



## Report on Remuneration

pursuant to art. 123 ter of Legislative Decree 58/1998

14 March 2018

MARR S.p.A.  
Via Spagna, 20 – 47921 Rimini (Italy)  
Share Capital € 33,262,560 fully paid-up  
Tax Code and Rimini Register of Enterprises 01836980365  
Rimini E.A.R. no. 276618  
Company subject to the management and coordination of Cremonini S.p.A. – Castelvetro (MO)  
[www.marr.it](http://www.marr.it)

## INTRODUCTION

This document has been drawn up with the aim of providing the shareholders of MARR S.p.A. (hereinafter "MARR" or "Company") and the market with wide-ranging and detailed information on the Remuneration Policy applied to the members of the management and auditing bodies and managers with strategic responsibilities pursuant to art. 123 ter of Legislative Decree 58/1998 Consolidated Law on Finance (hereinafter "CLF") and in compliance with that recalled in art. 84 quater of the Issuers Regulations adopted by Consob in deliberation no. 11971/1999.

The report is divided into two sections:

- the first section illustrates the Company policy concerning remuneration and the procedures used for the adoption and implementation of this policy;
- the second section illustrates in a nominative manner the remuneration of the management and auditing bodies.

## SECTION I

### A. Approval and implementation of the Remuneration Policy

In fulfilment of that provided by the Corporate Governance Code for companies listed on the stock exchange drawn up by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A. ABI, Ania, Assogestioni, Assonime e Confindustria (hereinafter "Corporate Governance Code"), the MARR Remuneration Policy was approved, on proposal by the Remuneration and Nomination Committee and with the favourable opinion of the Board of Statutory Auditors, by the Board of Directors meeting on 11 November 2011.

On proposal by the Remuneration and Nomination Committee (hereinafter also "RNC") and with the favourable opinion of the Board of Auditors, the Board of Directors subsequently made some modifications to the Remuneration Policy, specifically:

- on 20 February 2013, in consideration of that disposed by art. 18, paragraph 2 of the Corporate By Laws concerning specific emoluments due to the board members with specific offices and/or duties;
- on 14 March 2014, in order to make the Remuneration Policy more suited to the structure of the management body;
- on 6 October 2014 to adjust the text to the Corporate Governance Code in force and the Corporate Governance Code of the Company.
- on 14 May 2015, in order to better define the medium-long-term performance objectives;
- on 14 November 2017, in order to make the Policy

- (i) more consistent with that provided in point 7.1 of the Company's Code of Self-Governance, with specific regard to the alignment of the interests of the executive directors to the achievement of the priority objective of creating value for the shareholders in the medium and long-term,
- (ii) comply with the decision by the Board of Directors to create a triennial Business Plan for the Company starting in 2018.

## **B. Remuneration and Nomination Committee**

In compliance with that disposed by the Corporate Governance Code, the Board of Directors has set-up an internal Remuneration and Nomination Committee.

The RNC is currently composed of the non-executive and independent directors Messrs Marinella Monterumisi, Alessandro Nova e Ugo Ravanelli. Mrs Marinella Monterumisi has been appointed as Chairman of the Committee.

The members of the Committee have adequate experience in financial and managerial matters acquired from a business, professional and academic viewpoint, deemed suitable on their appointment.

Pursuant to the Code of Self-Discipline adopted by the Company, the RNC is, among other things, called upon to:

- periodically assess the adequacy, overall consistency and concrete application of the remuneration policy for the directors and managers with strategic responsibilities, using the information provided by the Chief Executive Officer in this regard, and formulate proposals to the Board of Directors on the matter;
- submit proposals or express opinions to the Board of Directors concerning the remuneration of the executive directors and the other directors appointed to specific offices, and also on the establishment of the performance objectives related to the variable component of said remuneration; monitor the application of the decisions adopted by the Board itself, in particular verifying the effective achievement of the performance objectives.

## **C. Intervention by independent experts**

The Company did not resort to the use of external consultants in the preparation of the Remuneration Policy.

## **D. Aims and principles of the Remuneration Policy**

The Remuneration Policy has been drawn up with the intention of formalising a valid instrument aimed at:

- attracting, retaining and motivating a management team with adequate professional skills;

- aligning the interests of the management team and the shareholders;
- promoting the creation of added value for the shareholders in the medium-long term.

The Remuneration Policy adopted by MARR respects the indications provided by art. 7 of the Company's Code of Self-Discipline concerning the "Remuneration of the directors", which is consistent with the principles and criteria in art. 6 of the Corporate Governance Code.

It should be noted that, due to the characteristics of the company's activities, in the context of art. 7 of the Company's Code of Self-Discipline, it has been deemed opportune to not include remuneration plans based on shares.

