

REPORT ON REMUNERATION OF BIESSE S.p.A.

Drawn up pursuant to Article 123-ter of Italian Legislative Decree No. 58 of 24 February 1998

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SECTION I - REMUNERATION POLICY OF BIESSE S.P.A.

1.1 Introduction

On 11 November 2011 the Board of Directors of Biesse S.p.A ("**Biesse**," the "**Issuer**" or the "**Company**") adopted a remuneration policy for the Issuer and its subsidiaries (collectively, the "**Group**") - hereinafter referred to as "**Policy**" - drafted pursuant to Article 123-ter of Italian Legislative Decree No. 58 of 24 February 1998 ("**TUF**") and Article 6¹ of the Corporate Governance Code for listed companies ("**Governance Code**"), also taking account of the provisions of the Recommendations of the European Commission No. 2004/913/EC, 2005/162/EC and 2009/385/EC. The Board of Directors of Biesse of 12 March 2015 has amended the policy to implement as provided for by application criterion 6.C.1 (f) of the Governance Code concerning the possibility for the company to request the reclaim of variable remuneration components that were paid on the basis of data, which proved to be manifestly misstated. On the occasion, some formal changes were made to the Policy to adapt it to changes of the Governance Code made in July 2015.

The principles contained in the Policy reflect and elaborate on those historically developed by Biesse to meet its needs to provide incentives to, and retain, directors and executives of the Group with responsibilities considered strategic ("**Strategic Executives**") and who in the Company's opinion have proven to be effective in time for the attainment of the objectives it has set. These principles are substantially based (i) on the significant weight of the variable component with respect to total remuneration (gauged to the roles covered by the recipients in the Company's decision-making process); (ii) on the payment of the variable part of the remuneration upon achieving the set measurable short-term objectives (one year through a Management By Objectives - **MBO** - programme adopted by the Group for several financial years now) and medium-to-long-term objectives (currently through the Biesse S.p.A. "*Long-Term Incentive Plan 2015 – 2017*" approved by the Shareholders' Meeting on 30 April 2015); (iii) on the setting of non-economic *performance* objectives (linked specifically to the assessment of behaviours in terms of *leadership*) for figures with less decision-making power; (iv) on the deferral of payment, including through the award of shares, of a substantial part of the variable component (as part of medium-to-long-term incentive plans) to after the financial year in which the requisite conditions are met; (v) as a rule, on the award of no allowance in addition to those provided for by law in the case of early termination of the corporate or employment relationship; (vi) on the provision of not paying variable remuneration to directors with delegated powers who are also, or relatives of, major shareholders; (vii) on the fixed remuneration of non-executive and independent managers.

For said reasons, the Policy does not differ from that followed in the course of the previous year. The Policy shall remain in force until revoked.

1.2 Subjects involved in the preparation and approval of the Policy

The Policy was originally approved by the Board of Directors of the Company on 11 November 2011 on the proposal of the Biesse Remuneration Committee (the "**Remuneration Committee**"). The latter examined and approved the content of the Policy at the meeting held on 28 October 2011, which was also attended by the Chairman of the Issuer's Board of Statutory Auditors, Mr Giovanni Ciurlo.

The Policy was adapted to transpose the cited application criterion 6.C.1 (f) of the Governance Code.

¹At the time, article 7 of the Governance Code, in the version approved in March 2010.

On the occasion of the meeting of 30 April 2015, Biesse S.p.A. renewed the Governing Body and the Remuneration Committee, which at present is therefore constituted by two independent directors of Biesse: Mr. Salvatore Giordano and Ms Elisabetta Righini. The Remuneration Committee is tasked with submitting proposals for the remuneration of managing directors to the Board and monitoring the implementation of the decisions taken by the Board itself, as well as with the periodic assessment of the criteria adopted for the remuneration of executives with strategic responsibilities by ensuring their application and in general formulating recommendations to the Board.

The Remuneration Committee also periodically assesses the adequacy, overall consistency and practical application of the Policy through the information provided by the managing directors, and reports to shareholders on the procedures for the exercise of its functions through the chairman or a member of the Committee designated for the purpose at the Annual General Meeting for the approval of the financial statements.

In preparing the Policy, Biesse availed itself of the legal advice of the DLA Piper law firm and also took into consideration the remuneration policies of comparable companies. Specifically, due account was also taken of the information available to the public at the time of approval of the Policy relating to issuers belonging to “Industrial Products and Services” sector of the Electronic Stock Market (Mercato Telematico Azionario) managed and organised by Borsa Italiana S.p.A. (where possible, the STAR segment) with corporate make-up, product (machinery and mechanical components), size (in terms of revenue and number of employees) and organisation (high degree of internationalisation) comparable to those of Biesse. The recent review of the Policy was dictated by the need to adapt it to the changes that have been made to the Governance Code in the meantime and, for this reason, it was not considered necessary to carry out particular analyses on the changes introduced.

1.3 Purpose of Policy and principles on which it is based

Below follows the full text of the Policy, as recently amended, wherein its aims and basic principles are indicated, as well as the guidelines concerning the fixed and variable components of remuneration, the short and medium-to-long term variable components, the non-monetary benefits, the allowances in the case of termination of the corporate or employment relationship and the remuneration of directors depending on their role within the Board.

