when the current Board of Statutory Auditors was appointed.

The remuneration of the Statutory Auditors is commensurate with the work required, the relevance of the position held, as well as the size and sector characteristics of the Company.

The fees accrued in 2017 are shown in Table I attached to this Report.

6. Remunerations for the executive officers and other executives with strategic responsibilities.

As of the date of this Report, executive officers of the Company are:

- Mr Marcello Perini, engineer: Manager of the Sensors & Components Business Unit;
- Ms Maria Chiara Franceschetti Temporary Manager of the Drive & Motion Control Business Unit.

As of the date of this report, Fausta Coffano, the Group's Chief Financial Officer, is an executive with strategic responsibilities.

The remuneration policy for executive officers or executives with strategic responsibilities is intended to attract and retain professionals with the skills required to successfully pursue the Group's objectives, as well as motivating them and giving them an incentive to remain with the Company. In addition, it aims to align the interests of management with those of the shareholders, thereby increasing the Group's value in a sustainable manner in the medium to long term.

The remuneration package, which includes a balanced mix of fixed and variable, monetary and non-monetary, direct and deferred elements, is divided into four components:

- > the gross annual fee (GAF) - the fixed component
- > the bonus - the short-term variable component
- > the long-term incentive
- > benefits
- > Welfare (in the event of short-term over-achievement of the variable part)

It should be noted that the Company applies, in principle, this same scheme not only to strategic executives, but also to senior managers of the Parent Company and foreign subsidiaries, who are regularly included in the Management-by-Objectives (MbO) Plan drawn up by the HR Department every year. The underlying principle is to develop a pay-for-performance system that links remuneration to real results, both collective and individual.

This orientation toward achievement of results is also apparent in the definition of the Results Bonus (RB) offered to management, clerical staff and workers: in accordance with the Stability Law, the RB is based on indicators linked with profitability, productivity, efficiency, innovation and quality specific to the BU, defined every year in line with the budget.

Gross annual fee (GAF) is the fixed component of remuneration. It is associated with the level of expertise, specialisation and management skills, and the accountability of the position held within the organisation. The principle adopted by the Company for determining that this amount is both *appropriate and functional* is based first and foremost on compliance with the Group's current policy and balances, taking into account the benchmarks on the job market.

It is standard practice to support managers' professional growth, in terms of both responsibilities and remuneration, in light of a positive performance.

For executives with strategic responsibilities, in the year 2017, the fixed component was equal to an average of 70% of compensation, while the indicator drops to 40% if the portion of LTI is taken into account.

The MbO or "Management by Objectives" bonus is a variable component based on the achievement of annual objectives set in the first quarter of the year in question. It is intended to recognise the results achieved by establishing a direct correlation between remuneration and short-term results.

The MbO system is structured and implemented in accordance with the guidelines issued by the HR Department, in cooperation with the CEO and the Chairman.

The criteria and indicators used by the MbO system are established for each employee by each manager with strategic responsibilities and by each department head, in cooperation with the HR Department.

The MbO system adopts a common, organic approach intended to represent the unity of the Group and the interdependence of the activities of the various functions. It is also intended to bring the interests of management further into line with those of the employees involved in the process, and those of shareholders. Performance is measured in relation to the actual results achieved at Group, Business, Organisational Unit and individual level.

Entitlement to the variable annual component is subject to the financial access condition (the on/off condition).

The incentive rewards the achievement of quantitative and qualitative targets in relation to the beneficiary's role. The main economic/financial performance objective relates to Group EBIT, which is common for all management positions, with a weight within the overall framework of objectives that varies according to the manager's role. This may be accompanied by other financial indicators such as NWC (Net Working Capital) or Net Financial Position (NFP); business indicators, such as revenues, gross margin, cost control, or by objectives linked to the specific performance of various functions.

Individual objectives may be performance- or management-based, and are always defined objectively, in a way that ensures they are measurable over time and are interpreted in an unequivocal manner. They may be linked to management targets (processes/projects), or managerial/organisational development targets (competences).

Each MbO bonus is structured in such a way as to have a maximum limit on the variable payment, depending on the extent to which the Group's results are affected, and the ability of individual to influence the objective. Pay-out may range from 50% to a maximum of 200% of the target value.

As a rule, the maximum variable component of the remuneration cannot exceed the gross annual fee (GAF).

