



**Esprinet S.p.A.**

Headquarters in Vimercate (MB), Via Energy Park no. 20

Share capital € 7,860,651.00, fully paid-up

Milan, Monza-Brianza and Lodi Companies Register no. 05091320159

Tax no. 05091320159, VAT no. IT 02999990969

REA MB - 1158694

**Shareholders' Meeting of 7 April 2021**

**Single call**

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**Report by the Board of Directors on the resolution proposal under item 2) of the agenda for the Ordinary Shareholders' Meeting:**

**2. Appointment of the Board of Directors for the years 2021-2023**

**2.1 Determination of the number of members.**

**2.2 Determination of duration of term in office.**

**2.3 Appointment of Directors.**

**2.4 Appointment of the Chairman of the Board of Directors.**

**2.5 Determination of the compensation.**

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Dear Shareholders,

The three-year term of office of the Board of Directors appointed by the Shareholders' Meeting of 4 May 2018 comes to an end on the occasion of the Shareholders' Meeting called to approve the financial statements as at 31 December 2020.

As such, in compliance with the applicable laws, regulations and by-laws, and with the number of members having already been decided, you are invited to appoint the Board of Directors for the financial years 2021, 2022 and 2023, which,

pursuant to Article 2383(II) of the Italian Civil Code, will remain in office until the Shareholders' Meeting called to approve the financial statements as at 31 December 2023, and to appoint the Chairman of the Board of Directors. You are also invited to decide on the determination of the compensation of the Board of Directors.

Pursuant to Article 14 of the current By-Laws, the Company is administered by a shareholder-appointed Board of Directors comprising between 7 (seven) and 13 (thirteen) members. The Shareholders' Meeting establishes the number of Board members within the limits mentioned above and until a new resolution is passed. In this regard, note that the Shareholders' Meeting of 4 May 2018 had set the number of members of the Board of Directors at 12 (twelve).

This being said, in order to simplify the current corporate governance, also in the light of the appointment on 27 July 2020 of a *Chief Operating Officer* of the Esprinet Group, the Board of Directors recommends reducing to 9 (nine) the number of members of the Board of Directors to be appointed by the Shareholders' Meeting.

With regard to the professional figures that must make up the Board, note that on 21 March 2018, pursuant to Article 123-*bis*(2) letter d-*bis*) of the TUF (Consolidated Law on Finance), the Board of Directors adopted, on the proposal of the Appointment and Remuneration Committee, a policy on diversity, applicable as from the 2018-2020 term of office, in relation to the composition, *inter alia*, of the Board with regard to aspects such as (i) age, recommending that persons of different ages, generations and seniority of office be represented on the Board, so as to favour the creation of a fair balance between experience, continuity, a drive for innovation and risk appetite; and (ii) the education and professional

background, recommending that the Board should include people with skills in at least some of the following areas: a) marketing and sales; b) finance, administration and management control; c) information technology, digital technologies and innovation; d) logistics; e) legal and tax. Moreover, the Board recommends that - in line with the recommendations of the Corporate Governance Code - at least one member should have adequate knowledge and experience in financial matters or remuneration policies and at least one member should have adequate experience in accounting and finance or risk management.

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

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

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

Resolutions for the election of corporate officers are passed on the basis of an open vote, with the majorities required by law and the By-Laws, using the

preference list system.

Article 13 of the By-Laws provides for a preference list system, which, pursuant to applicable legislation, enables a Board member to be elected from a minority list and enables compliance with gender quotas.

For ease of consultation, the section of the aforementioned Article 13 of the By-Laws that establishes the election methods is copied out below:

*The members of the Board of Directors are elected, with respect of the equality of the genders required by the applicable law, on the basis of candidate lists, listed in progressive order, submitted by the Board of Directors or by the sponsoring shareholders, who alone or in conjunction with other shareholders represent, as of the date the list is submitted, at least one fortieth of the share capital or any different amount established by law, and who in any case satisfy any other conditions set by law.*

*The lists must be filed at the company's registered office at least twenty-five days prior to the date of the meeting on single call or at first call, without prejudice to any shorter deadline set by law. The Board of Director's list, if submitted, shall be filed at the Company's registered office by the thirtieth day prior to the date of the meeting and made the subject of publicity formalities required by law.*

*The lists must state which candidates qualify as independent, as defined by law for directors of listed companies. Each list must be accompanied by declarations in which the nominees accept their candidacy and confirm that there are no reasons for ineligibility or disqualification, that they meet any conditions set by law or the company's by-laws, and (if applicable) that they qualify as independent.*

*The lists that submit a number of candidates equal to or greater than three must be composed of candidates belonging to both genders, to the extent required by pro tempore governing regulations concerning balance between genders*

*To demonstrate ownership of the number of shares required for the submission of lists, shareholders must file within the term envisaged by the norms in force for the publishing of the lists by the Company, a copy of the shareholding certificates issued by the authorized intermediaries.*

