

THE BOARD OF DIRECTORS'

REPORT ON REMUNERATION

**(PREPARED IN COMPLIANCE WITH ARTICLES 123—*TER* OF TUF AND 84-*QUATER* OF
RULES FOR ISSUERS IN ADDITION TO ART. 6 OF THE CODE OF CORPORATE
GOVERNANCE FOR LISTED COMPANIES ISSUED BY BORSA ITALIA)**

**Approved by the Board of Directors of Bolzoni S.p.A.
on March 13, 2014**

GLOSSARY

Bolzoni	Bolzoni S.p.A.
Code of Corporate Governance or Code	The Code of Corporate Governance for listed companies approved December 2011 by the Committee for <i>Corporate Governance</i> and promoted by Borsa Italiana.
Remuneration Committee or Committee	The Remuneration Committee formed by Bolzoni in compliance with the Code.
Board of Directors or Board	Bolzoni's Board of Directors.
Board of Statutory Auditors	Bolzoni's Board of Statutory Auditors.
Managers with Strategic Responsibilities	Any Managers, as under art. 65, paragraph 1- <i>quater</i> , of Rules for Issuers, and appendix 1 of Consob Ruling resolution n° 17221 dated 12.3.2010 e subsequent modifications and completed, identified by the Board of Directors.
Group	Bolzoni and the companies under its control as established under art. 93 of TUF
Instructions to Borsa's Regulations	The Instructions to Regulations for Markets organized and managed by Borsa Italiana
Remuneration Policy	The Remuneration Policy approved by the Board of Directors on March 13, 2014, described in Section I of this Report.
Regulations of the Committee	The Regulations of the Remuneration Committee.
Rules for Issuers	Rules issued by Consob on May 14, 1999 with resolution n° 11971 regarding Issuers, and subsequently amended and completed.
Report	This remuneration report prepared in accordance with articles 123- <i>ter</i> of TUF and 84- <i>quater</i> of Rules for Issuers in addition to art. 6 of the Code.
Company or Issuer	Bolzoni S.p.A.
TUF	The Legislative Decree n° 58 passed on February 24, 1998 and subsequently amended and completed

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Introduction

This Report has been drawn up and approved by the Board of Directors, on 13 March 2014, pursuant to article 123-*ter* of the Leg.Decree n° 58 dated 24 February 1998 (“TUF”) and article 84-*quater* of the Rules for Issuers, to illustrate to Shareholders the remuneration policy for the members of the administrative bodies, general managers and first level managers (the “Remuneration Policy”).

Following the request by *Borsa Italiana* and the resulting in-depth analysis, in 2013 Bolzoni S.p.A. reconsidered the role of all its managers, with regards to the definition and categories established by the regulations in force on the subject of remuneration.

As a result of the controls made with the help of the Remuneration Committee, the Company reached the decision to circumscribe the qualification of ‘Managers with strategic responsibilities’ only to the members of its Board of Directors. While highlighting the fundamental role of the other Group managers, traditionally known as “First level managers’, it was ascertained that they do not exercise, directly or indirectly, powers and responsibilities on the planning, management and control of the corporate and group activities but hold an executive and implemental role, even though at a top level.

In this way, neither the dispositions of the law, nor the recommendations in the Code of governance for Managers with strategic responsibilities are applicable to the first level managers of Bolzoni S.p.A. The absence of disclosure in this document, with respect to the same report prepared last year, is therefore due to the above mentioned and described reassessment.

SECTION I: REMUNERATION POLICY

1. Procedures employed for the adoption and implementation of the Remuneration Policy

As established under article 18 of the company bylaws, the Shareholders’ Assembly, on the appointment of a new Board of Directors, approves the overall annual remuneration for Directors and each year takes a non-binding vote on the remuneration policy proposed by the Board of Directors. Once the opinion of the Board of Statutory Auditors has been acquired, within the framework established by the Shareholders’ Assembly, the Board of Directors implements the Remuneration Policy based on the proposal by the Remuneration Committee (*cf.* below under Paragraph 2).

The Remuneration Policy, as described in this section of the Report, is submitted each year to the non-binding approval by the Shareholders’ Assembly called pursuant to art. 2364 of the civil code.

2. The Remuneration Committee and its role

The Remuneration Committee is composed of two independent directors Raimondo Cinti and Giovanni Salsi and a non-executive director: Pierluigi Magnelli. The first acts as Chairman of the Committee.

Of the three components of the committee, one member possesses an adequate knowledge and experience in financial matters and retribution policies; the other two have significant know-how and experience in staff and retribution policies.

