

14. OTHER INFORMATION

Under the resolution issued by Consob no. 18049 of 23 December 2011 please note that:

- > the Company did not receive any support from any advisory company and/or external experts in preparing the 2018 Policy;
- > Pirelli does not currently provide any financial incentive scheme;
- > Pirelli, in defining the 2018 Policy, did not use any specific remuneration policies of other companies as a benchmark. As regards the structure of the remuneration for each role the criteria for selecting the reference benchmark are stated.

The chart no. 7-bis, adopted by the CONSOB resolution no. 18049 of 23 December 2011 provides that the Report on Remuneration, in the section provided by art. 123-ter on the members of the governing bodies and the Managers with strategic responsibilities, includes at least the information listed in the above mentioned chart. The table below provides the required information and the section of the Report which includes them:

Information required under chart 7-bis	Paragraphs which - namely - provide the required information
a) bodies or individuals involved in the preparation and approval of the Policy on remuneration, specifying their respective roles, as well as the bodies or individuals in charge of the correct implementation of said Policy.	2. "Process" for defining and implementing the policies and involved entities 3. Remuneration Committee
b) the possible action of a Remuneration Committee or any other committee responsible for the matter, providing a description of its composition (naming the non-executive and independent members), responsibilities and the operation procedures;	2. "Process" for defining and implementing the policies and involved entities 3. Remuneration Committee
c) the names of any independent advisor involved in the preparation of the Policy on Remuneration;	14. Other Information
d) the purposes sought with the Policy on Remuneration, its founding principles and any change of the policy on remuneration from the previous financial year;	1. Principles and review of the risks 13. Changes to the Policy on remuneration from the previous financial year.
e) the description of the policies on fixed and variable components of the remuneration, with special regards to the specification of the relevant weight within the overall remuneration and making a distinction between variable components of short and medium-to-long term;	The structure of the remuneration of the various individuals is described in the paragraphs providing a description of the different fixed/variable weights; short term variable/medium-to-long term variable 5. MBO and LTI PLAN 8. The remuneration of the Directors of Pirelli & C. 9. The Board of Auditors 10. Remuneration of the Directors holding special offices 11. Managers with strategic responsibilities 12. Senior Managers and Executives The following paragraphs provides a detail of the operation of the variable components of the remuneration:
f) the policy followed for the non-monetary benefits;	Paragraphs for the different roles 8. The remuneration of the Directors of Pirelli & C. 10. Remuneration of the Directors holding special offices 11. Managers with strategic responsibilities 12. Senior Managers and Executives
g) as regards the variable components, a description of the performance objectives based on which they are assigned, making a distinction between short term and medium-to-long term variable components and information on the link between the change in results and the change in remuneration;	5. MBO and LTI PLAN
h) the criteria employed for assessing the performance objectives based on which shares, options, other financial instruments or other variable components of the remuneration are based;	5. MBO and LTI PLAN
i) information intended to highlight the alignment of the Policy on Remuneration with the achievement of the long-term interests of the company and with the risk management policy, in the case where it is formalized;	1. Principles and review of the risks 5. MBO and LTI PLAN And also for the different roles 8. The remuneration of the Directors of Pirelli & C. 9. The Board of Auditors 10. Remuneration of the Directors holding special offices 11. Managers with strategic responsibilities 12. Senior Managers and Executives

Information required under chart 7-bis	Paragraphs which - namely - provide the required information
j) the terms for the accrual of the rights (the so-called vesting period), any deferred payment system, stating the deferral period and the criteria employed for establishing said periods and, if provided, the ex post correction mechanisms;	Pirelli does not currently provide any financial incentive scheme. As regards the deferral mechanisms for the monetary variable components please refer to Paragraph: 5. MBO and LTI PLAN
k) information on the optional provision of clauses for keeping the financial instruments in the portfolio after their acquisition, stating the retention periods and the criteria employed for establishing such periods;	Pirelli does not currently provide any stock incentive scheme
l) the policy concerning the indemnities in case of termination of the office or of the labour contract, specifying which circumstances may lead the right to arise and any link between said obligations and the performance of the company;	6. Indemnity in case of resignation, dismissal or termination of the contract 7. Covenants to not compete and Retention Plan
m) information on the provision of any insurance, welfare or pension covers, which are not the statutory covers;	Paragraphs for the different roles 8. The remuneration of the Directors of Pirelli & C. 9. The Board of Auditors 10. Remuneration of the Directors holding special offices 11. Managers with strategic responsibilities 12. Senior Managers and Executives
n) the remuneration policy optionally followed as regards: (i) to independent Directors, (ii) the participation to committees (iii) specific offices (chairman, vice chairman, etc.);	8. The remuneration of the Directors of Pirelli & C.
o) whether the remuneration policy was defined by taking the remuneration policies of other companies as reference, and if positive the criteria employed for selecting said companies	14. Other Information