"GENERAL REMUNERATION POLICY OF THE BIESSE GROUP

1. INTRODUCTION

This General Remuneration Policy of Biesse S.p.A ("Biesse," or the "Company") and its subsidiaries (collectively the "Group") - hereinafter referred to as the "Policy" - was drafted pursuant to Article 123-ter of Italian Legislative Decree No. 58/1998 ("TUF") and Article 6 of the Corporate Governance Code for listed companies as amended in July 2014 ("Governance Code"), also taking account of the provisions of the Recommendations of the European Commission No. 2004/913/EC, 2005/162/EC and 2009/385/EC. The Policy was approved by the Board of Directors of the Company on 11 November 2011 and subsequently amended and supplemented by the Board of Directors of the Company on 12 March 2015, in both cases on the proposal of the Biesse Remuneration Committee, and will remain in force until revoked².

² It should be noted that at the time of the original drafting of the Policy the Corporate Governance Code in force at the time, i.e., the text approved in March 2010, was taken into consideration.

2. OBJECTIVES AND KEY PERSONS

This Policy sets out guidelines and principles for the determination of the remuneration of the main management figures of Biesse and the Group aimed at attracting, retaining and motivating people who possess the professional skills required to successfully manage the Company and Group and to ensure that the interests of key personnel are in line with the pursuit of the objective of creating sustainable value for shareholders in the medium-long term.

Specifically, the Policy outlines the criteria and procedures to be followed to determine the remuneration of the following key persons (collectively, the "Key Persons"):

- (a) Biesse directors and, within the Board of Directors of the Company, executive³, non-executive⁴ and independent⁵ directors;*
- (b) Group key management personnel ("Key Management"), i.e., executives as identified by the Board of Directors of the Company who have the power or responsibility for planning and monitoring activities of the Group or the power to make decisions which may affect the trends and outlook thereof.⁶*

3. GUIDELINES

3.1 Principles

In order to achieve the objectives referred to in paragraph 2 above, the Company believes that, in the light of the size and organisation of the Group and the nature of the market in which it operates, the following principles should be applied in determining the remuneration of Key Persons:

3.1.1 *The remuneration of executive directors and Key Management must provide a fixed annual component and a variable component linked to the achievement of specific performance objectives, including of a non-economic nature, it being understood that it is considered appropriate to provide that:*

- (a) for executive directors vested with particular roles⁷ within the Board of Directors of Biesse, the gross fixed component accounts for no more than 55% of total remuneration ("**Total Remuneration**") to which they are entitled. It is considered as the sum of the following remuneration items:*
 - (i) gross annual fixed component of remuneration; and*
 - (ii) the variable component that this executive director would receive if s/he reached the maximum performance targets, possibly annualised in the case of medium/long-term variable components, and, in the case of variable components paid in shares or options,*

³ This term is used to refer to the executive directors pursuant to Paragraph 2.C.1 of the Corporate Governance Code.

⁴ This term is used to refer to directors other than executive directors.

⁵ This term is used to refer to directors who meet the requirements referred to in Article 147-ter of the TUF and Paragraph 3 of the Corporate Governance Code.

⁶ Definition contained in Annex 1 to the Consob Regulation on related party transactions No. 17221 of 12 March 2010.

⁷ Directors who are vested solely with specific assignments are not included among the directors with particular roles.

by determining the relative value in money based on the price corresponding to the average official price of Biesse shares in the month prior to the date of calculation;

- (b) for other executive directors and Key Management, in the light of their lesser decision-making autonomy, it is considered appropriate to provide for a gross fixed component of no less than 60% and no more than 75 % of Total Remuneration depending on the roles covered within the scope of the corporate organisation;*
- (c) the variable component of remuneration corresponds, as a whole and on an annualised basis, to a percentage of the gross fixed component gross ranging between a minimum of 30% and a maximum of 150%;*
- (d) the quantitative objectives laid down for the variable component of remuneration are predetermined, measurable, challenging and achievable;*
- (e) for Key Persons with a lesser degree of decision-making autonomy, qualitative objectives are also set in order to be able to measure the behaviour of these persons within the organisation; specifically, these include criteria for assessing performance in terms of leadership;*
- (f) short-term objectives have been set in order to encourage the attainment of the results set out by annual planning, as well as medium/long-term objectives in order to facilitate the alignment of the interests of the Key Persons with those of shareholders, it being understood that - on an annualised basis - a portion of no less than 40% (for executive directors vested with particular roles) and 15% (for other executive directors and Key Management) of the variable component of remuneration should be paid depending on the achievement of the latter objectives;*
- (g) the medium/long-term objectives span a time horizon that coincides with that of the Group business plan and take into consideration the aggregates and/or average values of the results of the individual periods composing it, in order both to favour the overall achievement of the objectives provided for therein and to further encourage the achievement of the objectives planned for each intermediate period;*
- (h) a portion equal to at least 45% of the variable component receivable following the achievement of the medium/long-term objectives can be paid through the assignment of shares or options (also virtual) within the framework of share-based incentive plans, with an accrual or vesting period of at least three years;*
- (i) the payment of the portion of the variable component linked to the achievement of the medium/long-term objectives is deferred with respect to the moment in which requisite conditions for its payment are met, considering however that the principles for the determination of this portion herein provided for already involve the deferred payment of the variable component with respect to the periods in which it becomes due and the need to align the time of pay-out with the duration of the terms in office of the directors. It is possible to provide for mechanisms to pay in advance a part of the variable component linked to the achievement of the medium/long-term objectives (to be deducted from payments due at the expiry of the incentive plan), also in order to meet particular needs related to the expiry of the mandates of directors and/or to the recruitment of new resources;*

