REPORT ON THE REMUNERATION POLICY AND RELATED COMPENSATION 2020

VIMERCATE, 15 APRIL 2020

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LETTER FROM THE CHAIR OF THE NOMINATION AND REMUNERATION COMMITTEE

Dear Shareholders,

It is with great pleasure that I present the 2020 Report on the Remuneration Policy and Related Compensation, which will be submitted to the Shareholders' Meeting.

This Report was prepared in light of the transposition of the Shareholder Rights Directive II into Italian law through Legislative Decree No. 49 of 10 May 2019, which introduced a clause for a binding vote on Section I and a non-binding vote on Section II by the Shareholders' Meeting.

The main changes introduced in this Report are:

- A broader description of how the Remuneration Policy contributes to the Company's strategy, in the pursuit of long-term interests, with a focus on sustainability issues;
- A more in-depth description of the governance process underpinning the preparation of the Company's Remuneration Policy;
- Inserting a description of the elements of the remuneration policy which may be waived under exceptional circumstances and the procedural conditions for the application of such waiver.
- A description of the proposed changes to the Remuneration Policy compared with the previous year, in particular as regards including ESG parameters in the Company's annual incentive scheme, mainly selected from Customer Satisfaction and Employee Satisfaction.

The Remuneration Policy proposed for 2020 was drawn up following one from the previous one and may be reconsidered when the new Board of Directors is appointed at the 2021 Shareholders' Meeting.

Drawing on the support of qualified external advisors on the subject of executive compensation, the Nomination and Remuneration Committee has structured the incentive systems in recent years so as to ensure a clear alignment between corporate performance and management incentives.

In particular, the short-term incentive plan for management is aligned with annual profitability, financial and social sustainability targets, while the long-term incentive system rewards management by allocating Company shares for hitting value creation targets (economic profit) over a three-year time horizon.

All incentive plans provide for a cap and ways of deferring accrued bonuses above a certain threshold or locking-up a portion of shares allocated to management, in accordance with the provisions of the Corporate Governance Code for Listed Companies. There is also a recovery (*claw-back)* and *malus* provision for variable compensation awarded or deferred.

We believe that the information in this Report provides a detailed description of performance parameters and their link with rewards for the various performance levels in order to better meet investors' expectations.

Special thanks go to directors Cristina Galbusera and Chiara Mauri for their significant contribution to the work of the Nomination and Remuneration Committee in recent years. I am confident that the Remuneration Report will meet with investors' approval, and thank you on behalf of the other members of the Committee for your support of the Company's 2020 Remuneration Policy described in Section I of the Report and of the method of implementation of the 2019 Policy described in Section II of this document.

Mario Massari
Chairman of the Nomination and Remuneration Committee

OVERVIEW OF THE REMUNERATION POLICY FOR EXECUTIVE DIRECTORS [1]

The Table below summarises the main elements that make up the remuneration of the Executive Directors:

- Chairman
- Chief Executive Officer
- Managing Director and CFO.

Member	Purpose	Characteristics
Fixed remuneration	Compensates the skills, professionalism and contribution required by the role to ensure motivation and retention. It includes the following elements: • Remuneration for the position; • Remuneration for special assignments and duties • Compensation from salaried employment (only for Managing Director and CFO)	Chairman: €450,000 Chief Executive Officer €450,000 Managing Director and *CFO*: €349,000
Short-term variable remuneration	Monetary incentive granted annually directed to guide short-term management action in line with corporate objectives.	**Performance indicators:** • Group profitability and financial sustainability indicators, with an 85% weighting • ESG Indicators with a 15% weighting Targets will be set by June 2020 following a more comprehensive Covid-19 impact assessment. In the event of over-performance the bonus can reach 150% of the target bonus (cap). The share of bonus in excess of the target bonus is deferred for one year and is subject to a suspensive condition linked to company profitability ("*malus*")
Long-term variable remuneration	Share Plan linked to the fulfilment of three-year performance conditions (Performance Share Plan), reserved for Executive Directors	**Performance indicators:** • Economic Profit = NOPAT - (WACC x Net Invested Capital) The number of rights can range between 80% and 100% (cap) of the rights awarded based on the performance achieved on a scale from 85% to 100%. A CO2 emissions reduction indicator is also expected to be included in the supply chain from 2021 onwards.
Benefits	These are added to the remuneration package to ensure a total reward approach	Insurance coverage for civil liability (D & O) Company car for multipurpose use Phone for multipurpose use Annual medical check-up

[1] Unless otherwise indicated, all amounts are inclusive of social security and tax charges payable by the beneficiary.

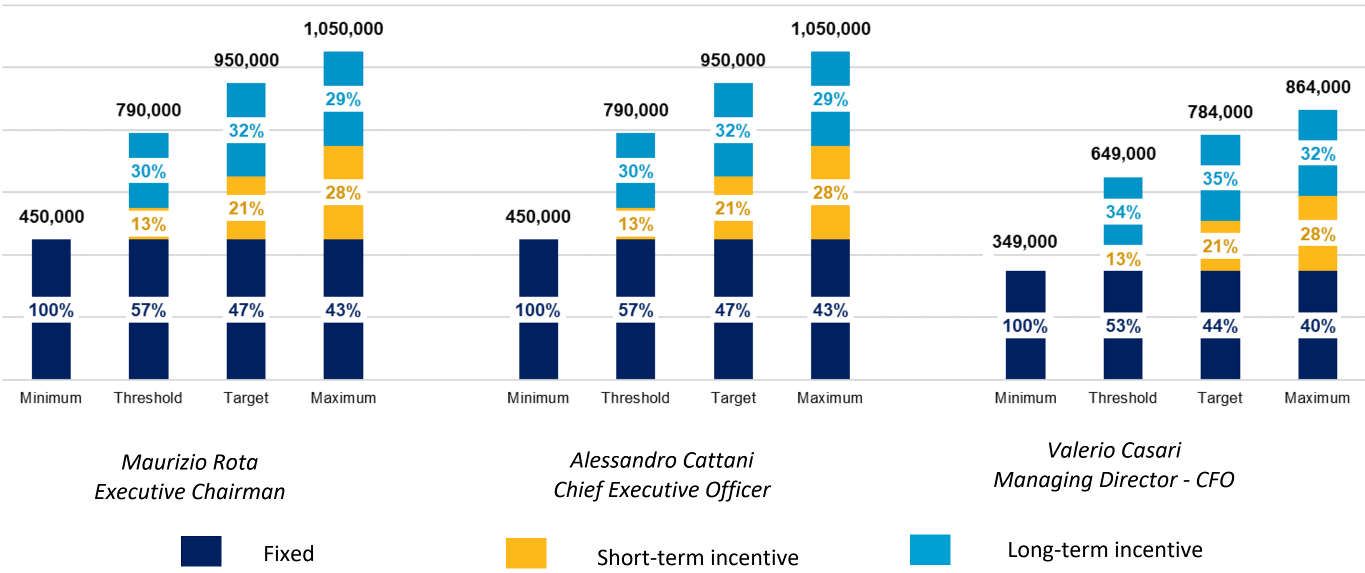
Ancillary benefits		
Severance clauses	These provide for the allocation of predetermined amounts to Executive Directors in the event of early termination of their employment as director without just cause, equal to around 24 months' fixed compensation	Chairman: €900,000 Chief Executive Officer €900,000 Managing Director and CFO: €680,000
Change in control clause	This provides for the assignment of a predetermined amount in case of change of control of the company	The clause is only in force for the CEO role undertaken by Alessandro Cattani, and provides for payment of the sum of €3.5 million
Non-competition and non-solicitation clauses	These clauses provide for a consideration to be paid on termination of the relationship (including non-renewal) for a term of 18 months, equal to around 16 months' fixed remuneration	Chairman: €600,000 Chief Executive Officer €600,000 Managing Director and CFO: €470,000

Pay -mix

The 2020 policy guidelines provide for a remuneration mix for Executive Directors consistent with the characteristics of their role as well as with market practice considering companies of comparable size and complexity.

The following chart represents the theoretical pay mix[2] with reference to several possible performance levels: minimum, threshold, target and maximum. The positions of Executive Chairman, Chief Executive Officer, and Managing Director and CFO are considered.
In particular, the relative weighting of the following components is shown: fixed remuneration, variable short-term incentive, variable long-term incentive (taking into account on an annual basis the fair value of the rights to receive free shares in the Company, calculated on the allocation date at the beginning of the plan).

[2] This does not include ancillary benefits, or indemnities relating to termination and change in control clauses


1,050,000
950,000
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Maurizio Rota
Executive Chairman
1,050,000
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450,000
29%
32%
30%
28%
21%
13%
100%
57%
47%
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Target
Maximum
Alessandro Cattani
Chief Executive Officer
864,000
784,000
649,000
349,000
32%
35%
34%
28%
21%
13%
100%
53%
44%
40%
Minimum
Threshold
Target
Maximum
Valerio Casari
Managing Director - CFO
Fixed
Short-term incentive
Long-term incentive

INTRODUCTION

This document consists of two sections:

- SECTION I: 2020 Remuneration Policy, subject to a binding vote of the Shareholders' Meeting called to approve the company's financial statements for the year ended 31 December 2019.
- SECTION II: Compensation Paid in 2019, subject to a non-binding vote at the same Shareholders' Meeting.

This was approved on 15 April 2020 by the Company's Board of Directors.

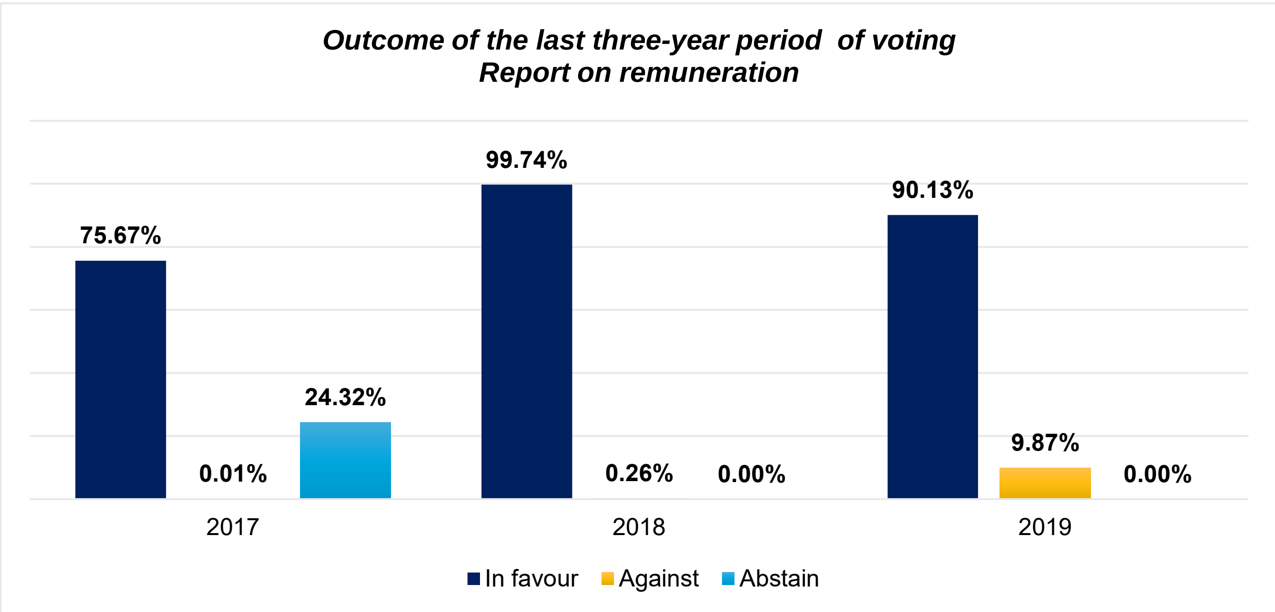
This Report has also been prepared pursuant to and in accordance with the "Procedure for related-party transactions" approved on 26 November 2010.

SECTION I

This Section of the Report describes and illustrates: the results of voting at the Shareholders' Meeting relating to the 2019 Remuneration Policy, the bodies involved in preparing and approving said Policy and the procedures used to adopt and implement it, the Remuneration Policy for Executive Directors, the Remuneration Policy for Non-Executive Directors and, finally, the criteria for derogation from the Policy in exceptional circumstances.

1. RESULT OF THE SHAREHOLDERS' MEETING VOTE – SECTION I OF THE 2019 REMUNERATION REPORT

In accordance with current legislation, at the Shareholders' Meeting of 2019 an advisory vote was cast on Section I of the 2019 Remuneration Report, with 90.13% of participants voting in favour. This figure represents an increase in "against" votes compared with the previous year.