### **E. Policies concerning the fixed and variable components of remuneration**

The Company has identified the following subjects as recipients of the Remuneration Policy:

- the members of the Board of Directors;
- the non-executive directors with positions on the internal Committees of the Board of Directors;
- the members of the Board of Statutory Auditors;
- the executive directors – managers with or without strategic responsibilities.

As regards these latter individuals, it should be noted that:

- only manager with strategic responsibilities have been identified as CEO (hereinafter "Executive Director with strategic responsibilities");
- in addition to the executive director appointed to the position of "Executive Officer", the MARR Board of Directors may also include executive directors with managerial qualifications (hereinafter "Executive Directors without strategic responsibilities").

#### *Remuneration of the members of the Board of Directors*

With the exception of the executive directors, the remuneration of the members of the Board of Directors is constituted exclusively by a fixed component and does not include any remuneration based on the achievement of results.

The entity of the remuneration of the Board of Directors is determined by the Shareholders' Meeting on appointment and conferment of their duties. Should the Shareholders' Meeting not have done so, the Board shall decide upon the subdivision of the remuneration equally among its members.

The members of the Board of Directors have the right to be reimbursed the expenses sustained in performing their duties.

As provided by the Company By Laws, the Board members invested with specific powers are due specific emoluments for this, the establishment of which is performed by the Board of Directors, after hearing the opinion of the Board of Auditors and the RNC.

These specific emoluments may not in any case exceed the amount of 6 times the remuneration of each Director determined as stated in the second paragraph, that provided in the Remuneration Policy concerning executive directors.

#### *Remuneration of the directors appointed as members of the internal Committees of the Board of Directors*

The remuneration of the directors appointed as members of the Committees is constituted exclusively by a fixed component and does not include any remuneration plans based on the achievement of results or any remuneration based on meeting attendance.

The remuneration of the members of the Committees, which is determined by the Board of Directors, is additional to that deliberated by the Shareholders' Meeting and is the same for each member.

No further integrations are provided for the directors called upon to perform the duties of Committee Chairman.

The Board of Directors has set up two Committees, for which the following Remuneration Policy has been established:

Remuneration and Nomination Committee: constituted by at least three members and exclusively by independent directors. The overall remuneration of the Committee is commensurate to the commitment required and is between 5% and 10% of the remuneration allocated by the Shareholders' Meeting for the entire Board.

Control and Risk Committee (hereinafter also "CRC"): constituted by at least three members and exclusively by independent directors. The overall remuneration of the Committee is commensurate to the commitment required and is between 20% and 30% of the remuneration allocated by the Shareholders' Meeting for the entire Board.

For each triennium, the remuneration is decided by the Board of Directors, with the favourable opinion of the Board of Auditors.

#### *Remuneration of the members of the Board of Auditors*

The total annual emoluments for the Auditors are determined by the Shareholders' Meeting by virtue of their independence, although the possibility of establishing a maximum all-inclusive threshold for the entire Board has not been ruled out.

The remuneration of the auditors, as expressly provided by the Code of Governance, is commensurate to the commitment required, the significance of the role and also the dimensional and sectoral characteristics of the Company.

#### *Remuneration of the executive directors*

The remuneration of the executive directors is constituted by a “fixed” component and a “variable” component.

The entity of both components and the mechanism for determining the “variable” quota are determined:

- by the RNC and approved by the Board of Directors with the favourable opinion of the Board of Auditors, for the Executive Directors with strategic responsibilities;
- by the CEO, after hearing the RNC and with the approval of the Board of Directors, for the Executive Directors without strategic responsibilities and therefore in the framework of their status of employees and managers of the Company.

The “fixed” annual component, which is in itself sufficient to remunerate the position should the “variable” component not be paid due to the failure to achieve the required objectives, tends to be in line with the reference market values and is commensurate to skills and capacities and is also determined on the basis of the professional specialisation of the position filled within the company and the related responsibilities.

The “fixed” component is constituted by:

- remuneration for dependent employment;
- the remuneration<sup>1</sup> allocated by the Board of Directors, even if for a period of less than the three years of their term of office.

The “variable” component may represent not less than 30% and not more than 50% of their entire remuneration for the Executive Directors with strategic responsibilities, and up to 50% for the Executive Directors without strategic responsibilities.

For the executive directors with strategic responsibilities, the deferred payment over time of part of the variable remuneration is also provided, with respect to the time of accrual.

#### **F. Non-monetary benefits**

The Company recognises non-monetary benefits of a limited value to some of the Executive Directors, such as company cars and accommodation.