2017 REMUNERATION REPORT

1. PRINCIPLES

The 2017 Remuneration Report sets out the Policy implemented by the Pirelli Group during the 2017 financial year with reference to remuneration and provides actual amounts of remunerations in relation to the various persons concerned, without prejudice to the transparency obligations envisaged by other applicable legal or regulatory provisions. It is recalled that the Company's ordinary shares were listed on 4 October 2017. Therefore, it should be noted that with reference to 2017, when the Company was not listed, the Company had not formally adopted a Remuneration Policy pursuant to Article 123-ter of the Consolidated Finance Act (TUF - Testo Unico della Finanza), and therefore, it is not possible to duly express a consistent judgement with the Policy approved in the previous year. However, it should be noted that the Pirelli Remuneration structure for 2017, as from 4 October 2017, is generally consistent with the principles contained in the Policy for 2018.

2. THE "TABLE": REMUNERATION SCHEME FOR MEMBERS OF THE ADMINISTRATIVE AND CONTROL BODIES, GENERAL MANAGERS AND EXECUTIVES WITH STRATEGIC RESPONSIBILITIES

The following tables set out:

- > by name, remuneration paid to Directors, Statutory Auditors and General Managers;
- > in aggregate form, remuneration to Executives with strategic responsibilities³⁸. As of 31 December 2017 the following Executives held positions with strategic responsibilities: Maurizio Boiocchi (EVP and *Strategic Advisor Technology*), Andrea Casaluci (EVP *Business Unit Prestige & Motorsport* and *COO Region Europe*), Roberto Righi (EVP and *Chief Commercial Officer*), Francesco Sala (*Senior Vice President Manufacturing*), Maurizio Sala (EVP and *Chief Planning and Controlling Officer*), Luigi Staccoli (EVP *Pirelli Digital*), Francesco Tanzi (EVP and *Chief Financial Officer*), Gustavo Bracco (EVP and *Chief Human Resources Officer*), Giorgio Luca Bruno (EVP *M&A, Corporate Development and Diversified Businesses*)³⁹.
- > Salaries are reported on an accruals basis and evidence is provided, in the notes to the tables, of the appointment (for example, where a Director participates in more than one Board Committee) for which the salary is received and the subsidiary and/or Associate Company (with the exception of those waived or transferred to the Company).

The tables include all persons who, following admission to official listing, held these positions during the 2017 year, even if for a fraction of the year. Board Directors who ceased to hold office before the start of trading of the Company's shares on the Telematic Stock Exchange (Mercato Telematico Azionario) are not included. In this regard, it should be noted that the above mentioned Directors are entitled to receive an attendance fee amounting to € 1,000 for each meeting of the Company's governing bodies they have taken part in.

Non-monetary benefits, where they are received, are also identified on an accruals basis, and reported in relation to the "taxable income criteria" of the assigned benefit.

In particular, it should be noted that, as mentioned above:

- > those who were Directors of the Company during the 2017 year, accrued/received (on an accruals basis) a salary established in accordance with the criteria set out in paragraph 6 of the 2018 Policy; moreover, for the period going from January 1st 2017 and October 3, 2017 remuneration of Directors amounted to an attendance fee of € 1,000 for each meeting of the Company's governing bodies they have taken part in;
- > those who, during 2017, were Directors holding special offices (Vice Chairman and Chief Executive Officer and Chairman) accrued/received (on an accruals basis) a salary established in accordance with the criteria set out in paragraph 10 of the 2018 Policy;
- > Executives with strategic responsibilities received/acquired salaries pertaining to the 2017 year in accordance with the criteria set out in paragraph 11 of the 2018 Policy;
- > each member of the Supervisory Body, in office up to August 30, 2017 received/acquired a salary pertaining to the 2017 year amounting to EUR 25,000 gross per annum and the Chairman compensation equal to EUR 40,000 gross per annum. With effect from August 31, 2017, the Board of Directors, as reported in the 2018 Policy, approved a salary for the Chairman of the Supervisory Board of EUR 60,000 gross per annum and EUR 40,000 gross per annum for each board member;
- > each member of the Board of Statutory Auditors received/acquired a salary pertaining to the 2017 year in line with that provided for by the Shareholders' Meeting at the time of appointment (in addition to a gross annual salary of EUR 40,000 paid to the Serving Auditor called upon to be a member of the Supervisory Body);
- > *Senior Managers* and *Executives* received/acquired salaries pertaining to the 2017 year in accordance with the criteria set out in paragraph 12 of the 2018 Policy.

