



**Esprinet S.p.A.**

Registered office: Via Energy Park 20, Vimercate (MB)

Share capital of EUR 7,860,651.00 (fully paid-in)

Monza and Brianza Companies Register no. 05091320159

Tax no. 05091320159, VAT no. IT 02999990969

REA MB - 1158694

**Shareholders' Meeting**

**28 April 2015 (first call)**

**30 April 2015 (second call)**

\* \* \*

**Report by the Board of Directors on the motion contained in item 2) of the agenda for the Ordinary Shareholders' Meeting:**

**2. Appointment of the Board of Directors for the period 2015-17.**

**2.1 Determination of the number of members**

**2.2 Appointment of the Directors**

**2.3 Appointment of the Chairman**

**2.4 Determination of the compensation**

\* \* \*

Dear Shareholders,

The three-year term of office of the Board of Directors appointed by the Shareholders' Meeting of 9 May 2012 comes to an end on the occasion of the Shareholders' Meeting called to approve the financial statements as at 31 December 2014.

As such, in compliance with the applicable laws, regulations and Articles of Association, and with the number of members having already been decided, you are invited to appoint the Board of Directors for the financial years 2015, 2016 and



2017, which, pursuant to Article 2383(II) of the Italian Civil Code, will remain in office until the Shareholders' Meeting called to approve the financial statements as at 31 December 2017, and to appoint the Chairman.

Note that, pursuant to Article 14 of the Articles of Association (as updated on 14 January 2013), the Company is administered by a shareholder-appointed Board of Directors comprising between 7 (seven) and 13 (thirteen) members. The Shareholders' Meeting establishes the number of Board members within the limits mentioned above and until a new resolution is passed.

The Shareholders' Meeting of 9 May 2012 resolved that the number of Board members would be 12 (twelve), a number that has since remained unchanged, and the Nomination and Remuneration Committee decided that such a number was suitable for the Board to function properly.

In accordance with a recommendation from the Nomination and Remuneration Committee, the Board of Directors should include individuals with expertise in finance, logistics and management control, and others with expertise in strategic marketing.

Also in accordance with a recommendation from the Nomination and Remuneration Committee, it has been decided that the following rules should apply to the number of posts that can be held by Board members:

- a) Non-executive Directors may hold up to 4 (four) posts in listed companies. There is no limit on the number of other types of post, with each individual Director responsible for deciding whether or not they should take up the position;
- b) the limits may be different for Executive Directors, depending partly on the type of business carried out by the company in which the post is held.



Also in accordance with suggestions from the Nomination and Remuneration Committee, it is deemed that there are no particular organisational requirements resulting in the need to disregard the provisions of Article 2390 of the Italian Civil Code; when accepting their nomination, each Director must inform the Board of any activities they perform in competition with the Company and, subsequently, of any relevant change.

Resolutions for the election of corporate officers are taken on the basis of an open vote, with the majorities required by law and the Articles of Association, using slate voting. Where required by law, voting is by secret ballot.

Article 13 of the Articles of Association provides for a slate voting system, which, pursuant to applicable legislation, enables a Board member to be elected from a minority slate and enables compliance with gender quotas.

For ease of consultation, the section of the aforementioned Article 13 of the Articles of Association that establishes the election methods is copied out below:

*Members of the Board of Directors are elected, in compliance with the current rules on gender balance, on the basis of candidate slates submitted and signed by the nominating shareholders who, alone or in conjunction with other shareholders represent, with respect to the date on which the slate is submitted, at least one fortieth of the share capital or any different amount established by law, and who in any case satisfy any other conditions set by law.*

*Slates must be deposited at the company's registered office at least twenty-five days prior to the date of the meeting at first call unless any shorter deadline is provided by law.*

*Slates must state which candidates qualify as independent, as defined by law for Directors of listed companies.*

*Each slate must be accompanied by declarations in which the nominees accept their candidacy and confirm that there are no grounds for ineligibility or disqualification, that they meet any conditions set by law or the articles of association and (if applicable) that they qualify as independent.*

*Slates containing three or more candidates must be made up of candidates belonging to both genders so that at least one fifth (for the first term of office after 12 August 2012) and then one third (rounded up) of candidates belong to the less represented gender.*

*To demonstrate ownership of the number of shares required for the submission of slates, shareholders must deposit a copy of the specific share certificates issued by the authorised intermediaries by the date set according to the rules governing the publication of slates by the Company. Slates submitted in breach of the articles of association will be treated as not having been submitted.*

*Each shareholder, as well as shareholders belonging to the same group - by which is meant the controlling entity, subsidiaries, sister companies and associates as defined by Article 2359 of the Italian Civil Code - and shareholders participating, including via subsidiaries, in an agreement regarding the company's shares pursuant to Art. 122 of Legislative Decree 58/1998 may not submit more than one slate including through an intermediary or a trust company.*

*For the purposes of this article, control (including with reference to parties in non-corporate form) is defined by Article 93 of Legislative Decree 58/1998.*

