

ITALMOBILIARE

Explanatory report regarding the determination of the remuneration to be granted to the Board members

Dear Shareholders,

According to the article 2389 of the Italian civil code and in the absence of a specific Bylaws' provision, the remuneration to be granted to the Board members shall be defined by the General Shareholders' meeting without prejudice to the competence of the Board of directors in determining the compensation of the Directors vested with special powers.

To this extent, it is recalled that the General Shareholders' meeting of 27 May 2014 resolved to grant, until further resolution, to each Director a gross annual remuneration of:

- 36,000 euro for each member of the Board of Directors;
- 6,000 euro for each meeting actually attended by the Board members who are also members of the Executive committee;
- 3,000 euro for each meeting actually attended by the Board members who are also members of other committee (if any and as applicable);
- 2,500 euro for each meeting actually attended by each member of the Supervisory Body.

In relation to the above, we invite you to determine – upon proposal of the shareholders to be submitted before or during the General meeting – the compensation to be granted to the Board members.

Milan, 2 March 2017

On behalf of the Board of Directors
Chief Executive Officer
Carlo Pesenti