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REPORT ON REMUNERATION

pursuant to Article 123-*ter* of the TUF and Article 84-*quarter* of the Issuers' Regulations

Section I - REMUNERATION POLICY

Sabaf S.p.A.'s General Remuneration Policy (hereinafter also "remuneration policy"), approved by the Board of Directors on 22 December 2011 and updated on 20 March 2013, 4 August 2015 and 26 September 2017, defines the criteria and guidelines for the remuneration of members of the Board of Directors, Executives with strategic responsibilities and members of the Board of Statutory Auditors.

The remuneration policy was prepared:

- pursuant to Article 6 of the Corporate Governance Code of listed companies, approved in March 2010 and subsequent amendments and supplements;
- in line with Recommendations 2004/913/EC and 2009/385, which were incorporated into law with Article 123-ter of the Consolidated Law on Finance (TUF).

1. Corporate bodies and persons involved in preparing, approving and implementing the remuneration policy

SHAREHOLDERS' MEETING

- Determines the remuneration due to the members of the Board of Directors, including a fixed amount and attendance fees
- Resolves compensation plans based on the allocation of financial instruments with regard to directors and employees
- Gives a non-binding vote on the first section of the Report on Remuneration (Remuneration Policy)

BOARD OF DIRECTORS

- At the suggestion of the Remuneration and Nomination Committee and subject to the opinion of the Board of Statutory Auditors, determines the fee for Directors holding specific positions
- Defines the remuneration policy of Executives with strategic responsibilities
- After obtaining the opinion of the Remuneration and Nomination Committee, resolves to sign Non-competition agreements with regard to the Chief Executive Officer and to executives
- At the suggestion of the Remuneration and Nomination Committee, defines incentive plans based on short- and long-term variable remuneration to be assigned to the Chief Executive Officer and to the Executives with strategic responsibilities
- At the suggestion of the Chief Executive Officer, defines the incentive plans based on short-term variable remuneration for company Management and other employees
- At the suggestion of the Remuneration and Nomination Committee, resolves to assign non-monetary benefits to executives
- Makes proposals to the Shareholders' Meeting on compensation plans based on the allocation of financial instruments with regard to directors and employees
- Prepares the Report on Remuneration pursuant to Article 123-ter of the Consolidated Law on Finance and Article 84-quarter of the Issuers' Regulations

No independent experts or advisors contributed to the preparation of the policy, nor were the remuneration policies of other companies used for reference purposes.

The Board of Directors is responsible for properly implementing the remuneration policy.

REMUNERATION AND NOMINATION COMMITTEE

- Makes proposals to the Board of Directors, in the absence of the persons directly concerned, for remuneration of the Chief Executive Officer and Directors holding specific positions
- Examines, with the support of the Human Resources Department, the policy for the remuneration of executives, with a special attention to Executives with strategic responsibilities
- Makes suggestions and proposals to the Board of Directors concerning the setting of targets on which the annual variable component and long-term incentives for the Chief Executive Officer and Executives with strategic responsibilities should be dependent, in order to ensure alignment with shareholders' long-term interests and the company's strategy
- Assesses the level of achievement of the short- and long-term variable incentive targets of Directors and executives
- Prepares the proposals to the Board of Directors of compensation plans based on financial instruments
- Assesses the adequacy, actual application and consistency of the remuneration policy, also with reference to the actual company performance, making suggestions and proposals for change
- Follows the development of the regulatory framework of reference and best market practices on remuneration, getting inspired by them for formulating the remuneration policy and identifying aspects for improving the Report on Remuneration

The Remuneration and Nomination Committee currently in office comprises four non-executive members, the majority of them independent (Fausto Gardoni, Giuseppe Cavalli, Renato Camodeca and Alessandro Potestà), with the knowledge and experience in accounting, finance and remuneration policies that is deemed adequate by the Board of Directors.

BOARD OF STATUTORY AUDITORS

- The Board of Statutory Auditors expresses the opinions required by the regulations in force on proposals for remuneration of Directors holding specific positions
- The Board of Statutory Auditors, i.e. the Chairman of the Board of Statutory Auditors or another Statutory Auditor designated by him/her can attend the meetings of the Remuneration and Nomination Committee

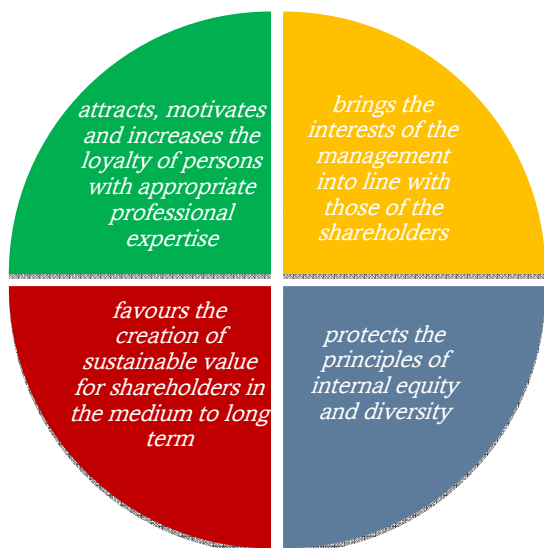
HUMAN RESOURCES DEPARTMENT

Actually enacts what is decided upon by the Board.

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2. Purpose of the remuneration policy

The Company's intention is that the Remuneration Policy:



- Ensures the competitiveness of the company on the labour market and attracts, motivates and increases the loyalty of persons with appropriate professional expertise
- Protects the principles of internal equity and diversity
- Brings the interests of the management into line with those of the shareholders
- favours the creation of sustainable value for shareholders in the medium to long term, and maintains an appropriate level of competitiveness for the company in the sector in which it operates

3. Remuneration policy guidelines and instruments

The definition of a fair and sustainable remuneration package takes into account three main tools:

- Fixed remuneration
- Variable remuneration (short- and medium- to long-term)
- Benefits

Each remuneration component is analysed below.

FIXED ANNUAL COMPONENT

The fixed component of the remuneration of the Directors is such that it is able to attract and motivate individuals with appropriate expertise for the roles entrusted to them within the Board, and is set with reference to the remuneration awarded for the same positions by other listed Italian industrial groups of a similar size.

