



FIERA MILANO

Report on the Remuneration Policy and Remuneration Paid

Prepared pursuant to Article-123-*ter* of Legislative Decree 58 of 24 February 1998 and Article 84-*quater* of the Issuers Regulation adopted by Consob with ruling no. 11971 of 14 May 1999 (last amended by ruling no. 21016 of 24 July 2019, in effect since 6 August 2019), and in compliance with recommendations in the Corporate Governance Code for listed companies issued by Borsa Italiana S.p.A. in July 2018

This document contains a true translation in English language of the Italian document "Relazione sulla Politica in materia di remunerazione e sui compensi corrisposti".
However, for information about Fiera Milano reference should be made exclusively to the original document in Italian language.
The Italian version of the "Relazione sulla Politica in materia di remunerazione e sui compensi corrisposti" shall prevail upon the English version.

10 March 2020

Fiera Milano S.p.A.

Registered office: Piazzale Carlo Magno, 1 - 20149 Milan

Operating and administrative offices: S.S. del Sempione, 28 - 20017 Rho (Milan)

Share capital: Share Capital EUR 42,445,141 fully paid-up

Register of Companies, Tax Code and VAT registration number 13194800150 - Economic and administrative register no. 1623812

INTRODUCTION

This Report on the Remuneration policy and remuneration paid (the "**Report**" or "**Remuneration Report**") has been prepared by Fiera Milano S.p.A. ("**Fiera Milano**" or also the "**Company**"), pursuant to Article-123-*ter* of Legislative Decree 58 of 24 February 1998 ("**Consolidated Finance Act**" or "**TUF**") and Article 84-*quater* of the Issuers Regulation adopted by Consob with ruling no. 11971 of 14 May 1999, last amended by ruling no. 21016 of 24 July 2019, in effect since 6 August 2019 (**Issuers Regulation**) and in compliance with Attachment 3A, Scheme 7-*bis*, of the Issuers Regulation. Article 123-*ter* of the TUF was last amended by Legislative Decree 49/2019 ("**Legislative Decree 49/2019**") – implementing Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 (Shareholder Rights Directive II) as regards the encouragement of long-term shareholder engagement ("**Directive**").

The Remuneration Report prepared by the Company conforms to recommendations in Article 6 of the Corporate Governance Code for listed companies adopted by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A. in July 2018 (the "**Corporate Governance Code**") which the Company observes.

The principles and reference guidelines for determining and adopting the company's remuneration policy adopt and observe the values, culture and historic mission of Fiera Milano and contribute to the achievement of its long-term interests and sustainability.

This Remuneration Report comprises the following sections:

The first Section - in compliance with Articles 123-*ter* the TUF and 9-*bis* of the Directive – describes and explains:

- 1) the Company's remuneration policy for members of the Company's Board of Directors ("**Board**"), general directors, Managers with Strategic Responsibilities, and, without prejudice to Article 2402 of the Civil Code, members of the Board of Statutory Auditors ("**Remuneration Policy**"); and
- 2) the procedures used for its adoption, revision and implementation, including measures to avoid or manage conflicts of interest.

The second Section concerns remuneration paid to the Company's Board Directors and members of the Board of Statutory Auditors, and in an aggregate form, the remuneration paid to Managers with Strategic Responsibilities of Fiera Milano.

- a) The first part of this Section presents each item of remuneration adequately, clearly and comprehensibly, including end-of-office indemnities, and shows compliance with the Company's remuneration policy relative to the year under review and how remuneration procedures contribute to the Company's long-term results;
- b) the second part (i) analytically explains the remuneration paid by the Company, by subsidiaries or associates (the "**Group**") in the year under review, for any reason

whatsoever and in any form, indicating any components that refer to activities carried out in previous years, and remuneration to be paid in one or more subsequent years for activities carried out in the year under review, also indicating an estimate for components that cannot be objectively qualified in the year under review; (ii) explains how the Company took into consideration the vote passed the previous year by the Shareholders' Meeting on the Second Section of the Report.

The Remuneration Policy in this Report also complies with requirements in Consob Regulation no. 17221 of 12 March 2010 on related-party transactions and with Article 12.2 of the "*Procedure for related-party transactions*" ("**Procedure for related-party transactions**") approved and adopted by the Company's Board of Directors on 11 May 2018 (available on the Company's website www.fieramilano.it, in the section *Investors/Governance*), pursuant to which the approval of the Remuneration Policy by the Shareholders' Meeting exonerates the Company from adopting the above procedure for related-party transactions in resolutions concerning the remuneration of directors and Managers with Strategic Responsibilities, provided that the latter are consistent with the Remuneration Policy.

This Report was approved by the Board, on proposal of the Appointments and Remuneration Committee, in the meeting of 10 March 2020. The first Section will be voted (binding vote) by the Ordinary Shareholders' Meeting convened for 20 April 2020, on single call. The second Section will be put to an advisory vote during the same Meeting.

This Report has been filed at the registered office and at the operating and administrative offices of the Company. It is available in the authorised storage system eMarket Storage (www.emarketstorage.com) and on the Company's website, at www.fieramilano.it, Section *Investors/Governance*.

FIRST SECTION

(a) **Bodies and subjects involved in preparing, approving, revising and implementing the Remuneration Policy**

The Remuneration Policy is defined based on a linear, consistent process. It is drawn up each year by the Appointments and Remuneration Committee, assisted by competent functions of the Company, and is subsequently put to the Company's Board for approval. The Appointments and Remuneration Committee also puts the Policy adoption criteria to the Board for approval, and supervises their implementation. After reviewing and approving the Policy, the Board puts it to the Ordinary Shareholders' Meeting for its binding vote, in compliance with Article 123-*ter* of the TUF.

The Policy, and this Report, were approved by the Board in the meeting of 10 March 2020, on proposal of the Appointments and Remuneration Committee, and will be put to the binding vote of the Ordinary Shareholders' Meeting convened, on single call, for 20 April 2020.

(a) **Subjects involved in preparing and approving the Remuneration Policy**

The main subjects and bodies involved in preparing and approving the Remuneration Policy are the Shareholders' Meeting, the Board, the Appointments and Remuneration Committee and the Board of Statutory Auditors.

