



**Unieuro S.p.A.**  
**Appointments and Remuneration Committee Regulations**

## **ARTICLE 1**

### ***SCOPE AND AREA OF APPLICATION***

This Regulation, approved by the Board of Directors on 7 February 2017, governs the composition, appointment, functioning methods, duties, powers and means of the Appointments and Remuneration Committee of Unieuro S.p.A. (the “**Committee**”) established within the Board of Directors in implementation of the recommendations of the Code of Conduct promoted by the Borsa Italiana S.p.A. Corporate Governance Committee for Listed companies (the “**Code of Conduct**”).

## **ARTICLE 2**

### ***COMPOSITION AND APPOINTMENT***

**2.1** The Committee consists of three directors, the majority of whom are independent pursuant to Article 147-ter, paragraph 4 of the TUF, as also set forth in the Code of Conduct. Otherwise, the Remuneration Committee may consist of non-executive directors, the majority of whom are independent; in that case, the Chairman is selected from amongst the independent directors. The Committee members must have the skills required to perform their duties.

At least one member of the Committee should have adequate knowledge of and experience with finance and pay policies in compliance with Article 6, paragraph 4 of the Code of Conduct, which will be assessed by the Board of Directors upon appointment.

**2.2** The Board of Directors appoints and removes Committee members and the Chairman.

**2.3** The Secretary is appointed by the Committee, at the proposal of the Chairman, from amongst a group of Company executives proposed by the Chief Executive Officer.

**2.4** Directors accept the office of members of the Committee only when, in line with their other commitments and/or duties previously undertaken and/or which they reasonably assume they will undertake soon, they believe they will be able to dedicate the necessary time to the diligent performance of their duties.

**2.5** Unless determined otherwise by the Board of Directors upon appointment, the term of office of members of the Committee is equivalent to that of the Board of Directors to which its members belong, and

early removal for any reason whatsoever from the Board of Directors shall entail immediate removal from the Committee.

## **ARTICLE 3**

### ***DUTIES IN THE FUNCTION OF THE APPOINTMENTS COMMITTEE***

**3.1** The Appointments Committee is responsible for assisting the Board of Directors by conducting inquiries and providing recommendations and advice, in particular:

a) it supports the Board in developing any criteria for the designation of the parties pursuant to letter b) below;

b) it provides opinions to the Board of Directors concerning the Board's size and composition and provides recommendations with regard to the professional figures whose presence within the Board is deemed appropriate as well as on the matters listed below:

- Maximum number of offices of director or statutory auditor in other companies listed in regulated markets (including abroad) compatible with the effective performance of the duties of Company director, also taking into account the participation of the directors in Board committees. To that end, it identifies general criteria differentiated based on the commitment connected to each role (of executive, non-executive or independent director), also in relation to the nature and the size of the company in which the offices are held as well as whether they belong to the issuer's group
- Substantial evaluation of each case and issue dealt with by the Board relating to shareholders' meeting authorisations and any exceptions to the non-compete agreement established in Article 2390 (competition prohibition)

c) it provides evaluations to the Board on the designation of executives and members of the Company's bodies and boards, proposed by the Chief Executive Officer and/or the Chairman of the Board of Directors, whose appointment is the responsibility of the Board, and supervises the relative succession plans. When possible and appropriate in relation to the shareholding structure, it proposes the Chief Executive Officer succession plan to the Board;

d) at the proposal of the Chief Executive Officer, it examines and evaluates the criteria governing the succession plans of the Company's managers with strategic responsibilities;

e) it proposes candidates to the Board for the office of director if one or more directors leave office in the course of the year (Article 2386, paragraph 1, Italian Civil Code), while ensuring compliance with

requirements relating to the minimum number of independent directors and the quotas that must be met by the less represented gender;

f) it indicates candidates to the Board for the office of director to be submitted to the company's Shareholders' Meeting for approval, considering any reports received from shareholders, if it is not possible to select the required number of directors from the lists submitted by the shareholders;

