

# **SAFILO GROUP S.p.A.**

## **2015 REPORT ON CORPORATE GOVERNANCE and OWNERSHIP STRUCTURE**

**pursuant to Article 123-*bis* CFA**

**(Traditional management and control model)**

**Approved by the Board of Directors on March 14, 2016**

**Website** [www.safilogroup.com/en/](http://www.safilogroup.com/en/)

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## GLOSSARY

In this Report, unless a different meaning is clear from the context, the following terms and expressions, when beginning with a capital letter, shall have the meanings set out below:

**Articles of Association:** the Articles of Association of SAFILO GROUP S.p.A., published on the company's website;

**Board of Directors:** the Board of Directors of SAFILO GROUP S.p.A.;

**Board of Statutory Auditors:** the Board of Statutory Auditors of SAFILO GROUP S.p.A.;

**CFA:** Italian Legislative Decree no. 58 of 24 February 1998 (the Consolidated Finance Act);

**Civil Code/CC:** the Italian Civil Code, ICC;

**Code:** the Listed Companies' Corporate Governance Code approved by the Corporate Governance Committee in March 2006 2015 and promoted by Borsa Italiana S.p.A. ABI, Ania, Assogestioni, Assonime and Confindustria and subsequently amended for the last time in July 2015.

**Company or Issuer:** SAFILO GROUP S.p.A.;

**Control and Risk Committee:** the Control and Risk Committee of SAFILO GROUP S.p.A. (former Internal control Committee), as it has been re-named on the occasion of the adoption of the amendments to the Code through the resolution of the Board of Directors of December 6, 2012;

**Financial Year:** the financial year referred to by the Report, which ended on December 31, 2013;

**Group:** indicates the Company, SAFILO S.p.A. and its subsidiary and associate companies, as defined by Article 2359 of the ICC;

**Instructions to Stock Market Regulations:** the Instructions to the Regulations for Markets organised and managed by Borsa Italiana S.p.A.;

**Issuers' Regulation:** the Regulation that implements the CFA (the Italian Consolidated Finance Act) and adopted by the Consob [Italian securities & exchange commission] in Resolution no. 11971 of 1999;

**Remuneration and Nomination Committee:** the Remuneration Committee, where the new-established Nomination Committee was merged, on the occasion of the adoption of the Code through the resolution of the Board of directors of December 6, 2012;

**Report:** the corporate governance report that companies are required to prepare pursuant to Articles 123-*bis* of the CFA;

**Report on the Remuneration:** the report drafted pursuant to Article 123-*ter* of the CFA;

**STM:** the Screen-based Trading Market organised and managed by Borsa Italiana S.p.A.;

**Stock Market Regulations:** the Regulations governing Markets organised and managed by Borsa Italiana S.p.A.;

**Transactions with Related Parties Committee:** the Committee with the responsibilities for the transactions with related parties, pursuant to Consob Resolution no. 17721 of March 12, 2010, amended through the resolution no. 17389 of June 23, 2010;

**Website:** the Company's website [www.safilogroup.com/en](http://www.safilogroup.com/en).

It is pointed out that other definitions may also be included in the text of the Report.

## 1. ISSUER'S PROFILE

This report includes information required by article 123-*bis* of CFA and by regulations in force related to the corporate governance system adopted by the Company as well as to the Company's share ownership.

In line with the recommendations of the Code, adopted by the Company, the Report also includes accurate and complete information on how the company complied with the principles and with the criteria established in the Code itself.

## 2. INFORMATION ABOUT OWNERSHIP STRUCTURE (pursuant to Art. 123-*bis*, paragraph 1 of the CFA) AS AT 31/12/2015

### a) Structure of share capital (ex article 123-*bis*, paragraph 1, letter a) of the CFA)

As at December 31, 2015, the share capital amounts to Euro 313,149,825.00 divided into no. 62,629,965 ordinary shares of a par value of Euro 5.00 each.

All shares of the Company are registered, indivisible and freely transferable. They are currently traded on the FTSE Italia Mid Cap Index, since March 22, 2010.

Table 1, which is attached, should be referred to for any further information regarding the structure of share capital.

#### 2010-2013 Stock Option Plan

The Extraordinary Meeting of November 5, 2010 resolved to increase the share capital by a maximum nominal value of Euro 8,500,000.00 by issuing new ordinary shares for an amount up to a maximum of no. 1,700,000, par value of Euro 5.00 each, to be offered for subscription to directors and/or employees of the Company and its subsidiaries ("**2010-2013 Stock Option Plan**" or "**Plan 2010-2013**").

That Plan 2010-2013 – aimed at the incentive and improvement of the loyalty of the directors and/or the employees/managers of the Company and/or of the subsidiary companies – is performed through the assignment, free of charge and in several tranches, of a maximum of no. 1,700,000 options, which entitle the beneficiaries to the right to subscribe newly issued ordinary shares of the Company, par value of Euro 5.00 each, arising from a paid and separable capital increase, with exclusion of the option rights according to Article 2441, paragraph 4, second sentence, of the ICC, at the rate of no. 1 share for each option.

The issue price of the new shares was determined, from time to time, based on the volume weighted average price of SAFILO GROUP S.p.A.'s shares registered on the Italian stock exchange (Mercato Telematico Azionario)

organized and managed by Borsa Italiana S.p.A. for the preceding month leading up to the day on which the Board of Directors resolved the granting of options under the Plan (i.e. the period starting from the day preceding the Board of Directors' meeting which resolves the granting of Options under the Plan and ending on the same day of the previous calendar month, it being understood that, during the aforesaid period, only trading days was taken into account to determine the weighted average). Nevertheless the first tranche shares, assigned in occasion of the first Board of Directors' meeting occurring after the Plan 2010-2013 approval by the shareholders' general meeting, will have an issue price equal to Euro 8.0470, which corresponds to the volume weighted average price of SAFILO GROUP S.p.A.'s shares registered on the Italian stock exchange (Mercato Telematico Azionario) during the month of July 2010, corresponding to the month preceding the date on which the Remuneration Committee submitted to the Board of Directors, for the first time, and proposed the guidelines for the adoption of a stock option plan to the Board of Directors.

#### 2014-2016 Stock Option Plan

The Extraordinary Meeting of April 15, 2015 resolved to increase the share capital by a maximum nominal value of Euro 7,500,000.00 by issuing new ordinary shares for an amount up to a maximum of no. 1,500,000, par value of Euro 5.00 each, to be offered for subscription to directors and/or employees of the Company and its subsidiaries ("**2014-2016 Stock Option Plan**" or "**2014-2016 Plan**").

That 2014-2016 Plan – aimed at the incentive and improvement of the loyalty of the directors and/or the employees/managers of the Company and/or of the subsidiary companies – is performed through the assignment, free of charge and in several tranches, of a maximum of no. 1,500,000 options, which entitle the beneficiaries to the right to subscribe newly issued ordinary shares of the Company, par value of Euro 5.00 each, arising from a paid and separable capital increase, with exclusion of the option rights according to Article 2441, paragraph 4, second sentence, of the ICC, at the rate of no. 1 share for each option.

The subscription price will correspond to the weighted average of the official prices of SAFILO GROUP S.p.A. ordinary shares registered on the Mercato Telematico Azionario organized and managed by Borsa Italiana S.p.A. in the month preceding the meeting of the Board of Directors which allocated the rights of option issued within the 2014-2016 Plan.

For more information on the 2010-2013 Stock Option Plan and on the 2014-2016 Stock Option Plan ("Plans"), total reference should be made to the content of the Report on the remuneration, to the information memoranda prepared pursuant to Article 84-*bis* of the Issuers' Regulation, as well as all the documentation relating to the above-mentioned Plans, prepared in compliance with current regulations, which are all available on the Website in the Investor Relations/Corporate Governance section.

It is specified that during the Financial Year some beneficiaries of the Stock Option Plan 2010-2013 exercised some options of the second and third tranches and the share capital was consequently increased.

Safilo Group Euro 150 million, 1.25 per cent Guaranteed Bonds Equity-Linked Bonus due in 2019

The Extraordinary general meeting of July 10, 2014 has resolved to increase the capital in cash, payable and in divisible form, with the exclusion of the pre-emption right pursuant to article 2441, paragraph 5, of the ICC, for a maximum amount of Euro 150,000,000, inclusive of any possible share premium, to be issued in one or more times by means of issue of ordinary shares of the Company with a nominal value of Euro 5,00 each, having the same characteristics of the outstanding ordinary shares, exclusively and irrevocably reserved to the conversion of the equity linked bond, of an amount equal to Euro 150,000,000, with due date May 22, 2019, reserved to qualified investors, named "Safilo Group Euro 150 million, 1.25 per cent Guaranteed Equity-Linked bonds due 2019", it being understood that the last possible due date for the underwriting of the newly issued ordinary shares is on June 30, 2019, and that, in the event that on that date the capital increase is not completely underwritten, the capital in any case shall be considered increased by an amount equal to the collected underwritings and since the underwritings, expressly authorising the directors to issue new shares every time the shares are underwritten.

**b) Restrictions on transfer of securities (ex article 123-bis, paragraph 1, letter b) of the CFA)**

There are no restrictions on the transfer of securities, such as, for example, limitations on the ownership of securities or the need to obtain the approval of the Company or of other owners of securities.