I. Board

The Board:

- sets up an internal Appointments and Remuneration Committee;
- defines the Remuneration Policy, as proposed by the Appointments and Remuneration Committee, and oversees its implementation and any revision, approving the Remuneration Report, pursuant to Article 123-*ter* of the TUF and Article 84-*quater* of the Issuers' Regulation;
- defines the amount of remuneration for the Chairman of the Board of Directors and Chief Executive Officer, in line with the Remuneration Policy, with reference to the overall remuneration to pay to Executive Directors or Directors with special responsibilities, and as proposed by the Appointments and Remuneration Committee and after consulting with the Board of Statutory Auditors - pursuant to Article 2389, paragraph 3 of the Civil Code;
- determines the remuneration of Directors on Board committees, as proposed by the Appointments and Remuneration Committee and after consulting with the Board of Statutory Auditors;
- proposes any incentive plans based on shares or other financial instruments intended for Directors, employees and staff, including Managers with Strategic Responsibilities, puts them to the Shareholders' Meeting for approval, pursuant to Article 114-*bis* of the TUF, and oversees their implementation;
- handles senior management issues (whereas a senior manager is someone directly reporting to the Chief Executive Officer, with a gross annual remuneration of more than €200,000.00), pertaining to whom may be hired, promoted, transferred, disciplined and dismissed, with their duties, employment category, fixed and variable salary and any agreements connected and/or related to their employment being determined, in compliance with employment policies pursuant to Article 17.2 (letter B), of the B) Articles of Association of the Company, available on Fiera Milano's website at www.fieramilano.it, in the section Investors/*Governance*.

II. Appointments and Remuneration Committee

The Board has set up an internal Appointments and Remuneration Committee, with preparatory and advisory functions. This Committee has 3 Non-Executive Directors, the majority of whom are independent. As regards remuneration in particular, the Appointments and Remuneration Committee is tasked with assisting the Board, carrying out preparatory activities, providing advice, and in particular it:

- puts the Remuneration Policy and Remuneration Report to the Board for approval, which is then presented to the Ordinary Shareholders' Meeting, as required by law;
- prepares proposals for the remuneration of the Chairman of the Board and Executive Directors, covering all forms of remuneration and salary payments;
- prepares proposals for the remuneration of Directors appointed to sit on Board committees;
- gives opinions, also based on indications from the Chief Executive Officer, concerning:
 - d.1 general annual and long-term incentive criteria, also share-based, for Company executives;
 - d.2 general guidelines for the remuneration of Managers with Strategic Responsibilities;
- prepares proposals, together with the Chairman of the Board, on performance objectives connected with the variable remuneration of Directors with special powers;
- proposes the definition, together with the Chairman of the Board, of end-of-office indemnities for Directors with special powers as well as non-compete agreements;
- monitors the implementation of decisions taken by the Board of Directors, in particular, verifying the actual achievement of performance targets;
- periodically evaluates the adequacy, overall consistency and actual adoption of the Remuneration Policy, as described in letter a) above, and prepares relevant proposals for the Board of Directors;
- informs the shareholders' meeting about procedures for exercising its functions, in reports to be presented in accordance with applicable law.

If the Committee decides to work with a consultant to have information on remuneration policy market practices, it selects the consultant having first verified that the latter's circumstances can in no way compromise the independence of his/her opinion.

Pursuant to application criterion 6.C.6. of the Corporate Governance Code, and to manage any conflicts of interest, no Director may take part in meetings of the Appointments and

Remuneration Committee when proposals are made to the Board of Directors about his/her own remuneration.

At the date of this Report, the following persons were members of the Appointments and Remuneration Committee of the Company:

- i. Elena Vasco, Independent Director pursuant to Article 148, paragraph 3 of the TUF and pursuant to Article 3 of the Corporate Governance Code, Chairperson of the Appointments and Remuneration Committee;
- ii. Alberto Baldan, Independent Director pursuant to Article 148, paragraph 3 of the TUF and pursuant to Article 3 of the Corporate Governance Code;
- iii. Marina Natale, Non-Executive Director.

For further details on the composition and functioning of the Committee, see the "Report on corporate governance and ownership" prepared pursuant to Article 123-*bis* of the TUF and published annually by the Company on its website www.fieramilano.com in the Section *Investors/Governance*.

The Appointments and Remuneration Committee is also assisted by the Legal and Corporate Affairs Department in carrying out relative activities. The meetings of the Committee are attended by one or more members of the Board of Statutory Auditors and by the Human Resources and Organisation Director of the Company, the latter with a supporting technical role.

III. Shareholders' Meeting

Regarding remuneration, the Shareholders' Meeting:

- determines the compensation of members of the Board and Board of Statutory Auditors, pursuant to Article 2364, paragraph 1, no. 3) of the Civil Code;
- passes (i) a binding vote on Section I of the Remuneration Report (as proposed by the Appointments and Remuneration Committee), at the intervals required by the duration of the Remuneration Policy (right now on an annual basis) and, in any case, if changes are made to the Policy¹ and (ii) a non-binding vote on Section II of the Remuneration Report (following the proposal of the Appointments and Remuneration Committee) on an annual basis;

¹ Shareholders are also requested to vote on amendments to the Remuneration Policy that are not merely formal or are clearly editorial.

- proposes any incentive plans based on shares or other financial instruments intended for directors, employees and staff, including Managers with Strategic Responsibilities, pursuant to Article 114-*bis* of the TUF.

Temporary deviations from the Remuneration Policy approved by the Shareholders' Meeting are only permitted in exceptional circumstances, i.e. when the departure from the Remuneration Policy is necessary for the purposes of achieving the long-term interests and sustainability of the Company overall, or to ensure its ability to stay on the market. In this regard, reference is made to the next part "Aspects of the policy that may be deferred in exceptional circumstances" of this Section.

If the Shareholders' Meeting does not approve the Remuneration Policy, the Company will be required to pay remuneration in compliance with the most recent Remuneration Policy approved by the Shareholders' Meeting or, in the absence thereof, in compliance with current practices. At the following Shareholders' Meeting to approve the financial statements, the Company will have to put a new Remuneration Policy to the vote.

IV. Board of Statutory Auditors

The Board of Statutory Auditors gives its opinion on proposals for the remuneration of executive directors and, more in general, of directors with special responsibilities, checking consistency with the Remuneration Policy.

(c) **Independent experts**

In preparing the Remuneration Policy, the Company was not assisted by any independent experts.

(d) **Principles and aims of the Remuneration Policy and description of policies concerning fixed and variable components of remuneration**

The Company's governance model comprises a system of clear, rigorous rules, with one of their aims being to ensure adequate control of remuneration policies in line with the criteria established by the Board and in compliance with principles of ethics, transparency, impartiality, sense of belonging and empowerment. The Policy sets out the principles and guidelines for the Board to follow, when defining the remuneration of:

1. members of the Board and in particular the Chief Executive Officer;
2. members of Committees;
3. members of the Board of Statutory Auditors, save for provisions in Article 2402 of the Civil Code.
4. Managers with Strategic Responsibilities of the Group;

5. Members of Group Management, selected based on the significance of the position held.

The Remuneration Policy is annual.