*Lists submitted in violation of the by-laws will be treated as never submitted.*

*A single shareholder, as well as shareholders belonging to the same group -- i.e. the controlling party, subsidiaries, sister companies and associates as defined by Art. 2359 of the Italian Civil Code -- and shareholders who are party, including through subsidiaries, to an agreement regarding the company's shares per Art. 122 of Legislative Decree 58/1998 may not submit more than one list either directly or through trust companies or other intermediaries.*

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

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

*Each right-holder may vote for a single list.*

*One member of the Board of Directors (who must satisfy the conditions of reputability and professional qualifications per Art. 148, paragraphs III and IV of the Consolidated Finance Act) is drawn from the minority list obtaining the highest number of votes which is in no way associated, even indirectly, with the shareholders who submitted or voted for the winning list. For the purposes of selecting the winning candidates, account is not taken of lists that fail to obtain a percentage of votes equal to at least half that required for the submission of lists.*

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

*If, when the candidates are elected in the manner described above, the presence of the necessary number of Directors who meet the independence requirements established by law for the directors of listed companies is not met, the candidate who does not meet the independence requirements established by law for directors of listed companies elected last in progressive order on the list receiving the most votes will be replaced by the first candidate who meets the independence requirements established by law for directors of listed companies not elected from the same list in progressive order.*

*If this procedure does not ensure the necessary number of Directors who meet the independence requirements established by law for directors of listed companies, the replacement will take place with a resolution approved by a relative majority, after the submission of candidacies by persons who meet the independence requirements established by law for directors of listed companies.*

*In case the Board of Director's composition, even after the fulfilment of the procedure written above, does not respect the prescriptions required by the law in order to guarantee the equality of the genders, the last elected candidate of the majority list, according to the sequential number in which the candidates are indicated, belonging to the gender more represented, will be automatically replaced by the first not elected candidate of the same list and belonging to the gender less represented. This procedure will be applied as long as the composition of the Board of Directors will be respectful of the prescriptions required by the applicable law in order to guarantee the equality of the genders. In the event of the procedure's inability to guarantee the equality of the genders required by the applicable law, the replacement will be adopted by the Shareholders' meeting resolution. This resolution will be adopted with simple majority by means of submission of candidates belonging to the gender less represented.*

*In the event of a tie between two or more lists, a new ballot is held between those lists on which all eligible parties present in the meeting*

*may vote. The candidates on the list winning a simple majority of votes shall be elected, with abstentions excluded from the count.*

*If only one list has been submitted, the Shareholders' Meeting shall vote on it and if it obtains a majority, the candidates listed in progressive order up to the number set by the Shareholders' Meeting shall be elected subject to the obligation for the Shareholders' Meeting to organise the appointment of a number of Directors who meet the independence requirements established by law for the directors of listed companies while respecting the balance between sexes based on regulations in force from time to time.*

*In the absence of lists, or if the number of directors elected on the basis of lists submitted is less than that determined by the Shareholders' Meeting, members of the Board of Directors over and above those elected on the basis of any submitted lists up to the number of directors determined by the Shareholders' Meeting, shall be appointed by the Shareholders' Meeting with a legal majority, in order to ensure the necessary number of directors meeting the independence requirements established by law for the directors of listed companies, as well as compliance with legislation in force regarding gender balance.*

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

- a) with regard to compliance with gender balance, current regulations (Article 147-ter(1-ter), TUF) envisage that the members of the Board of Directors must be appointed in such a way that the lesser represented gender obtains at least two-fifths of the members of the Board, it being understood that if the application of the gender distribution criterion (male and female) does not result in a whole number, since it is a corporate body made up of more than three members, this must be rounded up to the next higher unit, pursuant to Article 144-undecies(1) of the Issuers' Regulation;
- b) the lists containing the names of the candidates in progressive order must be submitted to the Company's registered office at via Energy Park 20, Vimercate (MB) or by certified email to [esprinet@legalmail.it](mailto:esprinet@legalmail.it) at least twenty-five days (thirty days if submitted by the Board of

Directors) before the Shareholders' Meeting is scheduled in single call;

- c) the lists may be presented by the Board of Directors or the shareholders who, individually or collectively, represent at least 2.5% of the share capital as at the date on which the list is submitted.

Note that the Board of Directors decided not to submit its own list.

Pursuant to Article 13 of the By-Laws, shareholders wishing to submit a list must file together with each list:

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

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

In order to prove ownership of the number of shares required to submit a list, shareholders must file - even after filing the list itself provided it is at least 21 days before the date set for the Shareholders' Meeting in single call - a copy of the specific communications issued by the authorised intermediaries certifying ownership of the minimum number of shares required to submit a list as at the date on which the list was filed with the Company.

