



REPORT ON REMUNERATION 2017

VIMERCATE, 21 MARCH 2017

Esprinet S.p.A.

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LETTER FROM THE CHAIRMAN OF THE APPOINTMENT AND REMUNERATION COMMITTEE

Dear Shareholders,

It is with great pleasure that I present the Remuneration Report for 2016, which will be submitted to the shareholders.

Because the Remuneration Report is now a fixed and recurring item on our agenda, Esprinet wishes to consider it not as a mere legal obligation, but as a window allowing transparent dialogue with all shareholders on matters pertaining to remuneration, which will benefit all the other stakeholders of our Company.

This year, the Remuneration Report has therefore been completely revised to better illustrate all aspects of the remuneration of executive directors and executives with strategic responsibilities and the link between remuneration and company performance.

Drawing on the support of qualified external advisors regarding executive fees, the Appointment and Remuneration Committee, structured the incentive systems in recent years to ensure a clear alignment between corporate performance and incentives for management.

The short-term incentive plan is aligned with the annual profitability targets (EBIT) and financial sustainability (a multiple of the Net Financial Position on EBITDA).

The long-term incentive programme rewards management through the allocation of shares in the Company to achieve the value creation targets (economic profit) over a three-year time frame.

All incentive plans provide for a cap and forms of deferring accrued bonuses above a certain threshold or locking-up of a portion of shares allocated to management.

The information provided in this report gives a detailed description of performance parameters and the link with rewards for the different performance levels to better meet the expectation of investors.

For the future, I wish to confirm the commitment of the Appointment and Remuneration Committee to ensuring a remuneration policy in line with the interests of investors and to the highest standards of corporate governance.

Mario Massari
Chairman of the Appointment and
Remuneration Committee

POLICY FOR REMUNERATION OF EXECUTIVE DIRECTORS¹

Member	Purpose	Characteristics
Fixed remuneration	<p>Compensates the skills, professionalism and contribution required by the role to ensure motivation and retention.</p> <p>It includes the following elements:</p> <ul style="list-style-type: none"> • Remuneration for the position • Remuneration for delegations and special duties • Fee for non-competition agreement and the transfer ban 	<p>Chairman of the Board of Directors²: 450.000€</p> <p>Deputy Chairman and Chief Executive Officer² 450.000€</p> <p>Chief Executive Officer²: 450.000€</p> <p>Managing Director and CFO²: 342.969€</p>
Short-term variable remuneration	<p>Monetary incentive granted annually aiming to guide short-term management action in line with corporate objectives.</p>	<p>Performance indicators:</p> <ul style="list-style-type: none"> • Net Debt / EBITDA with weighting of 50% • Adjusted EBIT / Revenues with weighting of 50% <p>In case of over-performance the premium can reach 120% of the target bonus (cap). The share of bonus over and above the target bonus is deferred for one year and subject to a suspensive condition linked to company profitability ("malus")</p>
Long-term variable remuneration	<p>Share Plan linked to the achievement of three-year performance conditions (performance share plan), reserved for Executive Directors (excluding the Chair)</p>	<p>Performance indicators:</p> <ul style="list-style-type: none"> • Economic Profit = NOPAT - (WACC x Net Invested Capital) <p>The number of rights can range between 80% and 100% (cap) of the rights awarded based on the performance achieved</p>
Benefits	<p>These are added to the remuneration package to ensure a total reward approach</p>	<p>Insurance coverage for civil liability (D & O)</p> <p>Company car for multipurpose use</p> <p>Phone for multipurpose use</p> <p>Annual medical check-up</p>
Accessory institutes		
Severance clause	<p>These provide for the assignment of predetermined amounts to the Executive Directors (excluding the Chairman) in the event of early termination of the director's role without just cause</p>	<p>Deputy Chairman and Chief Executive Officer 1.5 mln€</p> <p>Chief Executive Officer 1.5 mln€</p> <p>Managing Director and CFO: 1.15 mln €</p> <p>Amounts equal to about twice the gross annual remuneration payable as a fixed</p>

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

² At the date of this report management powers have been conferred on: Chairman of the Board of Directors, Deputy Chairman and Chief Executive Officer, Managing Director, CFO as described in the Report on Corporate Governance - Delegated body section - to which you are referred

		component, annual variable component and non-competition agreement
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 in force only for the CEO role for a sum of € 3.5 million