The Company's Remuneration Policy and, in particular, the policy on variable remuneration, contributes to its strategy, to achieving its long-term interests and sustainability (in compliance with Article 123-ter, paragraph 3-bis of the Civil Code). Specifically, the Company's Remuneration Policy aims to:

- attract, motivate and retain resources with the high-level professional qualities necessary for the advantageous pursuit of Group objectives;
- align the interests of management with those of shareholders, pursuing the main aim of creating sustainable value over the medium/long-term by forging a strong link between remuneration on the one hand and individual and Group performance on the other;
- reward the merit of individual resources, in order to adequately recognise the contribution made to the Group.

In this context, the Company has adopted a Performance and Leadership Management system ("**PLM**") since 2018, able to promote the achievement of the Group's strategic business objectives and assess expected conduct based on a leadership model representative of the Group. This system comprises (**i**) the annual management by objectives programme ("**MBO**") for Group executives - including the Managers with Strategic Responsibilities - as well as (**ii**) the monetary incentives programme ("**Incentives**") for positions in commercial areas.

The MBO and Incentives are calculated and paid based on specific, variable conditions, indicated below. The value of the target bonus for executives - including the Managers with Strategic Responsibilities - expressed as a percentage (%) of the Gross Annual Remuneration ("**RAL**") is related to the group in which executives are placed based on their position held. Specific bonus target values have been defined for commercial positions, based on specific roles and responsibilities. The MBO and Incentives will only be paid if a company performance objective ("gate") is reached, below which no sum will be paid.

To calculate the MBO only for executives, the company performance factor will also have a multiplier function according to an incremental scale, with a maximum of 120%.

For each participant in the MBO programme, an individual performance will be determined, evaluating both the achievement of performance objectives - mainly intended to encourage the generation of absolute and relative profitability and organic growth of the Group - and leadership conduct.

The final evaluation of the performance and leadership conduct - both of equal weight - will be used to determine the positioning in a matrix of 9 quadrants, with a multiplying or

demultiplying factor of the MBO or Incentives for commercial positions, in a range from 10% to 115% corresponding to each one. The MBO and incentives for 2019, if reached, will be subsequently paid out after approval of the Financial Statements by the Ordinary Shareholders' Meeting.

The guidelines described above are confirmed for 2020. In particular, the approach whereby the MBO and Incentives will be paid only after a company performance objective - the gate - has been achieved, and no sum will be paid below the gate, has been maintained. As proposed by the Appointments and Remuneration Committee in the meeting of 17 December 2019, and considering forecasts for the Group and the aim of encouraging performance objectives to be achieved, the Board identified this gate as 100% of the consolidated budget EBITDA being reached.

About the medium/long-term incentive policy, on 12 March 2018, the Board, following the opinion of the Appointments and Remuneration Committee, resolved to submit a medium/long-term Incentive Plan with a mixed "cash" and "performance share" formula, called the 2018-2019 Performance Shares Plan (hereinafter the "Plan") to the Ordinary Shareholders Meeting, pursuant to Article 114-*bis* of the TUF.

Under the Plan, the Company assigns an incentive to Beneficiaries, comprising a cash bonus and a certain number of ordinary shares of the Company, if specific, previously established performance objectives measured at the end of each year under review, are reached. For more information on the Plan's characteristics, see the Information Document, approved by the Shareholders' Meeting on 23 April 2018, published on the Company's website at www.fieramilano.it, Section Investors/*Governance*.

On 11 May 2018, following the opinion of the Appointments and Remuneration Committee, the Board adopted the Regulations implementing the Plan, which identify the Plan Beneficiaries ("**Beneficiaries**"), and the procedures and criteria for assigning the variable component of remuneration to the beneficiaries (**Performance Shares Plan Regulations**).

The Plan ended in 2019, with all shares being assigned to Beneficiaries. For further information on the Plan implementation, see Section II of this Report.

Under the Remuneration Policy, the Board may approve medium/long-term plans during 2020 which aim, among others, to encourage Company and Group management to achieve the Company's strategic objectives, align the interests of beneficiaries with those of Shareholders and contribute to creating value over the medium to long term. The purpose of the incentive plans is also to attract, motivate and retain resources with the high-level professional qualities necessary for the Group's growth strategy to be pursued. These plans may be based on the payment of a cash bonus or assignment of financial instruments pursuant to Article 114-*bis* of the TUF, or may have a mixed cash/financial instrument formula. To ensure the plans contribute to company strategy and to achieving long-term interests and creating value for the Company and its Shareholders, payment of the incentive in accordance with these plans is related to and dependant on specific financial and/or non-

financial objectives being achieved, which are established from time to time by the Board of Directors, as proposed by the Appointments and Remuneration Committee of Fiera Milano.

(e) **Short, medium/long-term fixed/variable components of remuneration**

(e.1) **Members of the Board**

As regards policies on the fixed and variable components of the remuneration of Board members, the Company makes a distinction between Executive and Non-Executive Directors.

Non-Executive Directors

With reference to Non-Executive Directors and Directors without special responsibilities (including independent Directors), remuneration consists of a fixed amount determined by the Shareholders' Meeting on their appointment.

As suggested by best practices and Article 6 of the Corporate Governance Code, Non-Executive Directors do not receive remuneration from the Company related to the achievement of financial objectives, nor are they beneficiaries of remuneration plans based on financial instruments. Moreover, the expenses incurred to carry out their duties are reimbursed by the Company.

Non-Executive Directors and Independent Directors may be paid a further fixed annual amount as members of Board Committees. For further information, see point n) of this Section of the Report.

Chief Executive Officer

The Chief Executive Officer has the following salary package:

- (i) a gross annual fixed component comprising remuneration in a capacity as Director and Chief Executive Officer plus remuneration as an employee in a capacity as Company Executive;
- (ii) a variable, short-term cash component as remuneration as a Company Executive, which is paid subject to objectives previously established by the Board being reached, or subject to annual objectives strictly related to the targets in the budget approved by the Board being reached. For 2020, these objectives are related to **(a)** Consolidated budget EBITDA (50% of the variable cash component), **(b)** the Group Net Cash Flow (10% of the variable cash component), **(c)** the turnover generated by the "Digital signage plan for the Rho Trade Fair Venue" (20% of the variable cash component), and **(d)** the achievement of a strategic objective for Company development enabling the Board of Directors to evaluate from 1 to 3 initiatives (including, by way of example, acquisitions, the creation of new projects or development and/or review of the existing portfolio) aimed at expanding the Company and/or review of the existing portfolio, allowing for an organic or non-organic development over one or more years (20% of the variable cash component); and

(iii) a medium/long-term variable component comprising a mixed cash and ordinary share package, which is paid subject to achieving the performance objectives established from time to time by the Board of Directors of the Company, as proposed by the Appointments and Remuneration Committee.

For the above purposes, the Appointments and Remuneration Committee checks whether the Company and Group performance objectives established for the previous year have been achieved, and consequently makes proposals to the Board. After consulting with the Board of Statutory Auditors, the Board then decides on the variable remuneration components of the Chief Executive Officer. No bonus is paid if the minimum levels of the objectives established by the Board are not met.