It should be noted that for Executives with strategic responsibilities and more generally for other members of the *Group's Senior Management*, Pirelli has introduced non-competition agreements to protect *strategic and operational know-how*. The Executive Vice Chairman and CEO does not hold a non-competition agreement.

Taking into account the events occurred during the year 2017 (among which, in particular: the capital increase by Marco Polo International Italy SpA, the refinancing, the completion of the segregation of the industrial business, the discontinuation of the industrial business result, the beginning and the completion of the listing process), the report about the total incentive is shown below without evidence of the original target and the related result, taking into account the adjustments made to these values in order to sterilize (in positive and negative) the effects of the aforementioned extraordinary transactions not included in the 2017 budget at the time of its approval, in order to reward the actual performance.

EXECUTIVE VICE CHAIRMAN AND CEO AND KEY MANAGERS

Objectives	Weight
Group PFN before dividends	on/off condition
Group EBIT (after restructuring costs)	30%
Group Net Cash Flow (before dividends)	50%
Group Ebt	20%

Office	2017 MBO plan structure	Incentive score
Executive Vice Chairman and CEO	- access threshold: 75% of the incentive at target - At target: 100% of the remuneration for the most important executive office (in Pirelli Tyre S.p.A) - Cap: 250% of the target incentive	164.97
Key Managers	- access threshold: 75% of the incentive at target - At target: from 50% to 75% of the GAS - CAP: 200% of the target incentive	139.97

In line with the structure of the variable incentive described in the Policy, only 75% of the accrued 2017 MBO bonus is paid, while the payment of the remaining 25% is deferred by 12 months and is subject to the achievement of the MBO objectives for 2018, and in particular:

- a) in the event that no MBO is accrued in 2018, the deferred and accrued share of the 2017 MBO would be definitively lost;
- b) in the event that the 2018 MBO is accrued at "entry threshold" level, the accrued and deferred 2017 MBO share shall be paid; lastly, if the 2018 MBO is accrued at least at target performance level - in addition to payment of the accrued and deferred 2017 MBO share - an additional amount would be paid, equal to a percentage of the entire accrued 2017 MBO. This percentage would vary from a minimum of 20% (if the 2018 MBO is accrued at target performance level) to a maximum of 40% (if the 2018 MBO is accrued at maximum performance level), with linear interpolation between the two extremes.

LTI Plan Following the Board of Directors' resolution of July 28, 2017, the LTI Plan 2016-2018 was closed in advance due to the Company's listing. The Board of Directors therefore re-proportioned the objectives for the two-year period 2016-2017 and, as for the 2017 MBO, neutralized the positive and negative effects of the extraordinary transactions that particularly occurred during the year 2017. Following the final balance after the end of the 2017 financial year, an incentive equal to 16.67% of the target performance bonus was recognized to the participants of the plan, considered that the on/off condition (Creation of positive value) was achieved.

³⁸ Point b) of Section II of Schedule 7-bis of Annex 3 A of the so-called Issuers' Regulations provides that the so-called Remuneration Report is structured into two parts:

a) salaries of members of the administrative and control bodies and General Managers;
b) salaries of any other Executives with strategic responsibilities who have received, in the reporting year, an overall salary (obtained by adding monetary salaries and salaries based on financial instruments) greater than the highest overall salary attributed to the persons indicated in point a).

For Executives with strategic responsibilities other than those indicated in point b) information is provided at aggregate level in special tables, identifying the number of persons to whom it refers instead of names".

³⁹ Starting from 1st January, 2018 Giorgio Luca Bruno no longer qualifies as Executive with strategic responsibilities.