- (l) *the variable part of the remuneration linked to the achievement of the medium/long-term objectives is to be paid only if at the date of payment the corporate or employment relationship of the Key Persons is still in force, except for specific exceptions in the case of consensual termination of said relationships;*
- (m) *the remuneration of executive directors who have shareholdings in the capital of the Company equal to or greater than 2% or are close relatives⁸ of shareholders with shareholdings exceeding this threshold does not provide for a variable or share-based component considering that in these circumstances there is no need to apply mechanisms to align the interests of these persons with those of the shareholders;*
- (n) *contractual mechanisms must be provided to allow the Company to request, in whole or in part, the reclaim of the variable components of remuneration paid (or to retain deferred sums) determined on the basis of data, which proved to be manifestly misstated;*

3.1.2 *The remuneration of non-executive directors and independent directors should not be linked to the achievement of qualitative or quantitative objectives and must be appropriate to the position and role within the Board and Committees provided for in the Corporate Governance Code;*

3.1.3 *Except as provided for by law and by national collective labour agreements, any allowances for early termination of the directorship or its non-renewal, or any allowances due to Key Management in the case of termination of employment relationships should not exceed a predetermined number of years of gross fixed component of remuneration equal to 1.5;*

3.1.4 *Any amounts due non-competition agreements must not exceed an amount equal to 40% of Total Remuneration;*

3.1.5 *The overall remuneration of Key Persons may include the refund of documented out-of-pocket expenses and fringe benefits, such as the use of cars, homes and business phones, can be assigned as determined by corporate policy. The Key Persons may also be included among the beneficiaries of civil liability policies of directors and executives with strategic responsibilities and medical insurance policies whose charges are borne by the Company;*

3.1.6 *Absolutely discretionary bonuses cannot be awarded, subject however to the possibility of granting these figures one-time bonuses in exceptional cases in relation to specific extraordinary operations of particular strategic or operational relevance or in the event that Biesse or the Group reach economic or financial objectives that the Company deems to be particularly significant.*

3.2 Procedures

The remuneration of the Key Persons will be determined as follows:

⁸ Close relatives of an individual are those family members who may be expected to influence, or be influenced by, that individual. They may include: (a) a spouse not legally separated or unmarried partner; (b) children and dependants of the person, of the spouse who is not legally separated or of the unmarried partner (the definition contained in Annex 1 to the Consob Regulation on related party transactions No. 17221 of 12 March 2010, as amended).

3.2.1. Determination of the remuneration of the Members of the Board of Directors

The remuneration of directors will be determined as follows:

- (a) at the time of its establishment or at the first possible meeting thereafter, the Board of Directors, on the proposal of the Remuneration Committee, will determine the remuneration payable to executive directors vested with particular roles, other executive directors and independent directors, where applicable as part of the total amount of remuneration of the directors set out by the shareholders' meeting pursuant to Article 2389, last paragraph, of the Italian Civil Code;*
- (b) the remuneration of new executive directors vested with particular roles to substitute directors who have retired or fallen from office, or appointed in the case of integration of the Board of Directors will be determined by the latter, on the proposal of the Remuneration Committee at the first meeting attended by the new members or at the first possible meeting thereafter;*
- (c) the determination of the remuneration provided for by letters (a) and (b) above will be carried out in compliance with the guidelines and the principles set out down in this Policy, without prejudice to the possibility for the Board of Directors to depart exceptionally from these criteria when this is a necessary condition to attract new talent or when specific needs arise related to the retention of particular figures, upon receiving the positive opinion of the Remuneration Committee;*
- (d) the determination of remuneration and incentives in the context of the parameters set out in paragraph 3 above as well as the setting of the objectives listed therein will be carried out by the Board of Directors on the proposal of the Remuneration Committee, taking into account the corporate role of Key Persons concerned, the average market remuneration, the specific incentive needs and the trends of the Company and the Group;*
- (e) Any bonus under the previous principle 3.1.6 will be decided from time to time by the Board of Directors on the basis of the proposals made by the Remuneration Committee;*
- (f) The Board of Directors and the director it has delegated for the purpose will deal with the management of incentive programs and plans;*
- (g) The proposals of the Remuneration Committee will be supported by adequate preliminary activities, involving, where possible, also the members of the Board of Statutory Auditors;*
- (h) The Board of Directors and/or the Remuneration Committee may avail themselves of independent experts in matters of remuneration policies for the analysis to support the determination of the remuneration of the members of the Board of Directors.*

3.2.2 Determination of the remuneration of Key Management

- (a) The remuneration of Key Management is determined by the Board of Directors or by the director delegated for this purpose, in compliance with the guidelines and principles laid down in this Policy, without prejudice to the possibility for the Board of Directors or the delegated director to depart exceptionally from these criteria when this is a necessary condition for attracting new talent or when specific needs arise relating to the retention of particular figures. In this case, the prior favourable opinion of the Remuneration Committee is required;*

- (b) *The determination of remuneration and incentives in the context of the parameters set out in paragraph 3.1 will be carried out by the Board of Directors or by the delegated director, taking into account the corporate role of Key Persons concerned, the average market remuneration, the specific incentive needs and the trends of the Company and the Group;*
- (c) *Any bonus for Key Management pursuant to principle 3.1.6 above will be decided from time to time by the Board of Directors, having heard the opinion of the Remuneration Committee;*
- (d) *The Board of Directors and the delegated director will deal with the management of the incentive programs and plans that are addressed to Key Management;*
- (e) *The Board of Directors and/or the delegated director may avail themselves of independent experts in matters of remuneration policies for analyses to support the determination of the remuneration of Key Management.*