Following the proposal made by the Appointments and Remuneration Committee, the Board may assign the Chief Executive Officer extraordinary bonuses related to the success of operations considered to be of particular strategic importance for the Company and Group.

As for the weight of the fixed component of remuneration, the salary package of the Chief Executive Officer conforms to the following criteria: **(a)** the fixed component represents no more than 50% of the overall annual remuneration (including remuneration from participation in medium/long-term incentive plans that may be approved by the Company, referred on an annual basis), if the objectives forming the variable remuneration system are achieved, and **(b)** the variable component, also considering the objectives forming the variable remuneration system being exceeded, is no more than 75% of total annual remuneration (including remuneration from participation in medium/long-term plans that may be approved by the Company, referred on an annual basis).

(e.2) **Other Executive Directors**

If Executive Directors are appointed other than the Chief Executive Officers, their remuneration, besides a fixed amount determined by the Shareholders' Meeting, may include a variable short or long-term component, as established by the Board, as proposed by the Appointments and Remuneration Committee.

(e.3) **Managers with Strategic Responsibilities**

The remuneration of Managers with Strategic Responsibilities consists of fixed remuneration and, if applicable, variable remuneration. The purpose is to attract, motivate and retain highly qualified executives, offering them a competitive salary package on the market, that rewards managerial value as well as their contribution to the growth of the Company and Group. The remuneration of these managers, comprising a fixed and variable component, aims to create sustainable value in the medium and long term, guaranteeing a direct connection between the remuneration and specific objectives of the Company and Group. This remuneration is approved by the Board, after consulting with the Appointments and Remuneration Committee.

In general terms, the salary package of the Managers with Strategic Responsibilities consists of: **(i)** a gross annual fixed component; **(ii)** a short-term variable cash component, which is paid subject to previously established objectives being reached (i.e. MBO, in the framework of the PLM, as per section d) above); **(iii)** a medium/long-term variable component, relative to participation in any medium/long-term plans; **(iv)** benefits recognised by the national collective bargaining agreement in force and by company practices, in line with the best market practices with reference to companies comparable to Fiera Milano.

The fixed component of the remuneration of the Managers with Strategic Responsibilities is established so that it is adequate for the service provided even if variable components are not paid, due to performance objectives not being reached. The short-term, variable cash component can be used to evaluate performance on an annual basis. In particular, the MBO objectives for the Managers with Strategic Responsibilities are established by the Chief Executive Officer, in line with company policies. The short-term variable component is reached if an access condition ("on/off" or "gate") decided by the Board based on annual planning objectives (see the previous paragraph d)) is reached.

For the Managers with Strategic Responsibilities: **(a)** the fixed component represents no more than 50% of the overall annual remuneration (including remuneration from participation in medium/long-term incentive plans that may be approved by the Company, referred on an annual basis), if the objectives forming the variable remuneration system are achieved, and **(b)** the variable component, also considering the objectives forming the variable remuneration system being exceeded, is no more than 75% of total annual remuneration (including remuneration from participation in medium/long-term plans that may be approved by the Company, referred on an annual basis).

Lastly, besides MBO plans and the medium/long-term variable component, the Chief Executive Officer, exceptionally and as a one-off payment, may give the Managers with Strategic Responsibilities bonuses for completing certain operations considered exceptional in strategic terms and because of the effects on the results of the Company and/or Group and on achieving specific objectives.

(e.4) Remuneration of members of the Board of Statutory Auditors

Pursuant to Article 2402 of the Civil Code, the remuneration of members of the Board of Statutory Auditors is determined on their appointment as a fixed annual sum, for their entire term of office, by the Shareholders' Meeting. The Auditors are also entitled to the reimbursement of documented expenses incurred in their work.

(e.5) Other beneficiaries

A performance appraisal system is adopted for other executives of the Group (other than Managers with Strategic Responsibilities) and sales personnel, based on MBO plans, in line with company policies (see the previous paragraph d)). The Group establishes a maximum limit on the incentive that may be paid if objectives are exceeded. In particular, in the case

of MBO assigned to executives, the maximum incentive cannot be higher than 50% of the RAL. Besides MBO plans and the medium/long-term variable component, the Chief Executive Officer, exceptionally and as a one-off payment, may give other executives or employees of the Group bonuses for completing certain operations considered exceptional in strategic terms and because of the effects on the results of the Company and/or Group and on achieving specific objectives.

(f) **Non-monetary benefits**

Besides the reimbursement of expenses incurred for work reasons, the Company gives Directors and its executives non-monetary benefits, such as a company car also for private use, legal protection, life insurance, accident insurance, permanent disability insurance, the reimbursement of medical fees and travel insurance, in line with best market practices and considering the role of the company and/or service reasons. For a description of insurance benefits, see Section II of this Report.

(g) **Criteria for determining the variable component of remuneration**

See letter (e) above.

(h) **Financial instruments**

See letters (d) and (e) of this Report, as well as the Information Document on the Plan available on the Company's website at www.fieramilano.it (in the Section *Investors/Governance*).

Risk management policy

The Company has formalised a risk management policy, which is extensively described in the section "Risk factors relative to the Fiera Milano Group" included in the Report on operations in the Annual Report, available at www.fieramilano.it, Section *Investors/Governance*.

(j) **Deferred payment systems and claw-backs**

With reference to claw-backs, the structure of the short-term variable component of remuneration based on MBO plans is not particularly complex, the reference parameters appear hard to manipulate by individual MBO plan beneficiaries and, therefore, the Company did not consider it necessary to introduce claw-back clauses, believing in any case that the interest of the Company is safeguarded.

As regards the medium/long-term variable component of remuneration, the Plan can activate the claw-back clause in order to request the return of variable components of remuneration already paid, based on data which later proved to be wrong. Any future medium/long-term incentive plans may include claw-back clauses that allow the Company to have the variable component of remuneration returned, on the occurrence of conditions, established in these plans from time to time.

(k) **Clauses to keep financial instruments in the portfolio**

In line with comparable best market practices, the Plan requires 50% of the Company's shares accrued through achieving the performance objectives established in the Performance Shares Plan Regulations to not be transferred nor subject to constraints or used in other transactions inter vivos for any reason whatsoever for a period of 12 months from receipt (lock up period). Any future medium/long-term incentive plans may include lock-up clauses relative to assigned financial instruments, whose characteristics will be established in these plans from time to time.

(l) **Indemnities in the case of resignations, dismissal or termination of employment**

It is Company policy to not enter into agreements with Directors (apart from the Chief Executive Officer), Managers with Strategic Responsibilities and other executives that regulate ex ante financial aspects relative to any early termination of employment by the Company or the individual ("good leaver" or "bad leaver" clauses). If employment with Fiera Milano and/or other companies of the Group ends for reasons other than just cause, the approach is to seek agreements for termination through mutual consent. Without prejudice, in any case, to legal and/or contract obligations, these agreements are inspired by best market practices, also considering the country where the agreement is made.