2. BODIES RESPONSIBLE FOR DETERMINING THE REMUNERATION POLICY

The remuneration policy for members of the Board of Directors is defined in accordance with statutory and mandatory provisions, which provide that:

- members of the Board of the Directors are entitled to the reimbursement of expenses incurred in the performance of their duties and to the remuneration determined by the Shareholders' Meeting;
- the Shareholders' Meeting can determine an overall amount for the remuneration of all directors, including those vested with particular duties;
- the Board of Directors distributes the compensation, or the remuneration as determined above, among the various directors in the manner deemed most appropriate by the Board, taking account of the commitment required from each director;
- the remuneration of members of the Board of Directors vested with particular duties, if not determined by the Shareholders' Meeting, is determined by the Board pursuant to Article 2389 of the Italian Civil Code.

To comply with common practice in this regard, we confirm our intention of not making use of the statutory right to make the Shareholders' Meeting responsible for determining the total amount of remuneration of the Board of Directors, but to limit the Meeting resolution to approving compensation for individual positions.

The Board of Directors will then be responsible for determining remuneration for delegated powers and duties entrusted to its members.

In line with Esprinet's governance model, the Board is also responsible for:

- defining targets and approving the results of the performance plans which are used to determine the variable remuneration of directors and managers with strategic responsibilities;
- defining the remuneration structure for the Head of Internal Audit, consistently with the Company's remuneration policies and following consultation with the Control and Risks Committee.

The Chief Executive Officer defines the remuneration policy for managers with strategic responsibilities[3] other than executive directors, in accordance with the respective employment contracts, based on criteria which - where compatible - are similar to those used for executive directors except for greater focus on the specific operational areas managed.

Role of the Nomination and Remuneration Committee

In accordance with the recommendations contained in the Corporate Governance Code, the Board of Directors is supported, in remuneration matters, by a Committee of independent directors (Nomination and Remuneration Committee).
The latter is made up of three members, all independent directors, and currently:

- Mario Massari (Chairman)
- Cristina Galbusera
- Chiara Mauri

The Nomination and Remuneration Committee provides advice and makes suggestions to the Board, in particular by proposing the level and structure of remuneration of Executive Directors and proposing the performance targets by which the variable component of their remuneration is

[3]Currently, no Manager with Strategic Responsibilities has been identified apart from the Executive Directors

measured. The Committee also verifies the attaining of performance targets, thereby ensuring that the remuneration of Executive Directors is based on results actually achieved.

The Committee also issues opinions on the remuneration of Managers with Strategic Responsibilities by periodically evaluating the underlying criteria. With reference to the companies within the Group, responsibility falls to the Esprinet Board of Directors, at the proposal of the Committee.

The Committee also makes decisions about share-based incentive plans.

When carrying out its duties, the Nomination and Remuneration Committee relies on the services of independent consultants, in order to obtain information about market practice in terms of remuneration policies, average remuneration levels, long-term retention and incentive plans, and the most appropriate method of application.
These experts are selected taking into account requirements in respect of transactions with related parties under the specific procedure adopted by the company on 26 November 2010. Willis Towers Watson was the advisor to the Nomination and Remuneration Committee in 2019.

The Committee's internal regulations are available to the public, and can be found on the Company's website, www.esprinet.com, as an appendix to the Corporate Governance Report for 2019.

Activities carried out by the Committee

The activities of the Nomination and Remuneration Committee were structured during the three-year period 2018-2020, as follows: The Company's Remuneration Policy for Executive and Non-Executive Directors is defined in correlation with the Board of Directors' three-year tenure. Therefore the current Remuneration Policy was defined in 2018 in correlation with the tenure of the Board appointed at the Shareholders' Meeting called to approve the 2017 financial statements.

During 2019, the year covered by this Report, the Nomination and Remuneration Committee met a total of 3 times.

The activities carried out during the year were as follows:

June

- Setting of 2019 performance targets related to the short-term variable component of the remuneration of Executive Directors.

March

- Examination of the proposed appointment of candidates to the position of director of subsidiary 4Side S.r.l. and of the proposal to determine the total compensation.

April

- Verification of the remuneration policy to be correctly applied.
- Verification of the level of achievement of short-term incentive plan targets.
- Approval of the remuneration policy and the remuneration report.
- Examination of the proposed appointment of candidates to the position of director of subsidiary Celly S.p.A. and of the proposal to determine the total compensation.
- Examination of the proposed appointment of candidates to the position of director of subsidiary V-Valley S.r.l. and of the proposal to determine the total compensation.
- Examination of the proposed appointment of the Board of Directors of the subsidiary Nilox Deutschland Gmbh and of the proposed determination of total remuneration.

Exceptions to the Remuneration Policy

Esprinet is not in favour of derogating from the various elements of the Remuneration Policy.

However, as provided for in Article 123-*ter*, paragraph 3-*bis* of the TUF, as updated by Legislative Decree No. 49/2019, in exceptional circumstances the Company reserves the right to temporarily derogate from its remuneration policies if such derogations are aimed at pursuing the long-term interests and sustainability of the Company as a whole, or ensuring its ability to be present in the market.

Such exceptional circumstances could arise, for example, in relation to events at the national or international level that could have a significant impact on the Company's results or in relation to the need to attract senior management from the market.

In the presence of such circumstances, the Board of Directors, upon the opinion of the Nomination and Remuneration Committee and having consulted the Related Parties Committee, in accordance with the Procedure for the management and approval of the Related Party Transactions of Esprinet S.p.A., may derogate from elements of the Remuneration Policy such as fixed remuneration and variable short- and long-term components.

The Committee has the right to be assisted, at the Company's expense, by one or more independent experts of its own choosing. When selecting these experts, the Committee shall rely on persons of recognised professionalism and competence in matters of interest, whose independence and absence of conflicts of interest will be carefully assessed.

The Board of Directors approves a transaction based on the Related Parties Committee's favourable and reasoned opinion on the Company's interest in carrying out the transaction and on the expediency and substantial fairness of the related conditions, information that must be duly minuted.

3. 2020 Policy principles and guidelines

The Remuneration Policy provides for a significant variable remuneration component paid on achieving annual targets and a component paid in shares on achieving three-year cumulative targets.

A key point of the Group's strategy is the quest for growth in value for shareholders, supported in the incentive system by both a short-term variable compensation component linked to profitability, identified as a fundamental driver of value creation, and by a "Value Creation" component (based on the "Economic Profit" indicator) according to the most modern performance measurement models applied to the long-term incentive system.

Secondly, the strategy places a strong emphasis on the Group's financial sustainability, both in terms of defending business continuity and creating the most favourable conditions for the sustained creation of value over time.

The short-term incentive component linked to financial sustainability indices as well as the long-term incentive mechanism have been introduced to support this component of the strategy.

Finally, the Company's strategy centres on the utmost attention to compliance with all rules and regulations as well as the constant quest for operating models in line with best market practice including in the field of social sustainability.

To support this behavioural model, incentive systems exclude indicators for optimising the tax burden, replacing them with conventional tax rates, and also provide claw-back mechanisms in the event of conduct that does not comply with the Code of Ethics.

The formulation of the Short-Term Variable Incentive system for 2020 takes into account the exceptional circumstances caused by the ongoing Covid19 epidemic, as described in detail in the following Section on Short-Term Variable Incentives.

4. New factors introduced in the 2020 remuneration policy

The remuneration policy for 2020 has been drawn up following on from the previous one and contains a single change from that proposed for 2019.

On the basis of the proposal of the Nomination and Remuneration Committee, the Board of Directors decided to include two ESG indicators in the annual incentive system, mainly selected from Customer Satisfaction and Employee Satisfaction.

5. Remuneration of non-executive directors

The remuneration of Non-Executive and Independent Directors is determined by the Shareholders' Meeting.

The remuneration of Non-Executive Directors contains no variable components and in particular, there are no forms of remuneration linked to the achievement of financial targets set by the Company, nor are such Directors the beneficiaries of share-based remuneration plans.

The annual remuneration proposed to the Shareholders' Meeting for the three-year period 2018-2020 is €30,000, except for the Chairman for whom annual remuneration of €150,000 is proposed.

There is no reimbursement of expenses for their duties.

Remuneration for participation in committees

Non-Executive Directors are granted additional annual compensation for serving on Board committees:

Committee	Chairman's remuneration	Remuneration of other members
Control and Risks Committee	€23,400	€18,000
Nomination and Remuneration Committee	€23,400	€18,000
Strategy Committee	€23,400	€18,000
Competitiveness and Sustainability Committee	€23,400	€18,000

The Strategy Committee and the Competitiveness and Sustainability Committee may include among their members executive directors, who may receive no additional compensation for that role..

Remuneration for members of the Board of Statutory Auditors

For members of the Board of Statutory Auditors, the Shareholders' Meeting of 4 May 2018 resolved to pay remuneration of €45,000 to the Chairman and €40,000 to the other members. Expenses are reimbursed on the basis of costs incurred in the performance of their duties.

6. Remuneration of executive directors

The remuneration of Executive Directors consists of the following components:

a) Fixed remuneration broken down into:

- remuneration for the office, as determined by the Shareholders' Meeting;
- Remuneration for delegations and any special duties;
- Salaried employee remuneration (for the Managing Director and CFO only).

b) Short-term variable incentives based on specific financial /economic performance targets at the consolidated group level (bonuses); it is planned to defer the over-performance bonus for one year, with such deferment being subject to *malus*.

c) Long-term variable incentives based on a Performance Share Plan, subject to specific economic and financial performance targets at the consolidated Group level.

d) Benefits

e) Ancillary benefits including:

- a component in the form of indemnities for early termination of the management relationship;
- a change in control clause for the Chief Executive Officer only.
- a non-compete and non-solicitation clause applicable within the Group with a consideration that is paid when the relationship comes to an end.

When Executive Directors are employed as salaried employees, they will enjoy the same benefits (company car, mobile phone, additional pension, D&O-Director and Officers insurance etc.) as those applied to the first level of Company managers under the collective or supplementary company agreements in force at the time.

Fixed remuneration

The fixed remuneration of Executive Directors is defined in relation to market levels for comparable positions and updated periodically in accordance with market conditions and individual performance. The fixed remuneration for Executive Directors is determined as follows:

Position	Remuneration for the position	Remuneration for delegations and special duties	Total fixed remunerations
Executive Chairman	€150,000	€300,000	€450,000
Chief Executive Officer	€30,000	€420,000	€450,000
Managing Director and CFO	€30,000	€319,000	€349,000

These amounts also include any remuneration arising from participation in Boards of Directors of subsidiaries.

Short-term variable incentive

The short-term incentive (annual bonus) takes the form of a monetary reward for the achievement of certain yearly financial, economic and sustainability results on a consolidated basis.

It is designed to focus managerial efforts towards the achievement of annual budget targets that are in any case deemed consistent with the company's strategic plan and consequently in line with value creation over a longer time frame.

To that end the targets related to this part of the remuneration package are usually set for each reporting year, at the proposal of the Nomination and Remuneration Committee, in line with the Company's strategic plan.

At the proposal of the Nomination and Remuneration Committee, the Board of Directors considered it appropriate to postpone the definition of these objectives and their respective targets for 2020 until June of the current year, after a more complete and exhaustive COVID-19 impact assessment. The Company undertakes to provide market specific information when the objectives are defined.
These objectives will be identified within financial and economic parameters that are easily verifiable on the basis of consolidated financial statements data. The setting of objectives related to the Group's financial policies and its ability to service its financial debts is designed to guide management decisions to comply with the risk profile defined by the Company.

The structure of the objectives that may be proposed will therefore be linked to the Group's profitability and financial sustainability parameters (indicatively Adjusted EBITDA and Adjusted EBITDA / Financial Expenses with a total weighting of 85%) measured on a consolidated basis and using ESG indicators, mainly selected from Customer Satisfaction and Employee Satisfaction.