The variable component is normally paid upon approval of the draft financial statements and the consolidated financial statements, in the first quarter of the year following that in which they were accrued, to beneficiaries still employed at the Company at the time of payment, and not those who have left.

Since the Internal Audit Manager operates independently of the Company, there is no incentive plan in his favour.

Although the Remuneration Policy does not provide for the payment of discretionary bonuses, the Board of Directors may, on the Remuneration Committee's proposal, assign bonuses linked to specific operations and/or tasks of particular strategic importance for the Company and/or the Group, and in light of an excellent performance according to merit-based criteria.

MbO FOR 2018

The guidelines behind the MBO system for the year 2018 support the goals of growth, of business profitability, of focusing on the organisation's sustainability and quality of service, and of rethinking processes to give them a leaner form. The system is confirmed as the primary method and tool for orientation of management and focusing on the Group's strategic goals. The incentive scheme based on short-term results (MbO) has been supplemented with a medium- to long-term scheme (LTI).

The MbO scheme thus comprises a minimum of three and a maximum of five components overall, each of which is an addendum.

There is a condition enabling the system (on/off), represented by a financial meta-target in relation to profitability with a quantitative parameter.

This condition, differentiated on the basis of whether the beneficiary belongs to one of the two Business Units (EBITDA of the corresponding BU), or the Staff functions (EBITDA of Gefran Spa), will be described to beneficiaries at the time of definition of the 2018 incentives plan.

The structure is based on three macro areas:

- Economic/Financial Objectives
- Performance Objectives
- Management Objectives

For quantitative objectives, minimum and maximum limits of percentage importance have been defined. These recognise results exceeding 90% of the target with a bonus of 50%, and reward over-performance, with the meeting of the target at 120-150% possibly corresponding to 150-200% of the related bonus.

A portion of the over-achievement in certain homogeneous categories of beneficiaries may be provided as corporate welfare, permitting access to a basket of services as permitted by legislation.

Safeguarding of EBIT will be a common goal, with the following rules:

no bonus under 95% of the target

EBIT between 90% and 99.99% = 50% to 99.99% of the bonus, with linear growth

EBIT between 100% = 100% of the bonus

EBIT between 100% and 1120% = 100% to 150% of the bonus, with linear growth

While revenue targets will have rules representing a significant lever

no bonus under 98% of the target

revenues between 98% and 99.99% = 50% to 99.99% of the bonus, with linear growth

revenues between 100% = 100% of the bonus

revenues between 100% and 1120% = 100% to 150% of the bonus, with linear growth

Cost optimisation while maintaining defined levels of quality and performance will be another important element contributing to definition of targets.

As for top management's managerial targets, the plan allows for the possibility of assigning targets shared by one or more company departments, typically linked with cross-cutting projects involving innovation, organisational development, or improvement of productivity or efficiency, the achievement of which is the result of each manager's contribution.

Following a risk assessment conducted at the end of 2017 with the aim of mapping the principal strategic and operative risks to which the Gefran Group is exposed, targets were also assigned for mitigation of the top risks emerging from the assessment.

The Long-Term Incentive (LTI) is a variable medium-/long-term component, set in order to focus management on the plans, projects and results within a period of more than one year, and on sustainable business growth by developing forward-looking vision, as well as retaining key resources.

The activating condition of the LTI system is represented by the continuation of the work relationship at the end of the three years. There may also be an enabling condition represented by Group EBITDA.

The scheme involves one or two strategic economic/financial objectives linked with the overall results achieved by the company at the end of the three-year period, on the basis of which the beneficiary has the power to make decisions and act.

The bonus amount and its composition vary depending on the mutual interests of the Company and the managers during the period. Factors taken into consideration are: position held in the organisation and management experience; the manager's ability to influence the Group's long-term growth; annual results achieved to date and all remuneration received; the beneficiary's growth potential and loyalty-building requirements.

The LTI is not awarded to strategic directors/executives who own shares in the company, as they would already benefit from an increase in share value.

The **benefits** awarded to management are intended to ensure that overall remuneration is as competitive as possible, and is in line with the best practices adopted on the job market. They complete the monetary remuneration package. They consist of:

- ✓ insurance for the reimbursement of healthcare costs (in Italy supplementary to FASI - supplementary health insurance fund)
- ✓ company car for business/private use
- ✓ a home near the company, when necessary
- ✓ life and accident insurance
- ✓ D&O insurance

7. Indemnity for resignation, dismissal or termination of employment

The Gefran Group may enter into agreements with directors or managers with strategic responsibilities that regulate ex-ante the financial aspects of early termination of employment, upon the initiative of the Company or the individual (the “parachute indemnity”).