*Each candidate may appear on one slate only or will otherwise be disqualified.*

*Each eligible party may vote for one slate only.*

*Without prejudice to Article 2409-septiesdecies of the Italian Civil Code, one member of the Board (who must satisfy the conditions of integrity and professionalism determined in accordance with Article 148, paragraphs III and IV of the TUF) is drawn from the minority slate obtaining the highest number of votes which is not connected in any way, even indirectly, with the shareholders who submitted or voted for the winning slate. For the purposes of selecting the Directors, no account will be taken of slates that fail to obtain a percentage of votes equal to at least half that required for the submission of slates.*

*All other members of the Board are drawn from the slate obtaining the highest number of votes, in the order in which their names appear on that slate, and at least two of them (or any higher number required by the laws in effect at the time when the slates are submitted) must meet the legal definition of independent as established for the Directors of listed companies.*

*In the event of a tie between two or more slates, a new ballot is held between those slates on which all eligible parties present in the meeting may vote. The candidates on the slate winning a simple majority of votes shall be elected, with abstentions excluded from the count.*

*If, furthermore, with the candidates elected according to the method described below, the composition of the Board of Directors is not in line with the current rules on gender balance, the candidate from the more represented gender elected last in progressive order on the slate that obtained the highest number of votes will be replaced by the first candidate of the less represented gender unelected on the same slate according to progressive order. This substitution procedure will be followed until the composition of the Board of Directors is in line with the current rules on gender balance. If, finally, this procedure does not achieve the outcome indicated above, the substitution will be made by resolution of the Shareholders' Meeting taken by a relative majority, following the submission of candidatures from individuals belonging to the less represented gender.*

*This procedure also applies in the case of substitution as described in Article 14, paragraph 5, below.*



Referring to the above transcript for anything not specified below, it is hereby specified that:

- a) the slates containing the names of the candidates must be submitted to the Company's registered office at via Energy Park 20, Vimercate (MB) or by certified email to [esprinet@legalmail.it](mailto:esprinet@legalmail.it) at least 25 days before the Shareholders' Meeting is scheduled at first call;
- b) the slates must be presented and signed by shareholders who, individually or collectively, represent at least 2.5% of the share capital as at the date on which the slate is submitted.

Pursuant to Article 13 of the Articles of Association, shareholders wishing to submit a slate must submit together with each slate:

- (i) the candidates' statements of acceptance of their nomination;
- (ii) the declarations made by each candidate, under their own responsibility, certifying that there are no grounds for ineligibility and incompatibility, and that they possess the requirements established for the positions in question; and
- (iii) the CVs containing the personal and professional qualities of each candidate, along with a declaration of independence from those candidates who fulfil the necessary requirements.

Each candidate may appear on one slate only, otherwise they will be disqualified.

In order to prove ownership of the number of shares required to submit a slate, shareholders must submit - even after submission of the slate itself provided it is at least 21 days before the date set for the Shareholders' Meeting at first call - a copy of the specific communications issued by the authorised intermediaries



certifying ownership of the minimum number of shares required to submit a slate as at the date of submission of said slate to the Company.

The slates must indicate which candidates meet the independence requirements established by law for Directors of listed companies and, more specifically, the independence requirements set forth in Article 3 of the Corporate Governance Code for companies listed on the Italian stock exchange, adopted by the Corporate Governance Committee in July 2014, and in the combined provisions of Articles 147-*ter*(4) and 148(3) of Legislative Decree 58/98.

Directors no longer in possession of the independence requirements shall forfeit their position.

However, Directors no longer in possession of the aforementioned independence requirements will not have to forfeit their possession if such requirements are still met by the minimum number of directors specified by law.

The aforementioned Article 147-*ter* of Legislative Decree 58/98 requires a minimum of two Independent Directors if the Board comprises more than seven members. As such, the Board would like to encourage the appointment of no fewer than three Independent Directors.

Slates or individual candidacies that fail to comply with all the provisions of the Articles of Association, including the one on gender quotas, shall be considered void. Any irregular or incomplete individual candidacies shall result only in the name of the relevant candidate being struck off the slate put to the shareholder vote.

Shareholders submitting a minority slate should read the recommendations contained in CONSOB Communication DEM/9017893 of 26 February 2009.

The Board recommends that the Shareholders' Meeting award to each individual director a fixed salary of up to €30,000.00 (thirty thousand euros),



resulting in a total gross annual amount for all Directors of up to €400,000.00 (four hundred thousand euros), without prejudice to the Board of Directors setting the remuneration of Board members invested with particular duties pursuant to Article 2389 of the Italian Civil Code.

Lastly, taking into account the provisions of Article 2383(2) of the Italian Civil Code, it is noted that the Directors in office between 1 January 2015 and the date on which the Shareholders' Meeting called to approve the financial statements as at 31 December 2014 actually takes place shall receive in the meantime a provisional compensation equal on a pro-rata basis to the 2014 fixed remuneration; this provisional compensation, along with any bonuses for the period in question, will be confirmed at the Shareholders' Meeting called to approve the financial statements as at 31 December 2014, and specifically when votes are taken on the total emoluments to be awarded to the Board for 2015, 2016 and 2017 (unless, of course, the Board is appointed for a shorter period).

\* \* \*

Vimercate, 16 March 2015

For and on behalf of the Board of Directors

The Chairman

Francesco Monti