The Shareholders' Meeting decides on the remuneration of the members of the Board of Directors, including a fixed amount and attendance fees.

With regard to the remuneration for Directors holding special offices, the Board of Directors, at the proposal of the Remuneration and Nomination Committee and subject to the opinion of the Board of Statutory Auditors, determines the additional fixed remuneration.

Directors who sit on committees formed within the Board (Internal Control and Risk Committee, Remuneration and Nomination Committee) are granted remuneration that includes a fixed salary and attendance fees intended to reward the commitment required of them.

Executives with strategic responsibilities are paid a fixed annual remuneration, determined so that it is sufficient in itself to guarantee an appropriate basic salary level, even in the event that the variable components are not paid owing to a failure to reach the targets.

The members of the Board of Statutory Auditors are paid a fixed remuneration, the amount of which is determined by the Shareholders' Meeting, at the time of their appointment.

| COMPONENTS OF THE REMUNERATION | CORPORATE OFFICES | | | | |
|--------------------------------|---|---|---|---|---|
| | Executive Directors ^(A) | Non-Executive Directors | Members of committees within the BoD | Executives with strategic responsibilities | Statutory Auditors |
| FIXED COMPONENTS | <ul style="list-style-type: none"> > Fixed remuneration for the office of Director > Fixed remuneration for Directors holding special positions | <ul style="list-style-type: none"> > Fixed remuneration for the office of Director > Attendance fee | <ul style="list-style-type: none"> > Fixed remuneration for Directors members of committees within the BoD > Attendance fee | <ul style="list-style-type: none"> > Collective National Contract for Industrial Managers | <ul style="list-style-type: none"> > Fixed remuneration |

A) Executive Directors: Chairman and Vice Chairmen of the BoD, Chief Executive Officer, Executive Directors

SHORT-TERM VARIABLE COMPONENT (ANNUAL)

The Board of Directors, at the suggestion of the Remuneration and Nomination Committee and in accordance with the budget, defines an MBO plan, for the benefit of:

- Executives with strategic responsibilities
- other persons, identified by the Chief Executive Officer, among the managers who report directly to him or who report to the aforementioned managers

This plan sets a common target (Group EBIT, which is considered to be the Group's main indicator of financial performance) and quantifiable and measurable individual targets economic-financial, technical-productive and/or socio-environmental in nature.

The targets of the Chief Executive Officer and of the Executives with strategic responsibilities are decided by the Board of Directors, at the suggestion of the Remuneration and Nomination Committee, in accordance with the budget.

The targets of the other beneficiaries of the incentive plans are defined by the Chief Executive Officer, in accordance with the budget.

Non-executive directors are not granted any variable remuneration.

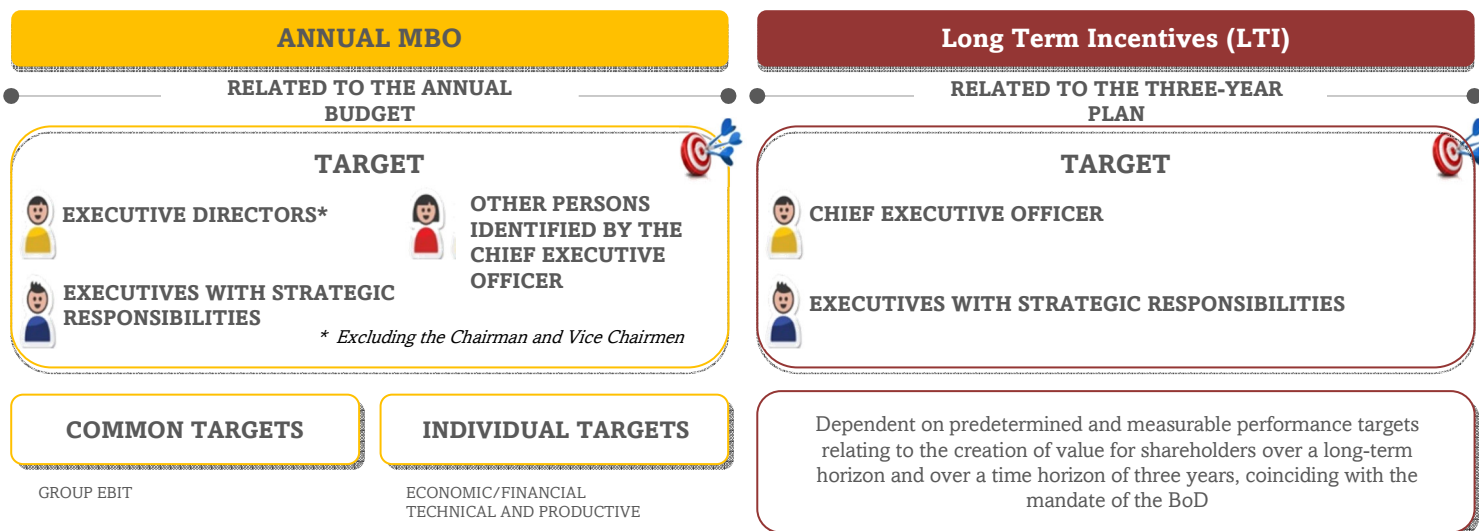
LONG-TERM VARIABLE COMPONENT

At the suggestion of the Remuneration and Nomination Committee, and after obtaining the opinion of the Board of Statutory Auditors, the Board of Directors approves a long-term financial incentive, for the benefit of:

- Chief Executive Officer
- Executives with strategic responsibilities

The long-term financial incentive is dependent on measurable and predetermined performance targets relating to the creation of value for shareholders over the long term and extends over three years coinciding with the mandate of the Board of Directors (2015-2017; 2018-2020; etc.).