Subject to legal and/or contractual obligations, any agreements on termination of employment with the Group are based on specific benchmarks, and fall within the limits set by the laws and practices of the country in which the agreement is entered into. If employment is terminated with the Group for reasons other than just cause, the usual approach is to seek an agreement to “terminate” the employment in a consensual manner.

In the event that an amount is paid as a settlement, this is established in accordance with the guidelines set out in the Code of Conduct (6.C.1, letter g), with particular reference to the criteria set forth in the national collective bargaining agreement (CCNL) for managers.

As of 31 December 2017 an agreement is in effect under which the Chief Executive Officer will be paid an indemnity in the event of revocation without justification or failure to renew the mandate within a given time limit.

8. Non-competition agreements

As of 31 December 2017 non-competition agreements had been signed with a number of members of management, particularly those playing roles of particular technical and commercial importance.

9. Other information

Pursuant to Consob resolution 18049 of 23 December 2011, it should be noted that:

- the Company did not make use of any consulting company and/or external experts in drawing up the 2018 Policy;
- Gefran does not have any equity incentive plans in place, nor any other plans based on financial instruments;
- in definition of its 2018 Policy Gefran has not used specific remuneration policies of other companies as a standard, but did draw on statistical and qualitative surveys available on the market.

It is the Remuneration Committee's view that the Policy described above is in line with the approach followed in 2017 as regards the remuneration of directors and strategic managers.



SECTION II

TABLE 1: Remuneration paid to directors and auditors, chief executive officers and other executives with strategic responsibilities - 2017

First name and surname	Office	Period of office	Expiry of office	Fixed remuneration	Remuneration for sitting on committees	Variable non-equity remuneration		Non-monetary benefits (3)	Other remuneration	Total	Fair value of equity remuneration	Severance indemnity for end of office or termination of employment
						Bonus and other incentives	Profit sharing					
Ennio Franceschetti ⁽¹⁾	Chairman	Entire period	Approval of the financial statements as at 31/12/2018									
Remuneration at the reporting entity				€ 445,000	€ -	€ -		€4,787.76	€ -	€449,787.76	€ -	€ -
Remuneration from subsidiaries and affiliates												
Total				€ 445,000	€ -	€ -	€ -	€4,787.76	€ -	€449,787.76	€ -	€ -
Alberto Bartoli	Chief Executive Officer	Since 01/05/2017										
Remuneration at the reporting entity				€240,000	€ -	€ -		€9,328.54	€ -	€249,328.54	€ -	€ -
Remuneration from subsidiaries and affiliates												
Total				€240,000	€ -	€ -	€ -	€9,328.54	€ -	€249,328.54	€ -	€ -
Andrea Franceschetti ¹	Executive Director	Entire period	Approval of the financial statements as at 31/12/2018									
Remuneration at the reporting entity				€125,000	€ -	€ 20,000	€ -	€9,930.08	€ -	€154,930.08	€ -	€ -
Remuneration from subsidiaries and affiliates												
Total²				€125,000	€ -	€20,000	€ -	€9,930.08	€ -	€154,930.08	€ -	€ -

¹ The fixed fee comprises EUR 25,000 approved by the Shareholders' Meeting for each director

² It does not include remuneration granted for special duties.

³ FASI, ASSIDIM and INJURY INSURANCE are included, in addition to the company car.