**c) Significant shareholdings (ex article 123-bis, paragraph 1, letter c) of the CFA)**

On the basis of the information available and notifications received in accordance with Article 120 of the CFA and Article 121 of the Issuer's Regulation, as at December 31, 2015 the shareholders owning over 2% of share capital were:

Declarer	Direct shareholder	% of ordinary share capital	% of voting capital
HAL Holding NV	Multibrands Italy BV	42.232%	42.232%
Vittorio Tabacchi	Only 3T. S.r.l.	9.220%	9.220%

As at February 15, 2016, based on the information available and on the forms received pursuant to article 120 of the CFA and article 121 of the Issuers' Regulation, it is pointed out the shareholder below also owns over 2% of share capital:

Declarant or party at the top of the investment chain	Party directly holding the major shareholding		Percentage % of the Voting Share Capital				Percentage % of the Ordinary Capital				Beneficial owners of the shares whose voting right is exercised by the declarant								
	Name	Type of possession	Percentage %	Of which without voting right			Percentage %	Of which without voting right			Party owning the shares	Percentage %							
				Percentage%	Voting rights assigned to			Percentage %	Voting rights assigned to			As percentage of the total share Capital	As percentage of the Ordinary share Capital	As percentage of the preference shares	As percentage of other category shares				
					Holder of the Voting rights	Percentage %			Holder of the Voting rights	Percentage %						Of which without voting right.	Of which without voting right.	Of which without voting right..	Of which without voting right.
BDL CAPITAL MANAGEMENT	BDL CAPITAL MANAGEMENT	Discretionary Asset Management	6.350	0.000			6.350	0.000			BDL REMPART EUROPE	5.392		5.392					
		Total	6.350	0.000			6.350	0.000											
	Total	6.350	0.000			6.350	0.000				5.392	0.000	5.392	0.000	0.000	0.000	0.000	0.000	
TABACCHI VITTORIO	ONLY 3T SRL	Beneficial Ownership	9.220	0.000			9.220	0.000											
		Total	9.220	0.000			9.220	0.000											
	Total	9.220	0.000			9.220	0.000				0.000	0.000	0.000	0.000	0.000	0.000	0.000		
HAL HOLDING NV	MULTIBRANDS ITALY BV	Beneficial Ownership	42.232	0.000			42.232	0.000											
		Total	42.232	0.000			42.232	0.000											
	Total	42.232	0.000			42.232	0.000				0.000	0.000	0.000	0.000	0.000	0.000	0.000		

#### d) Securities carrying special rights (ex article 123-bis, paragraph 1, letter d) of the CFA)

The Company has not issued any securities that carry special rights.

#### e) Employee equity participation: mechanism for exercising voting rights (ex article 123-bis, paragraph 1, letter e) of the CFA)

There are no particular mechanisms for exercising voting rights in any employee stock ownership plan. It is also pointed out the Company's Articles of Association do not provide for any increasing voting right or multiple voting right mechanism.

#### f) Restrictions on voting rights (ex article 123-bis, paragraph 1, letter f) of the CFA)

The Articles of Association do not establish any restrictions on voting rights.

#### g) Shareholders' agreements (ex article 123-bis, paragraph 1, letter g) of the CFA)

Regarding the existence of shareholders' agreements relevant for the purposes of Article 122 of the CFA, it is pointed out that, as at December 31, 2013, the Company noted the existence of a shareholder's agreement dated September 15, 2013, between Multibrands Italy B.V., a Dutch entity, having its registered office in Rotterdam, The Netherlands, registered at the Companies' Register of Rotterdam under No. 24406290, owning



no. 26,073,783 ordinary shares, and Luisa Deplazes De Andrade Delgado, Swiss citizen, , currently Chief Executive Officer of the Company, owning no. 20,600 ordinary shares, having as its object, *inter alia*, the presentation of a list for the appointment of the members of the Board of Directors of the Company and the exercise of the voting rights of Multibrands Italy B.V. at the ordinary Shareholders' Meeting of the Issuer.

For more detailed information on such shareholders' agreement, reference should be made to the documentation drawn up according to the applicable law, which is available on the Website in the Investor Relations section/Corporate Governance.

**h) Change-of-control clauses (ex article 123-bis, paragraph 1, letter h), CFA) provisions of the Articles of Associations related to public tender offer (OPA) (ex article 104, paragraph 1-ter, and article 104-bis, paragraph 1 of the CFA)**

Some licence agreements concluded by the subsidiaries Safilo S.p.A. and/or Safilo USA Inc. provide the right for the licensor to withdraw from the agreement if certain events occur, such as, for example: (i) changes in control of the subsidiary Safilo S.p.A. or of the Company; (ii) acquisition of a majority equity interest in Safilo S.p.A. or in the Company by a direct competitor of the licensor; or/and (iii) appointment of a representative of the direct competitor of the licensor on the Board of Directors of the subsidiary Safilo S.p.A. or a significant change in management.

With reference to the public tender offers, the Company's Articles of Association do not include any clause in derogation to the provisions related to the passivity rule nor provisions for the breakthrough rule.

**i) Delegation of power to increase share capital and authorisations to purchase the Company's own shares (ex article 123-bis, paragraph 1, letter m) of the CFA)**

As indicated in the previous letter a):

- (1) the Extraordinary Meeting of November 5, 2010 resolved to increase the share capital by a maximum nominal value of Euro 8.500.000,00 by issuing new shares for an amount up to a maximum of no. 1.700.000, par nominal value Euro 5,00 each, to be offered for subscription to directors and/or employees of the Company and its subsidiaries (2010-2013 Stock Option Plan);
- (2) the Extraordinary Meeting of April 15, 2014 resolved to increase the share capital by a maximum nominal value of Euro 7.500.000,00 by issuing new shares for an amount up to a maximum of no. 1.500.000, par nominal value Euro 5,00 each, to be offered for subscription to directors and/or employees of the Company and its subsidiaries (2014-2016 Stock Option Plan);
- (3) the Extraordinary general meeting of July 10, 2014 has resolved to increase the capital in cash, payable and in divisible form, with the exclusion of the pre-emption right pursuant to article 2441, paragraph 5, of the ICC, for a maximum amount of Euro 150,000,000, inclusive of any possible share premium, to be issued in one or more times by means of issue of ordinary shares of the Company with a nominal value

of Euro 5,00 each, having the same characteristics of the outstanding ordinary shares, exclusively and irrevocably reserved to the conversion of the equity linked bond, of an amount equal to Euro 150,000,000, with due date May 22, 2019, reserved to qualified investors, named "Safilo Group Euro 150 million, 1.25 per cent Guaranteed Equity-Linked bonds due 2019", it being understood that the last possible due date for the underwriting of the newly issued ordinary shares is on June 30, 2019, and that, in the event that on that date the capital increase is not completely underwritten, the capital in any case shall be considered increased by an amount equal to the collected underwritings and since the underwritings, expressly authorising the directors to issue new shares every time the shares are underwritten.

- (4) On July 15, 2015 the company's share capital was increased from 312,899,825.00 to 313,149,825.00, divided into 62,629,925.00 ordinary shares, par nominal value Euro 5,00 each, as a consequence of the exercise by some beneficiaries of the above-described 2010-2013 Stock Option Plan of their right to underwrite newly issued ordinary shares of Company.

As at December 31, 2015 the Company does not possess own shares. As at the date of the approval of the present Report there has been no variation compared to December 31, 2014.

### **I) Management and coordination activities (ex article 2497 and ff.)**

In accordance with IFRS no. 10 qualifies HAL Holding N.V. is deemed to have control over the Company and, accordingly is required to consolidate the Company in its consolidated financial statements as from January 1, 2014 (even though the ownership interest of HAL Holding N.V. in the Company is below 50%). However, as the typical criteria defined as significant by the relevant doctrine and by common practice in order to declare a direction and coordination situation by the controlling company do not apply, as at 31 December 2015, the Company is still deemed not to be subject to the direction and coordination activity (as such activity is defined under Articles 2497 ff. of the ICC) by other entities, including HAL Holding N.V....

As a general rule, pursuant to Article 2497-*sexies* of the ICC it is presumed that unless it is proved otherwise, a company is deemed to be under the direction and coordination of the entity which is bound to consolidate the same company in its financial statements, such presumption does not apply in the case at issue for the following main reasons:

- (i) the Company keeps to autonomously define its general strategic and operative guidelines and to have independent authority to negotiate with customers and suppliers; its decision making process is therefore carried out independently from the decision making process of HAL Holding N.V.;
- (ii) the Company is managed by a Board of Directors the majority of whose members do not hold any corporate office with HAL Holding N.V. or with its controlled companies. Moreover, the Board of Directors also has a sufficient number of independent directors to ensure that their opinions have a significant

- impact on its own judgment and decisions;
- (iii) the Company is not subject to any centralized management approach by HAL Holding N.V. which, indeed, according to the report of its Executive Board has not developed a central risk management system, thus allowing each investee company, including the Company, to have its own financial structure and be responsible for evaluating and managing its own risks. Moreover, since HAL Holding N.V. has not included the Company in its management reporting system which monitors the performance of the investee companies and, therefore, has no instruction rights with respect to the governance of the Company, HAL Holding N.V. will continue to include the financial results of the Company in the segment “quoted minority interests” of its accounts;
  - (iv) although a member of the Executive Board of HAL Holding N.V. is also a member of the Board of Directors of the Company, the information he periodically obtains in this capacity has never been used – and will never be used – for the preparation of the consolidated financial statements of HAL Holding N.V. so as to preserve confidentiality and to allow the Company to operate independently from any of its shareholders. Accordingly, the risk management and internal control systems of the Company with respect to financial reporting risks are neither monitored nor managed by HAL Holding N.V..

For the sake of completeness and in the interest of transparency, the consolidation of the Company in the consolidated financial statements of HAL Holding N.V., as requested by the IFRS no. 10, may have a material impact on both companies in terms of accounting reconciliation and consolidation requirements. The Company has therefore agreed with HAL Holding N.V. on certain procedures for the exchange of information which allow the latter to comply with its (statutory) obligations in preparing its consolidated financial statements on a timely basis while avoiding any interference with the Company’s accounting standards and relevant interpretations, its administrative and accounting system, as well as its internal control system.