First name and surname	Position	Period of the position covered	End of term of office date	Fixed compensation	Compensation for participation in committees	Non equity variable compensation		Non monetary benefits	Other compensation	Total	Fair Value of equity compensation	Indemnity for end of term of office or of employment relationship
						Bonuses and other incentives	Profit-sharing					
Mazco Tronchetti Provera	Executive Vice Chairman and Chief Executive Officer	01/01/2017 - 31/12/2017	Shareholders' Meeting to approve the financial statement for the year ended 31 December 2019	2,927,630.00	24,384.00	4,671,359.00	0.00	140,902.00	0.00	7,764,275.00	0.00	0.00
Of which is compensated in Pirelli & C. S.p.A.				927,630.00 (1)	24,384.00 (3)			140,902.00 (4)		1,092,916.00		
Of which is compensated by Subsidiaries and Affiliates				2,000,000.00 (2)		4,671,359.00				6,671,359.00		
Ren Jianxin	The Chairman	01/01/2017 - 31/12/2017	Shareholders' Meeting to approve the financial statement for the year ended 31 December 2019	420,630.00	7,315.00		0.00			427,945.00	0.00	0.00
Of which is compensated in Pirelli & C. S.p.A.				420,630.00 (5)	7,315.00 (6)					427,945.00 (7)		
Of which is compensated by Subsidiaries and Affiliates										0.00		
Yang Xingqiang	Director	01/01/2017 - 31/12/2017	Shareholders' Meeting to approve the financial statement for the year ended 31 December 2019	22,630.00	7,315.00	0.00	0.00	0.00	0.00	29,945.00	0.00	0.00
Of which is compensated in Pirelli & C. S.p.A.				22,630.00 (8)	7,315.00 (9)					29,945.00 (7)		
Of which is compensated by Subsidiaries and Affiliates												
Bai Xinpeng	Director	01/01/2017 - 31/12/2017	Shareholders' Meeting to approve the financial statement for the year ended 31 December 2019	30,630.00	20,726.00	0.00	0.00	0.00	0.00	51,356.00	0.00	0.00
Of which is compensated in Pirelli & C. S.p.A.				30,630.00 (10)	20,726.00 (11)					51,356.00 (7)		
Of which is compensated by Subsidiaries and Affiliates												
Giorgio Luca Bruno	Director	01/01/2017 - 31/12/2017	Shareholders' Meeting to approve the financial statement for the year ended 31 December 2019	627,630.00	7,315.00	648,075.00	0.00	16,600.00	47,068.00	1,346,688.00	0.00	0.00
Of which is compensated in Pirelli & C. S.p.A.				627,630.00 (12)	7,315.00 (9)	648,075.00		16,600.00 (13)	47,068.00 (14)	1,346,688.00		
Of which is compensated by Subsidiaries and Affiliates										0.00		
Lauza Cioli	Director	31/08/2017 - 31/12/2017	Shareholders' Meeting to approve the financial statement for the year ended 31 December 2019	18,630.00	12,192.00	0.00	0.00	0.00	0.00	30,822.00	0.00	0.00
Of which is compensated in Pirelli & C. S.p.A.				18,630.00 (15)	12,192.00 (16)					30,822.00		
Of which is compensated by Subsidiaries and Affiliates												
Domenico De Sole	Director	31/08/2017 - 31/12/2017	Shareholders' Meeting to approve the financial statement for the year ended 31 December 2019	18,630.00	21,945.00	0.00	0.00	0.00	0.00	40,575.00	0.00	0.00
Of which is compensated in Pirelli & C. S.p.A.				18,630.00 (15)	21,945.00 (17)					40,575.00		
Of which is compensated by Subsidiaries and Affiliates												
Fan Xiaohua	Director	31/08/2017 - 31/12/2017	Shareholders' Meeting to approve the financial statement for the year ended 31 December 2019	18,630.00	7,315.00	0.00	0.00	0.00	0.00	25,945.00	0.00	0.00
Of which is compensated in Pirelli & C. S.p.A.				18,630.00 (15)	7,315.00 (18)					25,945.00		
Of which is compensated by Subsidiaries and Affiliates												
Ze'ev Goldberg	Director	01/01/2017 - 31/12/2017	Shareholders' Meeting to approve the financial statement for the year ended 31 December 2019	27,630.00	7,315.00	0.00	0.00	0.00	0.00	34,945.00	0.00	0.00
Of which is compensated in Pirelli & C. S.p.A.				27,630.00 (19)	7,315.00 (8)					34,945.00		
Of which is compensated by Subsidiaries and Affiliates												
Marisa Pappalardo	Director	31/08/2017 - 31/12/2017	Shareholders' Meeting to approve the financial statement for the year ended 31 December 2019	18,630.00	9,753.00	0.00	0.00	0.00	0.00	28,383.00	0.00	0.00
Of which is compensated in Pirelli & C. S.p.A.				18,630.00 (15)	9,753.00 (20)					28,383.00		
Of which is compensated by Subsidiaries and Affiliates												