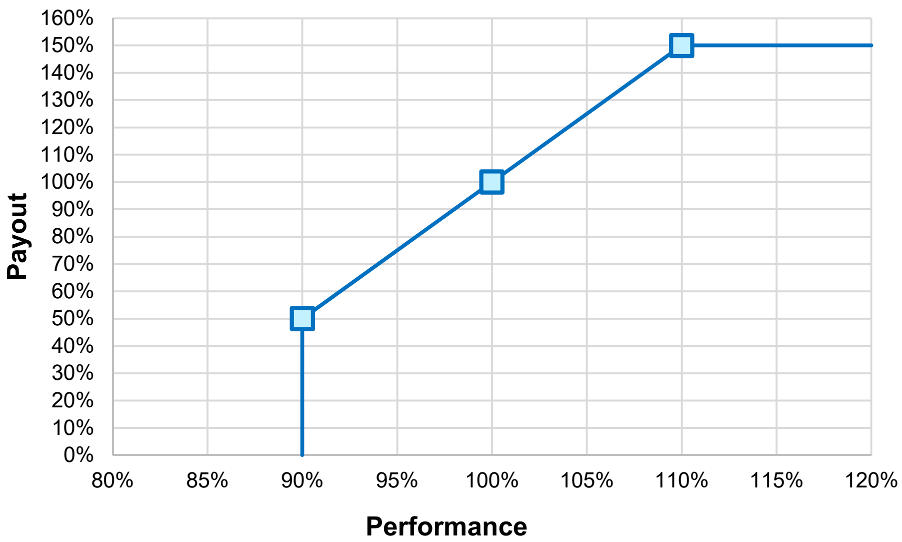
In particular, the first profitability indicator (Adjusted EBITDA) measures management's ability to pursue the correct level of operating profitability, while the second (Adjusted EBITDA / Financial Expenses) achieves balanced development, maintaining a sustainable level of leverage with respect to the capacity to generate financial flows approximate to EBITDA.

The two ESG indicators measure customer satisfaction and employee satisfaction and well-being, respectively, as measured through two specific surveys carried out on an annual basis. The minimum threshold for the award of a bonus for Employee Satisfaction and Customer Satisfaction indices is the value resulting from the previous year's surveys with a view to improvement. The incentive curve is structured like that of economic-financial indicators.

The following incentive curve is planned for both of these objectives:

Performance level	% of target	*Payout*
Threshold	90%	50%
Target	100%	100%
Maximum	110%	150%

Below the threshold level, the target is considered not achieved and therefore no target payment is made. For intermediate values, the bonus is defined by linear interpolation.



Target bonus values for executive directors are defined in terms of a fixed amount predetermined and approved by the Management Board:

Position	Threshold	*Target Bonus*	Maximum
Executive Chairman	€100,000	€200,000	€300,000
Chief Executive Officer	€100,000	€200,000	€300,000
Managing Director and CFO	€80,000	€160,000	€240,000

Payment of the over-performance share of the bonus is subject to a one year suspensive condition in order to discourage the assumption of excessive risk by management. This bonus share is in fact dispensed only upon reaching the year following the year when a group EBITDA level greater than zero matures.

Long-term variable incentive

The long-term incentive plan provides for the allocation of free share rights (performance share grants) conditional upon the achievement of predefined performance conditions over a three year time frame from 2018 to 2020 (the vesting period), with the aim of ensuring that the performance and interests of shareholders and executive directors are in line, this focusing the latters' efforts on strategic group targets while achieving a close relationship between economic returns obtainable by key managers, company's results and value created for shareholders.

In particular, the beneficiary is assigned a maximum number of rights equal to the ratio between the gross cash amount proposed for each of them and the fair value[4] of the share at the allocation date. The actual accrual of such rights is dependent on hitting a cumulative performance target for the three years covered by the plan, defined by an economic profit indicator given by the difference between NOPAT (Net Operating Profit After Tax) and cost of invested capital.

Economic Profit = NOPAT - (WACC x Net Invested Capital)

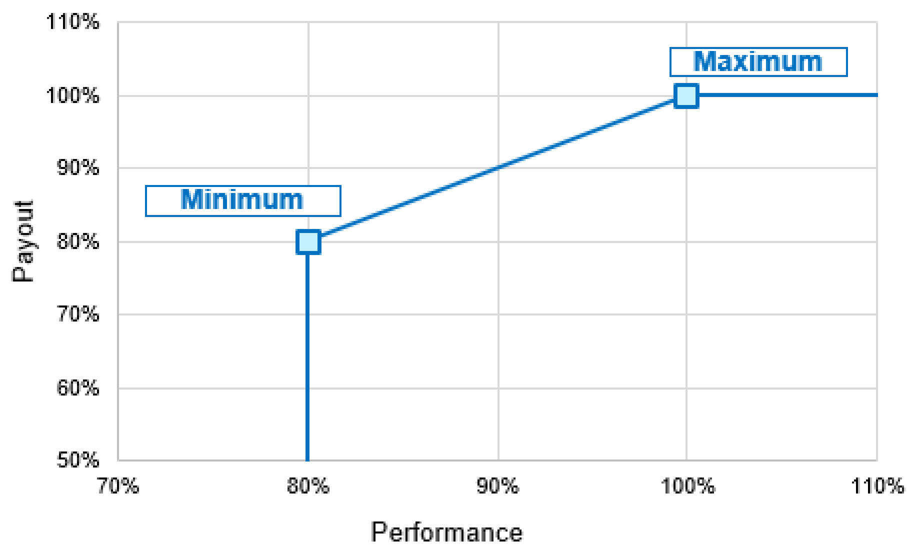
The target level in relation to the indicator is considered sensitive, being an integral part of the strategic plan and is therefore not specifically set out in this report.

Vesting is dependent on the following incentive curve:

Performance level	% of target	% vesting
Insufficient	< 85%	0%
Threshold	85%	80%
Maximum	100%	100%

The number of accrued rights will be defined by linear interpolation if the result attained is between 85% and 100% of the target.

The actual vesting of rights is also conditional on continued employment within the group at the time the results for the plan performance period are validated.

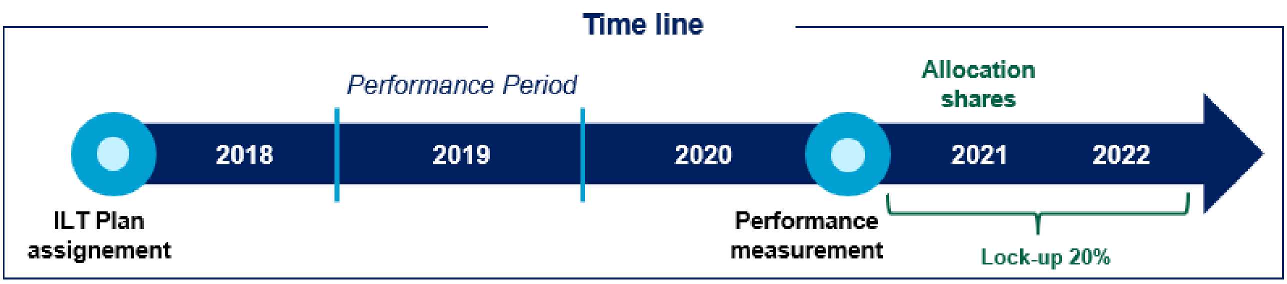


The maximum number of rights that can be awarded to Executive Directors for the three-year period 2018-2020 is defined by the Board of Directors in terms of their equivalent monetary value. The number of shares due is determined on the basis of this amount, taking into account the fair value of the Esprinet share price on the grant date.

[4] Determined based on Esprinet's official share price, adjusted in consideration of expected volatility, the dividend yield expected and the risk-free interest rate for the vesting period of the options assigned, all relating to the day prior to the date of assignment of the rights.

The table below shows the number of rights assigned.

Beneficiaries	Maximum number assigned rights	Fair value on the assignment date	Monetary equivalent to the assignment
Maurizio Rota Executive Chairman	264,343	3.20	€845,898
Alessandro Cattani Chief Executive Officer	264,343	3.20	€845,898
Valerio Casari Managing Director and CFO:	242,314	3.20	€775,405



20% of the vested shares are subject to a lock-up restriction for a period of one year from the share allocation date.

Pursuant to the 2018-2020 Performance Share Plan submitted for the approval of the Shareholders' Meeting on 4 May 2018, 1,120,000 rights were assigned to Executive Directors and Group employees.

Benefits

Executive Directors are also entitled to a package of benefits, represented by personal use of a company car and mobile phone, the provision of free annual medical check-ups, and civil liability cover (through *"D&O-Director&Officers"* policies).

However, no social security or pension schemes are provided, other than the mandatory forms.

Claw-back clauses

The company provides for a claw-back clause for any form of variable remuneration, with the aim of recovering, under certain conditions and within a maximum period of two years from the date of any awards, depending on the severity of the event, a sum equivalent, in whole or in part, to the net value of the award.

This form of recovery is possible in the following cases:

- removal from office for just cause;

- conduct with intent or gross negligence on the part of the beneficiary or in violation of the law and/or regulatory provisions, if this gives rise to a serious financial and/or reputational loss for the Company;
- if the bonus was calculated on the basis of data that are subsequently identified as manifestly erroneous.

Treatments provided for termination of office

An indemnity is payable for early termination of employment for the following Executive Directors:

- Executive Chairman
- Chief Executive Officer
- Managing Director and CFO

In particular, in the event of dismissal of a director without just cause, the payment of an all-inclusive amount equal to twice the fixed remuneration.
This indemnity will not be paid if the relationship is terminated due to the achievement of results that are objectively inadequate.

In the event of revocation of the office and/or delegation, without just cause, the Company is bound to pay the Executive Chairman and Chief Executive Officer of the Company an indemnity for early termination of employment amounting to €900,000 each (lump sum) equal to around twice their fixed yearly remuneration.

For the Managing Director and CFO, the planned indemnity of €680,000, equal to two years of fixed remuneration, absorbs any "in lieu of notice" indemnity and additional indemnity, as provided for in the CCNL for Managers.

Change in Control Clause

For CEO Alessandro Cattani only, €3.5 million is payable in the event of a demerger/merger of the Company or the completion of a takeover offer for shares in the Company that results in the offerer holding a relative majority of the share capital.

The payment of this consideration is designed to align shareholders' interests in the event of a "Change in Control", in which the Chief Executive Officer is asked to facilitate the success of any offer in the interest of shareholders.

Non-competition and non-solicitation agreement

Non-competition and employee non-solicitation agreements apply to Executive Directors, and only apply upon termination of employment.
These agreements are for an 18 month term and cover Europe and the Mediterranean basin. They provide for the payment of a consideration of around 16 months' fixed compensation, i.e. €600,000 for the Executive Chairman and the Chief Executive Officer and €470,000 for the CFO-Managing Director.

7. Remuneration of Managers with Strategic Responsibilities

Currently, no managers have been identified with strategic responsibilities apart from the Executive Directors.

The policy for the remuneration of key management personnel who are not directors of the company follows roughly the same approach described in paragraph 6 (to which we refer), and is therefore made up of:

a) fixed remuneration, which may include a component of remuneration linked to Group non-competition and employee non-solicitation agreements;
b) variable short-term incentive for immediate pay-out - subject to the deferral of a substantial portion - based on specific economic and financial performance targets at consolidated group level (bonuses);
c) long-term variable incentives based on specific economic and financial performance targets at consolidated group level;
d) benefits package.

If key management personnel with strategic responsibilities are identified, the Nominating and Remuneration Committee will, evaluate the remuneration package in relation to market practices for comparable positions, including with the support of independent external advisors. However the total value of the remuneration package for key management personnel must not be higher than that provided for Executive Directors.

SECTION II

1. Introduction

This section, prepared pursuant to Article 123-*ter* of the TUF, illustrates the compensation paid to Executive and Non-Executive Directors and members of the Board of Statutory Auditors of the Company and its subsidiaries.

This Section is subject to a non-binding vote by the Shareholders' Meeting, as provided in Article 123-*ter* of Legislative Decree No. 58 of 24 February 1998 (the Consolidated Finance Act or TUF updated in accordance with Legislative Decree No. 49 of 10 May 2019).

The entity responsible for carrying out the statutory audit of the financial statements verifies that the directors have prepared this Section, in accordance with Article 123-*ter* of the TUF (as updated by the Legislative Decree of 10 May 2019).

Implementation of the policy in the course of 2019, as verified by the Nomination and Remuneration Committee during its meeting of 15 April 2020 and planned assessment of the Corporate Governance Code, was consistent with the Company's overall performance and the provisions of the 2019 Remuneration Policy, as set out below.

With regard to the Company's overall performance, in 2019 the Esprinet Group registered a structural improvement in the main value creation indicators summarised by the ROCE, equal to 9.8% (9.4% in 2018).

Revenues from customer contracts amounted to €3,945.4 million in 2019, up 10% from €3,571.2 million in 2018, and EBIT amounted to €41.1 million, basically equivalent to current EBIT in 2018 and up 73% on EBIT, which did not include non-recurring expenses of €17.2 million.

Net Profit for 2019 came in at €23.6 million, up 66% year-on-year (€14.2 million), whereas net profit per ordinary share (€0.46) improved by 70% (€0.27).

