

# REMUNERATION REPORT

Pursuant to article 123-ter of Legislative decree no. 58 of 24 February 1998

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Cerved Information Solutions S.p.A.

Report approved by the Board of Directors on 16 March 2016

*<https://company.cerved.com/>*

Cerved Information Solutions S.p.A. – Registered office in via San Vigilio 1, 20142 Milan – Milan company registration and VAT no. 08587760961 – REA no. MI-2035639 – Share capital € 50,450,000

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## INTRODUCTION

This Remuneration Report (the “**Report**”) was approved by the Board of Directors of Cerved Information Solutions S.p.A. (the “**Company**” or “**CIS**”) on 16 March 2016, at the proposal of the Remuneration Committee, and was prepared pursuant to article 123-ter of Legislative decree no. 58 of 24 February 1998 and subsequent amendments and additions (the “**Consolidated Finance Act**” or “**TUF**”), and article 84-*quater* of Consob's Issuers' Regulation with resolution no. 11971 of 14 May 1999 and subsequent amendments and additions (the “**Issuers' Regulation**”), as well as in accordance with the recommendations of the Corporate Governance Code for Listed Companies promoted by the Corporate Governance Committee within Borsa Italiana S.p.A. (the “**Corporate Governance Code**”).

It consists of two Sections:

- 1) **Section I** describes (i) the policy adopted by the Company for the remuneration of the members of the Board of Directors (the “**Board of Directors**” and the “**Directors**”) and key managers, i.e., those persons who have the power and responsibility, directly or indirectly, for planning, directing and controlling activities of the Company, as defined in Annex 1 to Consob's regulations containing provisions relating to transactions with related parties, adopted with resolution no. 17221 of 12 March 2010 (the “**Key Managers**”) at least for the subsequent year (the “**Remuneration Policy**” or the “**Policy**”); and (ii) the procedures used to adopt and implement the Policy;
- 2) **Section II** describes the remuneration paid in 2015, for any reason and in any form, by the Company and its subsidiaries and associates, to Directors, Key Managers and the members of the Board of Statutory Auditors (the “**Statutory Auditors**”), analysing individual remuneration items. Pursuant to article 84-*quater.4* of the Issuers' Regulation, Section II also includes tables showing the equity investments held in the Company and its subsidiaries by Directors, Statutory Auditors and Key Managers, as well as by their spouses, where not legally separated, and by their minor children, either directly or through subsidiaries, trustees or nominees, as per the shareholders' register, communications received or other information gathered from the above parties.

For the purposes of this Report, the following should be noted:

- a) the Board of Directors in office at the date of the Report is comprised of 11 members: Fabio Cerchiai (Chairman and Independent Director), Gianandrea De Bernardis (Chief Executive Officer and Director), Giampiero Mazza (Director), Giorgio De Palma (Director), Federico Quitadamo (Director), Andrea Ferrante (Director), Marco Nespolo (Director), Sabrina Delle Curti<sup>1</sup> (Director), Francisco Javier De Jaime Guijarro (Director), Mara Caverni (Independent Director) and Aurelio Regina (Independent Director).

Following the resignation - on 11 January 2016, effective from the date of the next shareholders' meeting - of the Directors, Giorgio De Palma, Andrea Ferrante, Francisco Javier De Jaime Guijarro, Giampiero Mazza and Federico Quitadamo, the Board of Directors decided not to co-opt the directors pursuant to articles 2386 of the Italian Civil Code and 13.11 of the Articles of Association. Moreover, during the meeting of 12 January 2016, the Directors Mara Caverni, Fabio Cerchiai (Chairman), Gianandrea De Bernardis (Chief Executive Officer), Sabrina Delle Curti, Marco Nespolo and Aurelio Regina also resigned from their post effective from the next shareholders' meeting in order to enable the

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<sup>1</sup> On 22 September 2015, following the resignation of the Director Edoardo Romeo, whose functions ceased effective from 31 August 2015, Sabrina Delle Curti was appointed as a new member of the Board of Directors pursuant to article 2386 of the Italian Civil Code and article 13.11 of the Articles of Association.

shareholders to appoint the entire Board of Directors, considering the significant changes that recently affected the Company's shareholding structure following the sale of the entire investment held by Chopin Holdings S.à r.l.. All current Directors will remain in office until the date of the next shareholders' meeting.

- b) The Board of Statutory Auditors in office was appointed on 14 March 2014 upon CIS incorporation and integrated on 28 May 2014 following the resignations of two Statutory Auditors. It will remain in office until the date the shareholders are called in a meeting to approve the Company's financial statements at 31 December 2016.

It is comprised of Paolo Ludovici (Chairman), Ezio Simonelli (Standing Auditor), Laura Acquadro (Standing Auditor), Lucia Foti Belligambi (Substitute Auditor) and Renato Colavolpe (Substitute Auditor).

- c) The Company has two Key Managers, specifically:

- Giovanni Sartor, Administration, Finance and Control Manager;
- Pietro Masera, Corporate Development and Investor Relations Manager.

- d) There are four Key Managers of direct and indirect subsidiaries, <sup>2</sup> specifically:

- Edoardo Francesco Maria Romeo, General Sales Manager of Cerved Group S.p.A. until 31 August 2015;
- Roberto Mancini, General Sales Manager of Cerved Group S.p.A. as of 1 September 2015;
- Marco Nespolo, Operational General Manager of Cerved Group S.p.A.;
- Roberto D'Ascanio, Financial Institution Manager of Cerved Group S.p.A..

- e) Finally, there is one key director in direct and indirect subsidiaries, specifically:

Andrea Mignanelli, Chief Executive Officer of Cerved Credit Management Group S.r.l..

The Remuneration Policy described in Section I of this Report will be subject to the advisory vote of the shareholders called in a meeting, pursuant to article 2364 of the Italian Civil Code, to approve the 2015 financial statements, which will be held on 29 April 2016, at 10.30 a.m., in one call, at Mediobanca S.p.A. Via Filodrammatici 3 Milan.