The performance targets, set in accordance with the three-year business plan, are proposed by the Remuneration and Nomination Committee to the Board of Directors, as the body responsible for approving the long-term financial incentive.



| COMPONENTS OF THE REMUNERATION | | CORPORATE OFFICES | |
|--------------------------------|-------------------------------|---|---|
| | | Executive directors and Other executives with strategic responsibilities | Other persons identified by the CEO |
| VARIABLE COMPONENTS | SHORT-TERM VARIABLE COMPONENT | > Annual MBO plan based on achieving a common target and individual targets | > Annual MBO plan based on achieving a common target and individual targets |
| | LONG-TERM VARIABLE COMPONENT | > LTI dependent on measurable and predetermined performance targets relating to the creation of value for shareholders over a time horizon of three years | N/A |

NON-MONETARY BENEFITS

Third-party civil liability insurance policy: The Company has taken out a third-party civil liability insurance policy in favour of directors, statutory auditors and executives for unlawful acts committed in the carrying-out of their respective duties, in violation of obligations established by law and the Articles of Association, with the sole exclusion of deliberate intent. The taking-out of this policy is approved by the Shareholders' Meeting.

Life insurance policy and cover for medical expenses: The Company also provides a life insurance policy and cover for medical expenses (FASI) for executives, as established by the Collective National Contract for Industrial Managers; moreover, it has taken out an additional policy to cover medical expenses not covered by FASI reimbursements.

Company cars: At the suggestion of the Remuneration and Nomination Committee, the Board of Directors also assigns company cars to executives.

Accommodation costs: At the suggestion of the Remuneration and Nomination Committee, the Board of Directors can provide for housing to be made available to executives, for the possibility to reimburse the rent of the house or for the temporary reimbursement of the costs of accommodation in a hotel.

INCENTIVES BASED ON FINANCIAL INSTRUMENTS

Any compensation plans based on the allocation of financial instruments with regard to directors and employees are resolved by the Shareholders' Meeting at the suggestion of the Board of Directors.

ENTRY BONUS

With the aim of attracting highly professional individuals, the Board may decide to give entry bonuses to newly hired executives.

INDEMNITY AGAINST THE EARLY TERMINATION OF EMPLOYMENT

There is an agreement for the Chief Executive Officer regulating *ex ante* the economic part concerning the early termination of the employment relationship.

There are no agreements for other Directors or other Executives with strategic responsibilities regulating *ex ante* the economic part concerning the early termination of the employment relationship. For the end of the relationship for reasons other than just cause or justified reasons provided by the employer, it is the Company's policy to pursue consensual agreements to end the employment relationship, in accordance with legal and contractual obligations.

The Company does not provide directors with benefits subsequent to the end of their mandate.

The Company has entered into Non-competition agreements with the Chief Executive Officer and with certain executives who report to him, the terms of which were approved by the Board of Directors, after obtaining the opinion of the Remuneration and Nomination Committee.

CLAW BACK CLAUSES

As from 2018, the Company established mechanisms for the ex-post adjustment of the variable remuneration component or claw back clauses to demand the return of all or part of the variable components of remuneration paid out (or to withhold deferred sums), which were determined on the basis of data subsequently found to be clearly incorrect.

REMUNERATION FOR OFFICES IN SUBSIDIARIES

Directors and other executives with strategic responsibilities may be paid remuneration – exclusively as a fixed amount – for offices held in subsidiaries. In addition to the approval of the subsidiaries' corporate bodies, this remuneration is subject to the favourable opinion of the Remuneration and Nomination Committee.

| COMPONENTS OF THE REMUNERATION | | CORPORATE OFFICES | | | |
|--------------------------------------|--|---|--|---|--|
| | | Executive Directors | Non-Executive Directors | Executives with strategic responsibilities | Statutory Auditors |
| BENEFITS AND OTHER COMPONENTS | NON-MONETARY BENEFITS | > Third-party liability insurance policy | > Third-party liability insurance policy | > Third-party liability insurance policy > Life insurance policy, policy to cover medical expenses (FASI), policy for supplementary medical expenses > Company cars | > Third-party liability insurance policy |
| | OFFICES IN SUBSIDIARIES | > Fixed remuneration for offices in subsidiaries | N/A | > Fixed remuneration for offices in subsidiaries | N/A |
| | INDEMNITY AGAINST THE EARLY TERMINATION OF EMPLOYMENT | > Remuneration for Non-competition agreement (only for Chief Executive Officer) | N/A | > Remuneration for Non-competition agreement | N/A |

4. Remuneration of the Board of Directors, Chairman and Vice Chairmen of the Board of Directors, Chief Executive Officer, Executives with strategic responsibilities and Board of Statutory Auditors

REMUNERATION OF THE BOARD OF DIRECTORS

The Shareholders' Meeting is responsible for determining the annual gross remuneration (maximum amount) due to the Directors, including a fixed amount and attendance fees.

The members of the Board are covered by a third-party civil liability insurance policy for unlawful acts committed in the exercise of their respective duties, in violation of obligations established by law and the Articles of Association, with the sole exclusion of deliberate intent. The taking-out of this policy is approved by the Shareholders' Meeting.

REMUNERATION OF THE CHAIRMAN OF THE BOARD OF DIRECTORS AND VICE CHAIRMEN

Sabaf S.p.A. makes it a practice to appoint as Chairman and Vice Chairmen members of the Saleri family, principal shareholder of the Company through the company Giuseppe Saleri S.p.A.. No variable remuneration is paid to these directors, even if executive directors, but only remuneration in addition to those of directors for special offices held.

REMUNERATION OF THE CHIEF EXECUTIVE OFFICER

The remuneration of the Chief Executive Officer includes the following components:

Fixed remuneration for the office of Director: the Chief Executive Officer is the recipient of the fixed remuneration for the office of Director (pursuant to Article 2389 paragraph I Italian Civil Code).

Third-party civil liability insurance policy: The Company has taken out a third-party civil liability insurance policy for unlawful acts committed in the carrying-out of their respective duties, in violation of obligations established by law and the Articles of Association, with the sole exclusion of deliberate intent. The taking-out of this policy is approved by the Shareholders' Meeting.

Long-term variable component: the long-term financial incentive is dependent on the achievement of performance targets, proposed by the Remuneration and Nomination Committee to the Board of Directors, and extends over three years, coinciding with the mandate of the Board of Directors. At the time of approval, the Board of Directors decides on the maximum amount of the long-term variable component, the methods and timing for its payment.