With particular reference to the Managers with Strategic Responsibilities, if the mandate/employment ends early and/or on the initiative of the company for just cause, the person in question is no longer entitled to short-term variable remuneration (MBO) or medium/long-term remuneration (relative to participation in medium/long-term incentive plans).

(m) **Insurance cover, healthcare or pension payments apart from mandatory payments**

As indicated in paragraph f) above, non-monetary benefits may include, but are not limited to, insurance policies and healthcare/pension schemes. For a description, see Section II of this Report.

(n) **Remuneration policy for positions with special responsibilities**

The Board may decide to assign Board Committee members (i.e. members of the Control and Risk Management Committee and Appointments and Remuneration Committee) a fixed amount in addition to the remuneration they receive as members of the Board. Each member of the Committees is also entitled to the reimbursement of expenses incurred for their duties.

The Chairman of the Board is not assigned variable remuneration components.

(o) **Group Policy**

The Company's remuneration policy has been defined using the remuneration policies of other companies as a reference. Subsidiaries and associates adopt Company policies.

(p) **Aspects of the policy that may be deferred in exceptional circumstances**

In exceptional circumstances, the Company may depart from the following aspects of the Remuneration Policy:

- assignment of one-off bonuses;
- assignment of particular indemnities;
- variation in the ratio between fixed and variable remuneration.

The term "*exceptional circumstances*" means those situations where departure from the Remuneration Policy is necessary for the purposes of achieving the long-term interests and sustainability of the Company overall or for ensuring its ability to stay on the market, including but not limited to the following (i) the occurrence, at national or international level, of extraordinary, unforeseeable events, concerning the Company or sectors and/or markets where it operates, that significantly affect its results (ii) substantial changes in the organisation of the company's operations, which are both objective (i.e. extraordinary transactions, mergers, disposals, etc.), and subjective (i.e. changes in company top management).

Policy departures will be previously reviewed by the Appointments and Remuneration Committee and subject to regulations, as contemplated in the Procedure for Related-party transactions.

SECTION TWO

This section concerns remuneration paid to Board Directors, members of the Board of Statutory Auditors and general directors, and in an aggregate form, remuneration paid to Managers with Strategic Responsibilities.

- the first part (i) presents each item of remuneration adequately, clearly and comprehensibly, including end-of-office indemnities (if applicable) and shows compliance with the Company's remuneration policy approved in the previous year and how remuneration procedures contribute to the Company's long-term results; (ii) explains how the Company took into consideration the vote passed the previous year by the Shareholders' Meeting on the Second Section of the Remuneration Report;
- the second part (i) analytically explains the remuneration paid by the Company, by subsidiaries or associates (the "**Group**"), in the year under review (i.e. 2019, the "**Financial Year**"), for any reason whatsoever and in any form, indicating any components that refer to activities carried out in previous years, and remuneration to pay in one or more subsequent years for activities carried out in the year under review, also indicating an estimate for components that cannot be objectively qualified in the year under review;
- the third part shows, with the criteria indicated in Attachment 3A, Scheme 7-ter of the Issuers Regulation, the equity investments held, in the Issuer and subsidiaries, members of the administration and control bodies, the general manager and other Managers with Strategic Responsibilities (where identified), as well as by their spouses not legally separated and children that are minors, directly or through subsidiary companies, trust companies or intermediaries that are in the shareholders' register or from notices received or information obtained directly from the relevant parties (where identified).

I. Remuneration paid to the Board of Directors and Board of Statutory Auditors

Fixed remuneration for members of the Board of Directors is in line with the market, save for the Board being able to determine the special remuneration of Directors with special responsibilities, pursuant to Article 17.7 of the Articles of Association. The overall remuneration is determined by the Shareholders' Meeting as follows:

- for the Chairman of the Board, fixed annual remuneration equal to €107,000.00 (one hundred and seven thousand/00).
- for all other Directors (including Independent Directors) fixed annual remuneration equal to €35,000.00 (thirty-five thousand/00), and an attendance fee of €350.00 (three hundred and fifty/00) for board meetings they attend, besides the reimbursement of documented expenses incurred for their duties.
- for Directors who are also members of Board committees, additional remuneration of €22,500.00 (twenty-two thousand, five hundred/00) as explained below in more detail.

For the purposes of remuneration, a distinction is made between:

- Board Directors with special responsibilities that may also have specific powers;
- Directors without special responsibilities.

1. Directors with special responsibilities.

Chairman of the Board of Directors

In the Board meeting of 2 May 2017, in which new members of the Board took up office, the Chairman of the Board, Professor Lorenzo Caprio, besides being the legal representative of the company, was given the following functions, in compliance with law and the Articles of Association:

- (i) convene and establish the agenda of Board meetings and chair said meetings;
- (ii) encourage internal discussion, promote the actual functioning of the corporate governance system, ensuring the balance of powers of the Chief Executive Officer;
- (iii) coordinate the work of the Board and ensure that adequate information regarding items on the agenda of meetings is provided to all members. For this purpose, the Chairman ensures that *a)* the Directors receive sufficiently in advance any documentation regarding matters to be discussed at the meeting or, at least, basic information on such matters; *b)* the documentation on matters to be discussed and, in particular given to non-executive directors, is adequate in quantitative and qualitative terms, as regards the items on the agenda.
- (iv) the Chairman is the direct point of contact between the Board of Directors and internal control bodies and Board committees. In particular, on behalf of the Board, the

Chairman is the point of contact for the internal audit function, that reports directly to the Board as part of its roles and duties assigned by applicable legislation;

(v) supervise external institutional relations, coordinating with the Chief Executive Officer.

On 10 July 2017, the Board, acknowledging that Professor Caprio, in his capacity as Chairman of the Board, not only supervises but also oversees and manages external institutional relations, decided to assign him additional annual remuneration of €45,000.00 (forty-five thousand/00), as proposed by the Appointments and Remuneration Committee and after consulting with the Board of Statutory Auditors.

The Chairman of the Board is not assigned variable remuneration components.

Chief Executive Officer

On 25 July 2017, the Board of Directors decided that the remuneration of Mr Curci, the Chief Executive Officer and General Manager, would be determined in compliance with the permanent employment contract stipulated between Mr Curci and the Company on 20 July 2017 ("**Contract**").