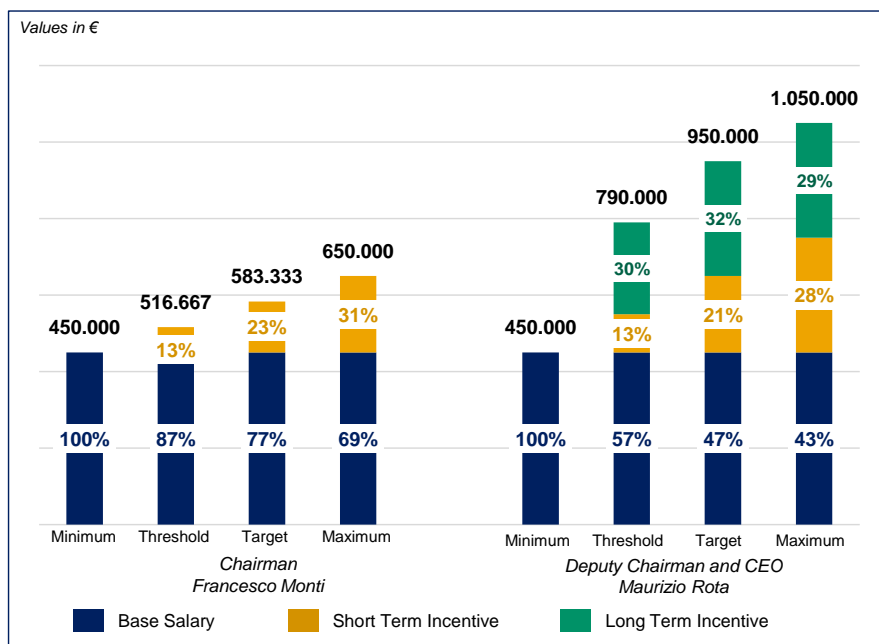
PAY-MIX

The 2017 policy guidelines provide for a remuneration mix for Directors Executive Directors consistent with the characteristics of their role as well as with market practice considering companies of comparable size and complexity.

The appropriateness of the ratio between the fixed and variable components for executive directors has also been submitted for approval by independent outside consultants.

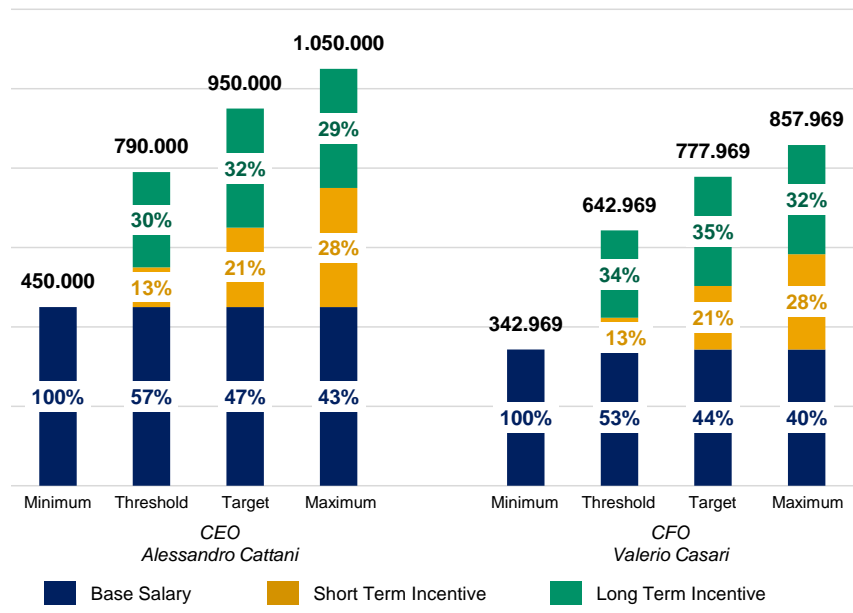
The following chart represents the theoretical pay mix³ regarding several possible performance levels: minimum, threshold, target and maximum. The positions of Chairman, Deputy Chairman and CEO, CEO and Managing Director and CFO are considered.

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



³ This does not include accessory institutions, or indemnities relating to the termination and change in control clauses

Values in €



This document consists of two sections provided for in paragraphs 3 and 4 of Article 123-ter of the Consolidated Finance Act (hereinafter the "TUF") and was approved on 21 March 2017 by the board of directors of the company.

Under Article 123-ter of the TUF, the shareholders' meeting called to approve the Company's financial statements decides in favour of or against the first section of the report; the decision is not binding.

SECTION I

1. INTRODUCTION

This document has been drafted in accordance with Article 123-ter of the TUF, and paragraph 4 as it relates to Section I of the Remuneration Report to be approved by the Board of Directors and subsequently by the shareholders' meeting called to approve the Company's financial statements as at 31 December 2016.

It has also been drafted in accordance with the "Procedure on related-party transactions" approved on 26 November 2010.

The purpose of this document is to provide the information referred to in Schedule 7-bis to Appendix 3A to the Issuers' Regulations, and to describe and illustrate:

- a) the Company's policy regarding the remuneration of the members of its Board of Directors, general managers and managers with strategic responsibilities, regarding previous years, the current year and the two subsequent years;
- b) bodies responsible for drafting and approving this policy;
- c) procedures used to adopt and implement this policy.

2. BODIES RESPONSIBLE FOR DETERMINING THE REMUNERATION POLICY

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

- members of the Board of the Directors are entitled to reimbursement of expenses incurred in the performance of their duties and to the payment 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 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 itself pursuant to Article 2389 of the Civil Code.