In order to make the aforesaid exchange of information more efficient and expeditious, HAL Holding N.V. and the Company, among other things, have (a) set up a procedure aimed at ensuring, to the maximum possible extent permitted by accounting laws and regulations applicable to each of them, that their financial statements are based on materially the same accounting policies or, whenever it is not possible to fully converge the accounting principles of the Company and HAL Holding N.V., at making the necessary (accounting) adjustments to the financial statements of the Company to be reflected in the consolidated group reporting of HAL Holding N.V., (b) agreed to review the effect of any newly issued accounting standards (if any) with the objective to converge, where practically and legally possible, the implementation of these new standards in the financial statements of both the Company and HAL Holding N.V., and (c) jointly hired an independent financial expert who, through access to the appropriate management and control bodies of both concerned companies (including, as far as the Company is concerned, the Control and Risk Committee, the director in charge of the internal control and risk management system, the person in charge of the Internal Audit function, the Chief Financial Officer, the Statutory Auditors and the external auditing firm), is required to reach his own assessments and form an opinion

on any accounting/financial matters relating to the Company which should be taken into account in the consolidation process. This activity of the financial expert (which is not to be deemed as an audit or review of the accounts of the Company) will allow HAL Holding N.V. to comply with IFRS in consolidating its ownership interest in the Company while preserving, at the same time, the current risk management and internal control systems of the Company from any external influence (thus rebutting also any presumption of direction and coordination of HAL Holding N.V. over the Company).

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It is specified that the information required by Article 123-*bis*, first paragraph, letter i) of the CFA relating to directors' indemnities in the event of resignation, dismissal or termination of employment following a takeover bid, is illustrated in the Report on the Remuneration. Please refer to Report on Remuneration published pursuant to Article 123-*ter* of the CFA and available on the Company's website.

As regards the information required by Article 123-*bis*, first paragraph, letter l) of the CFA, relating to the rules applicable for the appointment and substitution of directors, of the statutory auditors as well as for amendments to the Articles of Association, if they are different to legislative and regulatory rules, which can in any case be additionally applied, is illustrated in the sections of the Report dedicated to the Board of Directors (Section 4) and to the Board of Statutory Auditors (Sections 12 and 13).

### **3. COMPLIANCE (ex article 123-*bis*, paragraph 2, letter a), CFA)**

With a view to the admission of its shares to trading on the STM, in the second half of 2005, the Company adapted its corporate governance system to comply with the recommendations of the Self-Governance Code drawn up by the Listed Companies' Corporate Governance Committee, in the version published in 1999 and revised in 2002. The Board of Directors, afterwards, took all measures deemed necessary and/or appropriate to adapt the Company and Group corporate governance system to the application criteria included by the Self-Governance Code in the available versions from time to time.

Lastly, it is pointed out that the Company is taking actions in order to comply with the amendments introduced by the Corporate Governance Committee to the Self-governance Code on July 9, 2015.

Also during 2015, the Company adopted, in compliance with Article 6 of the Code a remuneration policy as specified under Section 8.

The Code can be viewed on the web site of Borsa Italiana S.p.A. (<http://www.borsaitaliana.it/comitato-corporate-governance/codice/2015engclean.en.pdf>).

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It is pointed out that neither the Company nor its strategically important subsidiaries are subject to non-Italian legal requirements that influence their corporate governance structure.

## **4. BOARD OF DIRECTORS**

### **4.1. APPOINTMENT AND SUBSTITUTION (ex article 123-bis, paragraph 2, letter l), CFA)**

The appointment and substitution of members of the Board of Directors are governed by Articles 14 and 15 of the Articles of Association, published on the Website in the Investor Relations/Corporate Governance section; in compliance with the Comment to Article 5 of the Code, the appointment of members of the Board of Directors takes place according to a transparent procedure, and pursuant to the applicable regulation, aiming to assure that the minority elects one Board member.

Articles 14 and 15 of the Articles of Association are shown in full below:

#### **BOARD OF DIRECTORS**

##### **Article 14)**

*The Company shall be managed by a Board of Directors consisting of between six and fifteen members, who need not be shareholders.*

*The size of the Board of Directors shall be determined by the Shareholders' Meeting.*

*Members of the Board of Directors shall remain in office for three financial years and are eligible for re-election.*

*The directors must satisfy the requirements of eligibility, experience and integrity established by law and other applicable regulations. At least one of the members of the Board of Directors, or two if the Board has more than seven members, must satisfy the independence requirements applying to statutory auditors under current legislation.*

*In accordance with the provisions of article 147-ter of the Legislative Decree no. 58 of 24 February 1998:*

*(i) to the purpose of ensuring that minority shareholders are represented by one member on the Board of Directors, the Board of Directors is appointed on the basis of lists presented by shareholders containing a maximum of 15 candidates, all listed with a sequential number; and*

*(ii) to the additional purpose of ensuring the balanced representation of genders (masculine or feminine) within the Board of Directors, the mechanism for the election of the Board of Directors set forth in this Article 14 ensures that the underrepresented gender (masculine or feminine) shall obtain at least one third (the "Full Quota") or, if applicable, one fifth (the "Reduced Quota"), of the elected Directors.*

#### **A) Presentation of lists**

*Lists may be presented only by those shareholders who own, alone or together with others, at the time of presenting the list, at least a percentage of share capital, consisting of shares with voting rights at Ordinary Shareholders' Meetings, set forth by applicable law or regulations governing the directors' appointments. This percentage shall be specified in the notice convening the Shareholders' Meeting called to resolve on the appointment of the Board of Directors. The outgoing Board of Directors can also present a list of its own.*

*No individual/entity attending the meeting, none of the shareholders belonging to a shareholder syndicate relating to the Company's shares as defined by article 122 of Decree 58/1998, nor the parent company, subsidiaries or companies under common control pursuant to article 93 of Decree 58/1998, may present or vote for more than one list, including through a third party or trust companies. No candidate may appear in more than one list, otherwise they will be disqualified.*

*If the above rules are not observed by one or more individuals/entities entitled to attend and vote at the Shareholders' Meetings, their vote for any of the lists presented is discounted.*

*The lists presented must be filed at the Company's registered office at least 25 (twenty-five) days in advance of the date set for the single call or first call of the Shareholders' Meeting or within the different deadline set forth by applicable law in force from time to time. This requirement must be mentioned in the notice convening the meeting, without prejudice to any other form of publicity established by legislation in force from time to time.*

*Each list must be signed by those presenting it and filed within the term specified above at the Company's registered office, accompanied by (i) the professional curricula of the candidates, and (ii) statements by each individual candidate accepting their candidacy and confirming, under their own responsibility, that they are in possession of the requirements envisaged by prevailing statutory and regulatory provisions for members of the Board of Directors and the absence of any reasons for incompatibility and/or ineligibility contained in law.*

*Candidates for whom the above rules are not observed are disqualified.*

*The lists presented are made available to the public at the Company's office, on its website and through the other modalities provided for by applicable law and regulations, at least 21 (twenty-one) days before the date of single call or first call of the Shareholders' Meeting convened to resolve on the appointment of the Board of Directors or within the different deadline provided for by applicable law and regulations in force from time to time.*

*Shareholders presenting a list of candidates must also provide the Company, within the deadline for presentation of the list, with the information concerning their own identity and percentage of shares held. The certificate attesting the ownership of at least the minimum shareholding required to present a list of candidates, determined having regard to the amount of shares registered in favour of the concerned shareholders on the same day when the lists are deposited with the Company, can be delivered to same Company also after the deposit of the lists, provided that such certificate is delivered at least 21 (twenty-one) days before the date of first call of the relevant Shareholders' Meeting or within the different deadline provided for by the applicable law in force from time to time.*

*In compliance with the current legislative and regulatory provisions as well as the latest version of the Corporate Governance Code issued by the Corporate Governance Committee, each list shall contain a number of candidates who satisfy the independence requirements for statutory auditors established in article 148, paragraph 3, of the Legislative Decree no. 58 of 24 February 1998, specifying such candidates clearly.*

*If and until expressly provided by mandatory law and/or regulatory provisions, each list, except for those containing less than three candidates, shall be composed of a number of candidates belonging to the underrepresented gender (masculine or feminine) so that, should such list result as the Directors Majority List (as defined below), from such list a number of Directors belonging to the underrepresented gender are elected equal to, at least, the Full Quota, or, if applicable, the Reduced Quota.*

*Lists for which the above provisions are not observed shall be treated as if they had not been presented.*

#### **B) Voting**

*The vote of each entitled individual/entity shall refer to the list and hence all the candidates appearing therein, without the possibility of making any changes, additions or exclusions.*

*Once the Shareholders' Meeting has decided the number of directors to be elected, the procedures are as follows:*

- 1) all the Directors requiring election, but one, shall be elected from the list obtaining the highest number of votes ("Directors Majority List"), in the sequential order in which they appear on that list;*
- 2) one Director shall be elected, in compliance with statutory provisions, from the list obtaining the second highest number of votes ("Directors Minority List"), which shall not be associated in any way, even indirectly, with the individuals/entities who presented and/or voted for the Majority List; the Director elected in this case shall be the candidate at the head of this list. However, if not even one independent Director is elected from the Directors Majority List, then the first independent Director appearing on the Directors Minority List shall be elected in place of the candidate at the head of this list.*

*In the event of a tie, the entire Shareholders' Meeting will vote again until an unequivocal result is achieved.*

*The Chairman of the Board of Directors shall be the first candidate appearing on the Directors Majority List.*