Indeed, pursuant to article 123-*ter*.6 of the Consolidated Finance Act, the shareholders can vote in favour or against Section I of the Report, with a non-binding resolution. To this end, pursuant to article 84-*quater* of the Issuers' Regulation, the Report will be submitted to Borsa Italiana S.p.A. and made available to the public at the Company's registered office and on the website <https://company.cerved.com>, section governance/documents, at least twenty-one days before the date of the shareholders' meeting.

Milan, 16 March 2016

The Chairman of the Board of Directors  
Fabio Cerchiai

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<sup>2</sup> As per the most recent organisational structure.

## SECTION I REMUNERATION POLICY

### **A) Bodies and persons involved in the preparation and approval of the Remuneration Policy, roles and bodies responsible for the correct implementation of the Policy**

CIS Remuneration Policy is defined and approved by the Board of Directors (the “**Board**” or the “**Board of Directors**”), the remuneration and nomination committee (the “**Remuneration and Nomination Committee**” or the “**Committee**”) and the Company's ordinary shareholders' meeting.

The Board of Directors has exclusive jurisdiction, which it cannot delegate, over the definition of the Remuneration Policy based on the proposal of the Remuneration and Nomination Committee established within the Board.

The Board of Directors also implements the Remuneration Policy, fixing, in line with the Remuneration Policy, the remuneration of Directors assigned special functions, at the proposal of the Remuneration and Nomination Committee, within the total remuneration, if any, decided by the shareholders pursuant to article 2389.3 of the Italian Civil Code and article 22 of the Articles of Association.

The Board of Directors annually prepares (assisted by the Committee) and approves the remuneration report required by article 123-ter of the Consolidated Finance Act and article 84-*quater* of the Issuer Regulation (the “**Remuneration Report**”).

In accordance with the recommendations set out in article 6 of the Corporate Governance Code, the Remuneration and Nomination Committee assists the Board of Directors with consultancy and advisory functions, in the assessments and decisions related to the composition of the Board of Directors and the remuneration of Directors and Key Managers. The Committee's functions are described in detail in paragraph B).

The shareholders called in an ordinary meeting approve the Directors' remuneration pursuant to articles 2364.1 no. 3 and 2389.3 of the Italian Civil Code and article 22 of the Articles of Association. Pursuant to article 123-ter.6 of the Consolidated Finance Act, in the meeting called to approve the financial statements, the shareholders are also invited to resolve in favour or against Section I of the Remuneration Report prepared by the Board of Directors.

### **B) Remuneration and Nomination Committee: functions, composition, duties and operating procedures**

On 12 November 2015, the Board of Directors resolved to establish an appointment committee, incorporating the functions of the remuneration committee which, as of the above date, has been renamed “Remuneration and Nomination Committee”, and to confirm the members of the remuneration committee as members of the Remuneration and Nomination Committee until their end of office as Company's Directors.

The Board of Directors approved the internal regulation governing the Committee's composition, duties and operating procedures on 12 November 2015. The current members of the Committee were appointed by the Board of Directors on 30 April 2014, are non-executive directors and are all independent pursuant to articles 147-ter.4 and 148.3 of the Consolidated Finance Act and article 3 of the Corporate Governance Code: Fabio Cerchiai (Chairman of the Board of Directors, independent), Aurelio Regina (Independent Director and Chairman of the Committee) and Mara Caverni (Independent Director). All members of the Committee have adequate knowledge and experience of financial and/or remuneration matters, as evaluated by the Board of Directors at the time of appointment.

The Remuneration and Nomination Committee meets as often as necessary to perform its duties, at the request of its chairman, whenever deemed appropriate, or when at least one of its members requests a meeting to discuss a particularly significant matter.

The Chairman coordinates the activities of the Remuneration and Nomination Committee. The Chief Executive Officer, the Human Resources and Industrial Relations Manager and the Committee Secretary attend the Committee meetings. The Committee Chairman may also invite other parties to Committee meetings in order facilitate the performance of the Committee's functions.

Minutes of the Committee meetings are kept. The Chairman or the person that chaired the meeting, in the absence of the Chairman, and the Secretary sign the minutes of the meeting which are kept by the Secretary in chronological order.

In accordance with the recommendations set out in article 6 of the Corporate Governance Code, the Remuneration and Nomination Committee has the following consultative and advisory functions, described in the relevant regulation, and its main aim is to provide the Board of Directors with proposals for the definition of the Directors' and Key Managers' remuneration policy.

Specifically, the Remuneration and Nomination Committee is assigned the duties set out in article 6, application criterion 6.C.5 of the Corporate Governance Code, i.e.:

- a) periodically assessing the adequacy, overall consistency and actual implementation of the Directors' and Key Managers' remuneration policy, based on the information provided by the Chief Executive Officer, and formulating proposals in this regard for the Board of Directors;
- b) presenting proposals or expressing opinions to the Board of Directors on the remuneration of Executive Directors and other Directors assigned special functions, and on the performance objectives related to the variable component of this remuneration; monitoring the implementation of decisions taken by the Board of Directors, checking, in particular, the actual achievement of performance objectives.

In order to perform its duties, the Committee also has the power to access the Company's information, departments and organisational structures, ensuring adequate functional and operational links. It can avail of external advisers, at the Company's expense, within the budget approved by the Board of Directors, upon verification that the advisers are not in situations such to materially compromise the independence of judgement and, specifically, do not provide the Human Resources and Industrial Relations Manager, the Directors or Key Managers with services which are such to compromise their independence of judgement.

In accordance with the recommendations set out in application criterion 6.C.6 of the Corporate Governance Code, no Director shall participate in the Committee meetings during which proposals in respect of their remuneration are formulated to the Board of Directors.

The Chairman of the Remuneration and Nomination Committee reports *(i)* to the Board of Directors at least every six months, on the activities carried out, and *(ii)* to the shareholders every year, on the operating procedures applied to exercise their duties, during the meeting called to approve the financial statements.