To comply with common practice in this regard, we confirm our intention of not making use of the power stipulated in the Articles of Association to make the shareholders' meeting responsible for resolving upon 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 would then be responsible for determining remuneration for the delegated powers and offices conferred upon its members.

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

- defining objectives 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, consistent 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 responsibilities⁴ other than executive directors, in accordance with the respective employment contracts, based on criteria which - where compatible - are like those used for executive directors except for greater focus on the specific operational areas managed.

Role of the Appointment 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 (Appointment and Remuneration Committee).

The latter is made up of three members, all independent directors:

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

The Appointment and Remuneration Committee provides advice and suggestions to the Board, by proposing that payments be allocated to the executive directors, providing opinions on the performance targets against which the directors' variable remuneration is measured, and on the related evaluation criteria, verifying the achievement of performance targets, and thus guaranteeing that the remuneration is based on the results achieved.

The Committee also provides opinions on the related objectives and evaluation guidelines, regarding the remuneration of managers with strategic responsibilities, by periodically evaluating the underlying criteria.

Regarding the companies within the Group, responsibility always falls to the Esprinet Board of Directors, following a proposal by the Committee.

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

When carrying out its duties, the Appointment and Remuneration Committee relies on the services of independent consultants, to obtain information about market practices on remuneration policies, average remuneration levels, long-term retention and incentive plans, and the most appropriate mode of application.

These experts are selected considering 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 Appointment and Remuneration Committee in 2016.

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 2016.

Activities undertaken and planned for the period 2015-2017

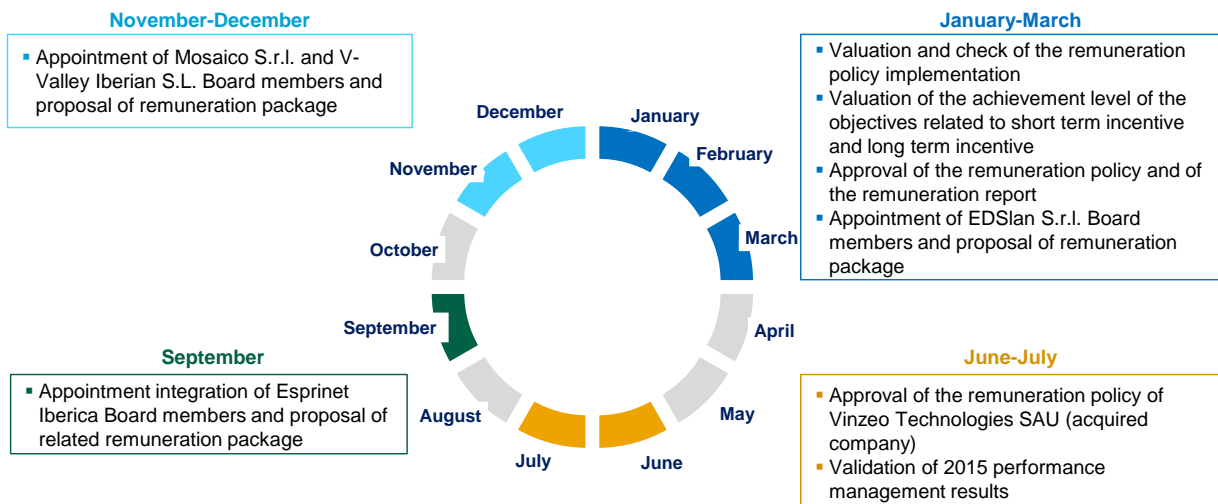
The activities of the Appointments and Remuneration Committee were structured during the three-year period 2015-2017 as follows:

⁴ Currently, no manager has been identified with strategic responsibilities apart from the Executive Directors

2015	<ul style="list-style-type: none"> • Initial testing and development of the company's remuneration policy in relation to the new mandate • verification of market practices and appropriateness of executive directors' remuneration based on fee surveys prepared by the Hay Group • definition of the structure and objectives of short-term incentive plans and the long-term incentive plan
2016	<ul style="list-style-type: none"> • verification and final cost of short-term incentive plan targets • monitoring of the long-term incentive plan target achievement level • monitoring of remuneration policy implementation
2017	<ul style="list-style-type: none"> • verification and reporting of the incentive schemes achievement level • preliminary work on the new three-year policy to be brought to the attention of the Appointment and Remuneration Committee to be appointed for the following three years

During 2016, the year covered by this report, the Appointment and Remuneration Committee met a total of five times.

The activities carried out during the year were as follows:



3. 2017 POLICY PRINCIPLES AND GUIDELINES

The Esprinet remuneration policy is defined in accordance with the governance model adopted by the company and with Corporate Governance Code recommendations. It is generally drawn up according to the following principles and objectives:

- to attract and retain high profile professional and managerial resources to support the business strategy;
- to promote the creation of value in the medium to long term and its sustainability over time, resulting in an alignment of interests among all shareholders and management;
- to ensure that remuneration is based on an objectively measurable and sufficiently challenging goal and results achieved;
- to ensure benefits in line with normal market practice to complement and enhance the overall remuneration package;
- to protect the company and shareholders through the adoption of direct clawback mechanisms designed to return the variable portion of the remuneration following results achieved through fraudulent conduct or gross negligence or data shown to be evidently erroneous;
- to create appropriate alignment between remuneration and risks using forms of deferring short-term variable remuneration subject to 'malus' conditions and lock-up constraints on long-term variable incentives.