First name and surname	Position	Period of the position covered	End of term of office date	Fixed compensation	Compensation for participation in committees	Non equity variable compensation		Non monetary benefits	Other compensation	Total	Fair Value of equity compensation	Indemnity for end of term of office or of employment relationship
						Bonuses and other incentives	Profit-sharing					
Cristina Scocchia	Director	31/08/2017 - 31/12/2017	Shareholders' Meeting to approve the financial statement for the year ended 31 December 2019	18,630.00	15,849.00	0.00	0.00	0.00	0.00	34,479.00	0.00	0.00
Of which is compensated in Pirelli & C. S.p.A.				18,630.00 (15)	15,849.00 (21)					34,479.00		
Of which is compensated by Subsidiaries and Affiliates												
Tao Haisu	Director	31/08/2017 - 31/12/2017	Shareholders' Meeting to approve the financial statement for the year ended 31 December 2019	17,630.00	7,315.00	0.00	0.00	0.00	0.00	24,945.00	0.00	0.00
Of which is compensated in Pirelli & C. S.p.A.				17,630.00 (22)	7,315.00 (23)					24,945.00		
Of which is compensated by Subsidiaries and Affiliates												
Giovanni Tronchetti Provera	Director	31/08/2017 - 31/12/2017	Shareholders' Meeting to approve the financial statement for the year ended 31 December 2019	112,732.00	7,315.00	30,754.00	0.00	9,328.00	0.00	160,129.00	0.00	0.00
Of which is compensated in Pirelli & C. S.p.A.				18,630.00 (15)	7,315.00 (6)					25,945.00		
Of which is compensated by Subsidiaries and Affiliates				94,102.00 (25)		30,754.00		9,328.00 (25)		134,184.00		
Wei Yintao	Director	31/08/2017 - 31/12/2017	Shareholders' Meeting to approve the financial statement for the year ended 31 December 2019	18,630.00	7,315.00	0.00	0.00	0.00	0.00	25,945.00	0.00	0.00
Of which is compensated in Pirelli & C. S.p.A.				18,630.00 (15)	7,315.00 (9)					25,945.00		
Of which is compensated by Subsidiaries and Affiliates												
Executives with strategic responsibilities (27)			/	4,988,379.00	0.00	5,145,397.00	0.00	106,347.00	257,750.00	10,497,873.00	0.00	0.00
Of which is compensated in Pirelli & C. S.p.A.				1,925,724.00 (27)		1,783,485.00		47,768.00 (28)	62,750.00 (29)	3,819,727.00		
Of which is compensated by Subsidiaries and Affiliates				3,062,655.00		3,361,912.00		58,579.00 (28)	195,000.00 (29)	6,678,146.00		
Francesco Fallacaxa	Chairman of the Board of Statutory Auditors	01/01/2017 - 31/12/2017	Shareholders' Meeting to approve the financial statement for the year ended 31 December 2017	75,000.00	0.00	0.00	0.00	0.00	0.00	75,000.00	0.00	0.00
Of which is compensated in Pirelli & C. S.p.A.				75,000.00						75,000.00		
Of which is compensated by Subsidiaries and Affiliates												
Antonella Carù	Standing Auditor	01/08/2017 - 31/12/2017	Shareholders' Meeting to approve the financial statement for the year ended 31 December 2017	20,959.00	30,014.00	0.00	0.00	0.00	0.00	50,973.00	0.00	0.00
Of which is compensated in Pirelli & C. S.p.A.				20,959.00	30,014.00 (30)					50,973.00		
Of which is compensated by Subsidiaries and Affiliates												
Fabio Artoni	Standing Auditor	01/01/2017 - 31/12/2017	Shareholders' Meeting to approve the financial statement for the year ended 31 December 2017	57,000.00	0.00	0.00	0.00	0.00	0.00	57,000.00	0.00	0.00
Of which is compensated in Pirelli & C. S.p.A.				50,000.00						50,000.00		
Of which is compensated by Subsidiaries and Affiliates				7,000.00 (31)						7,000.00		
Luca Nicodemi	Standing Auditor	05/09/2017 - 31/12/2017	Shareholders' Meeting to approve the financial statement for the year ended 31 December 2017	16,164.00	0.00	0.00	0.00	0.00	0.00	16,164.00	0.00	0.00
Of which is compensated in Pirelli & C. S.p.A.				16,164.00						16,164.00		
Of which is compensated by Subsidiaries and Affiliates										0.00		
Alberto Villani	Standing Auditor	05/09/2017 - 31/12/2017	Shareholders' Meeting to approve the financial statement for the year ended 31 December 2017	16,164.00	0.00	0.00	0.00	0.00	0.00	16,164.00	0.00	0.00
Of which is compensated in Pirelli & C. S.p.A.				16,164.00						16,164.00		
Of which is compensated by Subsidiaries and Affiliates										0.00		