Upon invitation of the Chairman, the Chairman of the Board of Statutory Auditors attends the committee meetings, or in his absence, another statutory auditors.

If other persons who are not committee members attend the meeting, this is upon invitation of the committee Chairman, in relation to particular points of discussion.

The executive Directors do not attend the committee meetings when their remuneration is being discussed.

All committee meetings are regularly recorded.

Pursuant to art. 6.C.5. of Code, the Remuneration Committee is vested with the following functions in relation to the remuneration policy:

- it periodically assesses the adequacy, the overall consistency and the effective application of the remuneration policy for directors and managers with strategic responsibilities, on the basis of information provided by the managing directors; it periodically formulates proposals to the board of directors on this subject;
- it presents proposals or expresses its opinion to the board of directors regarding remuneration for executive directors and other directors vested with special offices as well as regarding the determination of performance objectives linked to the variable part of this remuneration; it monitors the application of decisions adopted by the board itself and verifies, in particular, the actual achievement of the performance objectives;
- on request of the Board of Directors, it evaluates the general remuneration policy applied by the Company, particularly towards Managers, and expresses opinions and proposals to the Board.

In order to fulfill its duties, the Committee meets at least once a year and in any case, on the date of the Board Meeting called to deliberate on the remuneration of the Executive Directors or those invested with special offices and/or the Company's top management or for possible stock option plans or assignment of shares.

During the financial year 2013 the Committee met twice and the meetings lasted an average of 90 minutes.

In the course of 2013 the Committee performed the following activities:

- it examined the notice received from *Borsa Italiana* regarding some requests for explanations on the remuneration policy;
- it contributed to the definition of the performance objectives used for calculating the three-year incentive bonus for the executive directors.

The Committee acknowledges that, in the fulfillment of its duties, it has been given access to all the necessary information and company departments.

The Committee has not considered it necessary to involve outside independent experts in the fulfillment of its duties.

For the current financial year only one meeting is scheduled and which has already been held at the date this report is approved.

3. Aims and principles of the Remuneration Policy

The Company's Remuneration Policy is designed to attract, motivate and retain the human resources with the professional qualities necessary to successfully achieve the Company's objectives.

The Remuneration Policy, with specific reference to the CEO, aims at the achievement of the following objectives:

- to involve and motivate him in the creation of value in favour of all the Shareholders on a medium-long term;
- to encourage the retention of the company's principal resources;
- to set up a remuneration system based on a fixed component and a variable component, linked to the actual realization of specific management results in relation to the creation of value for shareholders on the medium-long term

In determining the remuneration, the Board of Directors will take into consideration (i) the Group's tradition regarding remuneration; (ii) the dimension of the company; (iii) the importance of the position involved (position and level in the organisation, strategic contribution and priority level of the role, impact on company results); (iv) the risk profile accompanying the functions and (v) the fiscal component.

The above described principles for motivating merit and efficiency are also behind the Group's entire remuneration policy in its various company and managerial divisions.

4. Remuneration components

4.1 Remuneration of directors vested with special offices

The Board of Directors, in assessing the incentive policy for the Executive Directors, also considers their quality as shareholders of reference of Penta Holding S.p.A., the company controlling Bolzoni S.p.A.

This characteristic represents an essential qualifying component, inseparable from the decades of relations with the company, and alone guarantees the alignment of their operating objectives with the purpose of a stable creation of value for all Shareholders on the long term.

Bolzoni S.p.A.'s remuneration policy in their regards with all probability does not correspond to the traditional criteria commonly chosen in the Doctrine and, in some ways does not reflect the indications provided by the Code. Nevertheless, the constant commitment of the Executive Directors, as shareholders of the controlling company, towards the activity of Bolzoni S.p.A. represents an essential characteristic of their contribution and a crucial factor for the company's well-being.

With reference to the above, the remuneration of the Chairman, Emilio Bolzoni, with delegated management powers exercisable independently from the C.E.O., is not linked to the economic results achieved by the Company and is therefore solely made up of a fixed part established, within the limits of the overall amount established by the Shareholders' Assembly on his appointment.

The remuneration of the CEO, Roberto Scotti, though taking into consideration the above, is however more markedly modeled after the principles described in the previous which foresee:

- a) a balance between fixed component and variable component;
- b) the determination of absolute limits for the variable component;
- c) the adequacy of the fixed component so that the remuneration is suitable even in the event of the objectives at the base of the variable component not being achieved;
- d) that the objectives linked to the variable remuneration are predetermined, measurable and linked to the creation of value on a medium-long term;
- e) compensation of the early termination of employment is suitably limited with respect to the overall remuneration and is not owed in the event of inadequate results.