Based on this Contract, the Chief Executive Officer is paid annual fixed remuneration only for his position as Chief Executive Officer ("Position") equal to €80,000.00 (eighty thousand/00), in addition to gross annual remuneration as Executive with duties as General Manager of the Company ("**Employment**") equal to €320,000.00 (three hundred and twenty thousand/00), for a total fixed remuneration of €400,000.00 (four hundred thousand/00). The contract establishes a minimum guaranteed term of Employment. Pursuant to the Contract, the Company is committed to not withdrawing from said, for any reason whatsoever, save for just cause pursuant to Article 2119 of the Civil Code, until the date of approval of the Financial Statements at 31 December 2019.

In the event of Contract termination, the Chief Executive Officer will be paid an indemnity in lieu of notice of 12 months', or a replacement indemnity calculated based on global remuneration, in the following cases: (i) dismissal not for just cause; (ii) dismissal for just cause or due to any Good Leaver Event (as defined in the Contract), in a capacity as Executive.

In addition to the above, in the case of a Good Leaver Event, and excluding the Bad Leaver Event indicated in the Contract, the Chief Executive Officer will be paid an amount as a leaving incentive (hereinafter, "**Incentive**"), equal to:

- 18 months' fixed remuneration as above (also considering the amount of remuneration paid for the Position), or the additional maximum indemnity paid based on the National Collective Bargaining Agreement in force or any more favourable treatment (also considering the remuneration paid for the Position) if higher, up to the date of approval of the Financial Statements at 31 December 2019 and in any case no later than 30 April 2020;

- 18 months' total remuneration (also considering the amount of remuneration paid for the Position), or the additional maximum indemnity paid based on the National Collective Bargaining Agreement in force or any more favourable treatment (also considering the remuneration paid for the Position) if higher, up to the day following the date of approval of the Financial Statements at 31 December 2019 and in any case no later than 1 May 2020.

The incentive and indemnity in lieu of notice as described above will be paid to the Chief Executive Officer in one of the following circumstances:

- the termination of both relationships with the Company (Employment and the Position) due to one or more Good Leaver events, as defined in the Contract;
- the termination of the Position due to the termination of Employment following an Executive Good Leaver event, as defined in the Contract;
- the termination of Employment due to the termination of the Position following a Director Good Leaver event, as defined in the Contract;

As regards the short-term variable cash component (MBO) established in the Contract, in the case of the termination of Employment during the year it is accrued, the MBO relative to the year of termination will be recognised in proportion to the period worked, calculated in proportion to the MBO owing, which will not be lower than that accrued in the previous year. As regards the medium/long-term variable component related to the Plan, in the event of termination of the Contract during the period when it is accrued, related incentives owing will be recalculated in proportion to the reduced duration of the relationship during the period under review, and assigned on approval of the financial statements immediately following.

2. Directors without special responsibilities, members of Committees and members of the Board of Statutory Auditors

Directors without special responsibilities

Directors without special responsibilities are:

- Alberto Baldan;
- Francesca Golfetto;
- Stefania Chiaruttini;
- Marina Natale;
- Elena Vasco;
- Gianpietro Corbari;
- Angelo Meregalli.

Fees paid to Directors without special responsibilities and members of Committees total €35,000.00 (thirty-five/00) for each Director without special responsibilities. Moreover, during its meeting of 15 May 2017, the Board decided to recognise, with effect from 2 May 2017, an additional amount paid to Directors who are also on one or more Board committees and in particular:

- €22,500.00 (twenty-two thousand, five hundred/00) for each member of the Control and Risk Management Committee;
- €22,500.00 (twenty-two thousand, five hundred/00) for each member of the Appointments and Remuneration Committee.

Each member of the Committees is also entitled to the reimbursement of expenses incurred for their duties.

In line with best practices, Directors without special responsibilities are not paid a variable component of remuneration.

Board of Statutory Auditors

The Ordinary Shareholders' Meeting of 23 April 2018 appointed the new Board of Statutory Auditors. Standing auditors on the Board of Statutory Auditors are:

- Riccardo Raul Bauer (Chairman);
- Daniele Federico Monarca (standing auditor);
- Mariella Tagliabue (standing auditor).

The remuneration paid to standing auditors on the Board of Statutory Auditors amounts to:

- €50,000.00 (fifty thousand/00) for the Chairman of the Board of Statutory Auditors;
- €35,000.00 (thirty-five/00) for each standing auditor.

II. Remuneration of Managers with Strategic Responsibilities

On 13 November 2017, the Company appointed Marco Pacini as Chief Financial Officer (CFO) of the Group. The CFO is qualified as a Managers with Strategic Responsibilities of the Company. Besides the Chief Executive Officer that holds also the position of General Manager, there are no other executives who qualify as "Managers with Strategic Responsibilities".

On 11 May 2018, the Board of the Company, after obtaining the prior, binding opinion of the Board of Statutory Auditors appointed Marco Pacini, Company CFO, as the new Financial

Reporting Officer, aligning the Company with market practices and consolidated company practices.

As regards the remuneration to pay to the CFO in his position as Financial Reporting Officer, the Board approved an amount equal to 20% of his Gross Annual Remuneration, on a temporary basis for the duration of this position, confirming the configuration set out in the Remuneration Policy adopted by the Company. Pursuant to Article 22 of the Company's Articles of Association, the Financial Reporting Officer remains in office until the end of the term of office of the current Board, unless he is removed in the meantime by the Board. The remuneration of Managers with Strategic Responsibilities is indicated in the table attached to this Report.

III. Insurance cover, healthcare or pension payments apart from mandatory payments

In line with best practices, a third party liability insurance policy is provided for: Directors (including the Directors of Group Companies); members of the Boards of Statutory Auditors of Group Companies; members of Supervisory Bodies of Group Companies; employees holding the position of Safety Officer of Group Companies, and the Risk Manager of the Company. The policy refers to facts committed in performing duties, excluding cases of wilful misconduct or gross negligence. A policy covering injuries sustained in and outside the workplace is also provided for the Company's Directors.

IV. 2018-2019 Performance Shares Plan

The purpose of the plan is to provide an incentive for Company Management. This is done by the Company assigning beneficiaries, identified by the Board, a cash bonus and a certain number of ordinary shares of the Company, for having achieved specific, previously established performance objectives measured at the end of each year under review.

On 11 May 2018, following proposals made by the Appointments and Remuneration Committee, the Board implemented the Plan, defining the Regulations of the Performance Shares Plan and necessary company and contract documentation, and also named the beneficiaries of the Plan and granted necessary powers for its implementation.

In particular, the Board identified the Plan beneficiaries as the Chief Executive Officer, Fabrizio Curci, the Managers with Strategic Responsibilities - the Administration, Finance and Control Director of the Group (Group CFO), Marco Pacini, as well as an additional 5 members of Group management, identified based on the significance of their position held (Human Resources and Organisation Director and four executives responsible for managing and developing the Group's sales and strategic marketing activities). To implement the Plan, a

total of 718,894 ordinary Company shares had originally set aside, as well as a cash pool for an amount totalling €815,719.00.