3.2.3 Supervisory role of the Remuneration Committee

The Remuneration Committee periodically assesses the adequacy, overall consistency and practical application of the Policy through the information provided by the delegated directors, and reports to shareholders on the procedures for the exercise of its functions through the chairman or a member of the Committee designated for the purpose at the Annual General Meeting for the approval of the financial statements.“

1.4 Variable component of remuneration

The variable component of the remuneration of executive directors and Key Management of the Company and Group is paid at the achievement of set economic results and/or individual objectives through two incentive mechanisms, of which one is for the short period (MBO) and the other for the medium-long term (currently, the **"Long Term Incentive Plan 2015 - 2017 of Biesse S.p.A."** After obtaining the favourable opinion of the Remuneration Committee, the shareholders' meeting held on 29 and 30 April 2015 approved a new medium/long-term incentive plan).

(a) MBO

The MBO provides for the award of an annual bonus based on the achievement of quantitative targets (*cash flow* and EBITDA objectives) and qualitative objectives (assessment of the *performance* of the beneficiaries in terms of *leadership*), according to the parameters provided for by the relevant regulation.

(b) Long Term Incentive Plan

The shareholders' meeting on 30 April 2015 approved a medium/long-term incentive plan for executive directors (who are not shareholders) and Key Management called *"Long Term Incentive Plan 2015 - 2017 of Biesse S.p.A.;"* this plan includes distribution of cash and free assignment of shares to the portfolio to beneficiaries contingent on reaching financial and business objectives by the Company (*cash flow* and EBITDA objectives). For more information on the duration of the *vesting* period, on the conditions for the payment of the shares and bonus in money and in general on the mechanisms provided for in the plan, reference is made to the information document

drawn up by the Company pursuant to Articles 114-*bis* of the TUF and 84-*bis* of the Issuers' Regulation and published on 19 March 2015 on the Internet website of the Company and at Borsa Italiana S.p.A.

Please note that on 27 April 2012 the shareholders' meeting of the Company approved an incentive and retention plan for *top management* of the Group called "*Long Term Incentive Plan 2012 - 2014* of Biesse S.p.A." to replace the previous "*Retention Plan 2011 - 2013* of Biesse S.p.A." which was implemented by 30 June 2015 with the allocation of own shares.

The terms and conditions of the MBO and "*Long Term Incentive Plans*" shall comply with the principles and guidelines provided for by the Policy.

1.5 Insurance covers other than mandatory coverage

The members of the Board of Directors are the beneficiaries of insurance coverage for civil liability arising from the position held. Some of them have medical insurance with costs to be borne by the Company.

SECTION II - REMUNERATION OF MEMBERS OF THE BOARD OF DIRECTORS AND KEY MANAGEMENT

Below follows the information relating to the remuneration received in the course of the financial year at 31 December 2015 by the members of the Board of Directors of Biesse and Key Management; it is further specified that since the Issuer can be considered a “smaller company” pursuant to Article 3, paragraph 1, letter (f), of Consob Regulation No. 17221 of 12 March 2010 on related party transactions, as amended, the information on Key Management is provided in aggregate form.

Please note that in 2015 the Company appointed two Biesse Key Managers to cover the role of Director of the Glass Department and Director of the Mechatronics Department.

PART 1 - REMUNERATION COMPONENTS FOR DIRECTORS AND KEY MANAGEMENT

2.1 Composition of remuneration

The remuneration of Biesse directors and Key Management at 31 December 2015 is composed of the following entries, it being understood that not all persons belonging to the same category receive all the individual components:

POSITIONS	FIXED	VARIABLE		BENEFITS	ALLOWANCE
		B ¹	M/L ²		
Executive directors holding positions and shareholders with shareholdings over 2% ³	√			√	
Executive directors holding positions	√	√	√	√	
Executive directors	√	√	√	√	
Non-executive directors	√				
Independent directors	√				
Key Management	√	√	√	√	

¹Variable component linked to the achievement of short-term objectives

²Variable component linked to the achievement of medium/long-term objectives

³Including the relatives of shareholders who own a shareholding of more than 2% of the Company

The individual components of remuneration are allocated to the various categories of Biesse directors and to Key Management in compliance with the provisions of the Policy.

For more information on the variable components of remuneration of Biesse directors and Key Management, reference is made to paragraph 1.4 above.

The *benefits* given to Biesse directors and Key Management consist, depending on the cases, in the use of cars, homes and business phones.

For more information on the remuneration components due to individual Biesse directors and Key Management, please refer to the detailed tables referred to in Part 2 of this Section.

2.2 Allowance in the case of early termination of the corporate or employment relationship

No allowances are provided for Biesse directors and Key Management in the event of early termination of the corporate or employment relationship, except as provided for by law.

PART TWO: DETAILS OF REMUNERATION RECEIVED BY MEMBERS OF THE BOARD OF DIRECTORS AND ADMINISTRATIVE AND CONTROL BODIES OF BIESSE AND BY STRATEGIC DIRECTORS DURING THE 2015 FINANCIAL YEAR.