### **C) Independent experts that may have participated in the preparation of the Remuneration Policy**

During the year, independent experts in specific matters were occasionally involved in the preparation of the Remuneration Policy. Checks were carried out to ascertain that said advisers were not involved in situations such to compromise their independence of judgement.

**D) Aims of the Remuneration Policy, underlying principles and changes to the Policy, if any, compared to the prior year**

CIS Remuneration Policy is defined also in accordance with the recommendations set out in the Corporate Governance Code and has the aim of:

- attracting, retaining and motivating people with the individual and professional qualities necessary to pursue business development objectives;
- aligning management's and company's interest with those of shareholders;
- promoting and supporting the creation of value for shareholders.

In accordance with the recommendations set out in the Code, the Remuneration Policy for Executive Directors and Key Managers is based on the following criteria:

- a) the fixed and variable components of remuneration are balanced according to CIS strategic objectives and risk management policy, while considering the business segment in which the Company operates and the characteristics of the business effectively carried out;
- b) the fixed component is sufficient to remunerate Executive Directors and Key Managers, if the variable component were not paid due to the failure to achieve the performance objectives defined by the Board of Directors;
- c) the performance objectives, i.e., the financial results and any other specific objectives to which the disbursement of variable components is related, are pre-determined, measurable and correlated in order to generate value for shareholders;
- d) at the date of this Report the variable portion of remuneration comprises a portion linked to short-term criteria;
- e) the Chief Executive Officer is entitled to an indemnity for early termination of office without just cause.

**E) Description of the policies governing the fixed and variable components of remuneration, specifically in relation to their weight on total remuneration and distinguishing between short-term and medium/long-term variable components**

Based on the criteria and the aims of the Remuneration Policy, Directors' and Key Managers' remuneration can be described as follows.

**Directors**

The Chairman of the Board of Directors and the Independent Directors receive fixed remuneration that is commensurate to the activity and the commitment provided in favour of the Company.

The Chairman's and Independent Directors' remuneration is commensurate to the required commitment, including in relation to the participation in board committees. This remuneration is not related to financial results or the Company's specific objectives and the Chairman and Independent Directors are not part of share-based remuneration plans, unless a reasoned decision has been made by the shareholders in this respect.

The Chief Executive Officer's remuneration is balanced in order to ensure consistency between short-term development objectives and the sustainability of the creation of value for shareholders in the medium/long-term. Specifically, the Chief Executive Officer's remuneration structure is comprised of:

- (i) a fixed component calculated in respect of the delegated powers and specific offices and the strategic roles and responsibilities assigned;
- (ii) a variable component, defined within the maximum limits and aimed at remunerating expected short-term performance (MBO)

The annual fixed component and the short-term variable component (MBO) are calculated differently based on the characteristics of the role held in the Company and the responsibilities assigned in order to ensure the sustainability of business results and the creation of value for shareholders.

In order to contribute to the creation of value, the Chief Executive Officer and the non-independent Directors may be included in stock-based incentive plans pursuant to article 114-*bis* of the Consolidated Finance Act, prepared in line with the market best practices, which provide for adequate vesting periods.

Consequently, based on the above, in its resolution of 12 November 2015, the Board of Directors approved the *Performance Share Plan 2019-2021* (the "**Plan**") for some of the key positions of the Group of the Company (the "**Group**"), including managers, directors and other Group's top figures.

Together with the report and the prospectus prepared pursuant to articles 114-*bis* of the Consolidated Finance Act and 84-*bis* of the Issuer Regulation (the "**Prospectus**"), the Plan was submitted to and approved by the Company's shareholders in their meeting of 14 December 2015 on one call, in accordance with article 2369.2 of the Italian Civil Code.

The rights will be allocated for free in the three-year period 2016-2018: 2016 (Cycle 1), 2017 (Cycle 2) and 2018 (Cycle 3).

The benefits are in line with the remuneration reference market practices and comply with the legislation applicable from time to time, in order to integrate and enhance the total remuneration package, again while considering the roles and/or responsibilities assigned.

The total remuneration for each role is in line with the market references applicable to similar roles.

The remuneration packages will be periodically revised based on the Company's and personal performance, the individual future development potential and the competitiveness and attractiveness of remuneration compared to market values.

For additional information on the Plan, reference should be made to the Prospectus, available on the Company's website, section governance/documents/procedures.

### **Key managers**

The remuneration paid by the Company and its subsidiaries is such to attract and retain highly qualified managers.

Remuneration is comprised of a fixed and a variable portion. The fixed portion reflects the remuneration considered in line with the market and fairly remunerates Key Managers' skills and ongoing efforts and activities. The variable portion depends on the achievement of pre-determined



objectives based on the Group's performance in order to motivate Key Managers to express their full potential.

#### Fixed remuneration

The proposals for Key Managers' remuneration are preliminarily assessed by the Chief Executive Officer, assisted by the Human Resources and Industrial Relations Manager and subsequently discussed with the Remuneration and Nomination Committee. This remuneration may be subject to revision. Several elements may have a positive effect on the revision of remuneration, including the successful exercise of one's role, individual performance, the level of responsibility and the experience of each Key Manager.

#### Annual incentive (MBO)

The annual incentive reserved to eligible parties has a short-term nature and is aimed at the achievement of the Company's annual objectives, mainly in profitability terms. It is less than the basic salary and accounts for approximately 40% of fixed remuneration [*i.e., it ranges between approximately 30% and 80%*].

The Group's consolidated EBITDA is the main economic indicator to assess the Company's performance in order to define the variable remuneration allocated to Key Managers.

The incentive is disbursed based on the relevant draft annual financial statements and the related amounts may change in proportion to the result achieved, up to 1.5 of the target incentive (100% of the target for the year).

In order to contribute to the creation of value over the medium/long-term, Key Managers may be included in stock-based incentive plans pursuant to article 114-*bis* of the Consolidated Finance Act, prepared in line with market best practices, which provide for adequate vesting periods.