First name and surname	Position	Period of the position covered	End of term of office date	Fixed compensation	Compensation for participation in committees	Non equity variable compensation		Non monetary benefits	Other compensation	Total	Fair Value of equity compensation	Indemnity for end of term of office or of employment relationship
						Bonuses and other incentives	Profit-sharing					
* * * * *												
Total compensated in Pirelli & C. S.p.A.				4,308,831.00	193,383.00	2,431,560.00		205,270.00	109,818.00	7,248,862.00		
Total compensated by Subsidiaries and Affiliates				5,163,757.00		8,064,025.00		67,907.00	195,000.00	13,490,689.00		
Total				9,472,588.00	193,383.00	10,495,585.00		273,177.00	304,818.00	20,739,551.00		

(1) Of which: EUR 14,630 as Director of Pirelli & C. S.p.A.; EUR 900,000 as Executive Vice Chairman and Chief Executive Officer of Pirelli & C. S.p.A. and EUR 13,000 as attendance fees for participation in corporate bodies meetings from 1/1/2017 to 3/10/2017

(2) As Chairman and Chief Executive Officer of Pirelli Tyre S.p.A.

(3) Of which: EUR 12,192 as Chairman of the Appointments and Successions Committee of Pirelli & C. S.p.A. and EUR 12,192 as Chairman of the Strategies Committee of Pirelli & C. S.p.A.

(4) Of which EUR 126,318 referring to an insurance policy in line with what indicated in the 2018 remuneration policy, EUR 5,632.00 referring to Company car, EUR 6,000 referring to payments for supplementary pension, and EUR 2,952 referring to payments for health insurance.

(5) Of which EUR 400,000 as Chairman of Pirelli & C. S.p.A., EUR 14,630 as Director of Pirelli & C. S.p.A. and EUR 6,000 as attendance fees for participation in corporate bodies meetings from 1/1/2017 to 3/10/2017

(6) As a member of the Appointments and Successions Committee of Pirelli & C. S.p.A.

(7) Compensation paid back to the company concerned

(8) Of which EUR 8,000 as attendance fees for participation in corporate bodies meetings from 1/1/2017 to 3/10/2017 and EUR 14,630 as Director of Pirelli & C. S.p.A. from 4/10/2017 to 31/12/2017

(9) As a member of the Strategies Committee of Pirelli & C. S.p.A.

(10) Of which EUR 16,000 as attendance fees for participation in corporate bodies meetings from 1/1/2017 to 3/10/2017 and EUR 14,630 as Director of Pirelli & C. S.p.A. from 4/10/2017 to 31/12/2017

(11) Of which EUR 6,096 as a member of the Compensation Committee of Pirelli & C. S.p.A. and EUR 7,315 as a member of the Appointments and Successions Committee of Pirelli & C. S.p.A. and EUR 7,315 as a member of the Strategies Committee of Pirelli & C. S.p.A.

(12) Of which EUR 13,000 as attendance fees for participation in corporate bodies meetings from 1/1/2017 to 3/10/2017 and EUR 14,630 as Director of Pirelli & C. S.p.A. as of 4/10/2017 and EUR 600,000 as Executive with strategic responsibilities for Pirelli & C. S.p.A. (until 31/12/2017). It should be noted that this does not include the remuneration received from Prelios S.p.A., a company that at 31 December 2017 did no longer appear among the Affiliates companies

(13) Of which EUR 3,132 relating to an insurance policy, EUR 4,516 relating to the Company car, EUR 6,000 relating to contributions for supplementary pension and EUR 2,952 relating to payments of a health insurance

(14) of which EUR 17,068 as Director in charge of Sustainability and EUR 30,000 as a pro-quota payment for non-competition agreement as long as the employment relationship is on-going

(15) Of which: EUR 4,000 as attendance fees for participation in corporate bodies meetings from 31/8/2017 to 3/10/2017 and EUR 14,630 as Director of Pirelli & C. S.p.A. as from 4/10/ 2017.