Table 1: Details of remuneration received by members of the Board of Directors and administrative and control bodies of Biesse and by Strategic Directors for the financial year 2015 (in Euro)

NAME AND SURNAME	POSITION	PERIOD IN OFFICE	EXPIRY OF OFFICE	FIXED REMUNERATION	REMUNERATION FOR PARTICIPATION IN COMMITTEES	NON-EQUITY VARIABLE REMUNERATION		BENEFITS IN KIND	OTHER REMUNERATION	TOTAL	FAIR VALUE OF EQUITY BASED REMUNERATION ²⁰	INDEMNITY FOR DEPARTURE FROM OFFICE OR CESSATION OF EMPLOYMENT
						BONUS AND OTHER INCENTIVES	PROFIT PARTICIPATION					
DIRECTORS OF BIESSE												
ROBERTO SELCI	Chairman	since 27.04.2012	Approval of Financial Statements to 31.12.2017									
Remuneration from company for which Financial Statements have been prepared				372,150.58 ¹	NA	NA	NA	16,527.69	NA	388,678.27	NA	NA
Remuneration from subsidiaries and associates				320,000.00 ²	NA	NA	NA	-	NA	320,000.00	NA	NA
Total				692,150.58				16,527.69		708,678.27		
GIANCARLO SELCI	Chief Executive Officer	Since 27.04.2012	Approval of Financial Statements to 31.12.2017									
Remuneration from company for which Financial Statements have been prepared				465,917.81 ³	NA	NA	NA	7,912.11	NA	473,829.92	NA	NA
Remuneration from subsidiaries and associates				142,000.00 ⁴	NA	NA	NA	-	NA	142,000.00	NA	NA
Total				607,917.81				7,912.11		615,829.92		
ALESSANDRA PARPAJOLA	Director	Since 27.04.2012	Approval of Financial Statements to 31.12.2017									
Remuneration from company for which Financial Statements have been prepared				107,544.11 ⁵	NA	NA	NA	17,202.16	NA	124,746.27	NA	NA
Remuneration from subsidiaries and associates				142,000.00 ⁶	NA	NA	NA	-	NA	142,000.00	NA	NA
Total				249,544.11				17,202.16		266,746.27		
STEFANO PORCELLINI	Director	Since 27.04.2012	Approval of Financial Statements to 31.12.2017									
Remuneration from company for which Financial Statements have been prepared				300,903.85 ⁷	NA	121,471.67 ⁹	NA	5,211.63	6,630.00 ¹⁰	434,216.72	Cf. Tables 2 and 3	NA
Remuneration from subsidiaries and associates				32,000.00 ⁸	NA	NA	NA	-	-	32,000.00	NA	NA
Total				332,903.85		121,471.67		5,211.20	6,630.00	466,216.72		
CESARE TINTI	Director	Since 14.11.2012	Approval of Financial Statements to 31.12.2017									
Remuneration from company for which Financial Statements have been prepared				174,974.93 ¹¹	NA	94,167.95 ⁹	NA	3,793.83	3,995.00 ¹⁰	276,931.71	Cf. Tables 2 and 3	NA
Remuneration from subsidiaries and associates				16,000.00 ¹²	NA	NA	NA	NA	NA	16,000.00	NA	NA
Total				190,974.93		94,167.95		3,793.83	3,995.00	292,931.71		
LEONE SIBANI	Independent director and LID	Since 27.04.2012	Approval of Financial Statements to 31.12.2014									
Remuneration from company for which Financial Statements have been prepared				9,863.01 ¹³	1,500.00 ¹⁹	NA	NA	NA	NA	11,363.01	NA	NA

Remuneration from subsidiaries and associates	-	-	NA	NA	NA	NA	-	NA	NA
Total	9,863.01	1,500.00					11,363.01		

GIAMPAOLO GARATTONI	Independent Director	Since 27.04.2012	Approval of Financial Statements to 31.12.2014							
Remuneration from company for which Financial Statements have been prepared				6,575.34 ¹⁴	1,500.00 ¹⁹	NA	NA	NA	NA	8,075.34
Remuneration from subsidiaries and associates				-	-	NA	NA	NA	NA	NA
Total				6,575.34	1,500.00					8,075.34

ELISABETTA RIGHINI	Independent Director	Since 30.04.2015	Approval of Financial Statements to 31.12.2017							
Remuneration from company for which Financial Statements have been prepared				13,424.66 ¹⁵	5,250.00 ¹⁹	NA	NA	NA	NA	18,674.66
Remuneration from subsidiaries and associates				-	-	NA	NA	NA	NA	NA
Total				13,424.66	5,250.00					18,674.66

SALVATORE GIORDANO	Independent Director	Since 27.04.2012	Approval of Financial Statements to 31.12.2017							
Remuneration from company for which Financial Statements have been prepared				20,000.00 ¹⁶	6,750.00 ¹⁹	NA	NA	NA	NA	26,750.00
Remuneration from subsidiaries and associates				-	-	NA	NA	NA	NA	NA
Total				20,000.00	6,750.00					26,750.00

STATUTORY AUDITORS										
GIOVANNI CIURLO	Chairman	Since 27.04.2012	Approval of Financial Statements to 31.12.2017							
Remuneration from company for which Financial Statements have been prepared				67,662.92 ¹⁸	NA	NA	NA	NA	NA	67,662.92
Remuneration from subsidiaries and associates				-	NA	NA	NA	NA	NA	NA
Total				67,662.92						67,662.92