Pursuant to the Performance Plan Regulations, the accrual of the variable component of remuneration related to the Plan (i.e. bonuses and shares of the Company), depends on specific performance objectives, represented by Consolidated Adjusted EBIT actually² achieved in the year under review, in relation to the corresponding target value **(i)** in the Budget, for 2018, and **(ii)** in the 2018-2022 Strategic Plan, approved during the Board Meeting of 22 May 2018 for 2019. The Plan costs were included in Strategic Plan forecasts as above, so that the cost of the Plan is "self-financed" by the objectives being achieved.

During 2019, one of the four executives in charge of managing and developing the Group's sales and strategic marketing activities stopped working for the Group, thus losing the right to receive the incentive, as per the Plan. To implement the Plan, the Shares set aside were therefore adjusted, and reduced to a total of 665,260 ordinary Company shares, and the cash pool was decreased to a total of €746,711.00.

To implement the Plan, for 2019, after the Board has ensured that the performance objectives for 2019 have been reached, a total of 332,630 ordinary Company shares, and a cash amount of €373,355.00 will be assigned, subject to approval of the Financial Statements at 31 December 2019 by the Ordinary Shareholders' Meeting.

For further information on implementing the Plan, see the Tables below, prepared in compliance with Scheme 7-*bis* of Attachment 3A of the Issuers Regulation.

(euro)

Name and surname	Position held	Period for which position held	Expiry of the position	Fixed remuneration	Remuneration from employed work	Attendance fees	Remuneration for participation in committees	Bonuses and other incentives	Non-monetary benefits	Other remuneration	Total	Leaving indemnity or termination from employment benefit Post-employment benefit
Lorenzo Caprio	Chairman	01/01 - 31/12	31/12/2019	152,000	-	3,150	-	-	1,006	-	156,156	-
Remuneration in the Company preparing the financial statements				152,000	-	3,150	-	-	1,006	-	156,156	-
Remuneration from subsidiaries and associates											-	
Fabrizio Curci	Chief Executive Officer	01/01 - 31/12	31/12/2019	80,000	354,953	3,500	-	396,737	4,800	-	839,989	53,616
Remuneration in the Company preparing the financial statements	Board Director	01/01 - 31/12	31/12/2019	35,000							35,000	
Remuneration in the Company preparing the financial statements				115,000	354,953	3,500	-	396,737	4,800	-	874,989	53,616
Remuneration from subsidiaries and associates											-	
Marina Natale	Board Director	01/01 - 31/12	31/12/2019	35,000	-	3,500	-	-	456	-	38,956	-
Remuneration in the Company preparing the financial statements	Member of the Appointments and Remuneration Committee	01/01 - 31/12	31/12/2019	22,500	-	3,500	-	-	456	-	22,500	-
Remuneration in the Company preparing the financial statements				57,500	-	3,500	-	-	456	-	61,456	-
Remuneration from subsidiaries and associates											-	
Alberto Baldan	Board Director	01/01 - 31/12	31/12/2019	35,000	-	3,500	-	-	456	-	38,956	-
Remuneration in the Company preparing the financial statements	Member of the Appointments and Remuneration Committee	01/01 - 31/12	31/12/2019	22,500	-	3,500	-	-	456	-	22,500	-
Remuneration in the Company preparing the financial statements				57,500	-	3,500	-	-	456	-	61,456	-
Remuneration from subsidiaries and associates											-	
Gianpietro Corbari	Board Director	01/01 - 31/12	31/12/2019	35,000	-	2,100	-	-	456	-	37,556	-
Remuneration in the Company preparing the financial statements				35,000	-	2,100	-	-	456	-	37,556	-
Remuneration from subsidiaries and associates											-	
Francesca Golfetto	Board Director	01/01 - 31/12	31/12/2019	35,000	-	3,500	-	-	456	-	38,956	-
Remuneration in the Company preparing the financial statements	Member of the control and risk committee	01/01 - 31/12	31/12/2019	22,500	-	3,500	-	-	456	-	22,500	-
Remuneration in the Company preparing the financial statements				57,500	-	3,500	-	-	456	-	61,456	-
Remuneration from subsidiaries and associates											-	
Angelo Meregalli	Board Director	01/01 - 31/12	31/12/2019	35,000	-	2,800	-	-	456	-	38,256	-
Remuneration in the Company preparing the financial statements	Member of the control and risk committee	01/01 - 31/12	31/12/2019	22,500	-	2,800	-	-	456	-	22,500	-
Remuneration in the Company preparing the financial statements				57,500	-	2,800	-	-	456	-	60,756	-
Remuneration from subsidiaries and associates											-	
Elena Vasco	Board Director	01/01 - 31/12	31/12/2019	35,000	-	3,500	-	-	456	-	38,956	-
Remuneration in the Company preparing the financial statements	Member of the Appointments and Remuneration Committee	01/01 - 31/12	31/12/2019	22,500	-	3,500	-	-	456	-	22,500	-
Remuneration in the Company preparing the financial statements				57,500	-	3,500	-	-	456	-	61,456	-
Remuneration from subsidiaries and associates											-	
Stefania Chiaruttini	Board Director	01/01 - 31/12	31/12/2019	35,000	-	2,800	-	-	456	-	38,256	-
Remuneration in the Company preparing the financial statements	Member of the control and risk committee	01/01 - 31/12	31/12/2019	22,500	-	2,800	-	-	456	-	22,500	-
Remuneration in the Company preparing the financial statements				57,500	-	2,800	-	-	456	-	60,756	-
Remuneration from subsidiaries and associates											-	

(euro)

Name and surname	Position held	Period for which position held	Expiry of the position	Fixed remuneration	Remuneration from work Employee	Attendance fees	Remuneration for participation in committees	Bonuses and other incentives	Non-monetary benefits	Other remuneration	Total	Leaving indemnity or termination from employment benefit Post-employment benefit
Riccardo Raul Bauer	Chairman of the Board of Statutory Auditors	01/01 - 31/12	31/12/2020	50,000	-	-	-	-	456	-	50,456	-
Remuneration in the Company preparing the financial statements				50,000	-	-	-	-	456	-	50,456	-
Remuneration from subsidiaries and associates		03/04 - 31/12	31/12/2021	6,750							6,750	
Daniele Monarca	Standing statutory auditor	01/01 - 31/12	31/12/2020	35,000	-	-	-	-	456	-	35,456	-
Remuneration in the Company preparing the financial statements				35,000	-	-	-	-	456	-	35,456	-
Remuneration from subsidiaries and associates		03/04 - 31/12	31/12/2021	6,701							6,701	
Mariella Tagliabue	Standing statutory auditor	01/01 - 31/12	31/12/2020	35,000	-	-	-	-	456	-	35,456	-
Remuneration in the Company preparing the financial statements				35,000	-	-	-	-	456	-	35,456	-
Remuneration from subsidiaries and associates		03/04 - 31/12	31/12/2021	8,975							8,975	
Remuneration from subsidiaries and associates		05/12 - 31/12	31/12/2021	1,000							1,000	
Key Managers												
Key Managers	Number 1	01/01 - 31/12			265,850			111,426	3,373		380,648	22,777
Remuneration in the Company preparing the financial statements	Number 1			-	265,850	-	-	111,426	3,373	-	380,648	22,777
Remuneration from subsidiaries and associates												