Giovanna Franceschetti ¹	Executive Director	Entire period	Approval of the financial statements as at 31/12/2018									
Remuneration at the reporting entity				€111,000	€ -	€21,940	€ -	€9,638.68	€ -	€142,578.68	€ -	€ -
Remuneration from subsidiaries and affiliates				€10,000						€10,000		
Total²				€121,000	€ -	€21,940	€ -	€9,638.68	€ -	€152,578.68	€ -	€ -
Maria Chiara Franceschetti ¹	Executive/Delegated Director since 29/04/2014	Entire period	Approval of the financial statements as at 31/12/2018									
Remuneration at the reporting entity				€ 166,678.44	€ -	€84,398	€ -	€9,755	€ -	€ 260,831.44	€ -	€ -
Remuneration from subsidiaries and affiliates										€ -		
Total				€ 166,678.44	€ -	€84,398	€ -	€9,755	€ -	€ 260,831.44	€ -	€ -
Marco Mario Agliati	Director	Until 20 April 2017	Approval of the financial statements as at 31/12/2016									
Remuneration at the reporting entity				€ 8,333.32	€ -	€ -	€ -	€ -	€ -	€ 8,333.32	€ -	€ -
Remuneration from subsidiaries and affiliates										€ -		
Total				€ 8,333.32	€ -	€ -	€ -	€ -	€ -	€ 8,333.32	€ -	€ -
Romano Gallus	Director	Entire period	Approval of the financial statements as at 31/12/2018									
Remuneration at the reporting entity				€ 25,000	€ 500	€ -	€ -	€ -	€ -	€ 25,500	€ -	€ -
Remuneration from subsidiaries and affiliates										€ -		
Total				€ 25,000	€ 500	€ -	€ -	€ -	€ -	€ 25,500	€ -	€ -



Daniele Piccolo	Director	Entire period	Approval of the financial statements as at 31/12/2018										
Remuneration at the reporting entity				€ 25,000	€ 500	€ -	€ -	€ -	€ -	€ -	€ 25,500	€ -	€ -
Remuneration from subsidiaries and affiliates											€ -		
Total				€ 25,000	€ 500	€ -	€ -	€ -	€ -	€ -	€ 25,500	€ -	€ -
Cesare Giovanni Vecchio	Director	Until 20 April 2017	Approval of the financial statements as at 31/12/2016										
Remuneration at the reporting entity				€ 8,333.32	€ -	€ -	€ -	€ -	€ -	€ -	€ 8,333.32	€ -	€ -
Remuneration from subsidiaries and affiliates											€ -		
Total				€ 8,333.32	-	€ -	€ -	€ -	€ -	€ -	€ 8,333.32	€ -	€ -
Monica Vecchiati	Director	Entire period	Approval of the financial statements as at 31/12/2018										
Remuneration at the reporting entity				€ 25,000	€ 7,265.60	€ -	€ -	€ -	€ -	€ -	€ 32,265.60	€ -	€ -
Remuneration from subsidiaries and affiliates											€ -		
Total				€ 25,000	€ 7,265.60	€ -	€ -	€ -	€ -	€ -	€ 32,265.60	€ -	€ -
Mario Benito Mazzoleni	Director	Since 20/4/2017	Approval of the financial statements as at 31/12/2018										
Remuneration at the reporting entity				€ 16,666.64	€ 500	€ -	€ -	€ -	€ -	€ -	€ 17,166.64	€ -	€ -



Remuneration from subsidiaries and affiliates										€			
Total				€	€	€	€	€	€	€	-	€	
				16,666.64	500	-	-	-	-	-	-	17,166.64	-
/	Executives with strategic responsibilities	Year 2017	/										
Remuneration at the reporting entity				€	€	€	€	€	€	€	-	€	€
				287,692.67	-	82,432.85	-	19,207.96	-	-	-	389,333.48	-
Remuneration from subsidiaries and affiliates				-	-	-	-	-	-	-	-	-	-
Total				€	€	€	€	€	€	€	-	€	€
				287,692.67	-	82,432.85	-	19,207.96	-	-	-	389,333.48	-
Marco Gregorini	Chairman of the Board of Statutory Auditors	Entire period	Approval of the financial statements as at 31/12/2017										
Remuneration at the reporting entity				€	€	€	€	€	€	€	-	€	€
				31,200.00	-	-	-	-	-	-	-	31,200.00	-
Remuneration from subsidiaries and affiliates											€	-	
Total				€	€	€	€	€	€	€	-	€	€
				31,200.00	-	-	-	-	-	-	-	31,200.00	-
Primo Ceppellini	Standing Auditor	Entire period	Approval of the financial statements as at 31/12/2017										
Remuneration at the reporting entity				€	€	€	€	€	€	€	-	€	€
				20,800.00	-	-	-	-	-	-	-	-
Remuneration from subsidiaries and affiliates											€	-	
Total				€	€	€	€	€	€	€	-	€	€
				20,800.00	-	-	-	-	-	-	-	-
Alessandra Zunino de Pignier	Standing Auditor	Until 20 April 2017	Approval of the financial statements as at 31/12/2017										
Remuneration at the reporting entity				€	€	€	€	€	€	€	-	€	€
				6,268.50	-	-	-	-	-	-	-	-