CLAUDIO SANCHIONI	Statutory Auditor	Since 27.04.2012	Approval of Financial Statements to 31.12.2014							
Remuneration from company for which Financial Statements have been prepared				14,465.75	NA	NA	NA	NA	NA	14,465.75
Remuneration from subsidiaries and associates				14,415.00	NA	NA	NA	NA	NA	14,415.00
Total				28,880.75						28,880.75

RICCARDO PIERPAOLI	Statutory Auditor	Since 27.04.2012	Approval of Financial Statements to 31.12.2017							
Remuneration from company for which Financial Statements have been prepared				41,333.33	NA	NA	NA	NA	NA	41,333.33
Remuneration from subsidiaries and associates				5,000.00	NA	NA	NA	NA	NA	5,000.00
Total				46,333.33						46,333.33

CRISTINA AMADORI	Statutory Auditor	Since 30.04.2015	Approval of Financial Statements to 31.12.2017							
Remuneration from company for which Financial Statements have been prepared				26,666.67	NA	NA	NA	NA	NA	26,666.67
Remuneration from subsidiaries and associates				6,235.00	NA	NA	NA	NA	NA	6,235.00
Total				32,901.67						32,901.67

MANAGERS WITH STRATEGIC RESPONSIBILITY									
STRATEGIC MANAGERS (IN AGGREGATE)									
Remuneration from company for which Financial Statements have been prepared	121,549.66 ¹⁷	NA	52,083.82 ⁹	NA	3,872.73	2,550.00 ¹⁰	180,056.21	Cf. Tables 2 and 3	NA
Remuneration from subsidiaries and associates	NA	NA	NA	NA	NA	NA		NA	NA
Total	121,549.66		52,083.82		3,872.73	2,550.00	180,056.21		

- (1) of which: (a) remuneration for office approved by shareholders' meeting, including that not paid: €0; (b) payment received for carrying out specific duties (chairman, chief executive, etc.): €372,15058; (c) attendance fee: €0; (d) expenses repaid: €0 (e) fixed salary of employment gross of taxes and social security contributions: €0;
- (2) of which: (a) remuneration for office approved by shareholders' meeting, including that not paid: €0; (b) payment received for carrying out specific duties (chairman, chief executive, etc.): €320,00000; (c) attendance fee: €0; (d) expenses repaid: €0 (e) fixed salary of employment gross of taxes and social security contributions: €0;
- (3) of which: (a) remuneration for office approved by shareholders' meeting, including that not paid: €0; (b) payment received for carrying out specific duties (chairman, chief executive, etc.): €465,91781; (c) attendance fee: €0; (d) expenses repaid: €0 (e) fixed salary of employment gross of taxes and social security contributions: €0;
- (4) of which: (a) remuneration for office approved by shareholders' meeting, including that not paid: €0; (b) payment received for carrying out specific duties (chairman, chief executive, etc.): €142,00000; (c) attendance fee: €0; (d) expenses repaid: €0 (e) fixed salary of employment gross of taxes and social security contributions: €0;
- (5) of which: (a) remuneration for office approved by shareholders' meeting, including that not paid: €0; (b) payment received for carrying out specific duties (chairman, chief executive, etc.): €107,54411; (c) attendance fee: €0; (d) expenses repaid: €0; (e) fixed salary of employment gross of taxes and social security contributions: €0;
- (6) of which: (a) remuneration for office approved by shareholders' meeting, including that not paid: €0; (b) payment received for carrying out specific duties (chairman, chief executive, etc.): €142,00000; (c) attendance fee: €0; (d) expenses repaid: €0; (e) fixed salary of employment gross of taxes and social security contributions: €0;
- (7) of which: (a) remuneration for office approved by shareholders' meeting, including that not paid: €0; (b) payment received for carrying out specific duties (chairman, chief executive, etc.): €50,000.00; (c) attendance fee: €0; (d) expenses repaid: €0 (e) fixed salary of employment gross of taxes and social security contributions: €250,903.85;
- (8) of which: (a) remuneration for office approved by shareholders' meeting, including that not paid: €2,000.00; (b) payment received for carrying out specific duties (chairman, chief executive, etc.): €30,000.00; (c) attendance fee: €0; (d) expenses repaid: €0; (e) fixed salary of employment gross of taxes and social security contributions: €0;
- (9) Bonus deriving from MBO;
- (10) Transfer indemnity not having characteristic of continuity as allowed by national employment contract;
- (11) of which: (a) remuneration for office approved by shareholders' meeting, including that not paid: €20,000.00; (b) payment received for office as independent director: €0; (c) attendance fee: €0; (d) expenses repaid: €0; (e) fixed salary of employment gross of taxes and social security contributions: €154,974.93;
- (12) of which: (a) remuneration for office approved by shareholders' meeting, including that not paid: €0; (b) payment received for carrying out specific duties (chairman, chief executive, etc.): €16,00000; (c) attendance fee: €0; (d) expenses repaid: €0 (e) fixed salary of employment gross of taxes and social security contributions: €0;
- (13) of which: (a) remuneration for office approved by shareholders' meeting, including that not paid: €0; (b) payment received for office as independent director: €9,863.01; (c) attendance fee: €0; (d) expenses repaid: €0; (e) fixed salary of employment, gross of taxes and social security contributions: €0;
- (14) of which: (a) remuneration for office approved by shareholders' meeting, including that not paid: €0; (b) payment received for office as independent director: €6,575.34; (c) attendance fee: €0; (d) expenses repaid: €0; (e) fixed salary of employment, gross of taxes and social security contributions: €0;
- (15) of which: (a) remuneration for office approved by shareholders' meeting, including that not paid: €0; (b) payment received for office as independent director: €13,424.66; (c) attendance fee: €0; (d) expenses repaid: €0; (e) fixed salary of employment gross of taxes and social security contributions: €0;
- (16) of which: (a) remuneration for office approved by shareholders' meeting, including that not paid: €0; (b) payment received for office as independent director: €20,000.00; (c) attendance fee: €0; (d) expenses repaid: €0; (e) fixed salary of employment gross of taxes and social security contributions: €0;
- (17) of which: (a) remuneration for office approved by shareholders' meeting, including that not paid: €0; (b) payment received for carrying out specific duties (chairman, chief executive, etc.): €0; (c) attendance fee: €0; (d) expenses repaid: €0; (e) fixed salary of employment, gross of taxes and social security contributions: €121,549.66;
- (18) Including reimbursement of recorded expenses.
- (19) Member of the Internal Control Committee and the Remuneration Committee. Remuneration is paid in recognition of participation in all committees of which the director is a member.
- (20) It is not possible to indicate the fair value of equity related remuneration as, currently, the effective number of shares assigned as beneficiary of the "Long Term Incentive Plan 2015 - 2017 of Biesse S.p.A." has not yet been finalised.

