



**Cerved Group S.p.A**

Registered office at Via dell'Unione Europea n. 6A/6B – San Donato Milanese (MI)  
Share Capital Euro 50,521,142.00 fully paid in  
Milan Monza Brianza Lodi Companies Register, Taxpayer Identification Number and VAT  
Registration Number: 08587760961  
Administrative Business Register (REA) No. 2035639  
Institutional website: <http://company.cerved.com>

Explanatory Report of the Board of Directors of Cerved Group S.p.A.  
on the **third item** on the agenda of the ordinary part of the Shareholders' Meeting convened for  
20 May 2020, on a single call

### ITEM NO. 3 ON THE AGENDA OF THE ORDINARY PART

#### ***AUTHORISATION FOR PURCHASE AND SALE OF TREASURY SHARES, AFTER REVOCATION OF THE PREVIOUS AUTHORISATION GRANTED BY THE SHAREHOLDERS' MEETING ON 16 APRIL 2019; RELATED AND CONSEQUENT RESOLUTIONS.***

Shareholders,

the Board of Directors submits for your approval the request to authorise the purchase and sale of treasury shares, pursuant to (a) Articles 2357 and 2357-ter of the Italian Civil Code, (b) Article 132 of Legislative Decree 58 of 24 February 1998 as amended, (the “**Consolidated Law on Finance**”) and (c) Article 144-bis of the regulation concerning issuers adopted by Consob with resolution no. 11971 of 14 May 1999 (the “**Issuers Regulation**”).

With a resolution passed on 16 April 2019, the Shareholders' Meeting of Cerved Group S.p.A., (the “**Company**” or “**Cerved**”) authorised the purchase and sale of shares of the Company itself. The purchase authorisation had a term of 18 months from the date of that resolution and, therefore, will expire on 16 October 2020, while the sale authorisation was granted without any time limit. Until the date of this report, the Company has not made any purchases pursuant to the aforementioned resolution to purchase treasury shares.

In view of the possibility of renewing the authorisation, for the reasons explained in detail in this report, it is therefore proposed that the Shareholders resolve to grant a new authorisation for the purchase and sale of treasury shares at the terms illustrated in this report, after revocation of the resolution approved on 16 April 2019.

#### **A. Reasons why authorisation for the purchase of treasury shares was requested**

The premises for the request and the principal objectives which the Company Board of Directors intends to pursue through the transactions for which authorisation for the purchase of treasury shares is being requested from the Shareholders' Meeting, are as follows:

- a) allow the conversion of debt instruments into shares;
- b) facilitate the implementation of management incentive plans; and
- c) provide liquidity to the market.

The authorisation request also enables the Board of Directors to carry out repeated and subsequent purchase and sale transactions (or other acts of disposal) of treasury shares, including on a revolving basis, even for fractions of the maximum authorised amount, so that, at any time, the number of shares subject to the proposed purchase and ownership of the Company does not exceed the limits set by law and the authorisation of the Shareholders' Meeting.

The purchase of treasury shares covered by this authorisation request is not instrumental to the reduction of share capital by cancelling the treasury shares purchased, without prejudice to the right of the Company, should the Shareholders' Meeting resolve to reduce the share capital in the future, to execute it also by cancelling the treasury shares held in portfolio.

#### **B. Maximum number and category of shares referred to by the authorisation**

In particular, the proposal envisages granting authorisation to the Board of Directors to purchase ordinary shares of the Company in one or more tranches, up to a maximum of 19,527,498 ordinary shares, corresponding to 10% of the share capital, considering the directly owned treasury shares and those that might be owned by subsidiaries.

To date, (i) the Company owns 3,420,275 treasury shares (equal to 1.752% of the share capital) and (ii) its subsidiaries do not hold shares of the Company. Any additional treasury shares that may be purchased in the event of the granting of the requested authorisation, added to the treasury shares currently held by the Company, and any shares held by the subsidiaries of the Company will not exceed, in any case, one tenth of the share capital.

#### **C. Useful information for assessing compliance with Article 2357, paragraph 3, Italian Civil Code**

The subscribed and paid-in share capital of the Company at the date of this report is represented by 195,274,979 shares without par value, for a total value of Euro 50,521,142.