(16) Of which EUR 6,096 as a member of the Committee for Audit, Risks, Sustainability and Corporate Governance ("CCRSCG") and EUR 6,096 as a member of the Compensation Committee

(17) Of which EUR 7,315 as a member of the Strategies Committee and EUR 14,630 as Chairman of the Related-Party Transactions Committee ("RPTC")

(18) As Chairman of the CCRSCG

(19) Of which EUR 13,000 as attendance fees for participation in corporate bodies meetings from 1/1/2017 to 3/10/2017 and EUR 14,630 as Director of Pirelli & C. S.p.A. as from 4/10/ 2017.

(20) As a member of the RPTC

(21) Of which EUR 6,096 as a member of the CCRSCG and EUR 9,753 as a member of the RPTC

(22) Of which: EUR 3,000 as attendance fees for participation in corporate bodies meetings from 31/8/2017 to 3/10/2017 and EUR 14,630 as Director of Pirelli & C. S.p.A. as from 4/10/ 2017.

(23) As Chairman of the Committee for Audit, Risks, Sustainability and Corporate Governance of Pirelli S.p.A.

(24) As manager of Pirelli Tyre S.p.a. during the fiscal year 2017

(25) Of which: EUR 2,612 for the Company car, EUR 3,764 referring to payments for supplementary pension and EUR 2,952 referring to payments for health insurance

(26) At 31 December 2017 the Executives with strategic responsibilities were: Maurizio Boiocchi, Gustavo Bracco, Giorgio Luca Bruno, Andrea Casaluci (appointed on 6 November 2017), Roberto Righi, Francesco Sala, Maurizio Sala, Luigi Staccoli, and Francesco Tanzi. Giuliano Menassi was Key Manager until 6 November 2017 and therefore the remuneration the latter received for the year is indicated. The remuneration paid to Andrea Casaluci (appointed Key manager on 6 November 2017) is included in the table and related to the whole year. It should be noted that the remuneration paid to Giorgio Luca Bruno is not included in this item, in that it is indicated in the table under his name.

(27) In the total amount are summed EUR 11,000 paid to Gustavo Bracco as attendance fees for participation in corporate bodies meetings from 01/01/2017 to 31/08/2017

(28) These amounts refer to an insurance policy, health insurance policy, Company car, housing, and payments to supplementary pension funds.

(29) These amounts refer to the pro-quota payment set forth in the non-competition agreement as long as the employment relationship is on-going.

(30) As member of the Supervisory Board from 1/1/2017.

(31) As Statutory Auditor of Pirelli Industrie Pneumatici S.r.l. and Driver Italia S.p.A.

3. MONETARY INCENTIVE PLANS FOR MEMBERS OF THE BOARD OF DIRECTORS AND EXECUTIVES WITH STRATEGIC RESPONSIBILITIES

For a description of the monetary incentive plans, see paragraph 5 of the Remuneration Policy.

The variable incentive scheme of Pirelli envisages that the payment of 25% of any MBO accrued is deferred by 12 months and is subject to the achievement of MBO objectives for the following year. In particular:

- > in the event that no MBO has matured in the following year, the deferred MBO share of the previous year is definitively "lost";
- > in the event that the MBO has matured in the following year at the level of the access threshold, the MBO share deferred from the previous year is returned;
- > in the event of the MBO achieving between the target level and the maximum level in the following year, payment - in addition to the return of the MBO share deferred from the previous year - of an additional amount between 20% and 40% of the entire MBO matured in the previous year (for results earned in the following year between the target and maximum levels, the increase in the previous year MBO bonus shall be calculated by linear interpolation).