Table 3A: Incentive plans based on financial instruments, other than stock options, payable to members of the board of directors and administrative and control bodies of Biesse and to strategic directors during the financial year 2015

BENEFICIARY		FINANCIAL INSTRUMENTS ALLOCATED IN PREVIOUS YEARS BUT NOT VESTED IN THE YEAR UNDER CONSIDERATION		FINANCIAL INSTRUMENTS ALLOCATED DURING 2015					FINANCIAL INSTRUMENTS VESTED DURING THE PERIOD AND NOT ATTRIBUTED	FINANCIAL INSTRUMENTS VESTED AND ATTRIBUTABLE DURING THE YEAR		FINANCIAL INSTRUMENTS RELATING TO YEAR UNDER CONSIDERATION
NAME & SURNAME	POSITION	NUMBER AND TYPE OF BIESSE FINANCIAL INSTRUMENT	VESTING PERIOD	NUMBER AND TYPE OF BIESSE FINANCIAL INSTRUMENT	FAIR VALUE AT DATE OF ALLOCATION	VESTING PERIOD	DATE OF ALLOCATION	MARKET PRICE AT ALLOCATION (€)	NUMBER AND TYPE OF BIESSE FINANCIAL INSTRUMENT	NUMBER AND TYPE OF BIESSE FINANCIAL INSTRUMENT	VALUE AT MATURITY DATE	FAIR VALUE
STEFANO PORCELLINI	EXECUTIVE DIRECTOR AND GROUP GENERAL MANAGER											
LONG TERM INCENTIVE PLAN 2012-2014 OF BIESSE S.p.A.		NA	NA	11,977 ¹ Ordinary shares	16.0225 ²	NA	10/06/2015	16.3311 ³	NA	NA	NA	NA
LONG TERM INCENTIVE PLAN 2015-2017 OF BIESSE S.p.A.		NA	NA	3,097 ⁴ Ordinary shares	NA ⁵	NA ⁶	10/06/2015	16.3311 ³	NA	NA	NA	NA
CESARE TINTI	EXECUTIVE DIRECTOR AND MANAGER OF WOOD DIVISION											
LONG TERM INCENTIVE PLAN 2012-2014 OF BIESSE S.p.A.		NA	NA	6,792 ¹ Ordinary shares	16.0225 ²	NA	10/06/2015	16.3311 ³	NA	NA	NA	NA
LONG TERM INCENTIVE PLAN 2015-2017 OF BIESSE S.p.A.		NA	NA	1,772 ⁴ Ordinary shares	NA ⁵	NA ⁶	10/06/2015	16.3311 ³	NA	NA	NA	NA
STRATEGIC MANAGERS (IN AGGREGATE)												
LONG TERM INCENTIVE PLAN 2012-2014 OF BIESSE S.p.A.		NA	NA	4,654 ¹ Ordinary shares	16.0225 ²	NA	10/06/2015	16.3311 ³	NA	NA	NA	NA
LONG TERM INCENTIVE PLAN 2015-2017 OF BIESSE S.p.A.		NA	NA	1,135 ⁴ Ordinary shares	NA ⁵	NA ⁶	10/06/2015	16.3311 ³	NA	NA	NA	NA