The 23-day Cash Conversion Cycle indicates a trend of continuous improvement compared with 2018 (27 days), this being the best result posted in the last 16 quarters.

The Net Financial Position was €272.3 million and recorded an improvement of €31.3 million on the €241.0 million at 31 December 2018 (including €108.8 million in leasing financial liabilities not in evidence at 31 December 2018, since they arose appeared after the first application of IFRS 16).

2. Remuneration of executive director members

The remuneration paid to Executive Directors in 2019 per individual remuneration package component.

Fixed remuneration

Executive Directors were paid the following fixed remunerations for the offices held:

Name	Fixed remuneration
Maurizio Rota	€450,000
Alessandro Cattani	€450,000
Valerio Casari	€349,000

Short-term variable remuneration

In 2019, the performance level linked to payment of the bonus exceeds the set targets.

The following table summarises the annual achievement levels of the 2019 target in accordance with their definition at the time of allocation.

Performance indicators	Target	2019 Result	Payout
Adj. EBITDA gross of economic effects of the STIP	€55,000,000	€56,668,000	103.03%
Adj. EBITDA gross of the economic effects of the STIP/financial expenses	5x	6.02x	120.43%

Given the performance level achieved for the 2019 targets, the accrued bonus is equal to:

Name	*Awarded*	*Deferred*	Total
Maurizio Rota	€200,000	€51,000	€251,000
Alessandro Cattani	€200,000	€51,000	€251,000
Valerio Casari	€160,000	€41,000	€201,000

Long-term variable remuneration: 2018-2020 performance share plan

Executive Directors are included among the beneficiaries of the 2018-2020 Performance Share Plan.

In 2018, share option rights were allocated through the 2018-2020 Performance Share Plan, approved by the Shareholders' Meeting on 4 May 2018.

The 2018-2020 Performance Share Plan provides an opportunity to assign option rights to Group employees as well as to a number of Executive Directors, up to a maximum of 1,150,000 shares.

The achievement level of the Economic Profit target linked to the 2018 – 2020 Performance Share Plan is in line with the target level envisaged by the Plan for the years 2018 and 2019.

The Plan beneficiaries include a number of directors of the subsidiaries of Esprinet S.p.A.

The cost recognised in the financial statements in the tax years covering the duration of the Plan depends, based on IFRS 2 ("*Share-based payment*"), on the value of Esprinet shares on the grant date, adjusted to take account of the dividend yield (determined on the basis of the last dividend paid) and the risk-free interest rate on the grant date.

Specifically, a fair value personnel cost will be recognised in the profit and loss account, equal to the fair value of each stock option, multiplied by the total number of shares granted, while also taking into account the average turnover rate for each category of Beneficiaries, as well as the likelihood of achieving the targets on which the award of share options depends.

In the 2019 financial year, this expense amounts to €870,776 for Executive Directors, and is recognised over the duration of the vesting period, as required by IFRS 2.

Benefits

The value of non-monetary benefits reserved for Executive Directors amounted to €12,619.

3. REMUNERATION PAID TO MANAGERS WITH STRATEGIC RESPONSIBILITIES

At present, there are no other key management personnel in addition to the Executive Directors. Any compensation package would follow the approach set out in the previous remuneration policy.

4. REMUNERATION PAID TO NON-EXECUTIVE DIRECTORS

In total the following fees were paid to non-executive directors during 2019:

Fixed remuneration paid	Remuneration for Committees	Total remunerations
€270,000	€219,600	€489,600

5. REMUNERATION PAID TO THE BOARD OF STATUTORY AUDITORS

The remuneration paid in 2019 to members of the Board of Auditors totalled 125,000 Euros, excluding taxes and VAT.
Specifically, €45,000 were allocated to the Chairman of the Board of Auditors and €40,000 to each of the Statutory Auditors.

A total of €8,067 was also paid for the reimbursement of expenses incurred in the performance of duties carried out

PAYMENTS MADE IN 2019

TABLE 1 – Compensation paid to members of the administrative and auditing bodies, to general managers and to other executive with strategic responsibilities

The compensation paid to the directors and statutory auditors and their names are shown in Table 1 below.

All persons who held the above positions during the year are included, even if they only held the position for a fraction of the year. Separate details are given of the payments received by subsidiaries and/or associates.

In particular:

- the column "Fixed compensation" shows, on an accrual basis, the fixed remuneration, gross of social security charges and taxes payable by the employee; lump-sum reimbursements of expenses and attendance fees are excluded insofar as these are not provided for;
- the column "Remuneration from subordinate employment" shows, on an accrual basis, the remuneration from subordinate employment gross of social security charges and taxes payable by the employee, excluding compulsory collective social security charges payable by the Company and the severance pay reserve. Lump-sum reimbursements of expenses and attendance fees are excluded as these are not provided for;
- the column "Compensation for committee participation" shows, on an accrual basis, the payment owing to directors for their participation in the Committees set up by the Board.
- the column "Variable non-equity compensation", in the item "Bonuses and other incentives", includes remuneration components, even if unpaid, vested during the year for having achieved targets during that year, for monetary incentive plans, following verification and approval of the relevant performance results by the competent corporate bodies, as specified in further detail in the Table "Monetary incentive plans for members of the Board of Directors, general managers and other execitives with strategic responsibilities";
- the column "Profit sharing" contains no figures as there are no forms of profit sharing;
- the column "Non-monetary benefits" shows, on an accrual and taxable basis, the value of the fringe benefits granted;
- the column "Other remuneration" contains no figures insofar as there is no additional remuneration arising from other services provided;
- the column "Total" shows the sum of the amounts in the previous items;
- the column "Fair value of equity compensation" shows the fair value applicable in that year in relation to the share option plans in existence, estimated according to international accounting principles that distribute the respective cost over the vesting period;
- the column "Severance indemnity for end of office or termination of employment" contains no figures insofar as no directors stood down from office during the period who were entitled to an indemnity for end of office.

Table 1 : Compensation paid to members of the administrative and auditing bodies, to general managers and to other executives with srategic responsibilities

(euro/000)

				Fixed compensation			Variable non-equity compensation						
Name and surname	Office	Period for which office was held	Office expiry	Fixed compensation	Remuneration from subordinate employment	Compensation for commitee participation	Bonuses and other incentives [8]	Profit sharing	Non-monetary benefits	Other remuneration	Total	Fair Value of equity compensation [10]	Severance indemnity for end of office or termination of employment
Maurizio Rota	Chairman	01.01/31.12.2019	2021 [1]	450	-	-	290	-	5	-	745	299	-
Alessandro Cattani	Chief Executive Officer	01.01/31.12.2019	2021 [1]	450	-	-	230	-	4	-	684	299	-
Valerio Casari	Director	01.01/31.12.2019	2021 [1]	80	269	-	184	-	4	-	537	274	-
Marco Monti [2]	Director	01.01/31.12.2019	2021 [1]	30	-	18	-	-	-	-	48	-	-
Matteo Stefanelli [3]	Director	01.01/31.12.2019	2021 [1]	30	-	41	-	-	-	-	71	-	-
Tommaso Stefanelli [4]	Director	01.01/31.12.2019	2021 [1]	30	-	41	-	-	-	-	71	-	-
Mario Massari [5]	Director	01.01/31.12.2019	2021 [1]	30	-	47	-	-	-	-	77	-	-
Chiara Mauri [6]	Director	01.01/31.12.2019	2021 [1]	30	-	18	-	-	-	-	48	-	-
Cristina Galbusera [5]	Director	01.01/31.12.2019	2021 [1]	30	-	36	-	-	-	-	66	-	-
Emanuela Prandelli	Director	01.01/31.12.2019	2021 [1]	30	-	-	-	-	-	-	30	-	-
Ariela Caglio	Director	01.01/31.12.2019	2021 [1]	30	-	-	-	-	-	-	30	-	-
Renata Maria Ricotti [7]	Director	01.01/31.12.2019	2021 [1]	30	-	18	-	-	-	-	48	-	-
											-		
Bettina Solimando	Chairman Statutory auditor	01.01/31.12.2019	2021 [1]	45	-	-	-	-	-	-	45	-	-
Patrizia Paleologo Oriundi	Acting stautory auditor	01.01/31.12.2019	2021 [1]	40	-	-	-	-	-	-	40	-	-
Fanco Aldo Abbate	Acting stautory auditor	01.01/31.12.2019	2021 [1]	40	-	-	-	-	-	-	40	-	-
(I) Compensation in the company preparing the financial statements				**1,375**	**269**	**220**	**704**	**-**	**13**	**-**	**2,580**	**871**	**-**
Fanco Aldo Abbate	Acting statutory auditor 4Side S.r.l.	20.03/31.12.2019	2022 [11]	8	-	-	-	-	-	-	8	-	-
(II) Compensation from subsidiaries and associates				**8**	**-**	**-**	**-**	**-**	**-**	**-**	**8**	**-**	**-**
(III) Total				**1,383**	**269**	**220**	**704**	**-**	**13**	**-**	**2,588**	**871**	**-**

(1) At the date of approval of the financial statements for the year ending 31 December 2020.
(2) Marco Monti - ccompensation for patecipation in the Strategy Committee.
(3) Matteo Stefanelli - compensation for participation in the Strategy Committe 18 thousand euro and in the Competitiveness and Sustanability of 23 thousand euro.
(4) Tommaso Stefanelli - compensation for participation in the Strategy Committe 23 thousand euro and in the Competitiveness and Sustanability of 18 thousand euro.
(5) Compentation for the participation in the Control and Risk Committee and in the Reumeration and Nomination Committee. The compensation refers to the overall remuneration for the participation in both Committees.
(6) Compensation for participation in the Remuneration and Nomination Committee.
(7) Compensation for paticipation in the Control and Risk Committee.
(8) See Table 3B "Bonus of the year payable/paid" and "Bonuses of previous year payable/paid".
(9) "*Fringe benefit*" represented by the use of company car.
(10) See Table 3A (cost accrued in the fiscal year 2019).
(11) At the date of approval of the financial statements for the year ending 31 December 2021.

TABLE 3A - Incentive plans based on financial instruments other than stock options, for members of the Board of Directors, general managers and other directors with strategic responsibilities

Table 3 below shows the stock grants attributed to the individual directors.

In particular, free assignment rights on Esprinet shares exercisable once three years have elapsed after the date of assignment are shown.
The table shows, in the column "Financial instruments of the year", the figure contained in the column "Fair value of equity compensation" from Table 1.

Table 3A: Incentive plans based on financial instruments other than stock options, for members of the Board of Directors, general managers and other directors with strategic responsibilities

(euro/000)

			Financial instruments assigned during previous years and not vested during the year		Financial instruments assigned during the year					Financial instruments vested during the year and not assigned	Financial instruments vested during the year and able to be assigned		Financial Instruments of the year
Name and surname	Office	Plan	Number and type of financial instruments	Vesting period	Number and type of financial instruments	Fair value on assignment date	Vesting period	Assignement date	Market price on the assignment date	Number and type of financial instruments	Number and type of financial instruments	Value on the vesting date	Fair value
Maurizio Rota	Executive Chairman	"Stock grant" (Approved by the BoD on 14/05/2018)	264.343 ordinary shares Esprinet S.p.A.	to 25/06/2018 at 30/04/2021[1]									299
Alessandro Cattani	Chief Executive Officer	"Stock grant" (Approved by the BoD on 14/05/2018)	264.343 ordinary shares Esprinet S.p.A.	to 25/06/2018 at 30/04/2021[1]									299
Valerio Casari	Director	"Stock grant" (Approved by the BoD on 14/05/2018)	242.314 ordinary shares Esprinet S.p.A.	to 25/06/2018 at 30/04/2021[1]									274
Total						-						-	**871**

[1] Date of Shareholdres' meeting for the approval of financial statement as at 31/12/2020 and presentation of consolidated financial statement as at 31/12/2020.

Table 3B - Monetary incentive plans for members of the Board of Directors, general managers and other managers with strategic responsibilities

Table 3B shows the short and long-term variable monetary incentives payable to executive directors.

In particular:

- the column "Bonus of the year - payable/paid" shows the short-term variable incentive payable, based on the final performance achieved by the competent company bodies in relation to the targets set for that year;
- the column "Bonus of the year - deferred" shows the variable short-term amount for which payment is deferred for a period of one year from the time of accrual;
- the column "Bonuses of previous years – deferral period" contains no figures insofar as there are no bonuses deferred from previous years still to be paid out at the start of the year and which are no longer payable as a result of not meeting the relevant conditions;
- the column "Bonuses of previous years - payable/paid" shows bonuses deferred from previous years still to be paid out at the start of the year and paid or payable during the year;
- the column "Bonuses of previous years – still deferred" contains no figures, as there are no deferred bonuses from previous years that have been deferred again;
- the column "Other bonuses" contains no figures, as there are no other bonuses awarded.