If the Chief Executive Officer is also assigned an executive management role within the Sabaf Group, the Board decides on the assignment of the following additional remuneration instruments:

Fixed annual gross salary: the fixed remuneration is determined so that it is sufficient in itself to guarantee an appropriate basic salary level, even in the event that the variable components are not paid owing to a failure to reach the targets.

Non-competition agreement: assignment of a fixed annual remuneration against the signing of a Non-competition Agreement with the Company.

Short-term variable component: annual incentive, dependent on the achievement of the targets envisaged by the MBO plan, approved by the Board of Directors at the suggestion of the Remuneration and Nomination Committee. On the occasion of the annual approval, the Board of Directors decides on the maximum amount of the annual variable component, the methods and timing for its payment.

Benefits: the benefits envisaged for the management of the Company can be assigned: Life insurance policy and cover for medical expenses, assignment of company car; reimbursement of the rent for the house.

REMUNERATION OF EXECUTIVES WITH STRATEGIC RESPONSIBILITIES

Fixed annual gross remuneration: Employment relationships with Executives with strategic responsibilities are regulated by the Collective National Contract for Industrial Managers. In this regard, fixed remuneration is determined so that it is sufficient in itself to guarantee an appropriate basic salary level, even in the event that the variable components are not paid owing to a failure to reach the targets.

Short- and long-term variable components: Executives with strategic responsibilities are the recipients of short- and long-term MBO plans (ref. paragraph 3). At the time of approval of short- and long-term incentive plans, the Board of Directors is responsible for setting the maximum amounts of variable remuneration, the methods and timing for the payment of this remuneration.

Benefits: Executives with strategic responsibilities receive the benefits envisaged for the management of the Company (Life insurance policy and cover for medical expenses); assignment of company car) and are covered by an occupational risk policy.

REMUNERATION OF THE BOARD OF STATUTORY AUDITORS

The amount of remuneration for Statutory Auditors is set by the Shareholders' Meeting, which establishes a fixed amount for the Chairman and the other Statutory Auditors.

The members of the Board are covered by a third-party civil liability insurance policy for unlawful acts committed in the exercise of their respective duties, in violation of obligations established by law and the Articles of Association, with the sole exclusion of deliberate intent. The taking-out of this policy is approved by the Shareholders' Meeting.

Section II – REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE BOARD OF STATUTORY AUDITORS AND OTHER EXECUTIVES WITH STRATEGIC RESPONSIBILITIES IN 2017

This section, by name of Directors and Statutory Auditors:

- Describes each of the items that make up the remuneration, showing their consistency with the remuneration policy of Sabaf
- Analytically illustrates the remuneration paid in the financial year under review (2017), for any reason and in any form, by the Company or by subsidiaries or affiliates, identifying any components of this remuneration that relate to activities undertaken in previous years to the year under review

The components of the remuneration paid to directors for 2017

The remuneration paid to directors for 2017 consisted of the following components:

- An annual fixed remuneration, approved by the Shareholders' meeting of 5 May 2015 (and subsequently amended by the Shareholders' meeting of 28 April 2016) that the Board of Directors decided to divide, in compliance with the maximum limit of € 995,000 established by the Shareholders' Meeting, as follows:
 - o € 15,000 assigned to each director without distinction
 - o € 10,000 assigned to each member of the committees set up within the Board itself (Internal Control and Risk Committee and Remuneration and Nomination Committee)
 - o Additional remuneration of € 480,000 divided among Directors holding special positions (Chairman and Vice Chairmen) as detailed in the table below
 - o Remuneration of € 100,000, decided by the Board of Directors of 3 August 2017, assigned as a *one-off* indemnity to the director Gianluca Beschi, as remuneration for the office of *ad interim* Chief Executive Officer held from 27 April to 12 September 2017
 - o Remuneration of € 10,000, decided by the Board of Directors of 3 August 2017, assigned to the director Pietro Iotti, appointed by the Shareholders' meeting of 20 July 2017, who was appointed Chief Executive Officer as from 12 September 2017
- An attendance fee of € 1,000, due to non-executive directors only, for every occasion on which they attend Board of Directors' meetings and the meetings of committees formed within the Board

A fixed remuneration component for employment and a fixed remuneration for offices in subsidiaries are paid to executive directors appointed as executives.

With reference to variable components, which are intended only for executive directors (excluding the Chairman and Vice Chairmen), the following is pointed out:

- In relation to the annual variable incentive plan established for 2016, given the failure to reach the assigned targets, no remuneration accrued in the previous financial year and, therefore, no remuneration was paid in 2017
- With reference to the annual incentive plan for 2017, the Director Gianluca Beschi accrued variable remuneration of € 36,128 for the achievement of the targets of the 2017 MBO plan. Its payment is deferred and dependent upon the continuation of the employment relationship. Remuneration was paid to the Chief Executive Officer Pietro Iotti on a pro rata basis as from the date of his appointment
- With reference to the long-term incentive plan, dependent on three-year performance targets (2015-2017), the Director Gianluca Beschi accrued remuneration of € 72,474; this variable component is paid in full following the approval of the 2017 financial statements

There are no incentive plans based on financial instruments outstanding.

On 3 August 2017, the Board of Directors, at the suggestion of the Remuneration and Nomination Committee, decided to grant the Chief Executive Officer and General Manager (Pietro Iotti) a gross all-inclusive indemnity for termination of employment relationship of € 700,000. This amount will be recognised in one of the following cases:

- Failure to renew the three-year office and/or removal without just cause before the expiry of the renewal
- Failure to re-appoint for the period after the renewal, or if the removal of the office takes place without “just cause” after the renewal
- Resignation of the Chief Executive Office, if handed in due to the existence of a “just cause”

Moreover, the Company entered into a Non-competition agreement with the Chief Executive Officer valid for twelve months after termination of the employment relationship, which envisages the payment of an additional component of the annual salary of € 30,000, against the commitment of Pietro Iotti not to work for subjects that carry on/will carry on competing activities in Italy, Spain, Turkey, Brazil and China.