4. REMUNERATION OF NON-EXECUTIVE DIRECTORS

The remuneration of non-executive and independent directors is determined by shareholders.

The remuneration of non-executive directors contains no variable components. There are no forms of remuneration tied to the achievement of financial objectives by the Company, nor do such managers receive share-based remuneration plans.

The annual fee established by the shareholders' meeting for the three-year period 2015-2017 is € 30,000.

There is no reimbursement of expenses for their duties.

Remuneration for participation in committees

Based on Board of Director's resolution of 4 May 2015, non-executive directors are granted an additional annual remuneration for participation in Board committees:

Committee	Chairman's remuneration	Remuneration of other members
Control and Risks Committee	23,400€	18,000€
Appointment 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

Based on a resolution passed by the shareholders on 30 April 2015, members of the Board of Auditors receive an annual fee of EUR 45,000 for the Chairman and EUR 40,000 for the other members. Expenses are reimbursed based on costs incurred for the offices held.

5. REMUNERATION OF EXECUTIVE DIRECTORS

The remuneration provided for the Executive Directors based on decisions taken by the Management Board in its meeting on 14 May 2015, 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;
 - a component as remuneration linked to Group non-compete and non-entitlement obligations;
- b) Short-term variable incentives based on specific financial performance targets at the consolidated group level (bonuses); it is planned to defer the overperformance bonus for one year.
- c) Long-term variable incentives, based on specific economic and financial performance targets at consolidated group level.
- d) Benefits
- e) Accessory institutes including:
 - a component in the form of indemnities for early termination of the management relationship;
 - a change in control clause for the CEO alone.

Where the executive directors are employed on subordinate contracts, 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	Non-compete clause	Total fixed remunerations
Chairman	30,000€	370,000€	50,000€	450,000€
Deputy Chairman and Chief Executive Officer	30,000€	370,000€	50,000€	450,000€
Chief Executive Officer	30,000€	370,000€	50,000€	450,000€
Managing Director and CFO:	30,000€	262,969€	50,000€	342,969€

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

Payments are usually made to executive directors in consideration for three-year non-compete obligations covering Europe and the Mediterranean area, starting from the date when the director's term of office officially ends for any reason.

The non-compete clause also contains a prohibition on the enticement of Group employees and collaborators for a period of 18 months after the date of termination.

The non-compete agreements in place provide for the payment of a permanent employment remuneration for all executive directors of the company, equivalent to an annual gross amount of 50,000 Euros.

Short-term variable incentive

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

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

To that end, the targets related to this part of the remuneration package are usually established for each reference year, upon a proposal from the Appointment and Remuneration Committee, at the beginning of the three-year period making up the company's strategic plan.

These targets are translated into easily verifiable economic and financial parameters based on the consolidated financial statements. The inclusion of goals connected with the Group's financial policies and its debt servicing capabilities is also intended to prevent the assumption of an undesirable level of financial risk.

The structure of the proposed targets is therefore linked to the following two financial parameters measured on a consolidated basis:

- Net Debt / EBITDA with weighting of 50%
- Adjusted EBIT / Revenues with weighting of 50%

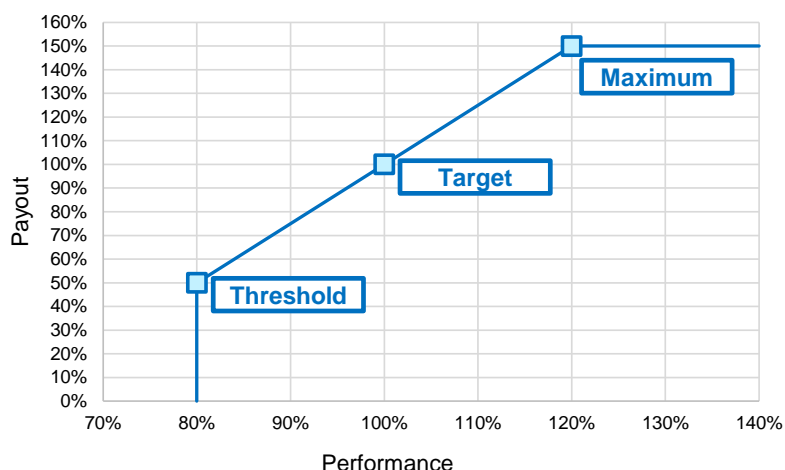
The first indicator measures management's ability to pursue balanced growth, maintaining a sustainable level of leverage in regarding capacity to generate approximate financial cash flows from EBITDA. The second parameter is an indicator of operating profitability.

The targets on each indicator are deemed sensitive as they are an integral part of the strategic plan, and therefore cannot be declared in this report.