The sum of the amounts shown in the column "Bonus of the year - payable/paid" and the column "Bonuses of previous years - payable/paid" corresponds to the column "Bonuses and other incentives" in Table 1.

Table 3B: Monetary incentive plans for members of the Board of Directors, general manager and other managers with strategic responsibilities

(euro/000)

			Bonus of the year			Bonuses of previous year			Other Bonuses
Name and surname	Office	Plan	Payable/ paid	Deffered	Defferal period	Not payable anymore	Payable/ paid	Still deffered	
Maurizio Rota	Executive Chairman	Monetary incentive plan annual 2019 - BoD 6 June 2019	200	51	2019	-	90	-	-
Alesandro Cattani	Chief Executive Officer	Monetary incentive plan annual 2019 - BoD 6 June 2019	200	51	2019	-	30	-	-
Valerio Casari	Director	Monetary incentive plan annual 2019 - BoD 6 June 2019	160	41	2019	-	24	-	-
(I) Total compensation in the company preparing the financial statement			**560**	**143**		**-**	**144**	**-**	**-**
				-					
(I) Total compensation from subsidiaries and associates			**-**	**-**		**-**	**-**	**-**	**-**
(III) Total			**560**	**143**		**-**	**144**	**-**	**-**

SHAREHOLDINGS OF MEMBERS OF THE EXECUTIVE AND SUPERVISORY BODIES AND MANAGERS WITH STRATEGIC RESPONSIBILITIES

The above table illustrates shareholdings in the Company and its subsidiaries at the start and end of the year, together with any sales and purchases.

Name and surname	Office	No. of shares at 31/12/18	Adjustment for shares sold in 2018	No. of shares purchased	No. of shares sold	No. of shares at 31/12/19
Maurizio Rota [1]	Chairman	2,741,378				2,741,378
Alessandro Cattani	Chief Executive Officer	677,527				677,527
Valerio Casari	Director	56,000	(6,000)		(50,000)	-
Marco Monti [2]	Director	-				-
Matteo Stefanelli	Director	834,507				834,507
Tommaso Stefanelli	Director	885,000				885,000
Mario Massari	Director	-				-
Renata Maria Ricotti	Director	-				-
Chiara Mauri	Director	-				-
Cristina Galbusera	Director	-				-
Emanuela Prandelli	Director	-				-
Ariela Caglio	Director	-				-
Total for Board of Directors		**5,194,412**	**(6,000)**	**-**	**(50,000)**	**5,138,412**
Bettina Solimando	Chairman	-	-	-	-	-
Patrizia Paleologo Oriundi	Acting Statutory Auditor	-	-	-	-	-
Franco Aldo Abbate	Actng Statutory Auditor	-	-	-	-	-
Total for Board of Statutory Auditors		-	-	-	-	-

[1] full owner of 2,625,458 shares with usufructuary rights relating to 115,920 shares.

[2] the bare owner with respect to 2,058,017 shares

ANNEX A

INFORMATION DOCUMENT

PREPARED IN ACCORDANCE WITH ARTICLE 114-BIS OF LEGISLATIVE DECREE 58/98 (THE ITALIAN CONSOLIDATED LAW ON FINANCE, OR TUF) AND ART. 84-BIS OF THE ISSUERS' REGULATION 11971/99 AS SUBSEQUENTLY AMENDED

STOCK GRANT PLAN FOR ORDINARY SHARES OF ESPRINET S.P.A. IN FAVOUR OF ESPRINET S.P.A. EXECUTIVE DIRECTORS AND MANAGERS

VIMERCATE, 21 MARCH 2018

Esprinet S.p.A.
VAT number: IT 02999990969
Milan, Monza-Brianza and Lodi Companies Register and Tax Number: 05091320159 R.E.A. MB-1158694
Registered office and administrative headquarters: Via Energy Park 20 - 20871 Vimercate (MB)
Share capital subscribed and paid in as at 31/12/2017: Euro 7,860,651
www.esprinet.com *- info@esprinet.com*

DEFINITIONS

Shares: Esprinet S.p.A. ordinary shares listed on the MTA organised and managed by Borsa Italiana S.p.A.

Shareholders' Meeting: the meeting of shareholders of Esprinet S.p.A.

Code or

Corporate Governance Code: the Corporate Governance Code for listed companies as supplemented and amended in July 2015

Nomination and Remuneration Committee: an internal Board committee set up in accordance with the recommendations of the Corporate Governance Code

Esprinet, Company or Issuer: Esprinet S.p.A.

Managers with

strategic responsibilities: individuals entrusted, directly or indirectly, with the power and responsibility for planning, managing and supervising the Company's activities, including directors (executive or non-executive) and standing statutory auditors

Document: this Information Document

Esprinet Group: Esprinet S.p.A. and its subsidiaries as defined in Article 2359 of the Italian Civil Code

Inside

Information: information of a precise nature, which has not been made public, relating, directly or indirectly, to one or more issuers or to one or more financial instruments, and which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments

MAR: Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse

MTA: the Mercato Telematico Azionario (electronic stock market) organised and managed by Borsa Italiana S.p.A.

Guidelines: the guidelines for the allotment of stock grant rights in relation to Esprinet S.p.A. ordinary shares for the

	period 2018-20 as approved by the Board of Directors on 21 March 2018
Chairman:	the Chairman of the Board of Directors of Esprinet S.p.A.
Regulations:	the document containing all terms, conditions, characteristics and procedures for implementation of the Plan
Issuers' Regulation:	the CONSOB Regulation adopted under Resolution 11971 of 14 May 1999, as subsequently amended
Subsidiaries:	the companies controlled by Esprinet S.p.A. pursuant to Article 2359 of the Civil Code
TUF:	Italian Consolidated Law on Finance (Legislative Decree 58 of 24 February 1998, as subsequently amended)

PREAMBLE

On 21 March 2018, acting on the basis of the guidelines and general criteria established by the Nomination and Remuneration Committee, the Esprinet Board of Directors decided to refer to the Shareholders' Meeting, convened for 4 May 2018 in a single call, the adoption by Esprinet of a "Long-Term Incentive Plan" for the Company's executive directors and employees for 2018-20, for which the main Guidelines have been determined.

Following consultation with the Nomination and Remuneration Committee, and acting under authority delegated by the Shareholders' Meeting, the Board postponed the naming of the Plan Beneficiaries who are members of the Board of Directors as well as all terms, conditions, characteristics and procedures for implementation of the aforementioned Guidelines, until the subsequent drawing-up of a set of regulations.

The Chairman and Chief Executive Officer(s) of Esprinet are responsible for naming the senior managers who are beneficiaries of the Plan - including managers with strategic responsibilities - and for drawing up the respective Regulations.

The Plan is based on allotting beneficiaries a specified quantity of stock grant rights ("performance stock grant") corresponding to a maximum of 1,150,000 Shares.

This Plan is classified as a "significant" plan within the meaning of Article 84-*bis*, paragraph 2, of the Issuers' Regulation insofar as it is aimed, *inter alia*, at executive directors and managers.

Therefore, this Information Document has been drawn up, including with respect to the numbering of paragraphs, in accordance with the instructions contained in Schedule 7 of Appendix 3A to the Issuer Regulations in order to provide shareholders with the information necessary to exercise their voting rights in shareholders' meetings in an informed manner. This Document is available for public consultation at the registered office of Esprinet S.p.A. situated at via Energy Park 20, Vimercate (MB), and on its website www.esprinet.com, under the Investor Relations section.

1. PLAN BENEFICIARIES

1.1. Plan beneficiaries who are members of the Board of Directors of Esprinet, of its parent companies and of its direct or indirect subsidiaries

The Plan beneficiaries include certain executive directors of Esprinet S.p.A., who will be named at the time of drawing up the Regulations.

1.2. Categories of employees and contractors of Esprinet S.p.A. and of its parent or subsidiary companies

The Plan beneficiaries, who will be named when the Regulations are drawn up, could also include employees of Esprinet or of the companies that it directly or indirectly controls, who are part of the Group's senior management and who, on account of the duties performed or responsibilities assigned, hold significant positions within the Group and can make an active contribution towards creating value for shareholders. This information is not available on the date of this Document and will be notified subsequently in accordance with Article 84-*bis*, paragraph 5, of the Issuer Regulations.

1.3. Names of Plan beneficiaries who belong to the following groups:

a) general managers of the Issuer.

[Not applicable].

It is specified that the position of General Manager does not exist within the Group structure.

b) other managers with strategic responsibilities of the Issuer, which is not "smaller-sized" within the meaning of Article 3, paragraph 1, letter f), of Regulation 17221 of 12 March 2010, whose total compensation during the year (obtained by adding together monetary compensation and stock-based compensation) was greater than the highest total compensation awarded to any individual member of the Issuer's Board of Directors.

[Not applicable].

c) natural persons controlling the Issuer who are employees of or who provide services to the Issuer.

[Not applicable].

It is specified that there are no natural persons controlling the Issuer.

1.4. Description and number, broken down into categories:

a) managers with strategic responsibilities other than those indicated in letter b) of paragraph 1.3.

[Not applicable].

b) in the case of "smaller-sized" companies, within the meaning of Article 3, paragraph 1, letter f), of Regulation 17221 of 12 March 2010, the aggregate number of all managers with strategic responsibilities of the Issuer.

[Not applicable].

c) any other categories of employees or contractors for which different characteristics of the Plan have been envisaged (for example, senior managers, middle managers, clerical staff, etc.).

[Not applicable].

2. REASONS FOR ADOPTING THE PLAN

2.1. Objectives sought through adoption of the Plan

The purpose of introducing the Plan is to develop a culture rooted deeply in the creation of value for shareholders.

In particular, the Plan aims:

(i) to ensure an appropriate degree of retention and loyalty among key managers, by incentivising them to stay with the Group;

(ii) to align the behaviours and interests of shareholders and key managers, by directing the latter's efforts towards achieving the Group's strategic objectives, at the same time creating a close correlation between the economic returns achievable by high-standing managers, company results achieved and value created for shareholders;

(iii) to enhance the attraction and competitiveness of the remuneration package offered by the Company compared with other companies, mainly listed companies, that make substantial use of share incentive programmes.

Essentially, the Plan should help to establish a management remuneration structure incorporating both a fixed and variable component and, as far as the latter is concerned, a balanced one based also on equity instruments aiming to make the Issuer's business model more sustainable over a medium/long horizon of three years, without prejudice to the specified lock-up period referred to in Article 4.6 below, and to guarantee that remuneration is based on results actually achieved in terms of value created for shareholders.

In this sense - at the time of renewal of corporate offices - the Plan aims to comply with the principles and criteria contained in Article 6 of the Corporate Governance Code and is designed in accordance with best practice and market trends.

In particular, the Plan in question was identified as being the most appropriate instrument for incentivising the management to pursue long-term value creation objectives, especially if - as in the case in question - it is linked to the achievement of performance targets over an extended time horizon.

2.1.1 a) Reasons and criteria forming the basis of the ratio between compensation in the form of shares and other components of beneficiaries' overall remuneration

On the date of this Document, stock grant rights have not yet been allotted to individual beneficiaries and it is not, therefore, possible to identify for each beneficiary the precise ratio between compensation in the form of shares and other kinds of compensation.

2.1.1 b) Aims of long-term incentive plans

See point 2.1 above.

2.1.1 c) Criteria for defining the time horizon of long-term incentive plans

The Plan's three-year horizon corresponds to the duration of previous stock-based plans, notably in the form of stock grant plans, is consistent with the practice of listed companies having incentive plans of similar type and is considered to represent a suitable compromise between retention and incentivisation to achieve results over the medium/long term.

2.2. Key variables, including in the form of performance indicators considered for the Plan

The Plan serves both retention and incentivisation purposes, with the objective of focusing beneficiaries on value creation.

In view of this objective, therefore, the allotment of stock grant rights is subject to the conditions precedent that the beneficiary is still employed by the Group and in the position that he/she holds on the date on which his/her respective rights mature, and that he achieves specific business and financial targets (performance stock grant).

Each beneficiary will be assigned a quantity of stock grant rights equal to the maximum number to which he/she is entitled, weighted according to the extent to which the specific vesting performance objective has been achieved. A maximum of 100% is established even in the event of outperformance.

The vesting performance objectives are represented by pre-determined indicators and measures of the creation of value accumulated over the vesting period (Economic Profit®, EVA®, ROCE - Return On Capital Employed, and similar).