Finally, following the resignation of the Director Alberto Bartoli, in 2017 the conditions for the payment of the consideration related to the Non-competition Agreement of € 290,000 signed with the Company took shape. In 2017, a consideration of € 116,000 (40% of the total) was paid; the payment of the remaining amounts is deferred in two tranches that will be paid in 2018 (€ 58,000, equal to 20% of the total) and in 2019 (€ 116,000, equal to 40% of the total).

Remuneration of Statutory Auditors for 2017

The remuneration paid to the Statutory Auditors for 2017 consists of a fixed remuneration determined by the Shareholders' Meeting of 5 May 2015.

The remuneration of other executives with strategic responsibilities for 2017

The remuneration of other executives with strategic responsibilities (three persons) consists of a fixed remuneration for employment totalling € 384,624, and following variable remuneration:

- With reference to the variable incentive plan (MBO) of 2016, during 2017, remuneration totalling € 33,050 was paid
- With reference to the variable incentive plan (MBO) for 2017, remuneration totalling € 86,462 accrued. Its payment is deferred and dependent upon the continuation of the employment relationship
- With reference to the long-term variable incentive plan, dependent on three-year performance targets (2015-2017), remuneration of € 62,157 accrued for the only executive with strategic responsibilities identified as such before passing the resolution of the three-year plan

Remuneration totalling € 96,500 was also disbursed by subsidiaries.

There are no incentive plans based on financial instruments outstanding.

For a breakdown of the remuneration paid in 2017, please refer to the tables below (Table 1 and Table 2), which contain remuneration paid to Directors and Statutory Auditors, and, at the aggregate level, to other executives with strategic responsibilities, taking into account any office held for a fraction of a year. Remuneration received from subsidiaries and/or affiliates, with the exception of that waived or paid back to the Company, is also indicated separately.

With particular reference to Table 1, the column:

- "Fixed remuneration" shows, for the portion attributable to 2017, the fixed remuneration approved by the Shareholders' meeting (and distributed with resolution of the Board of Directors), including the remuneration received for the carrying-out of special offices (pursuant to Article 2389, paragraph 3, Italian Civil Code); attendance fees as approved by the Board of Directors; employee salaries due for the year gross of social security contributions and income taxes owed by the employee
- "Remuneration for attendance at Committee meetings", shows, for the portion relating to 2017, the remuneration due to directors who attended the meetings of the Committees set up within the Board and the related attendance fees
- "Bonus and other incentives" includes the variable remuneration accrued during the year, for monetary incentive plans. This value corresponds to the sum of the amounts provided in Table 2 in the "Bonus for the year - payable/paid", "Bonus of previous years - payable/paid" and "Other bonuses" columns

- "Non-monetary benefits" shows, according to accrual and tax liability criteria, the value of outstanding insurance policies and the company cars assigned
- "Other remuneration" shows, for the portion attributable to 2017, any other remuneration resulting from other services provided
- "Indemnity for end of office or termination of employment relationship", shows the indemnities accrued, even if not yet paid, in favour of directors for termination of offices during the financial year in question, with reference to the financial year in which the effective termination of office occurred. Indemnities for Non-competition commitments, which are paid upon termination of office, are also indicated
- "Total" shows the sum of the amounts provided under the previous items

For a breakdown of other items, see attachment 3A, statement 7-bis and 7-ter of Consob Regulation 11971 of 14 May 1999.

Table 2 contains information on monetary incentive plans for members of the administration body and other executives with strategic responsibilities; in particular, it shows:

For the section "Bonus for the year"

- In the column "Payable/Paid", the bonus accrued for the year for the targets reached during the year and paid or payable because not subject to further conditions (known as upfront fee)
- The column "Deferred" shows the bonus dependent on the targets to be reached during the year but not payable because subject to further conditions (known as deferred bonus)

For the section "Bonus of previous years"

- The column "No longer payable" shows the sum of bonuses deferred in previous years still to be paid at the beginning of the financial year and no longer payable for failure to meet the conditions to which they are subject
- The column "Payable/Paid" shows the sum of bonuses deferred in previous years still to be paid at the beginning of the financial year and paid during the year or payable
- The column "Still deferred" shows the sum of bonuses deferred in previous years still to be paid at the beginning of the financial year and still deferred

Lastly, the column "Other bonuses" shows the bonuses for the year not explicitly included in specific ex ante defined plans.

Finally, pursuant to Article 84-*quarter*, paragraph four of the Consob Issuers' Regulations, Table 3 shows shareholdings in Sabaf S.p.A. held by directors and executives with strategic responsibilities, as well as their non-separated spouses and dependent children, directly or through subsidiaries, trust companies or third parties, as shown in the shareholder register, communications received and other information acquired from the same parties. This includes all persons who held office during the year, even for only part of the year. The number of shares held is shown by individual director and in aggregate form for executives with strategic responsibilities.

TAB. 1 - Remuneration paid to members of the Board of Directors and Board of Statutory Auditors and other executives with strategic responsibilities in 2017

(figures in euro)