The purchases will be made – in compliance with the provisions of Article 2357, paragraph 1, Italian Civil Code – within the limits of the distributable profits and available reserves reported on the last regularly approved financial

statements of the Company at the time each transaction is executed. Only fully paid-in shares may be purchased. The purchase authorisation complies with the limit imposed by Article 2357, paragraph 3, Italian Civil Code, since it covers a number of shares that may not exceed one fifth of the share capital.

The amount of available reserves and distributable profits totals Euro 468,436,058 and Euro 41,530,362 respectively, as shown in the draft annual financial statements at 31 December 2019 approved by the Board of Directors on 24 March 2020, and verification of the information used to assess compliance with the maximum purchase limit to which the authorisation refers, shall be checked at the time each transaction is executed.

In order to perform the verifications on the subsidiaries, the latter will be provided with specific directives for the timely communication of any purchase of ordinary shares of the parent company to the Company, made pursuant to article 2359-bis of the Italian Civil Code.

Finally, in the event of purchase or sale, exchange, contribution or impairment transactions, the Company will make the appropriate accounting entries in compliance with applicable legislation and accounting principles.

#### **D. Term of the authorisation**

The Board of Directors proposes that the authorisation to purchase treasury shares be granted for a period of 18 months from the date when the Shareholders' Meeting passes the corresponding resolution. The Board of Directors may execute the authorised transactions one or more times and at any time, in the amount and at the times freely determined in compliance with applicable laws and regulations, with gradual implementation as deemed to be in the Company's interest.

Conversely, the authorisation to dispose of and/or use any treasury shares purchased is requested without time limits, due to the absence of time limits in accordance with the provisions in force and the opportunity to enable the Board of Directors to avail itself of the maximum flexibility, also in terms of time, to dispose of the shares.

#### **E. Minimum and maximum price**

The share purchase price will be determined from time to time, according to the way chosen to execute the transaction and in compliance with applicable statutory and regulatory requirements and, in particular, at a price for each share whose minimum cannot be less than and whose maximum cannot be greater than 10% of the reference price posted by Company shares on the stock market during the trading day preceding every single purchase transaction and provided that, as set out in the paragraph below, the Company, when purchasing the treasury shares in implementation of the proposed resolution, will comply with the market practices permitted by article 13 of Regulation (EU) 596 of 16 April 2014 on market abuse (“**MAR**”) and adopted, from time to time by Consob (the “**Market Practices**”), if and to the extent applicable with respect to the purposes set forth in Paragraph A, the Company will also comply, where necessary, with the limitations and requirements in terms of purchase price set forth in the applicable Market Practices.

Treasury shares may be sold at a price no more than 10% less than the average of official prices quoted on the screen-based trading system during the five days before the sale. This price limit may be waived when treasury shares are exchanged or sold in the course of carrying out business and/or commercial projects and/or other projects of interest to the Company, if shares are sold in execution of incentive programs and, in any event, of plans pursuant to Article 114-*bis* of the Consolidated Law on Finance, in discharge of obligations resulting from debt instruments convertible into equity instruments and upon modification and/or substitution of the dividend distribution policy.

#### **F. Transaction procedures**

Pursuant to Article 132 of the Consolidated Law on Finance, purchases of treasury shares will be made in such a way as to ensure equal treatment of shareholders, in accordance with Consob regulations. In particular, with respect to the purchase methods set out in Article 144-bis of the Issuers' Regulations, the Company may carry out purchases:

- (i) by means of a public purchase or exchange offer;
- (ii) on regulated markets, in accordance with the operating procedures laid down in the regulations governing the organisation and management of those markets, which prevent the direct matching of the offers to buy with predetermined offers to sell; and
- (iii) as established by Market Practices.

The Company shall also comply with the procedures, limitations and requirements of the Market Practices, if and to the extent applicable with respect to one or more of the purposes set forth in Paragraph A and limited to the amount of treasury shares purchased for each such purpose.

The Company will also take into account the recommendations and guidelines issued from time to time by Consob on the purchase and disposal of treasury shares by issuers.

The treasury share purchases may also be executed through specialised intermediaries and repeatedly according to each procedure, on a revolving basis.

Moreover, pursuant to Article 132, paragraph 3, Consolidated Law on Finance, the above operating procedures do not apply to the purchases of treasury shares held by employees of the Company or its subsidiaries and assigned or subscribed pursuant to Articles 2349 and 2441, paragraph 8, Italian Civil Code, or resulting from compensation plans approved pursuant to Article 114-*bis* Consolidated Law on Finance.