Based on the above, in its resolution of 12 November 2015, the Board of Directors approved the Plan for some of the key positions of the Group, including managers, directors and other top figures.

The Plan was submitted to and approved by the Company's shareholders in their meeting of 14 December 2015 on single call.

The rights will be allocated for free in the three-year period 2016-2018: 2016 (Cycle 1), 2017 (Cycle 2) and 2018 (Cycle 3).

For additional information on the Plan, reference should be made to the Prospectus, available on the Company's website, section *governance/documents and procedures*.

#### Additional remuneration

The Policy does not provide for additional remuneration for Key Managers in respect of positions held in subsidiaries.

### **F) Non-monetary benefits**

Non-monetary benefits are granted in line with the relevant practice and based on the position and role held. Non-monetary benefits include the use of cars, life insurance policies, accident policies and supplementary health insurance.

**G) With respect to variable components, description of the performance objectives based on which allocation takes place, distinguishing between short and medium/long-term components, and information on the relationship between changes in results and changes in remuneration**

Reference should be made to paragraph E) above.

**H) Criteria used to assess performance objectives underlying the allocation of shares, options, other financial instruments or other variable components of remuneration**

With respect to the criteria applied to assess the performance objectives underlying the allocation of shares, options, other financial instruments or other variable components of remuneration, these will be merged with the Group's economic and profitability results, possibly compared against the FTSE Italia Mid Cap Index.

**I) Information which highlights the Remuneration Policy's consistency with the pursuit of the Company's long-term interest and the risk management policy**

As described in paragraphs D) and E), the Remuneration Policy is aimed at creating value for the Company and its shareholders in a sustainable manner.

In line with this goal, the remuneration of Executive Directors and Key Managers is such to:

- i. balance fixed and variable remuneration to create value in a sustainable manner;
- ii. link variable remuneration with the achievement of operational and financial objectives aligned with the creation of value and the actual results achieved;
- iii. pay adequate remuneration to attract, motivate and retain people with the individual and professional qualities necessary to pursue and achieve the Company's and the Group's business development objectives.

**J) Vesting periods, deferred payment systems, indicating the deferral periods and the criteria applied to calculate said periods and ex post adjustment mechanisms**

Under the Remuneration Policy, monetary incentive plans provide for adequate vesting periods. The same applies to the vesting periods of stock-based incentive plans pursuant to article 114-*bis* of the Consolidated Finance Act. There are no ex post adjustment mechanisms applicable to variable remuneration.

**K) Clauses providing for holding financial instruments in the portfolio after their purchase, indicating holding periods and the criteria applied to calculate said periods**

At the date of this Report, the Remuneration Policy included clauses providing for holding financial instruments in the portfolio after their purchase and/or subscription in stock-based incentive plans pursuant to article 114-*bis* of the Consolidated Finance Act.

Specifically, under the Plan's regulation:

1. Share allocation requires that the beneficiaries, during the period from 1 June of the last year of each cycle of the Plan (hence from 1 June 2018 for Cycle 1, from 1 June 2019 for Cycle 2 and from 1 June 2020 for Cycle 3) to the shares grant date, hold continuously a

number of Company's shares equal to [20]% of the maximum number of rights granted to them as part of the same cycle; and

2. the beneficiaries who, at the shares grant date, are:
  - ✓ “executive directors” pursuant to article 6 of the Corporate Governance Code, as identified by the Board of Directors, will be required to hold continuously, until their term of office, a number of shares equal to at least 20% of those granted to them as part of the Plan;
  - ✓ “key managers” pursuant to article 7 of the Corporate Governance Code, as identified by the Board of Directors, will be required to hold continuously, for two years after the grant date, a number of Shares equal to at least 20% of those granted to them as part of the Plan.

The shares granted to the above beneficiaries will be non-transferable, hence they shall not be sold, contributed, exchanged, repurchased, lent or form part of other inter vivos deeds of transfer, until the expiry of the above deadlines, unless authorised by the Board of Directors.

#### **L) Policy governing indemnities for end of office or termination of employment**

Generally speaking, the Remuneration Policy does not provide for the signing of agreements:

- (i) with Directors, governing *ex ante* the economic aspects in the event of end of office or early termination of employment by the Company or the individual. However, as described in Section II, should the appointment of the Chief Executive Officer be terminated before the original expiry date, not for just cause, he will be entitled to an indemnity;
- (ii) with Key Managers, providing for an indemnity in the event of resignation or dismissal/termination of appointment without just cause or where employment ceases following a public purchase offer. Furthermore, in the case of dismissal with just cause of a Company Director, who is also a Key Manager of a direct subsidiary of the Company, because of the latter quality, a gross lump-sum indemnity will be paid by way of derogation and in addition to the notice period required by the applicable National Collective Labour Agreement.

The Policy provides for the signing of non-competition agreements in accordance with ruling requirements and within the limits of the law. Specifically, in 2015, the following non-competition agreements were entered into:

- ✓ on 26 August 2015, the subsidiary Cerved Group S.p.A. entered into an agreement with Edoardo Romeo, formerly General Sales Manager of Cerved Group S.p.A. and Director, whereby the latter undertakes non-competition commitments for a three-year period from the date of employment termination (ended on 1 September 2015) against payment of Euro 1,166,666.67. Of this amount Euro 166,666.67 has already been paid and the residual amount is to be paid before 15 October 2015 (Euro 500,000), 28 February 2017 (Euro 300,000) and 30 September 2018 (Euro 200,000). Under the agreement, failure to comply with the above non-competition clauses will result in Mr. Romeo paying a penalty of Euro 2,000,000.00, Euro 1,500,000.00 and Euro 1,000,000.00 should the breach take place within one, two or three years of the termination date, respectively;
- ✓ on 1 September 2015, Cerved Group S.p.A. entered into an agreement with Roberto Mancini, a Key Manager, whereby the latter undertakes significant non-competition commitments for a three-year period from the date of employment termination, in exchange for payment, by Cerved Group S.p.A., of a gross annual amount of Euro 50,000.00 in 14 instalments during the employment relationship. Moreover, total or partial failure to comply with the above non-competition commitments, will result in Mr. Mancini returning to Cerved Group S.p.A. the amounts paid by the latter in exchange for taking on non-competition

obligations, in addition to a penalty equal to the last gross annual remuneration to be calculated pursuant to article 2121 of the Italian Civil Code, without prejudice to the right to compensation for further damage;