In view of the above, the remuneration of the CEO, Roberto Scotti, is made up of the following:

- (a) a fixed annual gross amount;
- (b) a variable component linked to pre-determined, measurable objectives and connected to creating value for shareholders;
- (c) a variable component in proportion to medium-long term objectives over a certain period of time, defined and quantified on a three-year basis;
- (d) possible one-off bonuses.

The decision regarding the remuneration for the CEO is taken once a year, during the meeting of the Board of Directors, in his absence and after having acquired the favourable opinion of the Remuneration Committee and the Board of Statutory Auditors.

In calculating component (b) the result indicators used are consolidated turnover and consolidated Ebitda margin; progressive levels of incentives are linked to various levels of these indicators

As for component (c) the degree of incentive indicated at the previous letter, linked to a different time profile of the same variables, is applied progressively over a three year period, with a view to a medium-long term, according to a logic suggested by the Code.

In the course of 2013 some exceptional facts occurred suggesting the determination of a one-off bonus for the CEO. The recognition is the result of the procedure implemented and established by the rules for operations with related parties.

In the event of termination of employment in the course of the year the bonus will not be paid.

4.2 *The remuneration of non-executive directors*

In the light of the recommendations contained in the Code, the remuneration of non-executive Directors is not linked to the economic results obtained by the Company and/or Group.

The remuneration of the non-executive Directors is solely made up of a fixed component, resolved by the Board of Directors once the opinion of the Board of Statutory Auditors has been acquired, within a maximum limit established by the Ordinary Assembly of Shareholders.

4.3 Remuneration of the Board of Statutory Auditors

The remuneration for the Board of Statutory Auditors is established by the Assembly of Shareholders during its nomination and is valid for the entire tenure.

5. Policy adopted for non-monetary benefits

The Company's Remuneration Policy does not foresee non-monetary benefits in favour of the Directors or Statutory auditors.

6. Vesting period, possible deferred payment systems, with indications of deferred period and the criteria employed for establishing these periods and, if contemplated, the mechanisms for determining these periods

At the date of this Report, the Company has prepared a Remuneration Policy which does not foresee deferred vesting periods, nor deferred payment systems or mechanisms for correction *ex post*.

The incentive for a stable and progressive commitment to the achievement of the results is provided to the CEO by the mechanism for the accumulation of objectives and bonus which, on the achievement of the results, is extended over a three year period.

7. Disclosure on possible clauses for maintaining financial instruments in portfolio after their purchase, including indications on maintenance periods and criteria used for determining these periods

The Remuneration Policy does not currently foresee incentive plans based on financial instruments.

8. Policy regarding payments established in the event of termination of office or of employment contract

The Remuneration Policy does not foresee the stipulation of agreements between the Company and directors, especially those with special offices, with the object of contemplating a compensation in the case of resignation or dismissal/removal without just cause or in the event of termination of employment following a takeover bid.

9. Indications on possible use of other companies' retribution policies as a reference

The Remuneration Policy has been drawn up by the Company without using the policies of other companies as reference.

SECTION II – COMPENSATION RECEIVED DURING FINANCIAL YEAR 2013 BY THE MEMBERS OF THE BOARD OF DIRECTORS AND THE BOARD OF STATUTORY AUDITORS

This section of the Report illustrates the compensation for financial year 2013 due to the members of the Board of Directors and of the Board of Statutory Auditors

* * *

PART 1 – COMPONENTS MAKING UP THE REMUNERATION

This part of Section II provides adequate information on each component making up the remuneration for the members of the Board of Directors and the Board of Statutory Auditors with regards to the financial year 2013.

These components are also indicated in the tables in Part 2 of this Section.

1.1 Board of Directors

1.1.1 Chairman of the Board of Directors - Emilio Bolzoni

As previously explained, the remuneration of the Chairman is not linked to the economic results achieved by the Company and is therefore solely made up of a fixed part established, within the limits of the overall amount established by the Shareholders' Assembly on his appointment.

1.1.2 C.E.O. - Roberto Scotti

The following is a description of each component of the remuneration of the C.E.O. for the financial year 2013:

- i) a fixed retribution of 230,000 euros;
- ii) no variable retribution because linked to indicators the minimum values of which were not achieved;
- iii) a one-off bonus amounting to 60,000 euros, approved by the Board of Directors on March 14, 2013 in recognition of the work done.