First name and surname	Position	Plan	Bonus for the year			Bonus for the previous year			Other bonuses
			Payable/Paid out	Deferred	Deferment period	No longer payable	Payable/Paid out	Still deferred	
Marco Tronchetti Provera	Executive Vice Chairman and Chief Executive Officer	MBO 2017	3,013,016.00	824,843.00	-	-	469,680.00	-	0.00
		LTI Plan 2016-2018 (1)	833,500.00	0.00	-	-	-	-	0.00
Giorgio Luca Bruno	Director (2)	MBO 2017	387,201.00	104,976.00	-	-	64,543.00	-	0.00
		LTI Plan 2016-2018	155,898.00	0.00	-	-	-	-	0.00
Giovanni Tronchetti Provera	Director (3)	MBO 2017	19,304.00	5,199.00	-	-	3,709.00	-	0.00
		LTI Plan 2016-2018	6,251.00	0.00	-	-	-	-	0.00
Key managers	Director (4)	MBO 2017	2,939,660.00	829,397.00	-	-	402,829.00	-	0.00
		LTI Plan 2016-2018	998,425.00	0.00	-	-	-	-	0.00
(I) Compensation in the company preparing the financial report (5)		MBO 2017	1,294,675.00	379,665.00	-	-	139,032.00	-	0.00
		LTI Plan 2016-2018	379,305.00	0.00	-	-	-	-	0.00
(II) Compensation from Subsidiaries and Affiliates		MBO 2017	5,064,506.00	1,384,750.00	-	-	801,729.00	-	0.00
		LTI Plan 2016-2018	1,614,769.00	0.00	-	-	-	-	0.00
(III) Total			8,353,255.00	1,764,415.00	-	-	940.761,00	-	0.00

- (1) The 2016-2018 LTI Plan was closed ahead of time following a deliberation of the Board of Directors on 28 July 2017 and the pro-quota payment of the award matured.
- (2) Giorgio Luca Bruno is included in the MBO and LTI variable incentive plans as Executive with strategic responsibilities for Pirelli & C. S.p.A. until 31 December 2017.
- (3) Giovanni Tronchetti Provera is included in the variable incentive MBO and LTI Plans as Executive of Pirelli Tyre S.p.A..
- (4) As of 31 December 2017 the following were Executives with strategic responsibilities: Maurizio Sala, Francesco Tanzi, Giorgio Luca Bruno, Luigi Staccoli, Maurizio Boiocchi, Gustavo Bracco, Roberto Righi, Francesco Sala and Andrea Casaluci. It should be noted that Giuliano Menassi was an Executive with strategic responsibilities from 1/1/2017 to 6/11/2017 and therefore the amount includes the variable incentive paid to the latter. It should also be noted that Giorgio Luca Bruno no longer qualifies as Executive with strategic responsibilities as of 1 January 2018 and the amount referring to the variable component in the remuneration of the latter is not included in the total amount herein, in that it is indicated in the table under his name, as a Director of the Company.

4. SCHEDULE RELATING TO EQUITY INVESTMENTS OF THE MEMBERS OF THE ADMINISTRATIVE AND CONTROL BODIES AND EXECUTIVES WITH STRATEGIC RESPONSIBILITIES

The table below provides disclosures on any equity investments held in Pirelli & C. S.p.A. and in its Subsidiary Companies, by those who, even for a fraction of the year, have held the position of:

- > member of the Board of Directors;
- > member of the Board of Statutory Auditors;
- > Executive with strategic responsibilities.

In particular, it indicates, for each member of the Board of Directors and Board of Statutory Auditors and cumulatively for other Executives with strategic responsibilities, with regard to each company in which shares are held, the number of shares, by category:

- > held at the end of the prior year;
- > purchased during the reporting year;
- > sold during the reporting year;
- > held at the end of the reporting period.

In this regard, the title of possession and the manner in which it is held are also specified.

It includes all the persons who, during the reporting year, held⁴⁰ positions as members of the administrative and control bodies or as Executives with strategic responsibilities, even for a fraction of the year.

1) SHAREHOLDINGS OF THE MEMBERS OF THE ADMINISTRATIVE AND CONTROL BODIES AND GENERAL MANAGERS

Surname and first name	Position	Company in which share is held	No of shares held at 31/12/2016	No of shares purchased/underwritten	No of shares sold	No of shares held at 31/12/2017
Giorgio Luca Bruno	Director	Pirelli & C.	0	500 ^o	-	500

^o Shares purchased at the listing of the Company on 4 October 2017

2) SHAREHOLDINGS OF OTHER EXECUTIVES WITH STRATEGIC RESPONSIBILITIES

Number of Key Managers	Company in which share is held	No of shares held at 31/12/2016	No of shares purchased/underwritten	No of shares sold	No of shares held at 31/12/2017
-	-	(1)	-	-	-

⁴⁰ The Directors who have ceased to hold office before the start of trading of the Company's shares on the Telematic Stock Exchange (Mercato Telematico Azionario) are not included. These Directors are entitled to receive an attendance fee amounting to € 1,000 for each meeting of the Company's governing bodies they have taken part in.