- ✓ on 12 November 2015, the Company entered into a non-competition agreement with the Chief Executive Officer, Gianandrea De Bernardis, covering the term of all the offices held by the latter in the Company and in Cerved Group (the “Offices”) and for three years of the termination of the Offices or any other non-executive office that he may have in Group companies. Consequently, the Company undertook to pay Gianandrea De Bernardis the following amounts (i) Euro 20,000.00 for each year of Office, in 12 monthly instalments of the same amount, until termination of the last Office still in place; and (ii) after the date of termination of the Offices, an additional gross amount of Euro 1,000,000.00 (one million/00), in a single instalment, no later than the last day of the month following the termination date of the last two Offices. Furthermore, failure to comply with the above non-competition obligations will result in Mr. de Bernardis paying a penalty of Euro 2,000,000.00, Euro 1,500,000.00 and Euro 1,000,000.00 should the breach take place within one, two or three years of the termination of the Offices and any other office.

**M) Insurance policies, pension or social security schemes other than mandatory ones**

As described in paragraph F), non-monetary benefits may include life insurance policies, accident policies and supplementary health insurance other than mandatory ones.

**N) Remuneration Policy for: (i) Independent Directors, (ii) participation in committees and (iii) specific offices**

Under the Policy, Non-executive Directors and Independent Directors who are part of Board Committees are paid additional fixed remuneration that adequately reflects the additional activities and commitments made in the Company's interest.

For additional information and for information about the remuneration of Directors with specific offices, reference should be made to paragraph E) above.

**O) Use of other company's remuneration policies as a benchmark**

The Remuneration Policy has been prepared also making reference to Italian and foreign companies with similar size and business segment as a benchmark.

## SECTION II

### 2015 REMUNERATION PAID TO THE MEMBERS OF THE BOARD OF DIRECTORS AND OF THE BOARD OF STATUTORY AUDITORS AND TO KEY MANAGERS

Section II is laid out in two parts and specifies, for each individual, the remuneration paid in 2015 to the Boards of Directors and Statutory Auditors and the Key Managers in accordance with Annex 3A, Scheme 7-*bis* of the Issuers' Regulation.

#### **PART I – ITEMS COMPRISING REMUNERATION**

Part I of Section II provides a suitable representation of each of the items comprising remuneration.

The items comprising remuneration are detailed in Table 1 as per Annex 3A, Scheme 7-*bis*, of the Issuers' Regulation, contained in the appendix to Part II of this Section.

#### **Directors' remuneration**

In their ordinary meeting of 19 May 2014, the Company's shareholders resolved to assign the Board of Directors that took office on 25 March 2014, subject to the floating of the Company's shares, gross fixed remuneration of Euro 650,000.00, including the amount due in relation to specific offices pursuant to article 2389.3 of the Italian Civil Code and article 22 of the Articles of Association.

In its resolution of 28 May 2014, the Company's Board of Directors allocated the total gross remuneration set by the shareholders pursuant to article 2389.3 of the Italian Civil Code and article 22 of the Articles of Association. The Board of Directors assigned:

- gross annual remuneration of Euro 350,000.00 to the Chief Executive Officer, Gianandrea De Bernardis;
- additional variable remuneration of Euro 242,000.00 again to the Chief Executive Officer Gianandrea De Bernardis;
- an additional gross annual amount of Euro 20,000.00 in relation to a specific non-competition commitment taken on by the Chief Executive Officer Gianandrea De Bernardis;
- fixed remuneration of Euro 50,000.00 to two Independent Directors, each, of which Euro 10,000.00 for the position of chairman of the Risk and Control Committee held by one Director and for the position of chairman of the Remuneration and Nomination Committee held by the other Director;
- fixed remuneration of Euro 200,000.00 to the Chairman of the Board of Directors Fabio Cerchiai for the positions of Chairman of the Board of Directors and member of the Risk and Control Committee and Remuneration and Nomination Committee.

No remuneration was paid to the other Directors for the position held.

#### **Monetary and non-monetary benefits to Directors**

The use of a car was granted to the Chief Executive Officer as fringe benefit.

\* \* \*

### **Statutory Auditors' remuneration**

In their ordinary meeting of 14 March 2014, the shareholders appointed Paolo Ludovici, Ezio Simonelli and Fabio Oneglia as Standing Auditors. The latter was replaced by Laura Acquadro as per the shareholders' resolution of 28 May 2014. In the same meeting, Lucia Foti Belligambi and Andrea Alberico were appointed Substitute Auditors. The latter was replaced by Renato Colavolpe as per the shareholders' resolution of 28 May 2014. On 14 March 2014, the annual gross remuneration for the Statutory Auditors was approved as follows: Euro 60,000.00 for the chairman of the Board of Statutory Auditors and Euro 40,000.00 to each Standing Auditor.

### **Monetary and non-monetary benefits to Statutory Auditors**

There are no monetary or non-monetary benefits for Statutory Auditors.

\* \* \*

### **Key Managers' remuneration**

The total remuneration paid to the five Key Managers was calculated based on the employment relationship with the Company and its direct and indirect subsidiaries. In 2015, it amounts to Euro 1,233,736.17. It includes the fixed component represented by the gross annual salary, and the variable component as an annual incentive (MBO).

### **Monetary and non-monetary benefits to Key Managers**

The use of a car was granted to the Key Managers as fringe benefit.

There are no monetary benefits for Key Managers.