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<sup>1</sup> This remuneration is “eventual” for the Executive Directors without strategic responsibilities.

## G. Description of the performance objectives for the variable components

### Executive Directors with strategic responsibilities

The variable component of the remuneration due to the executive directors with strategic responsibilities is constituted by:

- i) a short-term portion determined on the basis of the annual objectives (not more than 50% of the total "variable" component);
- ii) a medium/long-term portion determined on the basis of the multi-annual objectives (not less than 50% of the total "variable" component).

*(i) Short-term variable component determined on the basis of the annual objectives*

The short-term variable component determined on an annual basis has as the main objectives:

- stabilising collaboration relations ("stability");
- promoting the creation of added value through the increase of the market share of the Company ("market share");
- maintaining levels of profitability in line with that provided by the budget and that achieved by comparable companies ("performance targets").

#### 1. *Stability*

A portion of not more than 50% of the variable component su base annua is allocated to periodically guarantee business continuity.

The portion relating to the annual goals will be correlated to the effective presence on the workforce and at work during and at the end of each year.

#### 2. *Market Share*

A portion of not less than 20% of the variable component on an annual basis for a growth by quantity not less than that recorded by the Confcommercio Studies Office for the "hotels, meals and Out-of-Home food consumption" segment, thereby maintaining the growth of the Company's market share.

The part linked to the annual goals will be correlated to the achievement of said growth goals each year.

#### c) *Performance targets*

The remaining portion of the variable component on an annual basis on the basis of an annual review showing the following:

- EBITDA in absolute terms of not less than that provided in the annual budget (50% of the total);
- EBITDA margin index (intended as a % of the EBITDA on total revenues) in line with the result achieved by international peers (remaining 50%).

The RNC, in the annual definition of the entity and mechanism of determining the variable portion, establishes a classification table in the framework of the "performance targets" component.

(ii) Medium/long-term variable component determined on the basis of multi-annual objectives.

The medium/long-term variable component on a multi-annual basis (taking the triennial business plan as reference) has the main objective of the durable and sustainable growth of the business, in particular:

- a) ensuring rates of growth consistent with that provided by the business plan ("Growth");
- b) maintaining levels of profitability and financial management in line with that provided by the business plan ("Profitability and financial management");
- c) encouraging the achievement of the qualitative objectives provided by the business plan ("Qualitative objectives").

For the quantitative objectives, this will be determined taking as reference the achievement of the objectives of plans concerning the last year of the plan itself, while the qualitative ones will take as reference the grouping of activities provided by the business plan.

Any variations consequent to extraordinary operations and/or M&A not originally provided for in the business plan will be taken into account in determining the results.

a) Growth

A quota of 15% of the multi-annual variable component on the basis of the achievement of the objective of Revenues from sales in the last year of the plan.

b) Profitability and financial management

The three elements constituting this objective of the multi-annual variable component refer to the last year of the plan and are:

- a quota of 15% on the basis of the achievement of the EBITDA margin objective (intended as a % of the EBITDA on total revenues);
- a quota of 20% on the basis of the achievement of the absolute EBT objective;
- a quota of 20% on the basis of the achievement of the "trade net working capital/revenues from sales" ratio objective;
- an additional quota of 20% on achievement of all of the "growth" and "profitability and financial management" objectives.

In defining the entity and mechanism of determining the multi-annual variable portion, the RNC also establishes a classification table in the framework of the components in points a) and b) above.

c) Qualitative objectives

A quota of 10% of the multi-annual variable component on the basis of the achievement of the qualitative objectives in the plan, according to methods established by the CRN on the basis of the business plan for the period.



The multi-annual objectives refer to the triennium; following the changes made in 2017, the previous version of the Policy was applied for 2017 (see Report on Remuneration dated 14 March 2017) and the reference data will be constituted by the 2017 budget and, in the biennium 2018-2019, the data will be constituted by the business plan, the triennial reference to the business plan being necessarily applicable as of 2020.

#### Executive Directors without strategic responsibilities

The variable component of the remuneration of the executive directors without strategic responsibilities has the following main objectives:

- stabilising collaboration relations (through stability bonus);
- achieving the performance objectives in line with that provided in the budget and business plan. Any changes consequent to extraordinary operations and/or M&A not originally provided for in the business plan will be taken into account in determining the results.

The "variable" component is constituted by:

- i) a portion determined on the basis of annual objectives, also providing for an eventual stability clause;
- ii) a part determined on the basis of multi-annual objectives consistent with the business plan and taking into account that provided by this Policy for Executive directors with strategic responsibilities.

The Chief Executive Officer will determine a classification table in defining the entity and mechanism of the variable portion.