The lists must indicate which candidates satisfy the independence

requirements established by law for Directors of listed companies and, more precisely, the independence requirements envisaged by Recommendation no. 7 of the Corporate Governance Code for companies listed on Borsa Italiana S.p.A. approved and published by the Corporate Governance Committee in January 2020, as well as by Article 147-*ter*(4) in conjunction with Article 148(3), of Italian Legislative Decree 58/98.

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

The aforementioned Article 147-*ter*(4) of Italian Legislative Decree 58/98 requires a minimum of two Independent Directors if the Board comprises more than seven members. As such, the Board recommends appointing a number of Independent Directors not less than the majority of the number of members of the Board of Directors (i.e., in case of a Board of Directors composed of 9 members as recommended by the current Board, not less than five).

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

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

The Board of Directors proposes that the Shareholders' Meeting appoint the Chairman of the Board of Directors in the candidate designated as the first in the list that will result first in terms of number of votes. Therefore, the Board of Directors recommends that shareholders wishing to submit a list should indicate

the first designated name as Chairman of the Board of Directors.

The lists submitted within the time limits will be made available to the public at the Company's registered office, on the website and in any other manner envisaged by law provisions and regulations at least twenty-one days before the date of the Shareholders' Meeting.

With reference to the compensation for the members of the Board of Directors, the Board notes that the fixed component of remuneration paid to the entire Board during the three-year period from 2018 to 2020 amounted to approximately 1,750,000 euro per year. Considering the recommended reduction in the number of board members from the current 12 to 9, and taking into account the appointment of a Group General Manager, the Board of Directors recommends reducing the fixed component of the remuneration of all directors to a maximum of 1,350,000 euro per year, representing a reduction of approximately 23% compared to the previous three-year period. With regard to the variable component of the remuneration of executive directors to be determined by the Board of Directors, please refer to the Report on Remuneration Policy and Compensation Paid (submitted for approval to today's Shareholders' Meeting as the fourth item on the agenda), which will be made available to shareholders within the time prescribed by law.

Lastly, taking into account the provisions of Article 2383(2) of the Italian Civil Code, it is noted that the Directors in office between 1 January 2021 and the date on which the Shareholders' Meeting called to approve the financial statements as at 31 December 2020 actually takes place shall receive in the meantime a provisional compensation equal on a pro-rata basis to the 2020 fixed remuneration; this provisional compensation, along with any bonuses for the

period in question, will be confirmed at the Shareholders' Meeting called to approve the financial statements as at 31 December 2020, and specifically when votes are taken on the total emoluments to be awarded to the Board for 2021, 2022 and 2023 (unless, of course, the Board is appointed for a shorter period).

Taking into account the provisions of Article 125-*bis* of the TUF (regarding the need to make resolution proposals available to Shareholders), as well as Article 135-*undecies* of the TUF regarding the need for Shareholders to give voting instructions to the representative appointed by the Company, the resolution proposals relating to the second item on the agenda of the Shareholders' Meeting are listed below, with the caveat that, since they concern the appointment of the Board of Directors, as of the date of this report these resolution proposals are necessarily incomplete, due to the fact that the deadline for filing the lists has not yet expired and the possibility that additional/alternative proposals to those indicated below may be submitted to the Shareholders' Meeting. Note that each point of the following resolution proposals, as well as further resolution proposals that will be submitted to the approval of the Shareholders' Meeting, will be put to the vote of the latter by means of a separate vote in order to allow those entitled to vote and those delegated by them with voting instructions to vote separately with reference to each of the aforementioned points, possibly on the basis of the voting instructions received.

This being stated, we submit to your approval the following:

**resolution proposal**

"The Ordinary Shareholders' Meeting of Esprinet S.p.A.:

- having acknowledged the need to appoint new members of the Board of Directors, with the number of members having already been decided;

- having acknowledged the report prepared by the Board of Directors on the item on the agenda;
- having acknowledged the lists of candidates for the office of Director, accompanied by the necessary documentation, which have been validly filed and made available to the public in the manner required by law and the by-laws;

**resolved**

1. to set the number of members of the Board of Directors at 9 (nine);
2. to appoint as members of the Board of Directors the candidates indicated in the list(s) [•], as follows:
  - a) [•];
  - b) [•];
3. to set the term of office of the new Board of Directors at 3 (three) financial years, expiring on the date of approval of the financial statements for the year ending 31 December 2023;
4. to set the fixed annual remuneration component for the Board of Directors at a maximum total gross amount of 1,350,000 euro, to be paid *pro rata temporis*, to be allocated by the Board of Directors among its members, while the variable component of the remuneration of executive directors shall be determined by the Board of Directors in accordance with the terms set forth in the Report by the Board of Directors;
5. to appoint the Chairman of the Board of Directors [•];
6. to authorise each director, severally, to do all that is necessary for the complete implementation of the aforesaid resolutions, with any

and all powers necessary and appropriate for that purpose,  
excluding none and with the right to delegate to third parties."

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Vimercate, 16 February 2021

On behalf of the Board of Directors

The Chairman

Maurizio Rota