\* \* \*

### **Stock-based incentive plans**

During the year, no stock options or other financial instruments were granted as part of incentive plans.

Starting from 2016, the Board of Directors, at the proposal of the Remuneration and Nomination Committee, will individually identify the beneficiaries of the Plan for each cycle (the first cycle refers to 2016), within the categories of beneficiaries to whom the Plan is reserved; specifically:

- the Company's or subsidiaries' directors;
- managers linked to the Company or its subsidiaries by an employment relationship and with key responsibilities;
- managers and other top figures linked to the Company or its subsidiaries by a collaboration agreement.

The Plan is comprised of three cycles (2016, 2017 and 2018), each with a three-year term, and grants beneficiaries, free of charge, the right to receive, again free of charge, a total maximum amount of 2,925,000 CIS shares, which account for 1.5% of share capital.

Exercise of the rights – to be assigned on a personal basis and not transferable under inter vivos deeds nor subject to restrictions – is subject to the achievement of the performance objectives

established while granting such rights in relation to each Plan cycle. For additional information on the Plan, reference should be made to the Prospectus, available on the Company's website, section *governance/documents and procedures*.

Vesting of rights, and the related granting, free of charge, of CIS shares, also requires that (i) the beneficiaries hold, during the last year of each Plan cycle (e.g., in 2018, for the first cycle that began in 2016), CIS shares equal to at least 10% of the maximum amount of rights assigned; and (ii) the continuation of employment and/or collaboration and/or administration relationship between the Plan's beneficiaries and the Company (or its subsidiaries). Specifically, should the relationship be terminated before the assignment date as a result of: (i) dismissal of the beneficiary with just cause, or because of subjective reasons, or revocation or non-renewal of the beneficiary for just cause; or (ii) the beneficiary's voluntary resignation, the beneficiary would definitively lose the right to the granting of shares, unless otherwise decided by the Board of Directors in a more favourable way for the beneficiary. In all cases of employment termination other than those listed above, the beneficiary may retain the share granting rights subject to the Board's resolution to this effect, which will act at its full discretion. Furthermore, should the Board of Directors, after consulting with the Remuneration and Nomination Committee, determines that performance objectives have been achieved, based on data which have subsequently proven to be manifestly misstated, or confirmed as being the beneficiary's responsibility, by a judgement that has the force of *res judicata*, wilful fraudulent conduct or gross negligence to the detriment of the Company which suffered from an economic or financial loss, or without which the performance objectives would not have been achieved, the Board of Directors, after consulting with Remuneration and Nomination Committee, reserves the right to request to the beneficiary responsible for one of the above acts and/or facts, the withdrawal of rights or the return of the shares granted.

\* \* \*

### **Agreements providing for an indemnity in the case of early termination of employment**

In 2015, no agreements were entered into that provide for an indemnity in the case of early termination of employment of Directors, Statutory Auditors and Key Managers, without prejudice to the application to the latter of any agreements provided by the applicable collective contract. However, the following should be noted:

- a) in the case of termination of the Chief Executive Officer's appointment before the original expiry date not for just cause, the Chief Executive Officer is entitled to an indemnity; and
- b) in the case of dismissal with just cause of a Company's Director, who is also a Key Manager of a direct subsidiary of the Company, because of the latter quality, a gross lump-sum indemnity will be paid by way of derogation and in addition to that provided for in the applicable National Collective Labour Agreement.

## **PART II – TABLES**

Part II of Section II analytically describes the remuneration paid in 2015, for any reason and in any form, to the Directors, Statutory Auditors and Key Managers of the Company and other group companies, in accordance with **Table 1** of Annex 3A, Scheme 7-*bis*, of the Issuers' Regulation. Information about the offices held in the Company and those held in the Group's subsidiaries and associates is provided separately.

This Report also includes Table 1 and Table 2 required by Annex 3A, Scheme 7-ter, of the Issuers' Regulation, which show the equity investments held by Directors, Statutory Auditors and Key Managers in the Company and its subsidiaries, pursuant to article 84-quater.4 of the Issuers' Regulation.



## TABLE 1

### In accordance with Annex 3A, Scheme 7-bis, of the Issuers' Regulation – Remuneration paid in 2015 to the Board of Directors, Board of Statutory Auditors and Key Managers

TABLE 1 In accordance with Annex 3A, Scheme 7-bis, of the Issuers' Regulation – Remuneration paid to the Board of Directors, Board of Statutory Auditors, General Managers and Key Managers