*No account is taken of lists that obtain a percentage of votes corresponding to less than half of that required by this article for their presentation.*

*If only one list is presented, or admitted to voting, the Shareholders' Meeting shall vote on this. If this list obtains the required majority vote, the number of directors established by the Shareholders' Meeting shall be elected from it in the sequential order in which the candidates appear therein and subject to compliance, if and until expressly provided by mandatory law and/or regulatory provisions, with the required balance between genders (masculine or feminine) within the Board of Directors.*

*The Directors Majority List or the only list (as the case may be) shall ensure compliance with the Full Quota or, where applicable, the Reduced Quota. In particular, if the composition of the managing body, determined on the basis of the sequence numbers assigned to the candidates of such list, does not include a sufficient number*



*of components of the underrepresented gender (masculine or feminine) – taking also into account, in case of the Directors Majority List, the gender (masculine or feminine) of the candidate elected by the Directors Minority List -, candidates having the lowest sequence number, belonging to the mainly represented gender (masculine or feminine) will be automatically replaced by candidates of the underrepresented gender (masculine or feminine) with the highest sequence number, until the Full Quota, or the Reduced Quota, if applicable, of directors to be elected has been reached.*

*If no list is presented or the list(s) presented contain(s) a number of candidates (also in terms of underrepresented gender, masculine or feminine) not sufficient to elect the entire managing body, the Board of Directors or, as appropriate, the additional Directors to be elected in order to reach the number of members of the Board of Directors established by the Shareholders' Meeting, shall be appointed by same Shareholders' Meeting with the voting majorities required by law. In each case, it shall be carefully ensured the presence within the Board of Directors of the necessary number of members having all the requirements set forth by applicable laws and regulations, who shall also be selected in such a way as to ensure the presence in the Board of Directors of the Full Quota, or, where applicable, the Reduced Quota, of components belonging to the underrepresented gender (masculine or feminine).*

#### **Article 15)**

*If one or more directors should vacate office during the year, the following procedures shall be adopted for their replacement in accordance with article 2386 of the ICC:*

*a) the Board of Directors shall appoint replacements by way of co-option of individuals belonging to the same list of the resigned Directors; the next Shareholders' Meeting shall vote with the legally required majorities, in compliance with the same principle and nonetheless ensuring that the Board of Directors contains the correct number of directors qualifying as independent required by current statutory and regulatory provisions. If and until expressly provided by mandatory law and/or regulatory provisions, the Board of Directors shall appoint replacements of the same gender (masculine or feminine) of the ceased Directors, so to ensure the compliance with the Full Quota or, if applicable, the Reduced Quota of Directors belonging to the underrepresented gender (masculine or feminine), having also care to ensure that the Board of Directors contains the correct number of Directors having the independency requirements set forth by current statutory and regulatory provisions.*

*The Shareholders' Meeting, in confirming/replacing the coopted Directors or, in the absence of co-option, in directly proceeding with the appointment of replacements, resolves with the voting majorities set forth by law, having however care of complying with the same principles referred above;*

*b) if the list no longer contains previously unelected candidates, the Board of Directors shall make the replacement without observing the procedure set out in point (a) above. Similarly, the related vote by the next Shareholders' Meeting, again with the legally required majorities, shall nonetheless ensure that the Board of Directors contains the correct number of Directors qualifying as independent required by current statutory and*



*regulatory provisions and, if and until expressly provided by mandatory law and/or regulatory provisions, the required number of Directors belonging to the underrepresented gender (masculine or feminine).*

*If two or more Directors resign or leave the Board of Directors for any other reason, the entire Board will be considered replaced from the date on which the new Board takes office.*

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With regards to the Board of Directors' composition, the Company is not subject to any additional rules, other than those set forth under the CFA.

It is pointed out that, as regards the year 2015, during which the Shareholders' Meeting that elected the Board of Directors was held, the shareholding pursuant to Article 144-quater of the Issuers' Regulation, had been fixed by the CONSOB at 2.5% (resolution 19109 of January 28, 2015).

### **Plan for the succession**

The Board of Directors deems it unnecessary to adopt a plan for the succession of executive directors, considering that the Board of Directors, as a whole, can proceed, in any case, to promptly select and appoint the new executive directors, if necessary. In the event that, in the future, the Company deems it appropriate to adopt such a plan, the review on the preparation of the above mentioned plan shall be carried out by the Remuneration and Nomination Committee or by another committee established within the Board of Directors in charge of this task; the Company shall disclose it in the Report.

## **4.2 MEMBERSHIP (ex article 123-bis, paragraph 2, letter d), CFA)**

In accordance with the terms established by Principle 2.P.1. of the Code, the Company's Board of Directors consists of executive and non-executive directors who meet all the requirements of professionalism, the expertise and the experience necessary to perform their duties. It is also pointed out the current composition of the Board of Directors is in line with the law in force on balance between genders.

In particular, the Company is administered by a Board of Directors consisting of six to fifteen members, who need not be shareholders.

On April 27, 2015 the Ordinary Shareholders' Meeting elected the current Board of Directors for the financial years (FYs) 2015-2016-2017 via list voting as established by the Articles of Association and, more precisely, until the Shareholders' meeting convened to approve the financial statements as at December 31, 2017.

On that occasion three lists were presented: (1) List no. 1, filed by the shareholder Multibrands Italy B.V., owner of no. 26,073,783 ordinary shares of the Company, representing 41.69% of the corporate capital entitled to vote at the Meeting consisting of: Robert Polet, Luisa Deplazes de Andrade Delgado, Jeffery A. Cole, Melchert Frans Groot, Marco Jesi, Eugenio Razelli, Ines Mazzilli and Gerben van de Rozenberg; (2) List no. 2, filed by Only

3T. S.r.l., owner of no. 5,692,658 ordinary shares of the Company, representing 9.10% of the corporate capital entitled to vote at the Meeting consisting of Massimiliano Tabacchi and Carlalberto Corneliani; and (3) List no. 3, filed by the shareholders Anima SGR S.p.A. managing the funds: Anima Geo Italia, Anima Italia and Anima Star Italia Alto Potenziale; Arca SGR S.p.A. managing the fund Arca Azioni Italia; Ersel Asset Management SGR S.p.A. managing the fund Fondersel PMI; Eurizon Capital S.G.R. S.p.A. managing the funds: Eurizon Azioni Italia and Eurizon Azioni PMI Italia; Eurizon Capital SA managing the funds: Eurizon EasyFund – Equity Italy, Eurizon EasyFund – Equity Italy LTE and Eurizon Investment SICAV – PB Flexible Macro; Fideuram Investimenti S.G.R. S.p.A. managing the fund Fideuram Italia; Fideuram Asset Management (Ireland) Limited managing the funds: Fideuram Fund Equity Italy and Fonditalia Equity Italy; Interfund Sicav managing the fund Interfund Equity Italy; Mediolanum Gestione Fondi SgrpA managing the funds: Mediolanum Flessibile Italia and Mediolanum Flessibile Sviluppo Italia and Mediolanum International Funds Limited - Challenge Funds – Challenge Italian Equity owning a total of no. 1,741,859 ordinary shares of the Company, representing 2.79% of the share capital entitled to vote at the Meeting, consisting of Guido Guzzetti.

List no. 1 obtained 64.310561% of the votes in relation to share capital voting at the Shareholders' Meeting, list no. 2 obtained 16.859948% of votes in relation to share capital voting at the Shareholders' Meeting and list no. 3 obtained 17.095627% of the votes in relation to share capital voting at the Shareholders' Meeting.

The following candidates therefore were elected to the Board of Directors: Robert Polet, Luisa Deplazes de Andrade Delgado, Jeffery A. Cole, Melchert Frans Groot, Marco Jesi, Eugenio Razelli,, Ines Mazzilli, Guido Guzzetti.

For more information on the appointment of the current Board of Directors, reference should be made to the press releases and the documentation drawn up according to the applicable law, which is available on the Website in the Investor Relations section.

Table 2 shows the membership of the Board of Directors at the end of the Financial Year on December 31, 2015.

The directors' *curricula vitae*, which detail the positions held in other companies, particularly in other companies listed on regulated markets (including foreign markets), and in financial, bank, insurance or large companies, identified according to the criteria established by the Board of Directors, are available on the Website in the IR/Corporate Governance section and are annexes to the present Report.

### **Maximum number of offices held in other companies**

In compliance with the Application Criterion 1.C.3. of the Code, the Board of Directors of November 6, 2007 expressed its opinion on the maximum number of positions as director or statutory auditor held in other listed companies and at financial, bank, insurance or large companies that could be compatible with effective

performance of office as a director of the Company.

The said resolution identified the following general criteria, differentiated on the basis of the work involved in each role:

- the nature and size of the company in which the offices are held;
- whether it belongs to the Issuer's Group;
- the directors' membership of internal board committees.

Applying these criteria, the Board deemed it compatible with effective performance of the office of director of the Company to hold no more than:

- 3 appointments as executive director
- 7 appointments as non-executive director or independent director or statutory auditor

in listed companies (including the Company), financial, banking or insurance companies or companies of significant size, namely those whose total assets or turnover exceed Euro 500 million. The Board also specified that, in calculating the total number of companies in which directors hold office as directors or statutory auditors, other companies belonging to the Safilo Group are not taken into account.

It was further established that, in any event, with reference to the nature and specifics of the offices held in other companies, the Board of Directors, after consulting the Board of Statutory Auditors, may resolve to make exceptions to the said quantitative criterion.

We specify that the number of roles of each of the current members of the Board of Directors comply with the above-mentioned criteria

### **Induction programme**

The Company implements initiatives aimed at increasing the knowledge of the members of the Board of Directors and of the Board of the Statutory Auditors, of the corporate operations and dynamics, including – for instance – visits to the other Group companies of strategic importance or to the main plants. With reference to an update on the legal and self-governance framework, these items are discussed during the Board Meeting.