1.1.3 Other members of the Board of Directors

As specified previously, the remuneration for the other members of the Board of Directors, all non-executive, is not linked to the economic results achieved by the Company and is therefore solely made up of a fixed part.

1.2 Board of Statutory Auditors

During the financial year 2013, remuneration for the Board of Statutory Auditors, as established by the Shareholders' Assembly on 29/4/2013, was made up of the following:

- to Giorgio Picone (Chairman), remuneration for the financial year 2013 of 25,000 euros;
- to Maria Gabriella Anelli and Carlo Baldi, remuneration for the financial year 2013 of 14,000 euros each.

1.3 Agreements which foresee an indemnity in the event of early termination of office

As already explained, with particular reference to the Executive Directors, there are no specific agreements establishing indemnities in the event of early termination of office.

For this reason no amount was paid in this regard during the financial period, nor has it matured for future payment.

SECOND PART - TABLES

The following tables provide details on the remuneration for the members of the Board of Directors and of the Board of Statutory Auditors , paid or to be paid by the Company, the Subsidiary and Associated Companies with reference to financial year 2013.

Table 1: Retribution paid to members of Board of Directors and Board of Statutory Auditors as well as First Level Managers during financial year 2012

Name and surname	Position	Period in office	Term of office	Fixed compensation	Compensation for sitting on committees	Variable non-equity compensation		Non-monetary benefits	Other compensation	Total	Fair Value of equity compensation	Indemnity for end of office or termination of employment
						Bonuses and other incentives	Profit sharing					
<i>1) Compensation in the company drafting the financial statement</i>												
Emilio Bolzoni	Chairman	2013	Apr. 2014 finan.report	230,000	-	-	-	-	-	230,000	-	-
Roberto Scotti	C.E.O.	2013	Apr. 2014 finan.report	230,000	-	60,000*	-	-	-	290,000	-	-
Luigi Pisani	Non-executive director	2013	Apr. 2014 finan.report	28,000	-	-	-	-	-	28,000	-	-
Franco Bolzoni	Non-executive director	2013	Apr. 2014 finan.report	28,000	-	-	-	-	-	28,000	-	-
Pierluigi Magnelli	Non-executive director	2013	Apr. 2014 finan.report	28,000	-	-	-	-	-	28,000	-	-
Davide Turco	Non-executive director	2013	Apr. 2014 finan.report	28,000	-	-	-	-	-	28,000	-	-
Karl Peter Staack	Non-executive director	2013	Apr. 2014 finan.report	28,000	-	-	-	-	-	28,000	-	-
Raimondo Cinti	Independent Director	2013	Apr. 2014 finan.report	28,000	-	-	-	-	-	28,000	-	-
Giovanni Salsi	Independent Director	2013	Apr. 2014 finan.report	28,000	-	-	-	-	-	28,000	-	-
Paolo Mazzoni	Independent Director	2013	Apr. 2014 finan.report	28,000	-	-	-	-	-	28,000	-	-
Claudio Berretti	Non-executive director	2013	Apr. 2014 finan.report	28,000	-	-	-	-	-	28,000	-	-
Giorgio Picone	Chairman Board of Statutory Auditors	2013	Apr. 2015 finan.report	25,000	-	-	-	-	-	25,000	-	-
Maria Gabriella	Statutory Auditor	2013	Apr. 2015	14,000	-	-	-	-	-	14,000	-	-