(A) Name and Surname	(B) Position	(C) Length of time in office	(D) End of term of office	(1) Fixed remuneration	(2) Remuneration for service on committees	(3) Non-equity variable remuneration		(4) Fringe benefits	(5) Termination indemnity	(6) Employment remuneration	(7) Other remuneration	(8) Total	(9) Fair value of equity remuneration
						Bonuses and other incentives	Profit sharing						
FABIO CERCHIAI <sup>1</sup>	Chairman	Since 25/03/2014	Approval of 2016 fin. stat.	200,000.00								200,000.00	
GIANANDREA DE BERNARDIS <sup>2</sup>	Chief Executive Officer	Since 25/03/2014	Approval of 2016 fin. stat.	350,000.00		225,000.00		4,673.05	20,000.00			599,673.05	
GIAMPIERO MAZZA <sup>3</sup>	Director	Since 14/03/2014	Approval of 2016 fin. stat.									-	
GIORGIO DE PALMA <sup>4</sup>	Director	Since 14/03/2014	Approval of 2016 fin. stat.									-	
FEDERICO QUITADAMO	Director	Since 14/03/2014	Approval of 2016 fin. stat.									-	
ANDREA FERRANTE	Director	Since 14/03/2014	Approval of 2016 fin. stat.									-	
MARCO NESPOLO <sup>5</sup>	Director	Since 25/03/2014	Approval of 2016 fin. stat.					4,267.08		360,000.00	106,821.00	471,088.08	
EDOARDO FRANCESCO MARIA ROMEO <sup>6</sup>	Director	From 25/03/2014 to 31/8/2015	Approval of 2016 fin. stat.	100,000.00 *				2,541.87		670,300.04	120,000.00 *	892,841.91	
SABRINA DELLE CURTI	Director	Since 22/09/2015	Approval of 2016 fin. stat.							44,413.93	15,000.00	59,413.93	
GUIJARRO FRANCISCO DE JAIME	Director	Since 25/03/2014	Approval of 2016 fin. stat.									-	
MARA CAVERNI <sup>7</sup>	Independent Director	Since 30/04/2014	Approval of 2016 fin. stat.	40,000.00	10,000.00							50,000.00	
AURELIO REGINA <sup>8</sup>	Independent Director	Since 30/04/2014	Approval of 2016 fin. stat.	40,000.00	10,000.00							50,000.00	
<b>Total Board of Directors</b>				<b>730,000.00</b>	<b>20,000.00</b>	<b>225,000.00</b>	<b>-</b>	<b>11,482.00</b>	<b>20,000.00</b>	<b>1,074,713.97</b>	<b>241,821.00</b>	<b>2,323,016.97</b>	
PAOLO LUDOVICI <sup>9</sup>	Chairman	Since 14/03/2014	Approval of 2016 fin. stat.	90,000.00 **								90,000.00	
EZIO MARIA SIMONELLI <sup>10</sup>	Standing Auditor	Since 14/03/2014	Approval of 2016 fin. stat.	60,000.00 ***								60,000.00	
LAURA ACQUADRO	Standing Auditor	Since 28/05/2014	Approval of 2016 fin. stat.	40,000.00								40,000.00	
LUCIA FOTI BELLIGAMBI	Alternate Auditor	Since 14/03/2014	Approval of 2016 fin. stat.									-	
RENATO COLAVOLPE <sup>11</sup>	Alternate Auditor	Since 28/05/2014	Approval of 2016 fin. stat.	21,500.00 ****								21,500.00	
<b>Total Board of Statutory Auditors</b>				<b>211,500.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>211,500.00</b>	
<b>(I) Audit fees</b>				<b>770,000.00</b>	<b>20,000.00</b>	<b>225,000.00</b>	<b>-</b>	<b>4,673.05</b>	<b>20,000.00</b>	<b>44,413.93</b>	<b>15,000.00</b>	<b>1,099,086.98</b>	
<b>(II) Fees from subsidiaries and associates</b>				<b>171,500.00 *****</b>				<b>6,808.95</b>		<b>1,030,300.04</b>	<b>226,821.00</b>	<b>1,435,429.99</b>	
<b>(III) Total</b>				<b>941,500.00</b>	<b>20,000.00</b>	<b>225,000.00</b>	<b>-</b>	<b>11,482.00</b>	<b>20,000.00</b>	<b>1,074,713.97</b>	<b>241,821.00</b>	<b>2,534,516.97</b>	

<sup>1</sup> Member of Cerved Information Solutions S.p.A. Remuneration Committee

<sup>2</sup> Member of Cerved Information Solutions S.p.A. Risk and Control Committee

<sup>3</sup> Chairman of Cerved Group S.p.A. BoD since 22 January 2016

<sup>4</sup> Chairman of Cerved Group S.p.A. until 22 January 2016

<sup>5</sup> Director of Cerved Group S.p.A. until 22 January 2016

<sup>6</sup> Chairman of Rating Agency S.p.A. BoD

<sup>7</sup> Operational General Manager of Cerved Group S.p.A.

<sup>8</sup> Director of Cerved Group S.p.A. since 22 January 2016

<sup>9</sup> Director of Consit Italia S.p.A. since 22 January 2016

<sup>10</sup> Director of Cerved Credit Management Group S.r.l. since 14 September 2015

<sup>11</sup> Director of Cerved Credit Management S.p.A. since 14 September 2015

<sup>12</sup> Chairman of the BoD and Chief Executive Officer of Finservice S.p.A. until 15 September 2015 (for this post he receives an annual gross remuneration of €150,000.00)

<sup>13</sup> Director of Cerved Credit Management Group S.r.l. until 31 August 2015

<sup>14</sup> Director of Cerved Credit Management S.r.l. until 31 August 2015

<sup>15</sup> Director of Cerved Credit Management S.r.l. until 31 August 2015

<sup>16</sup> Commercial General Manager of Cerved Group S.p.A. until 31 August 2015

<sup>17</sup> Chairman of Cerved Information Solutions S.p.A. Risk and Control Committee

<sup>18</sup> Member of Cerved Information Solutions S.p.A. Remuneration Committee

<sup>19</sup> Chairman of Cerved Information Solutions S.p.A. Remuneration Committee

<sup>20</sup> Member of Cerved Information Solutions S.p.A. Risk and Control Committee

<sup>21</sup> Chairman of the Board of Statutory Auditors of Cerved Group S.p.A. (for this post he receives an annual gross remuneration of €30,000.00 in addition to gross annual remuneration of €60,000.00 for the post of Chairman of the Board of Statutory Auditors of Cerved Information Solutions S.p.A.)

<sup>22</sup> Standing Auditor of Cerved Group S.p.A. (for this post he receives an annual gross remuneration of €20,000.00 in addition to gross annual remuneration of €40,000.00 for the post of Standing Auditor of Cerved Information Solutions S.p.A.)

<sup>23</sup> Alternate Auditor of Recus S.p.A.