g) it supervises the annual self-assessment of the Board and its Committees pursuant to the Code of Conduct, handling the preliminary inquiry regarding the assignment of the engagement to an external consultant for the self-assessment; taking into account the results of the self-assessment, it provides opinions to the Board on the size and composition of the Board itself and its Committees, as well as with respect to the management and professional skills and figures whose presence on the Board or the Committees is deemed appropriate so that the Board may express its orientation to the shareholders before the appointment of the new Board;

h) it proposes to the Board the list of candidates for the office of director in cases of co-opting, when it is necessary to replace independent directors;

i) it proposes to the Board its orientation, pursuant to the Code of Conduct, regarding the maximum number of offices of director or statutory auditor that a director may hold and conducts the inquiry relating to the relative periodic verifications and evaluations, to be submitted to the Board;

l) it handles the inquiry relating to the periodic verification that directors continue to meet the requirements of independence and integrity and that there are no grounds for their incompatibility or unelectability;

m) it provides an opinion to the Board on any activities carried out by the directors in competition with those of the Company;

n) it reports to the Board of Directors at its first possible meeting, through the Committee Chairman, on the most relevant issues examined by the Committee during its meetings; it also reports to the Board at least every six months, no later than the deadline for the approval of the annual and half-yearly financial report, on the activities carried out as well as the adequacy of the appointment system, at the board meeting specified by the Chairman of the Board of Directors.

**3.2** The inquiry into the matters relating to corporate or governance aspects is carried out jointly with the Legal Director, who, in that case, participates in the Committee meetings.

**3.3** The Chairman of the Appointments Committee reports to the Board of Directors with respect to the activity carried out by the Committee.

### ***DUTIES IN THE FUNCTION OF THE REMUNERATION COMMITTEE***

**3.4** The Remuneration Committee is responsible for assisting the Board of Directors by conducting inquiries and providing recommendations and advice, in assessments and decisions relating to the remuneration policy of directors and managers with strategic responsibilities, in particular:

- (a) it periodically evaluates the adequacy, overall coherence and actual application of the remuneration policy of directors and managers with strategic responsibilities, relying in that last regard on the information provided by the chief executive officers; it provides proposals on the matter to the Board of Directors;
- (b) it presents proposals or expresses opinions to the Board of Directors on the remuneration of executive directors and other directors with specific duties, as well as on the establishment of performance targets correlated with the variable remuneration component; it monitors the application of decisions adopted by the board, in particular verifying the actual achievement of performance targets;
- (c) it examines in advance the annual remuneration report to be provided to the public in view of the annual Shareholders' Meeting called to approve the financial statements;
- (iv) it carries out the additional tasks assigned to it by the Board of Directors.

**3.5** The Remuneration Committee is entitled to access the information and corporate functions required to perform its duties and may rely at the expense of the Company on external consultants, within the limits of the budget approved by the Board of Directors. In this last regard, if it intends to rely on the services of a consultant in order to obtain information on market practices with regard to pay policies, the Committee first verifies that the consultant is not in any situation that could in practice compromise his or her independent judgement and, in particular, that he or she does not provide directors or managers with strategic responsibilities with significant services such so as to actually compromise his or her independent judgement.

**3.6** The Chairman of the Remuneration Committee reports to the Board of Directors with respect to the activity carried out by the Committee.

## **ARTICLE 4**

### ***CALLING, CONDUCTING AND TAKING MINUTES AT MEETINGS***

**4.1** The Committee meets periodically with the frequency required to carry out its activities, typically on the dates set forth on the annual calendar of meetings approved by the Committee and at the registered office or at one of the secondary offices of the Company. The meetings are called by the Committee Chairman to discuss an agenda that he or she has prepared, or when at least two members so request for the discussion of a specific topic that they deem particularly relevant. The Committee meeting may be called at any moment at the request of the Chairman of the Board of Statutory Auditors, the Chairman of the Board of Directors or the Chief Executive Officer.

**4.2** The notice of call, noting the day, time and place of the meeting and containing the list of the items to be discussed, is sent to the Committee members by the secretary, at the instruction of the Chairman, typically at least three days before the day scheduled for the meeting; in urgent cases, this period may be shorter, however advance notice of at least 24 hours is required. In any case, the Committee meeting shall reach a quorum when, even if not formally called, all members are in attendance. The notice of call is also sent by the secretary to the statutory auditors on the Board of Statutory Auditors and to any other parties invited by the Committee Chairman to take part in the meeting.