For the purposes of determining the value creation objectives, and in order to avoid any distortive effect, provision is made for the neutralisation of the impact on the balance sheet, income statement and/or statement of cash flows of each extraordinary purchase made in the first financial year after the closure in question.

Esprinet S.p.A. ordinary shares will be granted to beneficiaries within 60 days of the presentation of Esprinet S.p.A.'s certified consolidated financial statements for the year ended 31 December 2020.

2.2.1 a) More detailed information about the performance and other factors and criteria used to identify particular characteristics regarding the methods for compensation in Shares

[Not applicable].

2.2.1 b) More detailed information on how these methods are identified in relation to directors, general managers, managers with strategic responsibilities and other specific categories of employees or contractors for which there is provision for plans with particular conditions, or of contractors of the listed company or its parent and subsidiary companies

[Not applicable].

2.2.1 c) More detailed information about the reasons behind the choice of the specific compensation identified in these plans, including in relation to achieving the specified long-term objectives

[Not applicable].

2.3. Factors determining the extent of stock-based compensation or the criteria for determining such compensation

In identifying the stock-based compensation for each beneficiary, i.e. the maximum number of rights that can be allotted to each beneficiary, acting on the authority granted by the Shareholders' Meeting and following consultation with the Nomination and Remuneration Committee and with the Chairman and Chief Executive Officer(s), the latter with regard only to the portion of rights that can be allotted to managers, the Board of Directors has based its decision primarily on the following factors:

- current level of compensation;
- importance and capacity to influence the achievement of the Company's and the Esprinet Group's financial results, growth and future prospects;
- level of experience, expertise and management responsibility;
- strategic importance of the position held within the Company;
- future potential in terms of professional development;
- the pay mix, i.e. an appropriate balance between the fixed pay component and total variable component as well as, in the latter case, between components based on annual and long-term performance targets.

The stock grant rights concern a maximum of 1,150,000 ordinary Company shares.

Each stock grant right entitles beneficiaries to receive, at the end of a specified period of time (vesting period), a bonus ordinary Company share.

2.3.1 a) More detailed information about the factors considered when deciding on the extent of compensation in Shares

[Not applicable].

2.3.1 b) More detailed information about the factors considered for introducing changes with respect to previous similar plans

The Plan contains no particular changes compared with previous plans.

2.3.1 c) More detailed information about the way in which any compensation obtainable on the basis of previous similar plans influenced the calculation of Share-based compensation under the Plan

[Not applicable].

2.3.1 d) More detailed information about consistency between factors behind the determination of compensation and targets set

[Not applicable].

2.4. Reasons behind any decision to set up compensation plans based on financial instruments not issued by the Issuer, such as those issued by subsidiaries or parent companies or external companies; where the above instruments are not traded on regulated markets, information about the criteria used to determine the value attributable to them.

[Not applicable].

2.5. Assessments regarding major tax and accounting implications that affected the definition of the Plan

The creation of the Plan was not influenced by significant tax or accounting assessments.

It was defined on the basis of the current rules, which equate the income arising from participation in the Plan to employment income and, therefore, subject to ordinary withholding taxes. In particular, the taxable value arising from the free grant of shares to employees will be equal to the normal value of the share on the date when it becomes available to the employee following the exercise of the corresponding rights. The shares will be taxed at the moment when they are physically delivered to the beneficiary, the taxable value being employment income determined by the normal value of the share on the grant date (this being a stock grant with a zero exercise price).

In the event of a positive difference between the normal value of the share on the grant date and any selling price, this will be treated as sundry income (capital gain) and taxed accordingly.

2.6. Possible support for the Plan by the Special Fund for Incentivising Worker Participation in Companies, pursuant to Article 4, paragraph 112, of Law 350 of 24 December 2003

[Not applicable].

3. APPROVAL PROCESS AND TIMETABLE FOR THE STOCK GRANT

3.1. Scope of the powers and functions delegated by the Shareholders' Meeting to the Board of Directors for the purposes of implementing the Plan

On 21 March 2018, the Esprinet Board of Directors decided to refer to the Shareholders' Meeting, convened for 4 May 2018 in a single call, the adoption by Esprinet of a "Long-Term Incentive Plan" for the Company's executive directors and senior management, valid for 2018-20. Furthermore, in the continuation of the same meeting on 21 March 2018, acting on the basis of the guidelines and general criteria established by the Nomination and Remuneration Committee, the Board of Directors approved the Guidelines for the Long-Term Compensation Plan for the years 2018, 2019 and 2020.

Therefore, the Ordinary Shareholders' Meeting called to approve the financial statements for the financial year ended 31 December 2017 is asked, *inter alia*, to vote on the following agenda item:

Motion for approval, in accordance with remuneration policies and pursuant to Article 114-bis of Legislative Decree 58/1998, of a compensation plan ("Long-Term Incentive Plan") for members of the Board of Directors and managers of the Company, valid for the period 2018-20 and concerning the allotment of stock grant rights (performance stock grant) to beneficiaries, to be identified by the Board of Directors, in the maximum amount of 1,150,000 Company shares.

Therefore, the Shareholders' Meeting will be asked to grant the Board of Directors the powers necessary and/or expedient to implement the Plan, in particular by delegating authority to the Board, following consultation with the Nomination and Remuneration Committee, to (i) name the beneficiaries consisting of members of the Board of Directors, (ii) determine the number of rights to be allotted to each of these beneficiaries and approve the Plan Regulations and related documentation.

In particular, the Shareholders' Meeting will be asked to grant the Board the necessary powers:

- to identify, on the recommendation of the Nomination and Remuneration Committee, the beneficiaries of stock grant rights from among members of the Board of Directors;
- to determine the number of stock grant rights pertaining to each of these beneficiaries;
- to set the business and financial performance targets on which the accrual of stock grant rights is conditional;
- to service the Plan using a maximum of 1,150,000 treasury shares according to pre-determined terms and conditions;
- to determine any lock-up restrictions on shares in accordance with the recommendations contained in Article 6 of the Corporate Governance Code;
- to approve the Plan Regulations, and any other related documentation, containing all terms, conditions, characteristics and procedures for implementation of the Plan;
- to establish any other information necessary and/or useful for the implementation of the Plan.

The Shareholders' Meeting will also be asked to grant the Board the power to make any changes to the Regulations that may become necessary and/or expedient as a result, for example, of changes in the laws or regulations applicable.

3.2. Persons responsible for administering the Plan and their function and powers

The Board of Directors is responsible for managing the Plan, subject to approval and grant of the powers referred to in point 3.1 above.

Esprinet's Chairman and Chief Executive Officer(s) will also have the necessary powers:

- to identify any beneficiaries of stock grant rights from among the Company's key managers;
- to determine the number of stock grant rights pertaining to each of these beneficiaries;
- to set the business and financial performance targets on which the accrual of stock grant rights is conditional;
- to service the Plan using a maximum of 1,150,000 shares according to pre-determined terms and conditions;
- to determine any lock-up restrictions on shares in accordance with the recommendations contained in Article 6 of the Corporate Governance Code;
- to approve the Plan Regulations, and any other related documentation, containing all terms, conditions, characteristics and procedures for implementation of the Plan;
- to establish any other information necessary and/or useful for the implementation of the Plan.

Any executive directors who are members of the Company's Board of Directors at the time when the stock grant rights are allotted to them will not take part in the relevant Board vote.

Any operational duties necessary for the formal execution of certain aspects of the Plan will be carried out by Esprinet S.p.A.'s *Human Resources Management Department.*

3.3. Any existing Plan review procedures, including in relation to possible changes in the basic objectives

The Board of Directors reserves the right at any time to make any amendments and additions in terms of the application and implementation of the Plan, in accordance with the general guidelines established by the Nomination and Remuneration Committee, where it believes, at its sole discretion, that such amendments and additions are useful if not necessary to achieve the aims of the Plan, while complying substantially with the authorisations given by the Shareholders' Meeting.

The Board of Directors reserves the right, only in relation to the executive directors and following consultation with the Nomination and Remuneration Committee, to regulate the emerging rights and/or to amend the number of rights that can be allotted if and to the extent that the operations listed below (affecting the Company's share capital and occurring during the vesting period) or other operations having similar effects and the respective concrete forms of implementation are likely to affect the economic value of the rights that can be allotted. These operations include, but are not limited to, reverse stock splits and/or stock splits, capital increases through bonus and/or paid issues, capital reductions, distributions of extraordinary dividends and assignment of Company assets to shareholders.

Furthermore, the Board of Directors will be vested with the right to make any changes to the Regulations which become necessary and/or expedient as a result of changes in the applicable laws or regulations.

A similar right will be granted to the Chief Executive Officer(s) in terms of revising the Plan, but only in relation to managers, and this right must be exercised in similar circumstances to those described in the previous paragraph.

Similarly, in the case of events or circumstances, currently unforeseeable, which may substantially affect the Esprinet Group's financial performance and/or how this is recorded in the consolidated accounts, as well as in the case of significant changes in accounting principles during the vesting period compared with the procedures existing on the date of allotment of the potential stock grant rights, the Board of Directors must appoint an internal committee made up of independent directors, of which at least one must have sufficient experience of accounting and financial matters, that may, at its discretion, take one or more of the following decisions:

- ensure that the Plan beneficiaries can enjoy a level of monetary compensation equivalent to that which they would have obtained in shares if they had exercised the rights allotted to them;
- ensure that beneficiaries are rewarded with rights of similar economic value to those that they would have obtained from exercising the rights allotted to them;

- make any adjustment to the Plan that is necessary in order to restore equal conditions for beneficiaries with respect to the economic value of the rights allotted to them.

Any other substantial changes which might be necessary in the light of changing environmental and/or economic conditions, and for which it might be advisable, in the light of the Plan's aims, to review the Group's objectives, must be put to the Shareholders' Meeting.

3.4. Description of the ways in which to determine the availability and granting of the financial instruments on which the plans are based (for example: free grant of shares, capital increases excluding pre-emption right, buying or selling of treasury shares)

The stock grant rights concern a maximum of 1,150,000 ordinary Company shares.

These may derive from: (i) market purchases under the applicable share buyback and disposal plan; and/or (ii) reserved capital increases excluding pre-emptive rights.

3.5. Role performed by directors in determining the characteristics of the Plan; any conflicts of interest involving the directors concerned

In approving this proposed performance stock grant plan, the Board adhered to the general guidelines established by the Remuneration Committee in its meeting held on 21 March 2018.

Each of the executive directors, as a potential beneficiary under the Plan in the light of the information received from the Nomination and Remuneration Committee during the board meeting of 21 March 2018 regarding the approval of the Plan and of the resulting proposal to the Shareholders' Meeting, abstained from the discussion and from the voting on those items.

3.6. As required by Article 84-*bis*, paragraph 1, the date of the decision taken by the body having authority to refer the approval of plans to the Shareholders' Meeting and any proposals of the Nomination and Remuneration Committee

On 21 March 2018, the Board of Directors of Esprinet decided to refer to the Shareholders' Meeting, convened for 4 May 2018 in a single call, the adoption by Esprinet of a "Long-Term Incentive Plan" for the Company's executive directors and senior management. Furthermore, acting on the basis of the guidelines and general criteria established by the Nomination and Remuneration Committee on 21 March 2018, the Board of Directors approved the Guidelines for the Long-Term Compensation Plan for the years 2018, 2019 and 2020.

The maximum number of shares made available to service the allotment of stock grant rights is 1,150,000 shares.

On the same date, the Board of Directors approved the Plan Guidelines, which reflect the general characteristics of the Plan and the preliminary means of granting the Shares under the performance stock grant plan.

3.7. As required by Article 84-*bis*, paragraph 5, letter a), the date of the decision taken by the body having authority to grant the instruments and any proposals to the aforementioned body put forward by the Nomination and Remuneration Committee

This information is not available on the date of this Document and will be notified subsequently in accordance with Article 84-*bis*, paragraph 5, of the Issuers' Regulation.

3.8. Market price recorded on the aforesaid dates, for the financial instruments on which the plans are based, if traded on regulated markets

The official share price recorded on the MTA organised by Borsa Italiana S.p.A. at the end of trading on 21 March 2018 was EUR 4.22 (four/22).

As regards the recorded market price of the shares on the date of allotment of stock grant rights, it is specified that this information is not presently available since this grant had not yet taken place on the date on which this Document was written. This information will be published on the date when these rights are allotted, pursuant to Article 84-*bis*, paragraph 5, letter a), of the Issuers' Regulation.