The following incentive curve is planned for both goals:

Performance level	% of target	Pay-out
Threshold	80%	50%
Target	100%	100%
Maximum	120%	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
Chairman	66,666€	133,333€	200,000€
Deputy Chairman and Chief Executive Officer	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 overperformance bonus share is subject to a one year suspensive condition 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.

Furthermore, to achieve full alignment with Corporate Governance Code recommendations, the company provides clawback mechanisms designed to recover all part of the equivalent value of the bonus upon the occurrence of certain events and within a maximum period of two years from payment of the annual bonus, depending on the severity of the event occurred.

The possibility of this form of recovery will arise in the following eventualities:

- removal from office for just cause;
- existence of conduct undertaken 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;
- the bonus was calculated based on data that are subsequently identified as manifestly erroneous.

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 2015 to 2017 (the vesting period), with the aim of ensuring that the performance and interests of shareholders and executive directors are in line, thus focusing the latter's 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.

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 value⁵ of the share at the allocation date.

The actual accrual of such rights is dependent on the achievement of a cumulative performance target for the three years covered by the plan defined in an economic profit indicator given by the difference between NOPAT (Net Operating Profit After Tax) and cost of capital.

$$\text{Economic Profit} = \text{NOPAT} - (\text{WACC} \times \text{Net Invested Capital})$$

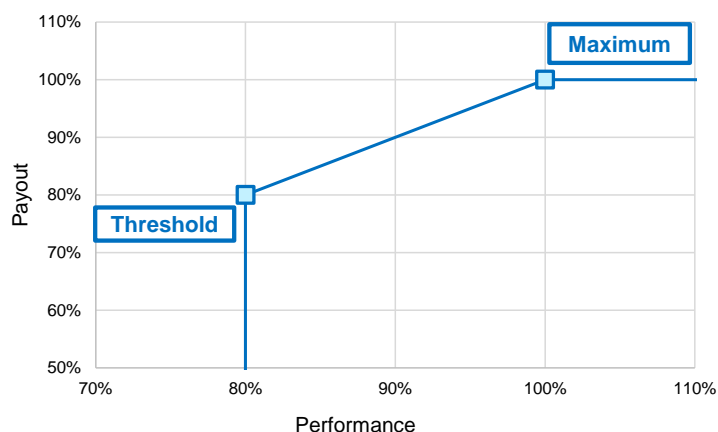
The target level in relation to the indicator is considered sensitive, being an integral part of the strategic plan and is therefore not specifically set out in this report.

The vesting is dependent on the following incentive curve:

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

The number of accrued rights will be defined by linear interpolation if the result is between 80% and 100% of the target.

The actual vesting of rights is also conditional upon continued presence within the group at the time when the results regarding the plan performance period are validated.

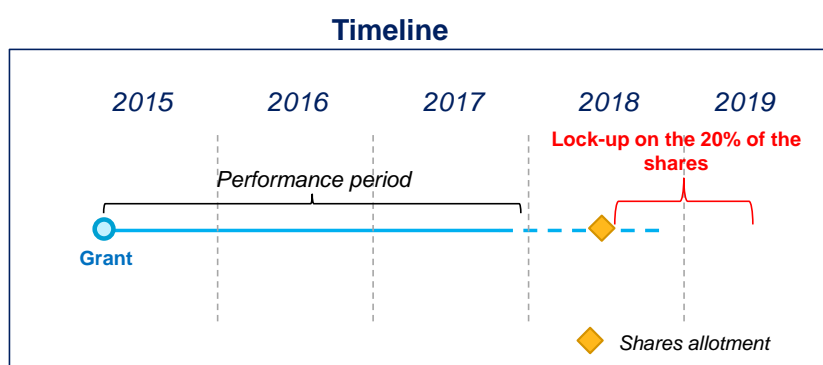


The maximum opportunities on offer to Executive Directors for the three-year period 2015-2017 amount to:

⁵ Determined based on the official market Esprinet share price, adjusted in consideration of expected volatility, the dividend yield and the risk-free interest rate for the vesting period of the options assigned, all relating to the day prior to assignment of the rights.

Beneficiaries	Maximum number assigned rights	Fair value on the assignment date	Monetary equivalent to the assignment
Deputy Chairman and Chief Executive Officer	131,578	6.84	900,000€
Chief Executive Officer	131,578	6.84	900,000€
Managing Director and CFO:	120,614	6.84	825,000€
Total rights	383,770		

Considering his role and status as main shareholder, the Chairman does not benefit from long-term variable incentive plans.



In accordance with criteria established in the Article 6 of the Corporate Governance Code, 20% of the vested shares are subject to a lock-up clause for a period of one year.

The plan provides for the adoption clawback mechanisms that are essentially the same as those described in the "Short-term variable incentive" section.

The 2015-2017 performance share plan approved by the shareholders' meeting on 30 April 2015 provides an opportunity to assign rights to Group employees as well as to some of the Executive Directors, for up to 1,150,000 shares. The Board of Directors has delegated powers to identify the names of other directors to be included in the long-term incentive plan for CEOs..