The multi-annual objectives refer to the triennium; following the changes made in 2017, the previous version of the Policy was applied for 2017 (see Report on Remuneration dated 14 March 2017) and the reference data will be constituted by the 2017 budget and, in the biennium 2018-2019, the data will be constituted by the business plan, the triennial reference to the business plan being necessarily applicable as of 2020.

#### *"Clawback"* clause

The Company may request the restitution of all or part of the variable components of remuneration paid (or withhold sums that are not due), determined on the basis of the figures that are subsequently found to be blatantly incorrect.

#### **H. Criteria for the evaluation of results**

Pursuant to art. 7.9 of the Company's Code of Self-Discipline, the RNC monitors the application of the decisions taken by the Board of Directors concerning remuneration, verifying the effective achievement of the performance objectives.

## **I. Information on the consistency of the Remuneration Policy with the achievement of the medium-long term interests of the Company.**

The objectives and target values are determined taking into account the specific nature of the reference sector and activities carried out and are consistent with the achievement of the medium and long-term interests of the Company.

As regards the plan of short-term incentives, the definition of the target values on which the annual objectives are based is linked to objectives aimed at stabilising employment relations, encouraging the creation of value through the growth of the market share and maintaining profitability levels in line with the annual budget and that achieved by comparable companies.

As regards the medium and long-term variable component, the definition of the targets is aimed at creating value for the general shareholders in a medium and long-term timeframe and is therefore linked to the achievement of objectives of an economic and financial nature based on the business plan, and also the achievement of qualitative objectives included in the business plan itself and set in advance by the RNC.

## **J. Terms for the accrual of rights**

The achievement of the annual and medium- long term objectives is verified by the RNC and the payment of the amounts accrued is consequently deliberated by the Board of Directors during the approval of the draft of the Annual financial report.

## **K. Clauses for maintaining financial instruments in the portfolio**

The Remuneration Policy does not include incentives plans based on shares or other financial instruments, and therefore there are no clauses for maintaining financial instruments in the portfolio after their acquisition.

## **L. Treatment in the case of stepping down from office or termination of employment relations**

The indemnities eventually provided for the termination of employment relations of the executive directors is defined in the framework of their dependent employment relations in respect of the collective contract. As regards the other positions, no specific indemnities are provided, as they are already included in the variable "stability" component.

In the case of the eventual interruption of relations with the Company by one or more of the recipients of the Remuneration Policy for reasons other than just cause,

it has been deemed just to pursue extra-judicial solutions on an equitable basis, within the limits provided by the good practices existing for similar figures, that provided by the laws and contracts in force holding firm. There are no specific agreements ongoing which determine particular indemnities in the case of termination of relations.

The Corporate Governance Code of the Company also provides that, whenever an executive director or general manager steps down from office and/or ends their employment relations, it makes known, after the internal processes leading to the attribution or recognition of indemnities and/or other benefits, detailed information in this regard, through a notification diffused to the market which includes the information and indications of which in applicative criterion 6.C.8. of the Corporate Governance Code.

#### **M . Insurance coverage, social security and pensions**

Insurance coverage for civil liability deriving from the position filled is provided.

#### **N. Remuneration policy with reference to the independent directors, those appointed to Committees and the performance of specific duties.**

See the preceding point E.

#### **O. Reference parameters used in the definition of the Remuneration Policy**

The remuneration policies of other companies have not been used as reference in the preparation of the Remuneration Policy.

## SECTION II

The following section, in two parts, illustrates in a nominative manner the remuneration of the members of the management and auditing bodies.

### Part One

The following is an illustrative description of each of the items comprising the remuneration for the 2017 business year.

#### *Remuneration of the Board of Directors and the Board members invested with specific duties*

On 28 April 2014, the Shareholders' Meeting renewed the management body, establishing an overall annual remuneration for the entire Board of Directors of 220,000 Euros. The Board of Directors subsequently decided to divide this amount into equal parts among the 11 members, thereby recognising to each of them a gross annual remuneration of 20,000 Euros for their term of office, to be equalized each year.

Subsequently, on 28 April 2017, the Shareholders' Meeting renewed the mandate of the administration body for the triennium 2017-2019, establishing for the entire Board of Directors an overall annual remuneration of 225,000 Euros. The Board subsequently decided to divide said remuneration in equal amounts among its 9 members, therefore recognising to each of them, for the period of their term of office, a gross annual remuneration of 25,000 Euros, to be adjusted on an annual basis.

The remuneration for the 2017 business year therefore includes, for the Directors who were re-appointed to office, the quota for the fraction of the year 28/4 to 31/12 in the triennium 2017-2019, in addition to the quota for the fraction of the year 1/1 to 28/4 for the previous triennium.