3.9. In the case of plans based on financial instruments traded on regulated markets, when identifying the timetable for the grant of the instruments in implementation of the plans, how does the Issuer take into account the possible simultaneous timing of:

i) said grant or any decisions taken on this matter by the Nomination and Remuneration Committee, and

ii) the disclosure of any significant information pursuant to Article 17 of the MAR; for example, where such information is

a. not already public and capable of positively affecting market prices, or

b. already published and capable of adversely affecting market prices

It is specified that the Board of Directors, having 60 days in which to deliver the shares as of the end of the vesting period, i.e. from the presentation of the Esprinet Group's certified Consolidated Financial Statements for the year ended 31 December 2020, must take care to exercise that right in such a way that it does not adopt the decisions referred to above at the same time as any decisions that fall within the definition of Inside Information and that, as such, may substantially affect the price of the shares and interfere with the proper implementation of the procedures for granting the shares.

4. CHARACTERISTICS OF THE SHARES GRANTED

4.1. Description of the forms in which the stock-based compensation plans are structured; for example, indicate whether the plan is based on the grant of: financial instruments (restricted stock grant); the increase in value of those instruments (phantom stock); options to buy the financial instruments at a later date (option grants) with settlement by physical delivery (stock options) or by cash based on a differential (stock appreciation rights)

Under the Plan, beneficiaries will be granted the right to receive a pre-determined number of ordinary shares from the Company, provided that they achieve specific business and financial performance targets and that they remain with the Company in the position held.

The maximum total number of Shares that can be granted by the Company is 1,150,000.

4.2. Vesting period including with reference to any different cycles envisaged

The duration of the Plan (or "vesting period"), by which is meant the period of time in which the Board of Directors has the right to identify beneficiaries and to decide to allot stock grant rights, is three years, without prejudice to the lock-up restrictions on the shares granted described in Article 4.6 below.

The Plan will therefore be implemented with the physical delivery of the shares within 60 days of the presentation Esprinet's certified consolidated financial statements for the year ended 31 December 2020.

4.3. Term of the Plan

See point 4.2 above.

4.4. Maximum number of financial instruments, including in the form of options, granted in each tax year in relation to the persons named or categories indicated

Under the Plan, a maximum of 1,150,000 stock grant rights may be allotted in relation to Esprinet ordinary shares.

The maximum number of rights allotted to each beneficiary is information not presently available. This information will be made public during the implementation of the Plan in accordance with Article 84-*bis*, paragraph 5, letter a) of the Issuer Regulations.

4.5. Means and clauses for implementation of the plan, specifying whether the actual grant of the instruments is conditional upon the occurrence of conditions or the achievement of specified results, including performance results

Under the Plan, beneficiaries are granted the right to receive a pre-determined number of Esprinet ordinary shares, for no consideration, provided that they achieve business and financial performance targets as described in greater detail in Article 2.2 above and that they remain with the Company.

The Plan also makes provision for the adoption of ex-post adjustment mechanisms such as the clawback mechanisms used to recover a sum equal to the net value arising from the possession of the Shares received and/or a number of Shares equal to or lower than the number of Shares received, on the occurrence of specific events identified during the preparation of the Regulations and within two years of the accrual of the bonus Share rights, in full or in part,

Below is a non-exhaustive list of situations in which this clawback might occur:

- fair dismissal of the beneficiary;

- gross negligence or wilful misconduct on the part of the beneficiary or violation of the law and/or regulatory provisions resulting in significant financial and/or reputational damage to the Company;

- the bonuses accrued under the plan were based on data that turn out to be manifestly erroneous.

In addition, any change of control at the Company would trigger the accrual of the rights for all Plan beneficiaries and end any lock-up of the Shares.

For the purposes of the Plan, a change of control is defined as any of the following:

- liquidation or winding-up of the Company;

- transfer of an equity interest in the Company requiring the launch of a public takeover bid;

- sale, transfer or disposal by other means of all or nearly all the Company's assets to one or more third-party buyers not requiring a public takeover bid.

In the event of a public takeover bid, the Shares will be allocated by the end of the first day on which the offer can be taken up.

In such a case, any Share lock-up obligations will also be removed.

If the change of control does not take place as the result of an unsuccessful takeover bid, the Plan will proceed as normal with no acceleration of rights accrual and subsequent conversion into Shares.

Similarly, if the Company merges with other entities, each right accruing under the Plan must be taken on or replaced by a right with the same economic value by the incorporating entity.

If this does not happen, such an event will trigger the accrual of the rights for all Plan beneficiaries. Any partial lock-up obligations pertaining to the allotted Shares will also be removed in this case.

In addition, in the event of unforeseeable transactions and/or circumstances likely to significantly affect performance and/or their recognition in the Esprinet Group's consolidated financial statements, as in the case of significant changes in the accounting standards on the basis of which performance targets have been set, one of the independent members of the Nomination and Remuneration Committee must be appointed as a "guarantor" with the power to take one or more of the following decisions:

- to ensure that the Plan beneficiaries can enjoy the same level of monetary compensation that they would have obtained in Shares had they exercised the rights allotted to them;

- to ensure that beneficiaries are rewarded with rights of similar economic value to those that they would have obtained from exercising the rights allotted to them;

- to ensure that the incoming legal entity replaces the rights allotted to the individual beneficiaries with similar rights on shares it has issued for an equivalent economic value;

- to make any adjustment to the Plan that is necessary in order to restore equal conditions for beneficiaries with respect to the economic value of the rights allotted to them.

4.6. Indication of any lock-up restrictions imposed on the instruments granted or on the instruments arising from the exercise of options, with particular regard to the time periods within which it is permitted or prohibited to transfer these to the Company or to third parties

The stock grants rights are allotted personally to beneficiaries are not therefore transferable under any circumstances by act *inter vivos*, either in whole nor in part.

Transfer means any act of disposal having the direct or indirect effect of assigning share rights to third parties, including, but not restricted to, deeds without valuable consideration, exchanges and contributions.

It is specified that a portion of the shares granted to beneficiaries will locked up for a period commensurate with the characteristics of the activity carried out by the Company and with the associated risk profiles.

In the particular case of Esprinet, the extent and duration of the restriction must reflect the fact that the policy of attentively managing the Company's main operating risks, the nature of its sector and activities do not allow for tactical moves designed to favour the achievement of medium- and short-term results to the detriment of long-term ones.

4.7. Description of any conditions subsequent in relation to the granting of the plans where the beneficiaries carry out hedging operations that neutralise any restrictions on the sale of the financial instruments granted, including in the form of options, or the financial instruments arising from the exercise of those options

[Not applicable].

4.8. Description of the effects of termination of employment

Stock grant rights are allotted to beneficiaries on condition, *inter alia*, that they remain with the Company.

Therefore, if the employment relationship ends, the following provisions will apply:

- if the employment relationship ends through voluntary resignation or dismissal for just cause or, in the case of directors, through non-consensual termination of the relationship, the beneficiary will, unless otherwise decided by the Board of Directors, lose all stock grant rights and will not be entitled to any indemnity and/or compensation of any kind.
- if the employment relationship ends by mutual consent or at the Company's instigation but without just cause or by the beneficiary's resignation or withdrawal on the basis of just cause, subject to giving suitable notice, the beneficiary will maintain the right to the incentives accrued on a pro-rata basis as at the date on which the relationship is terminated, on condition that the business and financial performance targets are achieved, even if these are measured after the date of termination in accordance with Article 2.2; this provision is also applicable in cases where the employment relationship with the beneficiary ends as a result of death or permanent disability;
- if one or more of the cases described above occurs, the Board of Directors or the Chairman and the Chief Executive Officer(s) reserve the right, in accordance with the guidelines established by the Nomination and Remuneration Committee and taking into account the objectives pursued through the Plan, to re-allot the rights to new beneficiaries or to previously identified beneficiaries.

4.9. Other grounds for cancellation of the Plan

There are no express grounds for the cancellation of the Plan. Given, however, that the Board of Directors or the Chief Executive Officer(s) reserves the right to intervene at any time in order to change the terms and conditions for taking part in the Plan, as provided for in Article 3.3, it is possible that the Board of Directors or the Chief Executive Officer(s) may go as far as cancelling the Plan to which this Document relates and adopting a Plan that is substantially new in terms of its qualifying criteria.

4.10. Reasons for the Company opting to "redeem" the financial instruments to which the plans relates, as provided for in Articles 2357 *et seq.* of the Italian Civil Code; redemption beneficiaries indicating whether this is aimed only at particular categories of employees; effects of termination of employment relationship on that redemption

There is no provision under the Plan for redemption by the Company of the shares granted, as specified in Arts. 2357 *et seq*. of the Italian Civil Code.

4.11. Any loans or other facilities granted to purchase the shares pursuant to Article 2358, paragraph 3, of the Civil Code

There is no provision under the Plan for the granting of loans or other facilities granted to purchase the shares pursuant to Article 2358, paragraph 3, of the Civil Code.

4.12. Assessments of the expected cost to the Company on the grant date, determinable on the basis of terms and conditions already defined, in an aggregate amount and with respect to each instrument of the Plan

The Plan involves the grant of Shares originating from the rights accrued by the end of 60 days as of the date of presentation of Esprinet's certified consolidated financial statements for the year ended 31 December 2020. The overall financial cost for the Company cannot therefore be determined in advance insofar as this depends on the total number of shares actually granted. The figurative burden posted in the financial statements in the tax years covering the duration of the Plan is based on the likelihood of the shares being granted and the fair value attributable to the rights allotted to beneficiaries, as well as the tax and social security treatment of the Plan.

On the date of this Document, analyses are still being carried out to define in precise terms the accounting impact of the adoption of the Plan on the financial statements of Esprinet and of the Esprinet Group.

4.13. Any dilutive effects brought about by the Plan

The Plan involves the use of treasury shares. This means that there will be no dilutive effect on the Company's capital.

4.14. Any limits on the exercise of voting rights and on the grant of property rights

There is no provision under the Plan for any limitation on voting rights or on associated property rights with respect to the Shares granted.

4.15. If the shares are not traded on regulated markets, any useful information to make a thorough assessment of the value attributable to them

[Not applicable].

4.16. Number of financial instruments underlying each option

[Not applicable].

4.17. Maturity of options

[Not applicable].

4.18. Procedure (US/European), timetable (e.g. valid exercise periods) and exercise clauses (for example, knock-in and knock-out clauses)

[Not applicable].

4.19. Exercise price of the option or the means and criteria for determining this, with particular regard to:

a) **the formula for calculating the exercise price in relation to a specified market price (fair market value) (for example: exercise price equal to 90%, 100% or 110% of the market price), and**

b) **the means of determining the market price used as reference for determining the exercise price (for example: last price of the day preceding the grant, average for the day, average of the last 30 days, etc.);**

[Not applicable].

4.20. If the exercise price is not equal to the market price determined as described in point 4.19.b (fair market value), reasons for this difference

[Not applicable].

4.21. Criteria on the basis of which different exercise prices are contemplated for different subjects or different categories of beneficiaries

[Not applicable].

4.22. If the financial instruments underlying the options are not traded on regulated markets, indication of the value that can be attributed to the underlying instruments or the criteria used to determine that value

[Not applicable].

4.23. Criteria for the adjustments necessary following extraordinary capital transactions and other transactions that involve a change in the number of underlying instruments (capital increases, exceptional dividends, reverse stock splits and stock splits affecting the underlying shares, merger and demerger, conversion into other categories of shares, etc.)

[Not applicable].

4.24. Information referred to in Table 1 of Schedule 7 of Appendix 3A to the Issuer Regulations

This information will be published on the date when these rights are allotted, pursuant to Article 84-*bis*, paragraph 5, letter a), of the Issuer Regulations.

ANNEX B

ADDENDUM TO THE INFORMATION DOCUMENT

PREPARED IN ACCORDANCE WITH ARTICLE 114-*BIS* OF LEGISLATIVE DECREE NO. 58/98 (THE ITALIAN CONSOLIDATED LAW ON FINANCE, OR TUF) AND ART. 84-BIS OF THE ISSUERS' REGULATION 11971/99 AS SUBSEQUENTLY AMENDED

RELATING TO

FREE SHARE AWARD PLAN OF ESPRINET S.P.A. IN FAVOUR OF ESPRINET S.P.A. EXECUTIVE DIRECTORS AND MANAGERS APPROVED BY THE GENERAL MEETING OF 4 MAY 2018

Esprinet S.p.A.
VAT number: IT 02999990969
Milan, Monza-Brianza and Lodi Companies Register and Tax Number: 05091320159 R.E.A. MB-1158694
Registered office and administrative headquarters: Via Energy Park 20 - 20871 Vimercate (MB)
Share capital subscribed and paid in as at 31/12/2019: Euro 7,860,651
www.esprinet.com - info@esprinet.com

DEFINITIONS

Shares: Esprinet S.p.A. ordinary shares listed on the MTA organised and managed by Borsa Italiana S.p.A.