### **4.3. ROLE OF THE BOARD OF DIRECTORS (ex article 123-bis, paragraph 2, letter d), CFA)**

In accordance with Principles 1.P.1 and 1.P.2. of the Code, the Company is governed by a Board of Directors, which plays a central role in its corporate governance system, in particular in organising, orienting and managing the Company in order to accomplish the corporate purpose, maximise shareholder value over a medium/long term and ensure that the expectations of other stakeholders are met.

Pursuant to Article 17 of the Articles of Association, the Board of Directors meets whenever the Chairman

deems it necessary, or when so requested by at least two of its members, or by a Chief Executive Officer or by at least one member of the Board of Statutory Auditors.

It is established that meetings of the Board of Directors are to be held at least four times a year, at intervals not exceeding a quarter, and whenever the Chairman deems it necessary or a request is made as specified above.

Pursuant to article 20 of the Articles of Association, the Board of Directors is vested with the widest powers for the ordinary and extraordinary management of the Company without any limitation, except for the matters reserved by law as the prerogative of the Shareholders' Meeting. It is also the Board of Directors' prerogative to pass resolutions regarding (i) mergers in the cases specified in Articles 2505 and 2505-*bis* of the ICC, (ii) demergers as specified in Article 2505-*bis* of the ICC, as referred to in Article 2506-*ter* of the ICC, (iii) the opening or closing of secondary locations, (iv) reduction of the share capital in the event of shareholder withdrawal, (v) amendment to the Articles of Association to comply with regulatory provisions, and (vi) transfer of the Company's registered office to another location in Italy.

Furthermore, pursuant to Application Criterion 1.C.1. of the Code, it was decided on March 23, 2007, and as confirmed and partially completed with the resolution of December 6, 2012, that the Board of Directors should:

- (1) examine and approve the strategic, business and financial plans of the Company and the Group that it heads, monitoring its implementation, define the Company's corporate governance system and the Group's structure;
- (2) define the risk profile, both as to nature and level of risks, in a manner consistent with the Company's strategic objectives;
- (3) evaluate the adequacy of the organisational, administrative and accounting set-up of the Company and of its strategically important subsidiaries, devised by the Chief Executive Officers, with special reference to the internal control and risk management system;
- (4) delegate executive powers to directors and revoke them, defining their limits and the procedures for their exercise, and establishing the intervals, not exceeding a quarter, at which the bodies holding delegated powers must report to the Board of Directors on the activities performed in the exercise of the powers granted to them;
- (5) after examining the proposals of the Remuneration and Nomination Committee and consulting with the Board of Statutory Auditors, determine the compensation of the Chief Executive Officers and the directors provided with special assignments, pursuant to Article 2389 par. 3 of the ICC;
- (6) evaluate general operating performance and periodically compare actual versus planned results;
- (7) examine and approve in advance transactions of the Company and its subsidiaries, if the said transactions are of significant strategic, economic, capital or financial importance to the Company;
- (8) express its opinion, at least once a year, on the size, membership and operation of the Board of Directors and its committees, also taking into account certain aspects such as the professional competence,

managerial experience and gender of its members, as well as their seniority as directors. Taking into account the aforementioned evaluation, report to the shareholders, prior to the appointment of the new Board, an opinion on the professional and managerial figures whose presence on the Board is considered opportune;

- (9) supply information in the Corporate Governance Report about the procedures for application of the criteria established by the Code on the role of the Board, composition and performance of the Board;
- (10) report to the Board of Statutory Auditors, at least quarterly, on the work done and on the most significant transactions.

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In Financial Year, the Board of Directors, met a total of 7 times and the average length of each meeting was approximately 5 hours. The average attendance of directors at the above-mentioned meetings was 93%.

Whenever the items on the agenda require so, the Board of Directors' meetings are attended by the managers of the Company or the Group, in order to provide the proper in-depth studies.

The annual calendar of corporate events for the Financial Year was notified to Borsa Italiana S.p.A. and published on the Website, by the date specified in the Stock Market Regulations. The calendar gives the dates of Board meetings to approve annual and interim results. Four meetings of the Board of Directors are scheduled for the current year, one of which has already been held on March 14, 2016, for the approval of the draft and consolidated financial statements.

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The Chairman shall ensure that the Board is supplied in a timely and appropriate manner with the documentation and information required to enable the Board to express an informed opinion on the subjects submitted for its examination and approval. The supply of the documentation and information to the Directors shall occur in a timely manner and prior to the date of the Board meeting, usually contextually with the sending of the notice of call, seven days before the meeting.

The Chairman and the Chief Executive Office shall ensure that an appropriate time is committed to the discussion of items on the agenda, encouraging a constructive debate and Directors' participation on it at the meeting.

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Pursuant to Application Criterion 1.C.1. letter c) of the Code, at the meeting held on March 14, 2016 with reference with the Financial Year, the Board of Directors expressed a positive assessment of (i) the adequacy of the organisational, administrative and general accounting set-up of the Company and its strategically important subsidiaries devised by the Chief Executive Officers, with special reference to the internal control and risk management system, as well as (ii) the general management, in light of both the information provided by the

delegate bodies and a periodical comparison between the achieved and planned results.

For this purpose, the Board of Directors received and evaluated (a) information and/or documentation provided by the Company's Financial Reporting Manager on the tests performed on existing control procedures in order to ensure the fairness, completeness and validity of the information reported in the financial statements, and (b) reports on the status of the internal control and risk management system from the Control and Risk Committee, as documented by the audits performed by the person in charge of the internal audit function. In order to express an opinion on the internal control and risk management system, the Board of Directors considered these items of evidence, as well as improvement plans implemented and the remaining risks to which the Group is exposed.

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The Board of Directors, during the meeting held on November 6, 2007, determined the criteria for identification of strategically important subsidiaries, namely: i) turnover, ii) tangible fixed assets, iii) results for the period, iv) number of employees, and v) strategic importance in the Safilo Group or on the market.

By applying the said criteria, the following Group companies have been identified as being strategically important: Safilo S.p.A. (Italy), Safilo USA Inc. (USA), Safilo Far East Ltd. (Hong Kong), Carrera Optyl D.o.o. (Slovenia) currently Safilo d.o.o. Ormož, Safilo France Sarl (France), Safilo España SL (Spain), Solstice Marketing Corporation (USA) and Smith Sport Optics, Inc. (USA).

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At its meeting on March 23, 2007, the Board of Directors had introduced measures designed to ensure that significant transactions, transactions in which directors have an interest, either on their own account or on behalf of third parties, and related parties, were performed transparently and in accordance with the criteria of substantive and procedural correctness.

More specifically, after consulting the Internal control Committee, the Board had formalised what was already done as matter of practice by approving the guidelines that defined significant and related-party transactions, and the procedures to be followed for their approval.

Moreover, in compliance with the Consob Resolution no. 17721 of March 12, 2010, amended through the resolution no. 17389 of June 23, 2010, the Board of Directors held on November 5, 2010 approved the "**Rules for transactions with related parties**" ("**TRP Rules**"), which substitutes the above-mentioned guidelines, approving procedures which guarantee the transparency and the substantial and the procedural correctness of the transactions with the related-parties.

The Board of Directors held on August 1, 2013 gave mandate to the Chief Executive Officer to amend and adjust the TRP Rules to the new operational needs of the Company and of the other companies of the Group, to the experience resulting from the practical application of the TRP Rules and to any new regulation, the above in

compliance with the provisions of the TRP Rules itself (which establish that the Board of Directors shall periodically evaluate, at least every three years, the effectiveness of the TRP Rules and the necessity or possibility to proceed with their review).

The TRP Rules are available on the Website in the Investor Relations/Corporate Governance section.

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Pursuant to Application Criterion 1.C.1. of the Code, the Board of Directors carries out a process of self-appraisal of its performance review and of the dimension, membership and the operations of the Board of Directors and of its Committee, taking into account certain aspects such as the professional competence, managerial experience and gender of its members, as well as their seniority as directors.

This process is performed on the basis of a questionnaire (“**Questionnaire**”) prepared by the Internal Audit and by Corporate and Legal Dep. and submitted to the individual directors, to assess both the operational efficiency of the Board of Directors and its committees and their effectiveness in pursuing their aims. The Questionnaire consists of two parts: the first relates to objective aspects such as the size, membership and operation of the Board of Directors and its committees, and the second to the aspects on which directors are asked to express their personal opinion. The Questionnaire permits assessment of the following macro-areas: 1) membership of the Board of Directors; 2) meetings of the Board of Directors; 3) Board of Directors’ committees; 4) “internal” interactions, namely how relations between the Board of Directors and the Chief Executive Officers and, more generally, those between the Board of Directors and management work; and 5) “external” interactions, namely the workings of relations between the Board of Directors and the Company’s stakeholders, i.e. shareholders, employees, customers, and suppliers, etc.

The Board of Directors, also for the Financial Year, has concluded the process of self-appraisal of its performance assessing it generally positive.

It is pointed out that the Shareholders’ Meeting did not authorize, in a general and preventive manner, any exception to the non-competition rule set forth under Article 2390 of the ICC.

## **4.4 BODIES HOLDING DELEGATED POWERS**

### **Chief Executive Officers**

The Board of Directors held on April 27, 2015 appointed again Ms. Luisa Deplazes De Andrade Delgado as Chief Executive Officer, and delegated to her management capacities of direction and coordination of the management, direction and control of the activities of the Company and the Group (included the activities relating to the internal control and risk management of both the Company and the Group; health and safety at the work place, injury prevention and environmental protection; treatment of personal data of all the subjects – whether individuals or legal entities – contained in the databases of Safilo Group) and management of

coordination and control over all the offices reported to him.