On 13 November 2015, the Board of Directors, on proposal by the Remuneration and Nomination Committee and with the favourable opinion of the Board of Auditors, decided to allocate to Mr. Paolo Ferrari a fixed remuneration amounting to 80,000 Euros, to be adjusted on an annual basis, for the duties undertaken as the new Chairman of the Board of Directors.

On 28 April 2017, the Board of Directors allocated the same fixed annual remuneration of 80,000 Euros, to be adjusted on an annual basis, to Mr. Paolo Ferrari, who was confirmed as Chairman by the Shareholders' Meeting on the same date.

#### *Remuneration of the directors appointed to the internal Committees of the Board of Directors*

On 28 April 2014, the Board of Directors constituted the CRC and the RNC, both composed of the independent directors Messrs Paolo Ferrari, Giuseppe Lusignani and Marinella Monterumisi. After hearing the favourable opinion of the Board of Statutory Auditors, the Board also decided to assign to the aforementioned directors:

- as members of the RNC, an additional annual remuneration, for the duration of their term of office, of 4,000 Euros to be equalized each year;
- as members of the CRC, an additional annual remuneration, for the duration of their term of office, of 15,000 Euros to be equalized each year.

On 28 April 2017, the Board of Directors decided on the new composition of the CRC and RNC, the former composed of Mrs. Marinella Monterumisi, Mr. Ugo Ravanelli and Mrs. Rossella Schiavini and the latter by Mrs. Marinella Monterumisi, Mr. Alessandro Nova and Mr. Ugo Ravanelli. After the approval of the Board of Auditors, the Board also decided to allocate to the above directors:

- as members of the RNC, an additional annual remuneration of 7,500 Euros each, to be adjusted annually, for the entire term of office;
- as members of the CRC, an additional annual remuneration of 15,000 Euros each, to be adjusted annually, for the entire term of office.

The remuneration for the 2017 business year therefore includes, for the Directors who were re-appointed as members of the Committees, the quota for the fraction of the year 28/4 to 31/12 in the triennium 2017-2019, in addition to the quota for the fraction of the year 1/1 to 28/4 for the previous triennium.

#### *Remuneration of the members of the Board of Auditors*

The Shareholders' Meeting on 28 April 2017, taking into account the professional tariffs for chartered accountants, decided (as for the previous triennium) that the annual emoluments due to the members of the Board of Auditors should be 27,000 Euros for the Chairman and 18,000 Euros for the Standing Auditors.

#### *Remuneration of the executive directors*

During the course of 2017, the following were executive directors:

- Mr. Francesco Ospitali, Chief Executive Officer;
- Mr. Pierpaolo Rossi, Manager of the Administration, Finance and Control Department and also acting Chief Executive Officer from 1 January to 28 April;
- Mrs. Lucia Serra director of the Legal Affairs, Insurance and Corporate Department who stepped down as a Director on 28 April;
- Mr. Antonio Tiso, Investor Relator; who stepped down as Director on 28 April, Manager responsible for the preparation of the corporate accounts documents and Chief Financial Officer, and also Investor Relator.

Mr. Francesco Ospitali and Mr. Pierpaolo Rossi, acting as Chief Executive Officers of the Company, were identified as Executive Directors with strategic responsibilities.

Mr. Francesco Ospitali was attributed the following remuneration with reference to the 2017 business year:

a) Fixed component

The fixed remuneration for dependent employment paid amounted to 177.210 Euros for the 2017 business year (covering the entire solar year), gross of social security and fiscal costs charged to the recipient and excluding the obligatory collective social security costs charged to the company and the severance fund allocation.

On 12 May 2017, the Board of Directors, on proposal by the RNC and with the favourable opinion of the Board of Auditors, established (as for the previous term of office) the fixed component of the remuneration due to Mr. Francesco Ospitali as Chief Executive Officer as 100,000 Euros annually, for the period of his term of office.

b) Variable component

On 12 May 2017, the Board of Directors, on proposal by the RNC and with the favourable opinion of the Board of Auditors, established that each Chief Executive Officer will be attributed the following variable remuneration for the 2017-2019 business years, in respect of the Remuneration Policy in force, thus defined:

- 100,000 Euros/year linked to the achievement of the annual objectives, and specifically 50,000 Euros, 20,000 Euros and 30,000 Euros respectively for each of the three "Stability, "Market share" and "Performance targets" objectives;
- 105,000 Euros overall linked to the achievement of the multi-annual objectives (triennium 2017-2019), and specifically, in the same order as above, 50,000 Euros, 21,000 Euros and 34,000 Euros.