Shareholders' Meeting: the meeting of shareholders of Esprinet S.p.A.

Code or Corporate Governance Code: the Corporate Governance Code for Listed Companies as supplemented and amended in July 2015

Nomination and Remuneration Committee: an internal Board committee set up in accordance with the recommendations of the Corporate Governance Code

Esprinet, Company or Issuer: Esprinet S.p.A.

Managers with strategic responsibilities: individuals entrusted, directly or indirectly, with the power and responsibility for planning, managing and supervising the Company's activities, including directors (executive or non-executive) and standing statutory auditors

Document: this Information Document

Esprinet Group: Esprinet S.p.A. and its subsidiaries as defined in Article 2359 of the Italian Civil Code

Inside Information: information of a precise nature, which has not been made public, relating, directly or indirectly, to one or more issuers or to one or more financial instruments, and which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments

MAR: Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse

MTA: the Mercato Telematico Azionario (the Italian electronic stock market) organised and managed by Borsa Italiana S.p.A.

Guidelines:	the guidelines for the allotment of stock grant rights in relation to Esprinet S.p.A. ordinary shares for the period 2018-20 as approved by the Board of Directors on 21 March 2018
Chairman:	the Chairman of the Board of Directors of Esprinet S.p.A.
Regulation:	the document containing all terms, conditions, characteristics and procedures for implementation of the Plan
Issuers' Regulation:	the CONSOB Regulation adopted under Resolution 11971 of 14 May 1999, as subsequently amended
Subsidiaries:	the companies controlled by Esprinet S.p.A. pursuant to Article 2359 of the Italian Civil Code
TUF:	Italian Consolidated Law on Finance (Legislative Decree 58 of 24 February 1998, as subsequently amended)

Pursuant to Art. 84-*bis*, paragraph 5a) of the Issuers' Regulation, further information is provided in relation to the Long Term Incentive Plan described in the Information Document of 21 March 2018 presented to the Shareholders' Meeting on 4 May 2018.

1. PLAN BENEFICIARIES

1.1. The names of the beneficiaries who are members of the Board of Directors of Esprinet S.p.A. and of the parent or subsidiary companies thereof

The Plan Beneficiaries who are members of the Board of Directors of Esprinet S.p.A. are:

Maurizio Rota,	Chairman
Alessandro Cattani	Chief Executive Officer
Valerio Casari	Managing Director and CFO

The Plan Beneficiaries include some directors of the subsidiaries of Esprinet S.p.A..

1.2. Categories of employees and staff of Esprinet S.p.A. and of its parent or subsidiary companies

The categories of employees who are Plan Beneficiaries are managers of the Company and of its subsidiaries.
Beneficiaries do not include general staff of Esprinet S.p.A. or its parent and/or subsidiary companies.

2. REASONS FOR ADOPTING THE PLAN

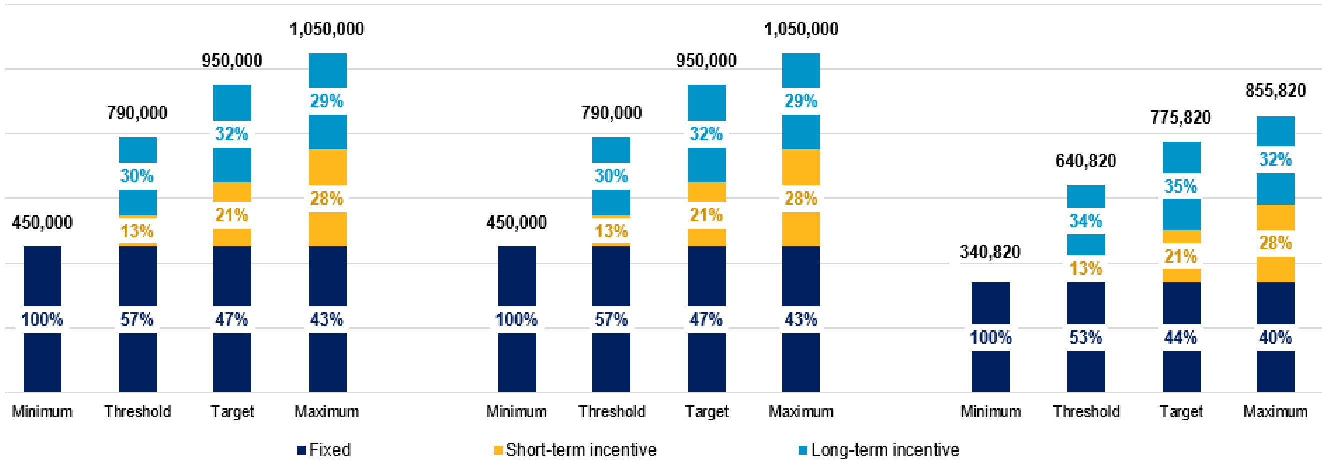
2.1.1 a) Reasons and criteria forming the basis of the ratio between compensation in the form of shares and other components of Beneficiaries' overall remuneration

The appropriateness of the ratio between the fixed and variable components for Executive Directors was also submitted for approval by independent outside consultants in 2018.

The following chart represents the theoretical pay mix[1] with reference to several possible performance levels: minimum, threshold, target and maximum. The positions of Executive Chairman, Chief Executive Officer and Managing Director and CFO were considered.

In particular, the relative weighting of the following components is highlighted: fixed remuneration, variable short-term incentive, variable long-term incentive (considering the fair value on a yearly basis of the rights to receive free shares in the company, calculated on the assignment date at the beginning of the plan) .

[1] This does not include alternative arrangements, or compensation relating to the termination of employment and changes in control clauses



Maurizio Rota
Executive Chairman

Alessandro Cattani
Chief Executive Officer

Valerio Casari
Managing Director and CFO:

2.1.1 b) Aims of long-term incentive plans

The long-term incentive plan provides for the allocation of free share rights (performance share grants) conditional upon the achievement of predefined performance conditions over a three year time frame from 2018 to 2020 (the vesting period), with the aim of ensuring that the performance and interests of shareholders and executive directors are in line, this focusing the latters' efforts on strategic group targets while achieving a close relationship between economic returns obtainable by key managers, company's results and value created for shareholders.

In particular, the beneficiary is assigned a maximum number of rights equal to the ratio between the gross cash amount proposed for each of them and the fair value[2] of the share at the allocation date. The actual accrual of such options or rights is dependent on the achievement of a cumulative performance target for the three years covered by the plan, defined by an Economic Profit indicator resulting from the difference between NOPAT (Net Operating Profit After Tax) and cost of capital invested.

Economic Profit = NOPAT - (WACC x Net Invested Capital)

3. APPROVAL PROCESS AND TIMETABLE FOR THE STOCK GRANT

3.7 Pursuant to Art. 84-*bis*, paragraph 5a), the date of the decision taken by the body having authority to grant the instruments and any proposals to the aforementioned body put forward by the Nomination and Remuneration Committee

On 14 May 2018, the Board of Directors, following the favourable opinion of the Nomination and Remuneration Committee, resolved to allocate a maximum number of rights equal to the ratio between the annual gross cash equivalent, equal to:

- €300,000.00 for the Executive Chairman Maurizio Rota, multiplied by the three years of the vesting period and the fair value of Esprinet shares on the day the rights are

[2] Determined based on Esprinet shares official market price, adjusted in consideration of expected volatility, the dividend yield expected and the risk-free interest rate applicable to the vesting period for the options assigned, all relating to the day prior to the date of assignment of the rights.

awarded;

- €300,000.00 for the Chief Executive Officer Alessandro Cattani, multiplied by the three years of the vesting period and the fair value of Esprinet shares on the day the rights are awarded;
- €275,000.00 for the Managing Director and CFO Valerio Casari, multiplied by the three years of the vesting period and the fair value of Esprinet shares on the day the rights are awarded;

The Board of Directors has also delegated powers to the Chairman and/or the Chief Executive Officer to identify the names of other managers for enrolment in the Long-Term Incentive Plan, in accordance with the provisions of the Plan Regulations.

Pursuant to the resolution of the Board of Directors of 14 May 2018, on 25 June 2018 the Executive Chairman Maurizio Rota was awarded 264,343 share options, the Chief Executive Officer Alessandro Cattani 264,343 share options and the Managing Director and CFO 242,314 share options.

3.8 Market price recorded on the aforesaid dates for the financial instruments on which the plans are based, if traded on regulated markets

The market price of Esprinet shares recorded on 14 May 2018, the date on which the Nomination and Remuneration Committee and the Board of Directors held their meeting, was €4.35.

The market price on 25 June 2018, the date of the award of the stock options was €3.53.

4. CHARACTERISTICS OF THE SHARES AWARDED

4.4 Maximum number of free share options awarded for each year of validity of the Plan

[Not Applicable.]

4.12 Assessments regarding the Company's expected cost on the award date, determined on the basis of terms and conditions already defined

The cost recognised in the financial statements in the tax years covering the duration of the Plan is based on IFRS 2 ("*Share-based payment*"), the value of Esprinet shares on the award date adjusted to take account of the dividend yield (determined on the basis of the last dividend paid) and the risk-free interest rate on the option grant date.

Specifically, a fair value personnel cost will be recognised in the profit and loss account, equal to the fair value of each share option, multiplied by the total number of shares granted, while also taking into account the average turnover rate for each category of Beneficiaries, as well as the likelihood of achieving the targets on which the award of share options depends.

This cost can currently be estimated at approximately €3.68 million and will be spread across the duration of the vesting period as specified in IFRS 2.

4.24 Information referred to in Table 1 of Schedule 7 of Appendix 3A to the Issuers' Regulation

Table 1 of Schedule 7 of Appendix 3A to the Issuers' Regulation is attached hereto.

Name and Surname position	Date of the shareholders' resolution	Type of financial instruments	Maximum number of stock options granted	Date granted	Purchase price (if any) of the instruments	Market price on grant date	Vesting period
Maurizio Rota Executive Chairman	04/05/2018	Shares in Esprinet S.p.A.	264,343	25/06/2018	N/A	3.58	From 25/06/2018 To 30/04/2021
Alessandro Cattani Chief Executive Officer	04/05/2018	Shares in Esprinet S.p.A.	264,343	25/06/2018	N/A	3.58	From 25/06/2018 To 30/04/2021
Valerio Casari Managing Director and CFO	04/05/2018	Shares in Esprinet S.p.A.	242,314	25/06/2018	N/A	3.58	From 25/06/2018 To 30/04/2021
Directors of subsidiaries							
Giovanni Testa Business Operations Manager	04/05/2018	Shares in Esprinet S.p.A.	75,000	25/06/2018	N/A	3.58	From 25/06/2018 To 30/04/2021

Name and Surname position	Date of the shareholders' resolution	Type of financial instruments	Maximum number assigned rights	Date granted	Purchase price (if any) of the instruments	Market price on grant date	Vesting period
Josè Maria Garcia Sanz Country Manager Esprinet Iberica	04/05/2018	Shares in Esprinet S.p.A.	50,000	25/06/2018	N/A	3.58	From 25/06/2018 To 30/04/2021
Pietro Aglianò Chief Administration & Risk Officer	04/05/2018	Shares in Esprinet S.p.A.	30,000	25/06/2018	N/A	3.58	From 25/06/2018 To 30/04/2021
Javier Bilbao Goyoaga Bartuner Director of of Esprinet Iberica and Chairman of V-Valley Iberian	04/05/2018	Shares in Esprinet S.p.A.	30,000	25/06/2018	N/A	3.58	From 25/06/2018 To 30/04/2021
Luca Casini Head of Sales & Marketing – BU V-Valley	04/05/2018	Shares in Esprinet S.p.A.	12,000	25/06/2018	N/A	3.58	From 25/06/2018 To 30/04/2021

Name and Surname position	Date of the shareholders' resolution	Type of financial instruments	Maximum number assigned rights	Date granted	Purchase price (if any) of the instruments	Market price on grant date	Vesting period
Simona Ceriani Head of Sales & Marketing – BU V-Valley	04/05/2018	Shares in Esprinet S.p.A.	12,000	25/06/2018	N/A	3.58	From 25/06/2018 To 30/04/2021
			MANAGERS				
7 Managers of Esprinet S.p.A.	04/05/2018	Shares in Esprinet S.p.A.	140,000	25/06/2018	N/A	3.58	From 25/06/2018 To 30/04/2021