The execution of the capacities indicated above and the exercise of the relevant powers shall be carried out within the limits of the matters reserved by law to the competence of the Board of Directors and within the limits of the budget defined by same Board of Directors, have to be carried out in accordance with the guidelines applicable to the activities of the Company and the Group as such guidelines are defined by the Board of Directors.

The Chief Executive Officer, shall report to the Board on the exercise of the powers granted to them at least four times a year, at intervals not longer than a quarter.

It is specified that there is not any interlocking directorate situation.

### **Chairman of the Board of Directors**

The Chairman of the Board of Directors has not been assigned delegation of management functions and he does not have a specific role to the elaboration of the company's strategies.

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### **Reports to the Board**

In accordance with Application Criterion 1.C.1. letter d) of the Code, operationally delegated directors (i.e. executive directors) must report to the Board of Directors and the Board of Statutory Auditors about the activities performed, and transactions of the greatest economic significance, at the first possible meeting, at intervals not longer than a quarter. In particular, they must report on any transactions involving potential conflicts of interest.

## **4.5 OTHER EXECUTIVE DIRECTORS**

The Board of Directors does not include any further director to be deemed as executive by virtue of offices held in the Company and the Group.

## **4.6 INDEPENDENT DIRECTORS**

The presence non-executive and independent directors on the Board is designed to ensure the fullest protection of "good government" of the Company and Group, to be performed by means of debate and discussion between all directors. The independent directors' presence also enables the Board to ensure that cases of potential conflict of interest between the Company and the controlling shareholders are evaluated with sufficient independence of judgment.

As at December 31, 2015, the Board of Directors is composed of, in their capacity as independent directors Jeffery A. Cole, Marco Jesi, Eugenio Razelli, Ines Mazzilli and Guido Guzzetti. When the candidate lists were



submitted, and then at the Board of Directors meeting held on April 27, 2015 after the Shareholders' Meeting that appointed them, after its appointment, the above mentioned directors, declared that they satisfied the requirements to be qualified as independent directors pursuant to Article 3 of the Code and Articles 148 par.3 and 147-ter par. 4 of the CFA.

The Board of Directors, in addition to evaluating, at the earliest possible opportunity after its appointment, the meeting of the independence requirements provided by the Code for each non-executive director, periodically checks the independence of the non-executive directors by applying all the Code's criteria; for the purpose of the said periodically evaluation, it has established that the independent directors must submit to the Board of Directors and the Board of Statutory Auditors an annual written declaration certifying that they still meet the requirements which allowed them to be classed as independent at the time of their appointment.

At the meeting held on March 14, 2016, the Board of Directors received the said written declarations from the independent directors and, confirmed that the requirements of independence are still met by the directors Jeffrey A. Cole, Marco Jesi, Eugenio Razelli, Ines Mazzilli and Guido Guzzetti also for Financial Year, by applying all the Code's criteria.

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The Board of Statutory Auditors has checked that the criteria and investigation procedures used by the Board to evaluate the independence of its members (Application Criterion 3.C.5.) are correctly applied, and expressed a favourable opinion.

During the FY in question, in view of the frequency of meetings of the Board of Directors and its committees, which guaranteed a regular exchange of information and the necessary discussions between the independent directors, it did not be considered necessary for the independent directors to meet in the absence of the other directors (pursuant to Application Criterion 3.C.6.).

#### **4.7 LEAD INDEPENDENT DIRECTOR**

The Company did not deem advisable to appoint a "lead independent director".

### **5. PROCESSING OF COMPANY INFORMATION**

As provided by Application Criterion 1.C.1. letter j) of the Code, on March 23, 2007 the Board of Directors, having received a favourable opinion from the Board of Statutory Auditors and the then called Internal control Committee, approved the "Internal Regulation for Corporate Information", which consolidates in a single document (1) the procedure for internal management and external communication of documents and

information relating to the Company and the Group, with special reference to price-sensitive information, initially approved with the resolution of December 6, 2005 and subsequently updated; (2) the “Code of Conduct” approved with the resolution dated September 14, 2005 and subsequently amended by the resolution dated March 28, 2006; and (3) the procedure relating to the establishment, management and updating of the Register of persons with access to privileged information (the “Insiders’ Register”), as per the Board resolution passed on March 28, 2006.

This Regulation was amended and integrated, lastly by the resolution of the Board of Directors of the Company held on August 4, 2015, on the basis of the developed structure of the Company and the other companies belonging to the group, of the custom and of the gained experience in its implementation.

A copy of the said Regulation is available on the Website in the IR/Corporate Governance section.

## **6. BOARD OF DIRECTORS’ COMMITTEES (ex article 123-bis, paragraph 2, letter d), CFA)**

In a resolution dated September 14, 2005, the Board of Directors, pursuant to Articles 10.1 and 8.1 of the Corporate Governance Code of 2002, set up some internal committees ( Internal control Committee and Remuneration Committee).

Both these committees were newly appointed on August 27, 2015 after the meeting that elected the current Board of Directors.

The Board of Directors, on December 6, 2012, as a consequence of the adoption of the Code and pursuant to its requirements, established a nomination committee, that was merged, pursuant to Article 4 of the Code, with the already established Remuneration Committee, which, for that, was renamed as “Remuneration and Nomination Committee”, and renamed the Internal control Committee as “Control and Risk Committee”.

As far as the Transactions with Related Parties Committee is concerned, please make reference to Section 11 “Directors’ interests and related-party transactions”

No committees other than those envisaged by the Code have been set up.

## **7. REMUNERATION AND NOMINATION COMMITTEE**

The Remuneration and Nomination Committee has three members: two independent and non-executive directors, Jeffrey A. Cole (Chairman) and Marco Jesi and, a non-executive director, Robert Polet.

## **Functions of the Remuneration and Nomination Committee (ex article 123-bis, paragraph 2, letter d), CFA)**

With reference to the appointment of directors, the Committee has been vested with the following functions:

- (i) to express opinions to the Board of Directors regarding its size and composition and express recommendations with regard to the professional skills necessary within the Board as well as with regard to the topics referred to in articles 1.C.3. and 1.C.4 of the Code;
- (ii) to submit to the Board of Directors candidates for director offices in case of co-optation, should the replacement of independent directors be necessary.

With reference to the remuneration of directors and managers with strategic duties, confirming what the Company has already resolved, Remuneration and Nomination Committee is vested with the following functions:

- (i) to periodically evaluate the adequacy, overall consistency and actual application of the policy for the remuneration of directors and managers with strategic duties, also on the basis of the information provided by the chief executive officers; to formulate proposals to the Board of Directors in that regard;
- (ii) to submit proposals or issue opinions to the Board of Directors for the remuneration of executive directors and other directors who hold particular offices as well as for the identification of performance objectives related to the variable component of that remuneration; to monitor the implementation of decisions adopted by the Board of Directors and verify, in particular, the actual achievement of performance objectives.

The above guarantees the broadest availability of information and transparency regarding the remuneration payable to directors holding specific offices and senior managers with strategic responsibilities, and the methods for establishing them.

During 2015, the Remuneration and Nomination Committee met 4 times, with an average meeting length of about 60 minutes. The average attendance of committee members at meetings was 100%.

The precise dates of the meetings of the Remuneration and Nomination Committee for the current FY have not yet been fixed.

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In accordance with the rules of the Code, the Committee's Regulation states that no director may attend Committee meetings at which proposals relating to his/her remuneration are made to the Board.

With particular reference to stock options and other share-based incentive systems, the Committee submits to the Board of Directors its recommendations regarding their use and all the relevant technical aspects associated with their formulation and application. In particular, the Committee makes proposals to the Board regarding the incentive system considered most appropriate and monitors the evolution and application over

time of the plans approved by the Shareholders' Meeting pursuant to Article 114-*bis* of the CFA.

The Remuneration and Nomination Committee's function is only to make recommendations. The power to establish the remuneration of directors holding specific offices continues to lie with the Board of directors, in accordance with Article 2389, third paragraph, of the ICC.

During the FY in question, the Remuneration and Nomination Committee, *inter alia*:

- analysed the remuneration structure and reward system for Managers with Strategic Responsibilities of Safilo Group, as well as the emoluments resolved upon for directors holding specific positions, also in the subsidiary Safilo S.p.A.;
- expressed to the Board of Directors its opinion concerning beneficiaries of the second tranche of the option of the 2014-2016 Plan.

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Pursuant to Principle 4.C.1.d of the Code and to the Committee Regulation, minutes of its meetings are recorded and transcribed in the book kept by the Chairman and signed by the chairman and the secretary of the meeting, who is appointed on each occasion, and who need not be member of the Committee.

In performing its functions, during the Financial Year, the Remuneration and Nomination Committee had access to the corporate information and functions necessary to carry out its duties and, if necessary, access to external consultants at the Company's expense, as well as the authority to use appropriate financial resources for carrying out its duties, in accordance with the terms established by the Board of Directors.

Persons who are not members of the committee, including the Chairman of the Board of Statutory Auditors, other Board members or persons belonging to the Company's structure, may participate in the meetings of the Committee upon invitation of the same, with reference to individual items on the agenda.

## **8. DIRECTORS' REMUNERATION**

At the Company's Ordinary General Meeting held on April 27, 2015, Shareholders resolved to set the fee payable to each member of the Board of Directors, both executive and non-executive directors, at Euro 50,000.00 per financial year, together with reimbursement of the expenses incurred in the course of their duties..

The Board of Directors, as last, during the meeting for the approval of the draft financial statements as at December 31, 2013 assessed and identified the managers with strategic responsibilities.