| Name and surname | Office | Period of office | Expiry of office | Fixed remuneration | Remuneration for attendance at Committee meetings | Variable remuneration (non equity) | | Non-monetary benefits | Other remuneration | Total | Fair Value of equity remuneration | Indemnity for end of office or termination of employment relationship |
|---|---|---------------------|---------------------------------------|------------------------|---|------------------------------------|----------------|-----------------------|--------------------|---------|-----------------------------------|---|
| | | | | | | Bonus and other incentives | Profit sharing | | | | | |
| Board of Directors | | | | | | | | | | | | |
| Giuseppe Saleri | Chairman | 1 Jan - 31 Dec 2017 | Approval of 2017 financial statements | | | | | | | | | |
| (I) | Remuneration at Sabaf S.p.A ^(a) | | | 120,000 ^(a) | 0 | 0 | 0 | 0 | 0 | 120,000 | 0 | 0 |
| (II) | Remuneration from subsidiaries and affiliates | | | 8,000 | 0 | 0 | 0 | 0 | 0 | 8,000 | 0 | 0 |
| (III) | Total | | | 128,000 | 0 | 0 | 0 | 0 | 0 | 128,000 | 0 | 0 |
| <i>(a) of which € 15,000 as Director and € 105,000 as Chairman</i> | | | | | | | | | | | | |
| Ettore Saleri | Vice Chairman | 1 Jan - 31 Dec 2017 | Approval of 2017 financial statements | | | | | | | | | |
| (I) | Remuneration at Sabaf S.p.A ^(a) | | | 140,000 ^(a) | 0 | 0 | 0 | 0 | 0 | 140,000 | 0 | 0 |
| (II) | Remuneration from subsidiaries and affiliates | | | 8,000 | 0 | 0 | 0 | 0 | 0 | 8,000 | 0 | 0 |
| (III) | Total | | | 148,000 | 0 | 0 | 0 | 0 | 0 | 148,000 | 0 | 0 |
| <i>(a) of which € 15,000 as Director and € 125,000 as Vice Chairman</i> | | | | | | | | | | | | |
| Cinzia Saleri | Vice Chairman | 1 Jan - 31 Dec 2017 | Approval of 2017 financial statements | | | | | | | | | |
| (I) | Remuneration at Sabaf S.p.A ^(a) | | | 140,000 ^(a) | 0 | 0 | 0 | 0 | 0 | 140,000 | 0 | 0 |
| (II) | Remuneration from subsidiaries and affiliates | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (III) | Total | | | 140,000 | 0 | 0 | 0 | 0 | 0 | 140,000 | 0 | 0 |
| <i>(a) of which € 15,000 as Director and € 125,000 as Vice Chairman</i> | | | | | | | | | | | | |

| Name and surname | Office | Period of office | Expiry of office | Fixed remuneration | Remuneration for attendance at Committee meetings | Variable remuneration (non equity) | | Non-monetary benefits | Other remuneration | Total | Fair Value of equity remuneration | Indemnity for end of office or termination of employment relationship |
|---|---|----------------------|---------------------------------------|------------------------|---|------------------------------------|----------------|-----------------------|--------------------|---------|-----------------------------------|---|
| | | | | | | Bonus and other incentives | Profit sharing | | | | | |
| Roberta Forzanini | Vice Chairman | 1 Jan - 31 Dec 2017 | Approval of 2017 financial statements | | | | | | | | | |
| (I) | Remuneration at Sabaf S.p.A ^(a) | | | 140,000 ^(a) | 0 | 0 | 0 | 0 | 0 | 140,000 | 0 | 0 |
| (II) | Remuneration from subsidiaries and affiliates | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (III) | Total | | | 140,000 | 0 | 0 | 0 | 0 | 0 | 140,000 | 0 | 0 |
| <i>(a) of which € 15,000 as Director and € 125,000 as Vice Chairman</i> | | | | | | | | | | | | |
| Alberto Bartoli | Chief Executive Officer | 1 Jan - 27 Apr 2017 | Approval of 2017 financial statements | | | | | | | | | |
| (I) | Remuneration at Sabaf S.p.A ^(a) | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 290,000 ^(a) |
| (II) | Remuneration from subsidiaries and affiliates | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (III) | Total | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 290,000 |
| <i>(a) remuneration accrued upon termination of office (Non-competition Agreement), paid in three years: 2017, 2018, 2019</i> | | | | | | | | | | | | |
| Pietro Iotti | Chief Executive Officer | 12 Set - 31 Dec 2017 | Approval of 2017 financial statements | | | | | | | | | |
| (I) | Remuneration at Sabaf S.p.A. ^{(a) (b)} | | | 93,077 ^(a) | 0 | 83,333 ^(b) | 0 | 6,765 | 0 | 183,175 | 0 | 0 |
| (II) | Remuneration from subsidiaries and affiliates | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (III) | Total | | | 93,077 | 0 | 83,333 | 0 | 6,765 | 0 | 183,175 | 0 | 0 |
| <i>(a) of which € 10,000 as Director and € 83,077 as General Manager</i> | | | | | | | | | | | | |
| <i>(b) of which € 50,000 as entry bonus and € 33,000 paid on a pro rata basis</i> | | | | | | | | | | | | |

| Name and surname | Office | Period of office | Expiry of office | Fixed remuneration | Remuneration for attendance at Committee meetings | Variable remuneration (non equity) | | Non-monetary benefits | Other remuneration | Total | Fair Value of equity remuneration | Indemnity for end of office or termination of employment relationship |
|--|-----------------|---------------------|---------------------------------------|------------------------|---|------------------------------------|----------------|-----------------------|--------------------|---------|-----------------------------------|---|
| | | | | | | Bonus and other incentives | Profit sharing | | | | | |
| Gianluca Beschi | Director | 1 Jan - 31 Dec 2017 | Approval of 2017 financial statements | | | | | | | | | |
| (I) Remuneration at Sabaf S.p.A. ^{(a) (b)} | | | | 259,315 ^(a) | 0 | 108,602 ^(b) | 0 | 12,929 | 0 | 380,846 | 0 | 0 |
| (I) Remuneration from subsidiaries and affiliates | | | | 43,000 | 0 | 0 | 0 | 0 | 0 | 43,000 | 0 | 0 |
| (III) Total | | | | 302,315 | 0 | 108,602 | 0 | 12,929 | 0 | 423,846 | 0 | 0 |
| <i>(a) of which € 15,000 as director, € 100,000 as Chief Executive Officer ad interim, and € 144,315 as Administration, Finance and Control Director</i> | | | | | | | | | | | | |
| <i>(b) remuneration accrued in the year with reference to the 2017 MBO plan and Long-term Incentive Plan – for details, please refer to what is shown in Tab. 2</i> | | | | | | | | | | | | |
| Renato Camodeca | Director | 1 Jan - 31 Dec 2017 | Approval of 2017 financial statements | | | | | | | | | |
| (I) Remuneration at Sabaf S.p.A. ^{(a) (b)} | | | | 24,000 ^(a) | 27,000 ^(b) | 0 | 0 | 0 | 0 | 51,000 | 0 | 0 |
| (II) Remuneration from subsidiaries and affiliates | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (III) Total | | | | 24,000 | 27,000 | 0 | 0 | 0 | 0 | 51,000 | 0 | 0 |
| <i>(a) of which € 15,000 as director and € 9,000 in board meeting attendance fees</i> | | | | | | | | | | | | |
| <i>(b) of which € 20,000 as a member of the Internal Control and Risk Committee and the Remuneration and Nomination Committee (i.e., € 10,000 each) and € 7,000 in Committee meeting attendance fees</i> | | | | | | | | | | | | |
| Giuseppe Cavalli | Director | 1 Jan - 31 Dec 2017 | Approval of 2017 financial statements | | | | | | | | | |
| (I) Remuneration at Sabaf S.p.A. ^{(a) (b)} | | | | 23,000 ^(a) | 27,000 ^(b) | 0 | 0 | 0 | 0 | 50,000 | 0 | 0 |
| (II) Remuneration from subsidiaries and affiliates | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (III) Total | | | | 23,000 | 27,000 | 0 | 0 | 0 | 0 | 50,000 | 0 | 0 |
| <i>(a) of which € 15,000 as director and € 8,000 in board meeting attendance fees</i> | | | | | | | | | | | | |
| <i>(b) of which € 20,000 as a member of the Internal Control and Risk Committee and the Remuneration and Nomination Committee (i.e., € 10,000 each) and € 7,000 in Committee meeting attendance fees</i> | | | | | | | | | | | | |