Remuneration in the Company preparing the financial statements				767,000	620,803	28,350	-	508,162	13,734	-	1,938,049	76,393
Remuneration from subsidiaries and associates				23,426	-	-	-	-	-	-	23,426	

Name and surname	Position	Investee company	No. of shares held at 31/12/2018	No. of shares purchased	No. of shares sold	No. of shares held at 31/12/2019
Directors						
Lorenzo Caprio	Chairman	Fiera Milano SpA	-	-	-	-
Fabrizio Curci	Chief Executive Officer	Fiera Milano SpA	-	-	-	-
Alberto Baldan	Director	Fiera Milano SpA	-	-	-	-
Stefania Chiaruttini	Director	Fiera Milano SpA	-	-	-	-
Gianpietro Corbari	Director	Fiera Milano SpA	-	-	-	-
Francesca Golfetto	Director	Fiera Milano SpA	-	-	-	-
Angelo Meregalli	Director	Fiera Milano SpA	-	-	-	-
Marina Natale	Director	Fiera Milano SpA	-	-	-	-
Elena Vasco	Director	Fiera Milano SpA	-	-	-	-
Statutory Auditors						
Riccardo Raul Bauer	Chairman	Fiera Milano SpA	-	-	-	-
Daniele Federico Monarca	Statutory Auditor	Fiera Milano SpA	-	-	-	-
Mariella Tagliabue	Statutory Auditor	Fiera Milano SpA	-	-	-	-
Number of Key Managers						
		Investee company	No. of shares held at 31/12/2018	No. of shares purchased	No. of shares sold	No. of shares held at 31/12/2019
Managers with Strategic Responsibilities in charge		Fiera Milano SpA	no. 1	-	-	-

Table 3A: Incentive plans based on financial instruments, other than stock options, for members of the board of directors, general managers and other key managers

A	B	(1)	Financial instruments granted in previous years not vested in the year		Financial instruments granted in the year					Financial instruments vested in the year and not granted	Financial instruments vested in the year and grantable		Financial instruments for the year
			(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Name and surname	Position	Plan (date of decision)	Number and type of financial instruments ⁽¹⁾	Vesting period	Number and type of financial instruments	Fair value at the grant date	Vesting period	Grant Date	Market price on granting	Number and type of financial instruments	Number and type of financial instruments	Value at the settlement date ⁽²⁾	Fair value ⁽³⁾

(1) On 11 May 2018, the Board ascertained conditions had been met to grant Shares in compliance with the 2019-2019 Share Performance Plan Regulations.

(2) Share value at the date of approval of the 2019 draft Financial Statements by the Board

(3) Fair Value at the grant date (11 May 2018): 2.36141

Fabrizio Curci Chief Executive Officer in office													
(I) Remuneration in the Company preparing the Financial Statements <u>2018-2019 Performance Shares Plan</u>	11 May 2018	390,208 Ordinary shares - 195,104 Ordinary shares ⁽⁴⁾									195,104 ⁽²⁾	3.54	€460,720.54

(4) No. of ordinary shares accrued following the approval of the 2018 results by the Shareholders' Meeting on 18 April 2019

(2) These Shares will be made available subject to lock-up and claw-back clauses, in compliance with the Performance Shares Plan Regulations.

Marco Pacini Key Manager													
(I) Remuneration in the Company preparing the Financial Statements <u>2018-2019 Performance Shares Plan</u>	11 May 2018	66,786 Ordinary shares - 33,393 Ordinary shares ⁽⁴⁾									33,393 ⁽²⁾	3.54	€78,854.56

(4) No. of ordinary shares accrued following the approval of the 2018 results by the Shareholders' Meeting on 18 April 2019

(2) These Shares will be made available subject to lock-up and claw-back clauses, in compliance with the Performance Shares Plan Regulations.

#5 Other Beneficiaries													
(I) Remuneration in the Company preparing the Financial Statements <u>2018-2019 Performance Shares Plan</u>	11 May 2018	130,950 Ordinary shares - 64,475 Ordinary shares ⁽⁴⁾									104,133 ⁽²⁾	3.54	€245,900.7

(4) No. of ordinary shares accrued following the approval of the 2018 results by the Shareholders' Meeting on 18 April 2019

(2) These Shares will be made available subject to lock-up and claw-back clauses, in compliance with the Performance Shares Plan Regulations. Following one of the beneficiary's losing the right to participate in the 2018-2019 Performance Shares Plan, the number of ordinary shares servicing the Plan was adjusted (-53,634 ordinary shares)

TOTAL (1)	665,260 Ordinary shares - 332,630 Ordinary shares										332,630 ⁽²⁾	3.54	€785,475.8
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(1) Adjusted number - see note above

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

A Name and surname	B Position	(1) Plan Date of decision	(2) Bonus for the year			(3) Bonus for previous years (2018)			(4) Other bonuses
			(A) To pay/paid	(B) Deferred	(C) Deferral period	(A) Paid	(B) Deferred	(C) Deferral period	

Fabrizio Curci		Chief Executive Officer in office						
(I) Remuneration in the Company preparing the								
<u>2019 MBO Plan</u>	12 February 2019	€396,736.62				€396,577.00		
<u>2018-2019 Performance Shares Plan</u>	11 May 2018		€196,405.00 ⁽¹⁾	Approval of the Financial Statements 2019 Financial Year				

Marco Pacini		Key Manager in office						
(I) Remuneration in the Company preparing the								
One-off payment		€13,000.00				€13,000.00		
<u>2018 MBO Plan</u>	11 March 2019	€98,426.00				€97,276.00		
<u>2018-2019 Performance Shares Plan</u>	11 May 2018		€42,965.00 ⁽¹⁾	Approval of the Financial Statements 2019 Financial Year				

#5		Other beneficiaries						
(I) Remuneration in the Company preparing the								
<u>2018-2019 Performance Shares Plan</u>	11 May 2018		€133,985.00 ⁽¹⁾	Approval of the Financial Statements 2019 Financial Year				

(II) Remuneration from subsidiaries and associates								
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TOTAL		€508,162.62	€373,355.00			506,853.00		
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⁽¹⁾ The maximum amount of the bonus that may be paid is indicated. The amount of the bonus actually paid will be determined at the end of the Plan, in compliance with the Performance Shares Plan regulations, subject to the claw-back terms indicated.