Following a resolution on 14 May 2015, the Board of Directors set a maximum annual equivalent value of 875,000 euro for Executive Directors and 600,000 euro for other Directors.

Considering a fair value of 6.84 euro per share, the maximum number of shares attributable for the three years of the plan is 383,771 for Executive Directors and 263,157 for other directors.

The number of rights awarded by the plan amounted to 646,889, considering both Executive Directors (383,770) and other directors (263,119).

Total shares resolved for plan purposes	1,150,000
Total shares assignable (resolution of 14/05/2015)	646,929
Total shares used	646,889
<i>Executive Directors</i>	<i>383,770</i>
<i>Other directors</i>	<i>263,119</i>

Benefits

The 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.

Treatments provided for termination of office

An indemnity is provided for early termination of the office of director for the following Executive Directors:

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

Considering his role and status as main shareholder, the Chairman does not benefit from early termination of office agreements.

Specifically, in the case of dismissal from the post of director without just cause, the payment of an all-inclusive amount equal to twice the gross annual remuneration payable for (i) the fixed component, (ii) the annual variable component and (iii) payments for non-compete and non-entitlement obligations. 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 Deputy Chairman and Chief Executive Officer and the Chief Executive Officer of the company an indemnity for early termination of the office of Director amounting to 1.5 million euro each (lump sum) and the Managing Director and CFO of 1.15 million euro (lump sum).

In the event of early termination of the management relationship with the Company or non-renewal, specific indemnities are not usually provided for, apart from those stipulated in law, except in the case of CEO Alessandro Cattani, who is entitled to fixed compensation of €3.5 million in the event of a demerger/merger of the Company or the completion of a takeover offer for shares of the Company resulting in the offeror holding a relative majority of the share capital.

The aim of this remuneration component is to align interests in respect of shareholders when "CIC-Change in Control" events take place.

6. 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 4 (to which we refer) and is therefore made up of:

- a) fixed remuneration, which may include a component as remuneration linked to Group non-compete and non-entitlement obligations;
- 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 financial performance targets at consolidated group level;
- d) benefits package.

If key management personnel with strategic responsibilities are identified, the Appointment 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 document has been drafted in accordance with Article 123-ter, paragraph 3, of the TUF. Its aim is to illustrate those items which make up the 2016 remuneration for executive directors and managers with strategic responsibilities, including members of the Board of Statutory Auditors, the Company and its subsidiaries.

These items have also been shown in table form, according to the outline contained in Schedule 7-bis of Appendix 3A to the Issuers' Regulations.

Implementation of the policy during 2016, as verified by the Appointments and Remuneration Committee during its planned assessment of the Corporate Governance Code, was consistent with the overall performance of the company and with the provisions of the 2016 remuneration policy, as set out below.

Please note that the Company's organisational chart does not include the role of General Manager.

2. FINAL BALANCE OF THE INCENTIVE PLANS

This section is intended to introduce the final performance balance for short-term incentive systems. Regarding the long-term incentive system, the final performance balance will be presented at the end of the vesting period (2017), as the plan is structured around a single cycle with a three-year performance horizon.

Final performance balance: short-term variable remuneration

Annual incentives were paid in respect of the final balance of targets set for 2016.

The overall performance level of the objectives assigned to the Executive Directors for 2016 was 102%, compared to target values, calculated based on the weighted average of performance levels achieved for NFP/EBITDA and EBIT adj./Revenue.

3. REMUNERATION OF EXECUTIVE DIRECTOR MEMBERS

The remuneration paid to Executive Directors in 2016 per individual remuneration package component.

Fixed remuneration

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

Position	Fixed remuneration
Chairman	450,000€
Deputy Chairman and Chief Executive Officer	450,000€
Chief Executive Officer	450,000€
Managing Director and CFO	342,969€

Short-term variable remuneration

Given the performance for annual targets equal to 102% of the target, the accrued annual bonus values are as follows:

Position	Accrued bonus
Chairman	136,444€
Deputy Chairman and Chief Executive Officer	204,667€
Chief Executive Officer	204,667€
Managing Director and CFO	163,733€

Long-term variable remuneration: 2015-2017 performance share plan

The Executive Directors, except the Chairman, are included among the beneficiaries of the 2015-2017 performance share plan.

During 2016, no new rights were assigned; none of the rights assigned has matured during the year since the plan is based on a single assignment with a time frame of three years with a view to a possible final accounting at the end of 2017.

Benefits

The value of non-monetary benefits reserved for executive directors amounted to € 14,802.

4. REMUNERATIONS 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.

5. REMUNERATIONS PAID TO NON-EXECUTIVE DIRECTORS

In total the following fees were paid to non-executive directors during 2016:

Fixed remuneration paid	Remuneration for Committees	Total remunerations
240,000€	219,600€	459,600€

6. REMUNERATION PAID TO THE BOARD OF STATUTORY AUDITORS

The remuneration paid in 2016 to members of the Board of Auditors totalled 125,000 Euros, excluding taxes and VAT.