Anelli			finan.report									
Carlo Baldi	Statutory Auditor	2013	Appr. 2015 finan. report	14,000	-	-	-	-	-	14,000	-	-
(II) Compensation from subsidiaries and associates												
Emilio Bolzoni	Chairman	2013	Until revoked	33,000 ^(**)	-	-	-	-	-	33,000	-	-
Roberto Scotti	C.E.O.	2013	Until revoked	33,000 ^(***)	-	-	-	-	-	33,000	-	-
(III) Total												
Emilio Bolzoni	Chairman	2013	Appr. 2014 finan.report	263,000	-	-	-	-	-	263,000	-	-
Roberto Scotti	C.E.O.	2013	Appr. 2014 finan.report	263,000	-	60,000*	-	-	-	323,000	-	-
Luigi Pisani	Non-executive director	2013	Appr. 2014 finan.report	28,000	-	-	-	-	-	28,000	-	-
Franco Bolzoni	Non-executive director	2013	Appr. 2014 finan.report	28,000	-	-	-	-	-	28,000	-	-
Pierluigi Magnelli	Non-executive director	2013	Appr. 2014 finan.report	28,000	-	-	-	-	-	28,000	-	-
Davide Turco	Non-executive director	2013	Appr. 2014 finan.report	28,000	-	-	-	-	-	28,000	-	-
Karl Peter Staack	Non-executive director	2013	Appr. 2014 finan.report	28,000	-	-	-	-	-	28,000	-	-
Raimondo Cinti	Independent Director	2013	Appr. 2014 finan.report	28,000	-	-	-	-	-	28,000	-	-
Giovanni Salsi	Independent Director	2013	Appr. 2014 finan.report	28,000	-	-	-	-	-	28,000	-	-
Paolo Mazzoni	Independent Director	2013	Appr. 2014 finan.report	28,000	-	-	-	-	-	28,000	-	-
Claudio Berretti	Non-executive director	2013	Appr. 2014 finan.report	28,000	-	-	-	-	-	28,000	-	-
Giorgio Picone	Chairman of Board Statutory Auditors	2013	Appr. 2015 finan.report	25,000	-	-	-	-	-	25,000	-	-
Maria Gabriella Anelli	Statutory auditor	2013	Appr. 2015 finan.report	14,000	-	-	-	-	-	14,000	-	-

Carlo Baldi	Statutory auditor	2013	Appr. 2015 finan. report	14,000	-	-	-	-	-	14,000	-	-
(III) TOTAL				831,000		60,000*	-	-	-	891,000	-	-

(amounts in Euros)

NOTES

Variable non-equity compensation: In 2013 the incentives for the CEO were not paid as they were linked to a given percentage Ebitda value which was not achieved.

(*) One-off bonus approved by the Board of Directors in recognition of the work done..

(**) The Chairman's fixed compensation deriving from Subsidiaries and Associates refers to emoluments resulting from the position of Director of the subsidiary Auramo Oy.

(***) The CEO's fixed compensation deriving from Subsidiaries and Associates refers to emoluments resulting from the position of Director of the subsidiary Hans H. Meyer GmbH.

TABELLA 3B: Monetary incentive plans in favour of the members of the Board of Directors

Surname and name	Position	Plan	Year's bonus			Bonus for previous years			Other bonuses
			Payable/Paid	Deferred	Deferred period	No longer payable	Payable/Paid	Still deferred	
<i>1. Compensation in the company drafting the financial report</i>									
Roberto Scotti	CEO		-	-	-	-	-	-	60,000
TOTAL			-	-	-	-	-	-	60,000

SECTION III: INFORMATION ON INVESTMENTS OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE STATUTORY BOARD OF AUDITORS

The following table gives information on the investments held in Bolzoni and the companies under its control by the members of the Board of Directors and the Statutory Board of Auditors

Name and Surname	Position	Investee Company	Number of shares held at the end of financial year 2012	Number of shares purchased	Number of shares sold	Number of shares held at end of financial year 2013
Emilio Bolzoni	Chairman of the Board	Bolzoni S.p.A.	21,873	-	-	21,873
Roberto Scotti	C.E.O.	Bolzoni S.p.A.	50,913	-	-	50,913
Pier Luigi Magnelli	Director	Bolzoni S.p.A.	22,267	-	-	22,267
Luigi Pisani	Director	Bolzoni S.p.A.	34,002	-	-	34,002
Franco Bolzoni	Director	Bolzoni S.p.A.	208,726	-	-	208,726
Davide Turco	Director	Bolzoni S.p.A.	-	-	-	-
Karl-Peter Staack	Director	Bolzoni S.p.A.	912,282	-	-	912,282
Raimondo Cinti	Director	Bolzoni S.p.A.	-	-	-	-
Giovanni Salsi	Director	Bolzoni S.p.A.	2,000	-	-	2,000
Paolo Mazzoni	Director	Bolzoni S.p.A.	1,570,00	-	-	1,570,000*
Claudio Berretti	Director	Bolzoni S.p.A.	-	-	-	-
Giorgio Picone	Chairman Statutory Board of Auditors	Bolzoni S.p.A.	-	-	-	-
Carlo Baldi	Standing Auditor	Bolzoni S.p.A.	-	-	-	-
Maria Gabriella Anelli	Standing Auditor	Bolzoni S.p.A.	-	-	-	-

* Shares owned by Paolo Mazzoni decreased to 901,665 on 21/2/2014.

The table includes all the subjects who, during the year of reference, have held an office as member of the administrative and controlling bodies, as general manager or managers with strategic responsibilities, even for a fraction of the year.

Podenzano, March 13, 2014