Sub-section 2 and the Report on the remuneration should be consulted for information regarding the Plans.

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Also during 2015, the Company adopted, pursuant to Article 6 of the Code a remuneration policy (the “**Policy**”), which establishes the principles and guidelines to which the Company conforms in order to (i) determine, adopt and implement the remuneration structure for the members of the administrative bodies and the managers with strategic responsibilities and (ii) monitor the implementation of the established remuneration practices.

Such Policy is drafted in light of: (i) article 6 of the Code; (ii) the Recommendation 2004/913/CE, concerning the implementation of an adequate regime with respect to the remuneration of the directors of listed companies; (iii) the Recommendation 2005/162/CE, on the role of the non-executive directors with respect to the committees of the Board of directors; (iv) the Recommendation 2009/385/CE, which integrates the two preceding recommendations, applicable to all listed companies; (v) Article 123-ter of the CFA; (vi) Consob Communication no. DEM/1101 2984 having as subject matter: *“Information requests pursuant to article 114, paragraph 5, of the Legislative Decree 24 February 1998, no. 58, in relation to the indemnities for the advanced termination of the employment – Recommendations in relation to succession plans as well as in relation to the information on the remuneration set forth by article 79 of regulation no. 11971 of 14 May 1999 and subsequent amendments”*; and (vii) article 4.1(ii) of the TRP Rules approved by the Board of Directors of the Company.

Any information about directors’ remuneration and the Plans, and the cumulative remuneration received by senior managers with strategic responsibilities in 2014, is contained in the Report on the Remuneration.

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The remuneration of non-executive directors is not significantly linked to the economic results achieved by the Company.

The non-executive directors are not beneficiaries of share-based incentive plans.

The remuneration of non-executive directors is determined taking into account the standard practice in companies similar to the Issuer.

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### **Payments to Directors in the event of resignation, dismissal or termination of employment due to a takeover bid (ex article 123-bis, paragraph 1, letter i) CFA)**

There are agreements with the Chief Executive Officer that envisage paying her an indemnity if the agreements are terminated without just cause. Such indemnity should be determined by the Issuers or by Safilo S.p.A., as the case may be. Such indemnity, that shall be accrued upon occurrence of some additional circumstances, consists in the following “exit package”: (i) a notice period equal to 6 (six) months, during which the Chief Executive Officer shall remain available to perform corporate offices in the company bodies and in some companies of the Group; (ii) the payment of a gross amount equal to 12 months of the fixed salary of the Chief Executive Officer for his offices in the corporate bodies of the Issuer or of Safilo Spa, in addition to 12 months fixed fees as Safilo S.p.A.’s employee; (iii) both the long-term bonuses for the Chief Executive Officer, for a total

amount equal to Euro 3.000.000,00 (three millions/00), that will be paid according to the deadlines initially set by the bonus allocation plan.

With regards to the effects of the termination of the relationship on the rights granted under the Plans, you are referred to the information documents drafted pursuant to Article 84-*bis* of the Issuers' Regulation, as well as all the documentation connected with such Plans and drafted in compliance with current laws; all this documentation is available on the Company's web site, in the Investors Relations/Corporate Governance section.

## 9. CONTROL AND RISK COMMITTEE

The Board of Directors held on April 27, 2015, at its meeting after being appointed by the Shareholders' Meeting, appointed the members of the Internal control Committee (at present, Control and Risk Committee), the Directors Eugenio Razelli (Chairman), Ines Mazzilli and Melchert Frans Groot, all non-executive and the first two also independent directors, who possess accounting and financial and/or risk management experience considered adequate by the Board at the time of their appointment.

The Committee has performed all the tasks allocated to it by the Board of Directors and listed in the corresponding Regulation. The Committee's main task is to evaluate the adequacy and efficacy of operation of the Company and Group internal control system and risk management, and then to report on this to the Board of Directors.

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The Committee is convened by the Chairman or upon the initiative or following a written request from one member and in any case at least twice a year and always prior to the Meeting of the Board of Directors called to deliberate on the approval of the balance or the half-year report.

The meetings are also usually attended by the director in charge of the internal control and risk management system, the person in charge of the internal audit function and the Chief Financial Officer (at present, also, the Company's Financial Reporting Manager); when so required by the items on the agenda, the partner of the independent auditor,, other Board members or persons belonging to the Company's structure can be also invited to attend the meetings.

Meetings of the Control and Risk Committee are attended by the Chairman of the Board of Statutory Auditors or another Statutory Auditor designated by him/her, or by the other Standing Statutory Auditors, in order to guarantee effective coordination of the Committee's activities with those performed by the Board of Statutory Auditors - also in the light of Application Criterion 18.C.5. of the Code, which provides for a timely exchange

between the two bodies of the relevant information for the performance of their respective tasks. Meetings of the Control and Risk Committee are attended, also, by the external financial advisor [Section 2 letter I)].

### **Functions attributed to the Control and Risk Committee**

In accordance with Application Criterion 7.C.2. of the Code, the Control and Risk Committee, in assisting the Board of Directors, performs, inter alia, the following consultative and recommendation functions:

- (1) together with the Company's Financial Reporting Manager and after consulting the independent auditors and the Board of Statutory auditors, it evaluates the correct application of the accounting standards and, in the case of groups, their homogeneity for the purpose of drafting the consolidated accounts;
- (2) it expresses opinions on specific aspects relating to identification of the main corporate risks;
- (3) it examines the periodic reports concerning the assessment of the internal control and risk management system, as well as the other reports of the internal audit function that are particularly significant;
- (4) it monitors the independence, adequacy, efficiency and effectiveness of the internal audit function, requesting the internal audit function to carry out reviews of specific operational areas, giving simultaneous notice to the Chairman of the Board of statutory auditors;
- (5) it reports to the Board of Directors, at least twice a year, on the occasion of the approval of the annual financial report and the half-yearly report, on the activity performed and on the adequacy of the internal control and risk management system;
- (6) it performs such further consultative and/or recommendation tasks as are allocated to it by the Board.

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The Control and Risk Committee met 4 times in 2015, with an average meeting length of approximately 2 hours and 30 minutes. The average attendance of the directors at the meetings was 100%.

During the Financial Year, the Committee evaluated the adequacy and efficacy of the operation of the internal control system and of the corporate risk management, and then reported to the first Board of Directors' meeting accordingly.

In particular, the Committee, during the Financial Year, also carried out Internal Control and Risk Management activities through the internal audit function, according to a structured 5-year activity Plan (approved by the Board of Directors on December 10, 2014) and it helped identify some improvement actions, implemented by the Company's management. Furthermore, during the year the risk monitoring and management activities were reinforced by assigning them to the Enterprise Risk Officer, who periodically reports to the Control and Risk Committee.

The Committee and the Board of Statutory Auditors, during the Financial Year, received detailed information by the person in charge of the internal audit function who, not only periodically reported the main results of the

*internal audit* activities, but it also promptly related to the above mentioned bodies regarding the corporate risks and the relevant improvement plans.

Three meetings of the Committee are scheduled for the Year 2016, one of which has already been held on March 11, 2016.

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In accordance with Application Criterion 4.C.1. d) of the Code and with the Committee Regulation, the meetings are documented in minutes and transcribed in a specific book kept by the Chairman and signed by the person who chairs the meeting and by the secretary, appointed on each occasion, who need not be a member of the Committee.

In performing its functions, the Committee had access to the corporate information and functions necessary to carry out its duties and, if necessary, access to external consultants at the Company's expense, as well as the authority to use appropriate financial resources for carrying out its duties.

## **10. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM**

The internal control and risk management system is the set of rules, procedures and organisational units of the Company and Group designed to achieve the identification, the measurement, the management and the monitoring of the main risks, whose adequacy is subject to the control of the person in charge of the internal audit function of the Group. The internal control and risk management system also meets the need to safeguard the Company's equity, the efficiency and effectiveness of its operations, the reliability of its financial information, and compliance with legislation and regulations, including the Articles of Association and internal procedures, in order to ensure healthy, efficient management, and to identify, prevent and manage the financial, operating and fraud risks affecting the Company.

In accordance with Application Criterion 7.C.1. of the Code, with its resolution dated December 6, 2012 the Board of Directors, confirming the internal control and risk management system adopted by the Company, established that it should, with the previous opinion of the Control and Risk Committee:

- a) define the guidelines for the internal control and risk management system so that the principal risks affecting the Company and its subsidiaries are properly identified as well as adequately measured, managed and monitored, while also determining the level of the compatibility of these risks with the management of the Company in a manner consistent with its strategic objectives;
- b) at least once a year, assess the appropriateness, effectiveness and effective operation of the internal control system with respect to the characteristics of the business;
- c) approve, at least once a year, the plan drafted by the person in charge of the internal audit function, after



consulting the Board of statutory auditors and the director in charge of the internal control and risk management system;

- d) express its opinion on the internal control and risk management system's adequacy once a year;
- e) after consulting the Board of statutory auditors, assess the findings reported by the external auditor in the recommendation letter and in the report on the main issues resulting from the auditing.

The Board of Directors performs its functions relating to the internal control and risk management system taking into due consideration the national and international benchmark models and best practices, with special reference to the effective implementation of the Model referred to in Italian Legislative Decree 231/2001 (concerning the administrative liability of legal entities), adopted by the Board with its resolution of March 28, 2006 and subsequently amended and supplemented, most recently with the resolution passed on December 13, 2011.

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The Board of Directors of March 14, 2016, taking into account the indications provided by the Control and Risk Committee and by the Chief Executive Officer, responsible for internal control and risk management system, as well as the activities of the person in charge of the Group internal audit function, was able to express, with respect to the 2014 financial year, a positive evaluation on the adequateness, effectiveness and actual functioning of the internal control and risk management system.