The maximum number of treasury shares that can be purchased daily must not exceed 25% of the average daily volume of Company shares traded on the market.

With reference to the disposal of treasury shares, the Board of Directors proposes that such transactions be carried out in any manner deemed appropriate in the interest of the Company, in compliance with applicable laws and regulations, including sales on regulated markets, blocks and by exchange or lending of securities or free allotment, all within the price limits indicated in paragraph E, where applicable. It is proposed to authorise the Board to carry out recurring and subsequent purchase and sale transactions, as indicated in the purposes set out in paragraph A.

Adequate notification will be provided for treasury share purchases and sales, in compliance with the disclosure obligations applicable from time to time.

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Therefore, the Board of Directors submits the following **motion for resolution** to be approved by you:

*“The Shareholders’ Meeting of Cerved Group S.p.A., assembled in an ordinary meeting, having examined and discussed the explanatory report of the Board of Directors and the proposals contained therein, having read the financial statements at 31 December 2019, having confirmed the advantages of granting authorisation to purchases and sales of treasury shares, for the purposes and aims and in the ways illustrated hereinabove,*

**resolves**

- 1) *to revoke the resolution authorising the purchase and sale of treasury shares passed by the Shareholders' Meeting on 16 April 2019, beginning from the date of this resolution;*
- 2) *to authorise, pursuant to Article 2357 et seq. of the Italian Civil Code and Article 132 of Legislative Decree 58 of 24 February 1998, the Board of Directors of the Company to purchase treasury shares, in one or more tranches, up to a maximum that, taking into account the ordinary shares of the Company from time to time held in portfolio by the Company itself and its subsidiaries, is not exceeding, in aggregate, 10% of the share capital of the Company, taking into account the shares held directly and the shares held by subsidiaries, for a period not exceeding 18 months from the date of this resolution in compliance with the following terms and conditions:*
  - a) *the treasury share purchases have to be made within the limits of the distributable earnings and available reserves reported in the last, regularly approved financial statements, when the transaction is executed.*
  - b) *purchases may be made in order to:*
    - *allow the conversion of debt instruments into shares;*
    - *facilitate the implementation of management incentive plans; and*
    - *provide liquidity to the market;*
  - c) *the Company may make purchases:*
    - *by means of a public purchase or exchange offer;*
    - *on regulated markets, in accordance with the operating procedures laid down in the regulations governing the organisation and management of those markets, which prevent the direct matching of the offers to buy with predetermined offers to sell; and*
    - *as established by the Market Practices allowed by Consob pursuant to Article 13 of Regulation (EU) 596/2014;*

- d) *the purchase price of each share may not be more or less than 10% (ten per cent) of the reference price quoted for Company shares on the trading day preceding each individual purchase;*
- 3) *to authorise the Board of Directors, pursuant to Article 2357-ter of the Italian Civil Code, to dispose, in whole or in part, of the treasury shares purchased, without time limits, even before the purchases have been completed, setting the price and methods of disposal and making all accounting entries necessary or appropriate in compliance with the current laws and the accounting principles applicable from time to time, it being understood that the treasury shares may be sold at a price no more than 10% less than the average of official prices quoted on the screen-based trading system during the five days before the sale and this price limit may be waived exclusively when treasury shares are exchanged or sold in the course of carrying out business and/or commercial projects and/or other projects of interest to the Company, if shares are sold in execution of incentive programs and, in any event, of plans pursuant to Article 114-bis of the Consolidated Law on Finance, in discharge of obligations resulting from debt instruments convertible into equity instruments and upon modification and/or substitution of the dividend distribution policy.*
- 4) *to make all account entries as necessary and/or appropriate in relation to the treasury share transactions, in compliance with current laws and applicable accounting principles;*
- 5) *to grant the Board of Directors – and on its behalf, the Chairman and the Chief Executive Officer, severally and separately and with the power of sub-delegating their authority – all full powers as necessary to make purchases and sales of treasury shares, inter alia in successive transactions and, regardless, to implement the aforementioned resolutions, inter alia through nominees or specialised intermediaries, while complying with any requests by the competent authorities, with the specific power, for example, to delegate to authorised intermediaries the power to execute purchases and sales of treasury shares on the basis of this resolution.”*

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San Donato Milanese, 24 March 2020

On behalf of the Board of Directors  
The Chairman  
(Gianandrea De Bernardis)