Remuneration from subsidiaries and affiliates									€ -			
Total				€ 6,268.50	€ -	€ -	€ -	€ -	€ -	€	€ -	€ 6,268.50
Roberta dell'Apa	Standing Auditor	Since 20 April 2017	Approval of the financial statements as at 31/12/2017									
Remuneration at the reporting entity				€ 14,531.50	€ -	€ -	€ -	€ -	€ -	€	€ -	€ 14,531.50
Remuneration from subsidiaries and affiliates										€ -		
Total				€ 14,531.50	€ -	€ -	€ -	€ -	€ -	€	€ -	€ 14,531.50



TABLE 3B: Monetary incentive schemes for directors, chief executive officers and other executives with strategic responsibilities - 2017

The table below shows the monetary incentive schemes in favour of the members of the Board of Directors and other executives with strategic responsibilities in the Company.

NAME AND SURNAME	Office	Scheme	Bonus for the year			Bonus from previous years			Other bonuses
			Payable/Paid	Deferred	Reference period	No longer payable	Payable/Paid	Still deferred	
Maria Chiara Franceschetti	Chief Executive Officer	A	Payable/Paid	Deferred	Reference period	No longer payable	Payable/Paid	Still deferred	
(I) Remuneration at the reporting entity		Scheme A (14/03/2016)	€84,398		2016				
(II) Remuneration from subsidiaries and affiliates		Scheme A							
Giovanna Franceschetti	Executive Director	A	Payable/Paid	Deferred	Reference period	No longer payable	Payable/Paid	Still deferred	
(I) Remuneration at the reporting entity		Scheme A (14/03/2016)	€21,940		2016				
(II) Remuneration from subsidiaries and affiliates		Scheme A							
Andrea Franceschetti	Executive Director	A	Payable/Paid	Deferred	Reference period	No longer payable	Payable/Paid	Still deferred	
(I) Remuneration at the reporting entity		Scheme A (14/03/2016)	€20,000		2016				
(II) Remuneration from subsidiaries and affiliates		Scheme A							
/	Executives with strategic responsibilities	A	Payable/Paid	Deferred	Reference period	No longer payable	Payable/Paid	Still deferred	
(I) Remuneration at the reporting entity		Scheme A (14/03/2016)	€82,432.85		2016				



SCHEDULE 7-TER Information about the shareholdings of members of the Board of Directors and the Board of Statutory Auditors, executive officers and other executives with strategic responsibilities.

TABLE 1: Shareholdings held by directors, auditors and executive officers

Name and surname	Office	Subsidiary	no. of shares at 31/12/2016	no. of shares purchased	no. of shares sold	no. of shares at 31/12/2017
Ennio Franceschetti	(Chairman)	GEFRAN S.P.A.	8,669,655	-	-	8.669.655*
Romano Gallus	(Director)	GEFRAN S.P.A.	1,000	-	1,000	-
Maria Franceschetti	Chiara (Vice-chairman)	GEFRAN S.P.A.	82,294	-	13,038	69,256
Giovanna Franceschetti	(Director)	GEFRAN S.P.A.	74,843	-	20,511	54,332**
Andrea Franceschetti	(Director)	GEFRAN S.P.A.	63,016	-	15,000	48,016
Mario Benito Mazzoleni	(Director)	GEFRAN S.P.A.	4,590	-	-	4,590***

* of which 3,417 held by spouse

** of which 1,500 held by spouse

*** of which 1,530 held by spouse

Ennio Franceschetti personally holds 502,158 Gefran S.p.A. shares and indirectly owns the remaining 8,164,080 shares through ownership of 54% of the share capital of Fingefran S.r.l.

TABLE 2: Shareholdings of other executives with strategic responsibilities

Number of executives with strategic responsibilities	Subsidiary	no. of shares at 31/12/2016	no. of shares purchased	no. of shares sold	no. of shares at 31/12/2017
2	GEFRAN S.P.A.	0	-	-	0

Provaglio d'Iseo, 13 March 2018

For the Board of Directors
Chairman
Ennio Franceschetti