As stated in Section I following the changes made to the Remuneration Policy in 2017, the previous version of the Policy is in force for 2017 and the reference data is constituted by the 2017 budget.

Therefore,:

- all of the annual objectives for 2017 established in the Remuneration Policy have been achieved, and the amount of 100,000 Euros was recognised, to be paid in 2018;
- the multi-annual objectives have been achieved for 2017 for which the payment of 35,000 Euros was provided, to be paid at the end of the triennium 2017-2019.

c) Non-monetary benefits

393 Euros as accommodation benefit.

Mr. Pierpaolo Rossi was attributed the following remuneration with reference to the 2017 business year:

a) Fixed component

The fixed remuneration for dependent employment paid amounted to 188.349 Euros for the 2017 business year (covering the entire solar year), gross of social security and fiscal costs charged to the recipient and excluding the obligatory collective social security costs charged to the company and the severance fund allocation.

On 28 April 2014, the Board of Directors, on proposal by the RNC and with the favourable opinion of the Board of Auditors, established the fixed component of the remuneration due to Mr. Pierpaolo Rossi as Chief Executive Officer as 100,000 Euros annually, for the period of his term of office.

Due to the duration of his term of office in 2017, Mr. Pierpaolo Rossi was paid 33,333 Euros.

Following the attribution on 28 April 2017 of operating proxies to Mr. Pierpaolo Rossi, the Board of Directors, on proposal by the Chief Executive Officer and after gaining the favourable opinion of the RNC and the Board of Auditors, provided for a fixed payment of 50,000 Euros annually for him, for the period of his term of office. Due to the duration of said term in 2017, Mr. Pierpaolo Rossi was paid 33,334 Euros.

b) Variable component

60,000 Euros on the basis of the 2017 MBO plan.

40,000 Euros as stability bonus in the framework of his dependent employment relations.

Mrs. Lucia Serra was attributed the following remuneration with reference to the 2017 business year:

a) Fixed component

The fixed remuneration for dependent employment paid amounted to 74.271 Euros for the 2017 business year (covering the entire solar year), gross of social security and fiscal costs charged to the recipient and excluding the obligatory collective social security costs charged to the company and the severance fund allocation.

b) Variable component

6.000 Euros on the basis of 2017 MBO plan.

15.000 Euros as stability premium , in the framework of the dependent employment relations.

c) Non-monetary benefits

1,628 Euros as benefit for using a company car.

d) Other remuneration

20.333 Euros as remuneration for the position of special attorney.

Mr. Antonio Tiso was attributed the following remuneration with reference to the 2017 business year:

a) Fixed component

The fixed remuneration for dependent employment paid amounted to 89.460 Euros for the 2017 business year (covering the entire solar year), gross of social security and fiscal costs charged to the recipient and excluding the obligatory collective social security costs charged to the company and the severance fund allocation.

b) Variable component

7,000 Euros on the basis of 2017 MBO plan.

33,000 Euros as stability premium, in the framework of the dependent employment relations.

c) Non-monetary benefits

2,124 Euros as benefit for using a company car.

d) Other remuneration

31,333 Euros as remuneration for the position of special attorney.



## Part Two

The following is an analytical description of the remuneration paid during the business year in question under any title and in any form by the Company and its subsidiaries, using the following tables:

- TABLE 1: Remuneration paid to the members of the management and auditing bodies, General Managers and other managers with strategic responsibilities;
- TABLE 2: Monetary incentive plans in favour of the members of the management body, General Managers and other managers with strategic responsibilities;
- TABLE 3: Holdings of the members of the management and auditing bodies and General Managers.

Rimini, 14 March 2018

The Chairman of the Board of  
Directors  
Paolo Ferrari

TABLE I: Remuneration paid to the members of the management and auditing bodies, General Managers and other managers with strategic responsibilities

Members of the Board of Directors

Name and surname	Office	Period for which the office was held	Termination of office	Fixed remuneration	Remuneration for participation in committees	Variable non-equity remuneration		Non-monetary benefits	Other remuneration	TOTAL	Fair value of equity remuneration	Indemnities for end of office or cessation of employment relations
						Bonus and other incentive	Participation in the profits					
<b>Paolo Ferrari</b>	Chairman BoD	1/1/2017-31/12/2017	Shareholders meeting f.s2019									
(I) Remuneration from the company drafting the financial statements				23,333 (2) 80,000 (3)	5,000 (5) 1,334 (6)					109,667		
(II) Remuneration from subsidiaries and associates												
(III) Total				103,333	6,334					109,667		
<b>Francesco Ospitali</b>	CEO	1/1/2017-31/12/2017	Shareholders meeting f.s2019									
(I) Remuneration from the company drafting the financial statements				177,210(1) 23,333(2) 100,000 (4)		100,000		393(7)		400,936		
(II) Remuneration from subsidiaries and associates												
(III) Total				300,543		100,000		393		400,936		
<b>Pierpaolo Rossi</b>	CEO	1/1/2017-28/04/2017	Shareholders meeting f.s2016									
	Executive director	1/1/2017-31/12/2017	Shareholders meeting f.s2019									
(I) Remuneration from the company drafting the financial statements				188,349(1) 23,333(2) 66,667 (4)		60,000 40,000				378,349		
(II) Remuneration from subsidiaries and associates												
(III) Total				278,349		100,000				378,349		