| Name and surname | Office | Period of office | Expiry of office | Fixed remuneration | Remuneration for attendance at Committee meetings | Variable remuneration (non equity) | | Non-monetary benefits | Other remuneration | Total | Fair Value of equity remuneration | Indemnity for end of office or termination of employment relationship |
|---|---|---------------------|---------------------------------------|--------------------|---|------------------------------------|----------------|-----------------------|--------------------|--------|-----------------------------------|---|
| | | | | | | Bonus and other incentives | Profit sharing | | | | | |
| Fausto Gardoni | Director | 1 Jan - 31 Dec 2017 | Approval of 2017 financial statements | | | | | | | | | |
| (I) | Remuneration at Sabaf S.p.A. (a) (b) | | | 24,000(a) | 15,000(b) | 0 | 0 | 0 | 0 | 39,000 | 0 | 0 |
| (II) | Remuneration from subsidiaries and affiliates | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (III) | Total | | | 24,000 | 15,000 | 0 | 0 | 0 | 0 | 39,000 | 0 | 0 |
| <i>(a) of which € 15,000 as director and € 9,000 in board meeting attendance fees</i> | | | | | | | | | | | | |
| <i>(b) of which € 10,000 as a member of the Remuneration and Nomination Committee and € 5,000 in Committee meeting attendance fees</i> | | | | | | | | | | | | |
| Nicla Picchi | Director | 1 Jan - 31 Dec 2017 | Approval of 2017 financial statements | | | | | | | | | |
| (I) | Remuneration at Sabaf S.p.A. (a) (b) (c) | | | 22,000(a) | 14,000(b) | 0 | 0 | 0 | 15,000(c) | 51,000 | 0 | 0 |
| (II) | Remuneration from subsidiaries and affiliates (c) | | | 0 | 0 | 0 | 0 | 0 | 5,000(c) | 5,000 | 0 | 0 |
| (III) | Total | | | 22,000 | 14,000 | 0 | 0 | 0 | 20,000 | 56,000 | 0 | 0 |
| <i>(a) of which € 15,000 as director and € 7,000 in board meeting attendance fees</i> | | | | | | | | | | | | |
| <i>(b) of which € 10,000 as a member of the Internal Control and Risk Committee and € 4,000 in Committee meeting attendance fees</i> | | | | | | | | | | | | |
| <i>(c) of which € 15,000 as member of the Sabaf S.p.A. Supervisory Body and € 5,000 as member of the Supervisory Body of the subsidiary Faringosi Hinges S.r.l.</i> | | | | | | | | | | | | |
| Anna Pendoli | Director | 1 Jan - 31 Dec 2017 | Approval of 2017 financial statements | | | | | | | | | |
| (I) | Remuneration at Sabaf S.p.A (a) | | | 23,000(a) | 0 | 0 | 0 | 0 | 0 | 23,000 | 0 | 0 |
| (II) | Remuneration from subsidiaries and affiliates | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (III) | Total | | | 23,000 | 0 | 0 | 0 | 0 | 0 | 23,000 | 0 | 0 |
| <i>(a) of which € 15,000 as director and € 8,000 in board meeting attendance fees</i> | | | | | | | | | | | | |

| Name and surname | Office | Period of office | Expiry of office | Fixed remuneration | Remuneration for attendance at Committee meetings | Variable remuneration (non equity) | | Non-monetary benefits | Other remuneration | Total | Fair Value of equity remuneration | Indemnity for end of office or termination of employment relationship |
|---|---|----------------------|---------------------------------------|-----------------------|---|------------------------------------|----------------|-----------------------|--------------------|--------|-----------------------------------|---|
| | | | | | | Bonus and other incentives | Profit sharing | | | | | |
| Alessandro Potestà | Director | 28 Apr - 31 Dec 2017 | Approval of 2017 financial statements | | | | | | | | | |
| (I) | Remuneration at Sabaf S.p.A ^(a) | | | 21,000 ^(a) | 0 | 0 | 0 | 0 | 0 | 21,000 | 0 | 0 |
| (II) | Remuneration from subsidiaries and affiliates | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (III) | Total | | | 21,000 | 0 | 0 | 0 | 0 | 0 | 21,000 | 0 | 0 |
| <i>(a) of which € 15,000 as director and € 6,000 in board meeting attendance fees</i> | | | | | | | | | | | | |