<sup>24</sup> Chairman of the Board of Statutory Auditors of Cerved Credit Management Group S.r.l. (for this post he receives an annual gross remuneration of €7,500)

<sup>25</sup> Chairman of the Board of Statutory Auditors of Cerved Credit Management S.p.A. (for this post he receives an annual gross remuneration of €9,000)

<sup>26</sup> Chairman of the Board of Statutory Auditors of Cerved Rating Agency S.p.A. (for this post he receives an annual gross remuneration of €5,000)

\*\*\*\*\* Corresponds to the amount of \* (remuneration as BoD Chairman and CEO of Finservice S.p.A.) and €30,000.00 of \*\* (remuneration as Chairman of the Board of Statutory Auditors of Cerved Group S.p.A.) and €20,000.00 of \*\*\* (remuneration as Standing Auditor of the Board of Statutory Auditors of Cerved Group S.p.A.) and €20,000.00 of \*\*\*\* (remuneration as Chairman of the Board of Statutory Auditors of Cerved Credit Management Group S.r.l., Cerved Credit Management S.p.A. and Cerved Rating Agency S.p.A.)

\* leaving incentive paid

(A) Name and Surname	(B) Position	(C) Length of time in office	(D) End of term of office	(1) Fixed remuneration	(2) Remuneration for service on committees	(3) Non-equity variable remuneration		(4) Fringe benefits	(5) Termination indemnity	(6) Employment remuneration	(7) Other remuneration	(8) Total	(9) Fair value of equity remuneration
						Bonuses and other incentives	Profit sharing						
MARCO NESPOLO <sup>I</sup>	Cerved Group S.p.A. - Operational General Manager	2015	Open ended					4,267.08		360,000.00	106,821.00	471,088.08	
EDOARDO FRANCESCO MARIA ROMEO <sup>II</sup>	Cerved Group S.p.A. - Commercial General Manager	Until 31 August 2015	Open ended					2,541.87		670,300.04	120,000.00*	792,841.91	
ROBERTO MANCINI <sup>III</sup>	Cerved Group S.p.A. - Commercial General Manager	Since 1 September 2015	Open ended							90,877.00	25,723.33	116,600.33	
ANDREA MIGNANELLI <sup>IV</sup>	Cerved Credit Management Group S.r.l. - Credit Management General Manager	2015	Approval of 2016 fin. stat.	250,000.00		60,000.00		3,914.16				313,914.16	
3 Key Managers <sup>V</sup>		2015	Open ended		-		-	9,924.72	-	519,283.04	116,840.00	646,047.76	
Total Key Managers				250,000.00	-	60,000.00	-	20,647.83	-	1,640,460.08	369,384.33	2,340,492.24	
(I) Audit fees								6,547.32		375,466.08	67,104.00	449,117.40	
(II) Fees from subsidiaries and associates				250,000.00		60,000.00		14,100.51		1,264,994.00	302,280.33	1,891,374.84	
(III) Total				250,000.00	-	60,000.00	-	20,647.83	-	1,640,460.08	369,384.33	2,340,492.24	

<sup>I</sup> Director of Cerved Information Solutions S.p.A.

<sup>II</sup> Director of Cerved Group S.p.A., Consit Italia S.p.A. since 22 January 2016

<sup>III</sup> Director of Cerved Credit Management Group S.r.l., Cerved Credit Management S.p.A. since 14 September 2015

<sup>IV</sup> Chairman of the BoD of Cerved Rating Agency S.p.A.

<sup>V</sup> Director of Cerved Information Solutions S.p.A. until 31 August 2015

<sup>VI</sup> Chairman of the BoD and Chief Executive Officer of Finservice S.p.A. until 15 September 2015

<sup>VII</sup> Director of Cerved Credit Management Group S.r.l. until 31 August 2015

<sup>VIII</sup> Director of Cerved Credit Management S.p.A. until 31 August 2015

<sup>IX</sup> Director with proxy of Finservice S.p.A. since 15 September 2015

<sup>X</sup> Chief Executive Officer of Cerved Credit Management S.p.A.

Director with proxy of Cerved Legal Services S.r.l.

Director of Recus S.p.A.

Director of SC RE Collection S.r.l.

Director of Finservice S.p.A.

<sup>XI</sup>

PIETRO GIOVANNI MASERA - Manager of Cerved Information Solutions S.p.A. - Corporate Development and Investor Relations Manager

Director of Recus S.p.A.

GIOVANNI SARTOR - Manager of Cerved Information Solutions S.p.A. - Chief Financial Officer

Chairman of the BoD of Finservice S.p.A., Consit Italia S.p.A., Cerved Credit Management Group S.r.l., Cerved Credit Management S.p.A., Cerved Legal Services S.r.l. and Recus S.p.A.

Director of Cerved Rating Agency S.p.A. since 1 February 2016

ROBERTO D'ASCANIO - Manager of Cerved Group S.p.A. - Financial Institution Manager

\* Leaving incentive paid

## TABLES 1 and 2

### In accordance with Annex 3A, Scheme 7-ter, of the Issuers' Regulation - Information about the equity investments held by Directors, Statutory Auditors and Key Managers

Table 1 In accordance with Annex 3A, Scheme 7-ter, of the Issuers' Regulation - Information about the equity investments held by Directors and Statutory Auditors

Name and surname	Position	Investee	Number of shares held at 2014 year end	Number of shares purchased/subscribed in 2015	Number of shares sold in 2015	Number of shares held at 2015 year end
MARCO NESPOLO	Director	Cerved information Solutions S.p.A.	0	130,000	0	130,000

Table 2 In accordance with Annex 3A, Scheme 7-ter, of the Issuers' Regulation - Information about the equity investments held by Key Managers

Name and surname	Position	Investee	Number of shares held at 2014 year end	Number of shares purchased/subscribed in 2015	Number of shares sold in 2015	Number of shares held at 2015 year end
ANDREA MIGNANELLI	Chief Executive Officer	Cerved Credit Management Group S.r.l.	6,675	-	0	6,675
ANDREA MIGNANELLI	Chief Executive Officer and Key Manager of the indirect subsidiary CCMG	Cerved information Solutions S.p.A.	0	10,000	0	10,000
MARCO NESPOLO	Operational General Manager	Cerved information Solutions S.p.A.	0	130,000	0	130,000
PIETRO GIOVANNI MASERA	Key Manager	Cerved information Solutions S.p.A.	0	11,000	0	11,000