<b>Claudia Cremonini</b>	Non-exec. director	1/1/2017-31/12/2017	Shareholders meeting f.s2019									
(I) Remuneration from the company drafting the financial statements				23,333(2)						23,333		
(II) Remuneration from subsidiaries and associates												
(III) Total				23,333						23,333		
<b>Vincenzo Cremonini</b>	Non-exec. director	1/1/2017-31/12/2017	Shareholders meeting f.s2019									
(I) Remuneration from the company drafting the financial statements				23,333 (2)						23,333		
(II) Remuneration from subsidiaries and associates												
(III) Total				23,333						23,333		
<b>Marinella Monterumisi</b>	Indep. director	1/1/2017-31/12/2017	Shareholders meeting f.s2019									
(I) Remuneration from the company drafting the financial statements				23,333(2)	15,000 (5) 6,334 (6)					44,667		
(II) Remuneration from subsidiaries and associates												
(III) Total				23,333	21,334					44,667		
<b>Alessandro Nova</b>	Indep. director	28/4/2017-31/12/2017	Shareholders meeting f.s2019									
(I) Remuneration from the company drafting the financial statements				16,667 (2)	5,000 (6)					21,667		
(II) Remuneration from subsidiaries and associates												
(III) Total				16,667 (2)	5,000					21,667		
<b>Ugo Ravanelli</b>	Indep. director	28/4/2017-31/12/2017	Shareholders meeting f.s2019									
(I) Remuneration from the company drafting the financial statements				16,667 (2)	10,000 (5) 5,000 (6)					31,667		
(II) Remuneration from subsidiaries and associates												
(III) Total				16,667 (2)	15,000					31,667		
<b>Rossella Schiavini</b>	Indep. director	28/4/2017-31/12/2017	Shareholders meeting f.s2019									
(I) Remuneration from the company drafting the financial statements				16,667 (2)	10,000 (5)					26,667		
(II) Remuneration from subsidiaries and associates												
(III) Total				16,667 (2)	10,000					26,667		

<b>IlIAS Aratri</b>	Non-exec. director	1/1/2017-28/04/2017	Shareholders meeting f.s2016									
(I) Remuneration from the company drafting the financial statements				6,667 (2)						6,667		
(II) Remuneration from subsidiaries and associates												
(III) Total				6,667						6,667		
<b>Giosuè Boldrini</b>	Non-exec. director	1/1/2017-28/04/2017	Shareholders meeting f.s2016									
(I) Remuneration from the company drafting the financial statements				6,667 (2)						6,667		
(II) Remuneration from subsidiaries and associates												
(III) Total				6,667						6,667		
<b>Giuseppe Lusignani</b>	Indep. director	1/1/2017-28/04/2017	Shareholders meeting f.s2016									
(I) Remuneration from the company drafting the financial statements				6,667 (2)	5,000 (5) 1,333 (6)					13,000		
(II) Remuneration from subsidiaries and associates												
(III) Total				6,667	6,333					13,000		
<b>Lucia Serra</b>	Executive director	1/1/2017-28/04/2017	Shareholders meeting f.s2016									
(I) Remuneration from the company drafting the financial statements				74,271 (1) 6,667(2)		15,000 6,000		1,628 (7)	20,333	123,899		
(II) Remuneration from subsidiaries and associates												
(III) Total				80,938		21,000		1,628	20,333	123,899		
<b>Antonio Tiso</b>	Executive director	1/1/2017-28/04/2017	Shareholders meeting f.s2016									
(I) Remuneration from the company drafting the financial statements				89,460(1) 6,667(2)		33,000 7,000		2,124(7)	31,333	169,584		
(II) Remuneration from subsidiaries and associates												
(III) Total				96,127		40,000		2,124	31,333	169,584		

Notes:

- (1) Remuneration for dependent employment;
- (2) Remuneration as member of the Board of Directors;
- (3) Remuneration for the performance of specific duties ex art. 2389, paragraph 3 of the Civil Code.
- (4) Remuneration (fixed component) decided by the Board of Directors for the Chief Executive Officer;
- (5) Remuneration as member of the Control and Risk Committee;
- (6) Remuneration as member of the Remuneration and Nomination Committee;
- (7) The values indicated are those recorded for fiscal purposes.