Board of Statutory Auditors

| | | | | | | | | | | | | |
|---------------------------|---|---------------------|---------------------------------------|--------|---|---|---|---|---|--------|---|---|
| Antonio Passantino | Chairman | 1 Jan - 31 Dec 2017 | Approval of 2017 financial statements | | | | | | | | | |
| (I) | Remuneration at Sabaf S.p.A. | | | 24,000 | 0 | 0 | 0 | 0 | 0 | 24,000 | 0 | 0 |
| (II) | Remuneration from subsidiaries and affiliates | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (III) | Total | | | 24,000 | 0 | 0 | 0 | 0 | 0 | 24,000 | 0 | 0 |
| Luisa Anselmi | Chairman | 1 Jan - 31 Dec 2017 | Approval of 2017 financial statements | | | | | | | | | |
| (I) | Remuneration at Sabaf S.p.A. | | | 16,000 | 0 | 0 | 0 | 0 | 0 | 16,000 | 0 | 0 |
| (II) | Remuneration from subsidiaries and affiliates | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (III) | Total | | | 16,000 | 0 | 0 | 0 | 0 | 0 | 16,000 | 0 | 0 |

| Name and surname | Office | Period of office | Expiry of office | Fixed remuneration | Remuneration for attendance at Committee meetings | Variable remuneration (non equity) | | Non-monetary benefits | Other remuneration | Total | Fair Value of equity remuneration | Indemnity for end of office or termination of employment relationship |
|--|--------------------------|---------------------|---------------------------------------|--------------------|---|------------------------------------|----------------|-----------------------|--------------------|---------|-----------------------------------|---|
| | | | | | | Bonus and other incentives | Profit sharing | | | | | |
| Enrico Broli | Statutory Auditor | 1 Jan - 31 Dec 2017 | Approval of 2017 financial statements | | | | | | | | | |
| (I) Remuneration at Sabaf S.p.A. | | | | 16,000 | 0 | 0 | 0 | 0 | 0 | 16,000 | 0 | 0 |
| (II) Remuneration from subsidiaries and affiliates | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (III) Total | | | | 16,000 | 0 | 0 | 0 | 0 | 0 | 16,000 | 0 | 0 |
| <u>Other executives with strategic responsibilities</u> | | | | | | | | | | | | |
| Other executives with strategic responsibilities (3) | | 1 Jan - 31 Dec 2017 | N/A | | | | | | | | | |
| (I) Remuneration at Sabaf S.p.A. ^(b) | | | | 384,624 | 0 | 148,619 ^(a) | 0 | 39,024 | 0 | 572,267 | 0 | 0 |
| (II) Remuneration from subsidiaries and affiliates | | | | 96,500 | 0 | 0 | 0 | 0 | 0 | 96,500 | 0 | 0 |
| (III) Total | | | | 481,124 | 0 | 148,619 | 0 | 39,024 | 0 | 668,767 | 0 | 0 |

(b) remuneration accrued in the year with reference to the 2017 MBO plan and Long-term Incentive Plan – for details, please refer to what is shown in Tab. 2

TAB. 2 - Monetary incentive plans for members of the administration body and other executives with strategic responsibilities
(figures in euro)

| Name and surname | Office | Plan | Bonus for the year | | | Bonus of previous years | | | Other bonuses |
|---|--------------------------------|--|--------------------|---------------|---------------------------------|-------------------------|----------------|----------------|---------------|
| | | | Payable / Paid | Deferred | Deferment period | No longer payable | Payable / Paid | Still deferred | |
| Pietro Iotti | Chief Executive Officer | | | | | | | | |
| Remuneration at Sabaf S.p.A. | | 2017 MBO Plan (August 2017) | 33,000 | 0 | - | - | - | - | 0 |
| Total | | | 33,000 | 0 | - | 0 | 0 | 0 | 0 |
| Gianluca Beschi | Executive Director | | | | | | | | |
| Remuneration at Sabaf S.p.A. | | 2016 MBO Plan (March 2016) | - | - | - | 0 | 0 | 0 | 0 |
| Remuneration at Sabaf S.p.A. | | 2017 MBO Plan (March 2017) | 0 | 36,128 | 75% March 18 25% December 18 | - | - | - | 0 |
| Remuneration at Sabaf S.p.A. | | Three-year LTI 2015-2017 (August 2015) | 72,474 | 0 | - | - | - | - | 0 |
| Total | | | 72,474 | 36,128 | - | 0 | 0 | 0 | 0 |
| Other executives with strategic responsibilities (3) | | | | | | | | | |
| Remuneration at Sabaf S.p.A. | | 2016 MBO Plan (March 2016) | - | - | - | 0 | 33,050 | 0 | 0 |
| Remuneration at Sabaf S.p.A. | | 2017 MBO Plan (March 2017) | 0 | 86,462 | 75% March 18 25% December 18 | - | - | - | 0 |
| Remuneration at Sabaf S.p.A. | | Three-year LTI 2015-2017 (August 2015) | 62,157 | 0 | - | - | - | - | 0 |
| Total | | | 62,157 | 86,462 | - | 0 | 33,050 | 0 | 0 |

TAB. 3 - Shareholdings of members of the administration and control bodies and other executives with strategic responsibilities

| Surname and Name | Office | Type of Ownership | Investee Company | No. shares held | No. shares acquired | No. shares sold | No. shares held |
|--|--|--|------------------|-------------------|---------------------|-----------------|----------------------|
| | | | | as at 31 Dec 2016 | | | as at 31 Dec 2017 |
| Saleri Giuseppe | Chairman | Indirect through the subsidiary Giuseppe Saleri S.a.p.A. | Sabaf S.p.A. | 3,543,313 | - | 777,000 | 2,766,313 |
| Roberta Forzanini | Vice Chairman | Direct | Sabaf S.p.A. | 1,971 | - | 1,971 | 0 |
| Bartoli Alberto ^(a) | Chief Executive Officer <i>(holding office until 27 April 2017)</i> | Direct | Sabaf S.p.A. | 7,500 | - | - | 7,500 ^(a) |
| | | Indirect through spouse | Sabaf S.p.A. | 1,000 | - | - | 1,000 ^(a) |
| Iotti Pietro | Chief Executive Officer <i>(In office from 1 August 2017)</i> | Direct | Sabaf S.p.A. | 0 | 10,000 | - | 10,000 |
| Cavalli Giuseppe | Independent Director | Indirect through spouse | Sabaf S.p.A. | 5,000 | - | - | 5,000 |
| Anna Pendoli | Director | Direct | Sabaf S.p.A. | 450,000 | - | 337,500 | 112,500 |
| Executives with strategic responsibilities (3) | - | Direct | Sabaf S.p.A. | 4,300 | - | 4,300 | 0 |

(a) data updated to 27 April 2017, date of termination of office