Specifically, 45,000 Euros were allocated to the Chairman of the Board of Auditors and EUR 40,000 to each of the Statutory Auditors.

A total of 5,157 euro was also paid for expenses on account of costs incurred for the offices held.

PAYMENTS MADE IN 2016

TABLE 1 - Payments made to executive bodies, general managers and other managers 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 payments" 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 "Payments for participation in Committees" 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 payments" shows, in the item "Bonuses and other incentives", the short-term incentives accrued in the year and incentives deferred in previous years and granted during the year with respect to the respective rights accrued following checking and approval of the performance results by the competent company bodies, as specified in further detail in the Table "Monetary incentive plans for members of the board of directors, general managers and other managers with strategic responsibilities";
- the column "Profit sharing" contains no figures as there are no forms of profit sharing;
- the column "Non-monetary basis" shows, on an accrual and taxability basis, the value of the fringe benefits granted;
- the column "Other payments" 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 payments" shows the fair value accrued in the year in relation to the stock grant plans in existence, estimated according to international accounting principles that distribute the respective cost over the vesting period;
- the column "Indemnity for end of office or severance of employment relationship" 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: Payments made to executive bodies, general managers, and other managers with strategic responsibilities.

(figures in eur/000)

Name and Surname	Office	Period in office	Expiry of term	Fixed payments		Variable non-equity payments				Fair Value of equity payments ^(e)	Indemnity for end of office or severance of employment relationship		
				Fixed payments	Remuneration from subordinate employment	Payments for participation in Committees	Bonuses and other incentives ^(c)	Profit sharing	Non-monetary basis ^(e)			Other payments	Total
Francesco Monti ⁽²⁾	Chairman	01.01/31.12.2016	2018 ⁽¹⁾	450	-	-	195	-	3	648	-		
Maurizio Rota ⁽²⁾	Deputy Chairman and CEO	01.01/31.12.2016	2018 ⁽¹⁾	450	-	-	292	-	4	746	318		
Alessandro Cattani ⁽²⁾	CEO	01.01/31.12.2016	2018 ⁽¹⁾	450	-	-	292	-	4	746	318		
Valerio Casari ⁽²⁾	Director	01.01/31.12.2016	2018 ⁽¹⁾	80	263	-	234	-	4	581	291		
Marco Monti ⁽³⁾	Director	01.01/31.12.2016	2018 ⁽¹⁾	30	-	18	-	-	-	48	-		
Matteo Stefanelli ⁽⁴⁾	Director	01.01/31.12.2016	2018 ⁽¹⁾	30	-	41	-	-	-	71	-		
Tommaso Stefanelli ⁽⁵⁾	Director	01.01/31.12.2016	2018 ⁽¹⁾	30	-	41	-	-	-	71	-		
Mario Massari ⁽⁶⁾	Director	01.01/31.12.2016	2018 ⁽¹⁾	30	-	47	-	-	-	77	-		
Chiara Mauri ⁽⁶⁾	Director	01.01/31.12.2016	2018 ⁽¹⁾	30	-	36	-	-	-	66	-		
Cristina Galbusera ⁽⁶⁾	Director	01.01/31.12.2016	2018 ⁽¹⁾	30	-	36	-	-	-	66	-		
Emanuela Prandelli	Director	01.01/31.12.2016	2018 ⁽¹⁾	30	-	-	-	-	-	30	-		
Andrea Cavaliere ⁽¹⁰⁾	Director	01.01/31.12.2016	2017 ⁽¹⁾	30	-	-	-	-	-	30	-		
Giorgio Razzoli	Chairman of Board of Statutory Auditor	01.01/31.12.2016	2018 ⁽¹⁾	45	-	-	-	-	-	45	-		
Patrizia Paleologo Oriundi	Standing Statutory Auditor	01.01/31.12.2016	2018 ⁽¹⁾	40	-	-	-	-	-	40	-		
Bettina Solimando	Standing Statutory Auditor	01.01/31.12.2016	2018 ⁽¹⁾	40	-	-	-	-	-	40	-		
(I) Payments to the Company preparing financial statement				1,795	263	220	1,013	-	16	3,306	926		
(II) Payments from subsidiaries and affiliates				-	-	-	-	-	-	-	-		
(III) Total				1,795	263	220	1,013	-	16	3,306	926		

⁽¹⁾ Date of approval of Financial Statement for year ending 31 December 2017.

⁽²⁾ Included remuneration for no compete agreement amounting to 50 thousand euro.

⁽³⁾ Marco Monti - remuneration for participation in the Strategy Committee.

⁽⁴⁾ Matteo Stefanelli - remuneration for participation in the Strategy Committee 18 thousand euro and Competitiveness and sustainability Committee 23 thousand euro.

⁽⁵⁾ Tommaso Stefanelli - remuneration for participation in the Strategy Committee 23 thousand euro and Competitiveness and sustainability Committee 18 thousand euro.