There is an insurance policy for civil liability for the management and auditing bodies, stipulated with a primary insurance company, the pro capita premium for which is negligible.

## Members of the Board of Auditors

Name and surname	Office	Period for which the office was held	Termination of office	Fixed remuneration	Remuneration for participation in committees	Variable non-equity remuneration		Non-monetary benefits	Other remuneration	TOTAL	Fair value of equity remuneration	Indemnities for end of office or cessation of employment relations
						Bonus and other incentive	Participation in the profits					
<b>Massimo Gatto</b>	Chairman Board of Auditors	28/4/2017-31/12/2017	Shareholders meeting fs2019									
(I) Remuneration from the company drafting the financial statements				18,000(1)						19,447		
(II) Remuneration from subsidiaries and associates				1,447 (2)								
(III) Total				19,447						19,447		
<b>Ezio Maria Simonelli</b>	Chairman Board of Auditors	1/1/2017-28/4/2017	Shareholders meeting fs2016									
	Standing Auditors	28/4/2017-31/12/2017	Shareholders meeting fs2019									
(I) Remuneration from the company drafting the financial statements				21,000(1)						25,250		
(II) Remuneration from subsidiaries and associates				4,250(2)								
(III) Total				25,250						25,250		
<b>Paola Simonelli</b>	Standing Auditors	28/4/2017-31/12/2017	Shareholders meeting fs2019									
(I) Remuneration from the company drafting the financial statements				12,000 (1)						14,350		
(II) Remuneration from subsidiaries and associates				2,350(2)								
(III) Total				14,350						14,350		
<b>Davide Muratori</b>	Standing Auditors	1/1/2017-28/4/2017	Shareholders meeting fs2016									
(I) Remuneration from the company drafting the financial statements				6,000(1)						6,923		
(II) Remuneration from subsidiaries and associates				923 (2)						8,500		
(III) Total				8,500						15,423		
<b>Simona Muratori</b>	Standing Auditors	1/1/2017-28/4/2017	Shareholders meeting fs2016									
(I) Remuneration from the company drafting the financial statements				6,000(1)						6,923		
(II) Remuneration from subsidiaries and associates				923 (2)						3,500		
(III) Total				3,500						10,423		

Notes:

(1) Remuneration decided by the Shareholders' Meeting

(2) Attendance of meetings and reimbursement of expenses

There is an insurance policy for civil liability for the management and auditing bodies, stipulated with a primary insurance company, the pro capita premium for which is negligible

TABLE 2: Monetary incentives plans in favour of the members of the management body, General Managers and other managers with strategic responsibilities

Name and surname	Office	Plan	Annual bonus			Bonus for previous years			other bonus
			Paid/payable	Deferred	Deferral period	No longer payable	Payable/paid	Still deferred	
<b>Francesco Ospitali</b>	CEO								
(I) Remuneration from the company drafting the financial statements		Deliberation dated 14/05/2017 (annual obj 2017)	100,000						
(II) Remuneration from subsidiaries and associates									
(III) Total			100,000						
<b>Pierpaolo Rossi</b>	Executive director								
(I) Remuneration from the company drafting the financial statements		MBO 2017 Stability 2017	60,000 40,000						
(II) Remuneration from subsidiaries and associates									
(III) Total			100,000						
<b>Lucia Serra</b>	Executive director								
(I) Remuneration from the company drafting the financial statements		MBO 2017 Stability 2017	6,000 15,000						
(II) Remuneration from subsidiaries and associates									
(III) Total			21,000						
<b>Antonio Tiso</b>	Executive director								
(I) Remuneration from the company drafting the financial statements		MBO 2017 Stability 2017	7,000 33,000						
(II) Remuneration from subsidiaries and associates									
(III) Total			40,000						

TABLE 3: Holdings of the members of the management and auditing bodies and General Managers

Name and surname	Office	Holding company	Shares owned at the end of the previous business year	Number of shares acquired	Number of shares sold	No. of shares held at the end of the reference business year
Francesco Ospitali	CEO	MARR S.p.a.	1,000			1,000
Claudia Cremonini	Non-exec. director	MARR S.p.a.	5,574			5,574
Ugo Ravanelli	Indep. director	MARR S.p.a.	81,411			81,411
<b>Total</b>			<b>87,985</b>			<b>87,985</b>