- (1) Number of shares allocated to each recipient on 10 June 2015 on the basis of achievement of the economic-financial and performance targets, set out in the "Long Term Incentive Plan 2012-2014", obtained in the three year period 2012-2014, less the number of shares previously allocated in advance on 7 July 2014.
- (2) Average closing price in 30 days preceding date of allocation
- (3) Closing price at the date of allocation
- (4) Base number shares allocated to each recipient. The actual allocation of shares is dependent on the achievement of pre-determined economic-financial and performance objectives in the relevant period covered by the "Long Term Incentive Plan 2015 - 2017 of Biesse S.p.A.". The number of shares ultimately allocated to each recipient may be within a range of 85% and 125% of the base number of shares depending on the percentage of achievement of the objectives.
- (5) It is not possible to indicate the fair value at the time of allocation as at that point only a base number of shares had been allocated and as yet the total number of shares attributable to beneficiaries of the "Long Term Incentive Plan 2015 - 2017 of Biesse S.p.A." had not been finalised.
- (6) It was not possible to determine the vesting period at the date of the present Report on remuneration because vesting dates are variable. According to the terms of the "Long Term Incentive Plan 2015 - 2017 of Biesse S.p.A." shares are vested in accordance with a mechanism that dictates that, within 20 days of the date of approval of the Consolidated Financial Statements for 2017, the beneficiaries will receive, where the relevant conditions are fulfilled, the proposed pay out, which must be accepted by each recipient, under penalty of expiration, within the following 10 days. The date on which Biesse receives notice of acceptance of the proposed pay out is the vesting date. In each case, vesting occurs over the course of three financial years 2015 - 2017 and on the basis of achievement of the objectives set out in the relevant three year plan. Final allocation of shares is scheduled to occur on payment of remuneration for the second month following approval of the Consolidated Financial Statements for the year ended 31 December 2017. For further information regarding the "Long Term Incentive Plan 2015 - 2017 of Biesse S.p.A.", please refer to the related Regulations available in the Investor Relations section of the website www.biesse.com.

Table 3B: Cash-based incentive plan payable to members of the board of directors and administrative and control bodies of Biesse and to strategic directors during the financial year 2015

BENEFICIARY		ANNUAL BONUS 2015 (€)			BONUS OF PREVIOUS YEARS (€)		
NAME & SURNAME	POSITION	PAYABLE/PAID	DEFERRED	DEFERRAL PERIOD	NO LONGER PAYABLE	PAYABLE/PAID	DEFERRED OUTSTANDING
STEFANO PORCELLINI	EXECUTIVE DIRECTOR AND GROUP GENERAL MANAGER						
<i>Long Term Incentive Plan 2012-2014 of Biesse¹</i>		37,650.06 ⁴	NA	NA	NA	NA	NA
<i>Long Term Incentive Plan 2015-2017 of Biesse²</i>		NA	49,627.21 ⁵	NA ⁶	NA	NA	NA
<i>MBO³</i>		121,475.67 ⁷	100,103.63	April 2016	NA	NA	NA
CESARE TINTI	EXECUTIVE DIRECTOR AND MANAGER OF WOOD DIVISION						
<i>Long Term Incentive Plan 2012-2014 of Biesse¹</i>		21,350.00 ⁴	NA	NA	NA	NA	NA
<i>Long Term Incentive Plan 2015-2017 of Biesse²</i>		NA	<u>28,403.55⁵</u>	NA ⁶	NA	NA	NA
<i>MBO³</i>		94,167.95 ⁷	73,671.17	April 2016	NA	NA	NA
STRATEGIC MANAGERS (IN AGGREGATE)							
<i>Long Term Incentive Plan 2012-2014 of Biesse¹</i>		14,630.24 ⁴	NA	NA	NA	NA	NA
<i>Long Term Incentive Plan 2015-2017 of Biesse²</i>		NA	<u>18,198.59⁵</u>	NA ⁶			
<i>MBO³</i>		52,083.82 ⁷	33,930.95	April 2016	NA	NA	NA

(1) The "Long Term Incentive Plan 2012 - 2014 of Biesse S.p.A." is Biesse's medium-long term incentive plan, the validity of which expired on 10 June 2015 on payment, on achieving the economic-financial and performance objectives set out in the industrial plan and obtained in the three year period 2012-2014, of a cash bonus (see note 4) and the allocation of treasury shares (see Table 2 above).

(2) The "Long Term Incentive Plan 2015 - 2017 of Biesse S.p.A." is Biesse's current medium-long term incentive plan which provides, in addition to the allocation of treasury shares (see Table 2 above) for the payment of a cash bonus. For further information regarding the "Long Term Incentive Plan 2015-2017 of Biesse S.p.A.", please refer to the related Regulations available in the Investor Relations section of the website www.biesse.com.

(3) The MBO is Biesse Group's short-term incentive plan.

(4) Value of cash payment of 10 June 2015, less the value of the Advance cash payment of 7 July 2014.

(5) Basic value of the bonus attributed to the recipient. The effective payment of the bonus is conditional on the achievement of pre-determined economic-financial and performance targets during the period of validity of the "Long Term Incentive Plan 2015 - 2017 of Biesse S.p.A.". The final value of the bonus to be paid may be in a range of 85% to 125% of the basic value paid, depending on the percentage of achievement of the objectives.

(6) It is not possible to determine the deferral period at the date of the present Report on remuneration, because the maturity dates of rights to receive a bonus are variable. In accordance with the "Long Term Incentive Plan 2015 - 2017 of Biesse S.p.A.", the right to receive a bonus matures according to a mechanism that dictates that, within 20 days of the date of approval of the Consolidated Financial Statements for 2017, the beneficiaries will receive, where the relevant conditions have been satisfied, a proposed pay out, which must be accepted by each recipient, under penalty of expiration, within the following 10 days. The date on which Biesse receives notice of acceptance of the proposed pay out is the date the right shall mature. The maturity of the right will in each case occur over the course of three financial years 2015 - 2017 and on the basis of achievement of the objectives set out in the relevant three year plan. Effective payment of the bonus is scheduled to occur on payment of remuneration for the second month following approval of the Consolidated Financial Statements for the year ended 31 December 2017.

(7) MBO relating to 2014 paid in 2015