⁽⁶⁾ Remuneration for participation in the Control and Risk Committee and the Nomination and Remuneration Committee. The payment represent the total remuneration for participation in both committees.

⁽⁷⁾ See Table 3B "Bonus for the year payable/paid" and "Bonus for previous years payable/paid".

⁽⁸⁾ "Fringe benefit" in the form of use of a company car.

⁽⁹⁾ See Table 3A (corresponds to the figurative cost recorded 2016).

⁽¹⁰⁾ Andrea Cavaliere has tendered his resignation with effect from 20 February 2017; at the time of this report has not been replaced

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.

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 assigned during the year", the figure contained in the column "Fair value of equity payments" 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

(figures in eur/000)

Name and Surname	Office	Plan	Financial Instruments assigned during the year			Financial Instruments assigned during the year			Financial Instruments assigned during the year and	
			Number and type of financial Instruments	Vesting period	Number and type of financial Instruments	Fair value on assignment date	Vesting period	Assignment date	Market price on assignment date in euro	Number and type of financial Instruments
Maurizio Rota	Deputy Chairman and CEO	"Stock grant" (Approved by the BID on 14/05/2015)	131.578 Esprinet S.p.A. ordinary shares	from 30/06/2015 to 30/04/2018						
Alessandro Cattani	CEO	"Stock grant" (Approved by the BID on 14/05/2015)	131.578 Esprinet S.p.A. ordinary shares	from 30/06/2015 to 30/04/2018						
Valerio Casari	Director	"Stock grant" (Approved by the BID on 14/05/2015)	120.614 Esprinet S.p.A. ordinary shares	from 30/06/2015 to 30/04/2018						
Total										

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 for 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 the year;
- the column "Bonus for the year - deferred" shows the variable short-term amount for which payment is deferred for a period of one year as of the time of accrual;
- the column "Bonuses from previous years - no longer payable" 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 because of not meeting the relevant conditions;
- the column "Bonuses from 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 from previous years - deferred again" 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 for the year - payable/paid" and the column "Bonuses from previous years - payable/paid" correspond to the column "Bonuses and other incentives" in Table 1.

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

(figures in eur/000)

Name and Surname	Office	Plan	Bonus of the year		Bonuses from previous years			Other Bonuses
			Payable / Paid	Deferred ⁽¹⁾	Deferral Period	No longer payable	Payable/Paid	
Francesco Monti	Chairman	2015 Monetary Incentive BoD 14 May 2015	133	3	2016	-	62	-
Maurizio Rota	Deputy Chairman and CEO	2015 Monetary Incentive BoD 14 May 2015	200	5	2016	-	92	-
Alessandro Cottani	CEO	2015 Monetary Incentive BoD 14 May 2015	200	5	2016	-	92	-
Valerio Casari	Director	2015 Monetary Incentive BoD 14 May 2015	160	4	2016	-	74	-
(I) Total Payments to the company preparing financial statement			693	17	-	-	320	-
(II) Total payments from subsidiaries and affiliates			-	-	-	-	-	-
(III) Total			693	17	-	-	320	-

⁽¹⁾ The cost recorded on the income statement in 2016, of the monetary component accruing during the year, the payment of which is deferred in the next fiscal year a year of maturation.

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

Name	Office	No. of shares at 31/12/15	No. of shares sold in 2015	No. of shares purchased	No. of shares sold	Decrease for office termination	No. of shares at 31/12/1
Francesco Monti ⁽¹⁾	Chairman	8,232,070	-	-	-	-	8,232,070
Maurizio Rota ⁽²⁾	Deputy Chairman and CEO	2,625,458	-	-	-	-	2,625,458
Alessandro Cattani	CEO	561,607	-	-	-	-	561,607
Valerio Casari	Director	54,617	-	-	(54,617)	-	-
Marco Monti ⁽³⁾	Director	-	-	-	-	-	-
Matteo Stefanelli	Director	840,307	(5,800)	-	-	-	834,507
Tommaso Stefanelli	Director	885,000	-	-	-	-	885,000
Mario Massari	Director	-	-	-	-	-	-
Chiara Mauri	Director	-	-	-	-	-	-
Cristina Galbusera	Director	-	-	-	-	-	-
Emanuela Prandelli	Director	-	-	-	-	-	-
Andrea Cavaliere	Director	-	-	-	-	-	-
Total Board of Directors		13,199,059	(5,800)	-	(54,617)	-	13,138,642
Giorgio Razzoli	Chairman	-	-	-	-	-	-
Patrizia Paleologo Oriundi	Standing Statutory Auditor	-	-	-	-	-	-
Bettina Solimando	Standing Statutory Auditor	-	-	-	-	-	-
Total Board of Statutory Auditor		-	-	-	-	-	-

⁽¹⁾ Holder of full ownership of 2,058,019 shares and of right usufruct on 6,174,051 shares

⁽²⁾ Holder of the usufruct right

⁽³⁾ Holder of bare ownership of 2,058,017 shares

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