**4.3** The Committee meetings are chaired by the Chairman or, if absent or unable, by a member of the Committee selected by those in attendance.

**4.4** The Committee may meet: (i) at a meeting in the location specified in the notice of call; (ii) by video conference, from the offices of the company or another location specified in the notice of call; (iii) by audio conference over the phone, generally only for extraordinary meetings not scheduled on the annual calendar. In cases (ii) and (iii), it is necessary to take into account the confidentiality requirements connected with the discussion of the items on the agenda and it must be possible to identify all participants and for them to follow the discussion and to take part in real time in the discussion of topics dealt with. The meeting shall be deemed held in the place where the Committee Chairman is located.

**4.5** Any documentation relating to the items on the agenda is made available to the members by the Secretary by means which guarantee the confidentiality of the information contained therein, also by sending it by email to the “unieuro.com” addresses of the Committee members, generally along with the notice of call and, in any event, at least three days before the date of the meeting, except in exceptional cases. In addition to meeting regulatory obligations relating to insider information, the Committee members are required to keep the data and information received in exercising their functions confidential.

**4.6** The Committee reaches a quorum if the majority of the members in office are present and takes decisions by the absolute majority of those present. The vote of the Committee Chairman shall break any tie votes.

**4.7** The Chairman of the Board of Statutory Auditors (or another statutory auditor designated by the chairman) takes part in the meetings of the Remuneration Committee and the other statutory auditors may participate in any event. The Chairman of the Board of Directors and the Chief Executive Officer may participate in meetings at the invitation of the Committee, in addition to other parties, including other members of the Board of Directors, with reference to the individual items on the agenda, to provide information and express the assessments for which they are responsible.

**4.8** No director takes part in the Committee meetings in which proposals are made to the Board of Directors regarding their remuneration, unless the proposals regard all members in general of the Board Committees.

**4.9** Committee meetings reach a quorum when the majority of members in office are in attendance.

**4.10** The Committee's decisions are taken by the absolute majority of members in office.

**4.11** The Chairman handles minute-taking at the meetings and, to this end, may be assisted by the Secretary or his or her delegate. If there are specific and justified reasons for doing so, the Committee Chairman may have the minutes taken by a Committee member, the Board Secretary or a person reporting to the Board. The draft minutes are submitted to the Committee Chairman and the other members for any observations; generally, if no observations have been submitted within 15 calendar days of when the draft was sent, the minutes are deemed approved and as a result entered in the records. The minutes are signed by the meeting Chairman and by the Secretary or, in his or her stead, by the substitute who carried out the functions of Secretary, and are sent to the Committee members, the Chairman of the Board of Directors, the Chief Executive Officer, the Secretary of the Board of Directors and, for the matters under the responsibility of the Board of Statutory Auditors, to the Chairman of the Board of Statutory Auditors and any substitute who participated in the meeting.

**4.12** The rules for the functioning of the Board of Directors shall apply to the Appointments and Remuneration Committee, insofar as they are compatible, for all matters not addressed herein.

## **ARTICLE 5**

### ***POWERS AND MEANS***

In carrying out its functions, the Appointments and Remuneration Committee has the right to access the information and corporate functions necessary to carry out its duties, as well as rely on external consultants, within the terms established by the Board of Directors; the Committee defines an expenditure budget every year for submission to the Board of Directors for approval. The Company makes adequate financial resources available to the Committee for the performance of its duties within the limits of the budget approved by the Board.

## **ARTICLE 6**

### ***FINAL PROVISIONS***

The Committee evaluates periodically, at least every year, the adequacy of this Regulation and submits any amendments, updates or additions to the Board of Directors for approval.

The Chairman of the Board of Directors may make the merely formal amendments that may be necessary to bring the Regulation into line with legislative or regulatory measures, the recommendations of the Code of Conduct and the resolutions of the Board of Directors, or in relation to organisational and procedural changes in the Company, after obtaining the favourable assessment of the Committee and informing the Board of Directors.