## **10.1. DIRECTOR IN CHARGE OF INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM**

The April 27, 2015 Board of Directors appointed the Chief Executive Officer of the Company Ms. Luisa Deplazes De Andrade Delgado as “**Director in charge of internal control and risk management system**”, granting her the necessary authority so that she could:

- (i) identify the main business risks, taking account of the characteristics of the activities performed by the Company and its subsidiaries, and submit them periodically for examination by the Board of Directors;
- (ii) implement the guidelines laid down by the Board of Directors, taking care of the planning, implementation and management of the internal control and risk management system and regularly checking on its appropriateness and effectiveness;
- (iii) adapt that system to the dynamics of operating conditions and of the legislative and regulatory scenario;
- (iv) request the internal audit function to carry out reviews of specific operational areas and on the compliance of business operations with rules and internal procedures, giving simultaneous notice to the Chairman of the Board of Directors, the Chairman of Control and Risk Committee and the Chairman of the Board of statutory auditors;
- (v) promptly report to the Control and Risk Committee (or to the Board of Directors) on issues and problems

that resulted from his/her activity or of which he/she became aware in order for the -Committee (or the Board) to take the appropriate actions.

## 10.2. PERSON IN CHARGE OF THE INTERNAL AUDIT FUNCTION

The Board of Directors, upon proposal of the Director in charge of the internal control and risk management system, subject to the favourable opinion of the Control and Risk Committee, as well as after consulting the Board of Statutory auditors, in accordance with Principle 7.P.3. and Application Criterion 7.C.1. of the Code, has appointed the person in charge of the Group's internal audit function, who:

- a) verifies, both on a continuous basis and in relation to special needs, in compliance with international professional standards, the operational and effective functioning of the internal control and risk management system, through an audit plan, to be approved by the Board of Directors. Such plan shall be based on a structured analysis and ranking of the main risks;
- b) is not responsible for any operational areas and he is subordinated to the Board of Directors;
- c) has direct access to all information useful for the performance of his duties;
- d) drafts periodic reports containing adequate information on its own activity, and on the company's risk management process, as well as on the compliance with the plans defined for risk mitigation. Such periodic reports contain an evaluation on the adequacy of the internal control and risk management system;
- e) prepares timely reports on particularly significant events;
- f) submits the reports indicated under previous letters d) and e) above, generally simultaneously, to the Chairman of the Board of Statutory Auditors, of the Control and Risk Committee and of the Board of Directors, as well as to the director in charge of the internal control and risk management system;
- g) verifies, within the audit plan, the reliability of the information systems, included the systems of accounting.

This role has been given to Mr. Massimiliano Pascale since September 1, 2014.

Upon proposal of the Director in charge of the internal control and risk management system, subject to the favourable opinion of the Control and Risk Committee, as well as after consulting the Board of statutory auditors the relevant remuneration was defined, consistently with the company's policies; it is ensured that such person has his own spending budget, which is defined consistently with the requirements of his office and validated by the Control and Risk Committee.

The internal audit department performs an important role within the internal control and risk management system, having the main task to evaluate the adequacy and the functioning of the control, risk-management and *corporate governance* processes, through an independent assurance and consultancy activity, as well as

through the involvement of the different corporate functions, so as to collect from them information, data and useful remarks.

The work is performed in accordance with an annual plan approved by the Control and Risk Committee, which is prepared by evaluating the processes or areas most at risk to be covered, and the activities already performed. The Board of Directors also becomes aware of and acknowledges this annual plan and approves it.

During the Financial year, the person in charge of the internal audit function has performed his/her task through the creation of an activity and check plan, regarding operational, financial and compliance aspects, concerning the Company and the other companies of the Group, approved by the Chief Executive Officer, also person in charge of the internal control system, and by the Control and Risk Committee. The above-mentioned activities and checks have been the subject of periodical informative reports to the Chief Executive Officer, the Control and Risk Committee and the Board of Statutory Auditors.

### **10.3. ORGANISATIONAL MODEL UNDER LEGISLATIVE DECREE NO. 231/2001**

On March 28, 2006, the Board of Directors resolved to adopt the Group's Code of Ethics and the Company's Organisation, Management and Control Model pursuant to Legislative Decree 231/2001 (hereinafter also "**Model 231**"), with the aim of instituting a structured, unified system of procedures and information flows designed to prevent the commission of criminal and/or administrative offences involving the administrative liability of the Company.

Since then the Model has been updated on a number of occasions, to comply with legislative and case-law developments occurring from time to time and is now in its eighth edition, approved by the Board of Directors on July 31, 2014. Such new version of the Model 231, updated and aligned to the current corporate organization and to the new internal procedures of Safilo, includes – among others – the prevention and control measures of environmental crimes.

The Model 231 is currently composed of a General Part and Specific Parts, which contain specific indications for prevention of the offences contemplated in them.

Pursuant to current law, on March 28, 2006 the Board of Directors also appointed a Supervisory Committee (consisting of the internal control officer, at present person in charge of the Group's internal audit function, an independent director and a standing statutory auditor). This Committee was reappointed by resolution on April 27, 2015 after appointment of the current Board of Directors. The Supervisory Committee was assigned the duties envisaged in Legislative Decree no. 231/2001, as subsequently amended and supplemented.

The body which has the power to update and/or amend the Model 231 is the Board of Directors, upon the

proposal of the Supervisory Committee.

The Company has determined not to grant to the Board of Statutory Auditors the role as Supervisory Committee ex Legislative Decree 231/2001.

A copy of the general part of Model 231 will be published on the Website in the IR/Corporate Governance section.

#### **10.4. INDEPENDENT AUDITORS**

The Shareholders' Meeting held on April 15, 2014 appointed Deloitte & Touche, an auditing firm listed in the Italian central register of legal auditors, as independent auditors for 2014-2022.

#### **10.5. FINANCIAL REPORTING MANAGER AND OTHER RULES AND FUNCTIONS OF THE COMPANY**

Pursuant to Article 21 of the Articles of Association, the Board of Directors, upon the proposal of the Chief Executive Officer and after receiving the mandatory but non-binding opinion of the Board of Statutory Auditors, is responsible for the appointment and revocation of a corporate Financial Reporting Manager, in compliance with the requirements of Article 154-*bis* of the CFA.

The Board of Directors must also ensure that the corporate Financial Reporting Manager has suitable powers and resources for the performance of the duties allocated to him/her by the current legislation, and establishes the duration of the appointment and the remuneration payable.

The corporate Financial Reporting Manager is chosen from among persons who meet the requirements of professionalism, characterised by specific skills and several years' experience in accounting and financial matters, and any additional requirements established by the Board of Directors and/or the current legislation.

In accordance with the above provisions, the current Board of Directors, after receiving the favourable opinion of the Board of Statutory Auditors, on April 27, 2015, reappointed as corporate Financial Reporting Manager (hereafter also "**Financial Reporting Manager**"), Mr. Gerd Graehsler, Group Chief Financial Officer, who meets the requirements of professionalism, characterised by specific skills and several years' experience in accounting and financial matters, required for the performance of the tasks assigned by current legislation to the Financial Reporting Manager. Moreover, it has been established that the manager thus appointed will hold office until his resignation or revocation by the Board of Directors.

#### **10.6. CO-ORDINATION BETWEEN BODIES INVOLVED IN THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM**

The Company establishes coordination procedures between the bodies involved in the internal control and risk management system; in fact, as well as the periodical informative reports to the Board of Directors, it is a standard practice of the Company that the Executive director in charge of the internal control and risk management system, the person in charge of the Group's internal audit function, the Company's Financial Reporting Manager, Chairman of the Board of Statutory Auditors or another Statutory Auditor designated by him/her, or together with the other Standing Statutory Auditors, attend the meetings of the Control and Risk Committee, in order to guarantee effective coordination of the Committee's activities with the activities of the other bodies and functions.

## 11. DIRECTORS' INTERESTS AND RELATED-PARTY TRANSACTIONS

As regards the procedure for approval and execution of transactions with related parties or in which the director has an interest on his own account or on that of third parties, reference should be made to what has already been indicated in Section 4.3 of this report.

It is specified that, with reference to the Consob Resolution no. 17721 of March 12, 2010, amended through the resolution no. 17389 of June 23, 2010, containing provisions on related-parties transactions:

- the Internal control Committee, after verification of the presence of the requirements provided by applicable laws and regulations, was granted by the Board of Directors with the role of the "independent directors committee" parties charged with the function to issue a grounded opinion on Rules for transactions with related parties;
- the "Rules for transactions with related parties", approved by the Board of Directors held on November 5, 2010, granted the Internal control Committee with specific advisory duties on transactions with related parties, pursuant to Consob Regulation.

Subsequently, following the standard practice of the listed companies and as a consequence of some internal evaluations, it has been deemed appropriate to establish a specific committee, named "**Related Parties Transactions Committee**". The members of the above-mentioned Related Parties Transactions Committee are the directors Eugenio Razelli and Ines Mazzilli, already members of the Control and Risk Committee, and Guido Guzzetti, all independent directors.

The Rules for transactions with related parties are available on the Company's website, in the section Investor Relations/Corporate Governance.

## 12. APPOINTMENT OF STATUTORY AUDITORS

The appointment and replacement of members of the Board of Statutory Auditors is governed by Article 27 of the Articles of Association, published in the Investor Relations/Corporate Governance section of the Website. More specifically, Statutory Auditors are appointed by the Shareholders' Meeting on the basis of lists submitted by shareholders, to ensure that minority shareholders appoint one standing statutory auditor and one substitute statutory auditor.

Article 27 of the Articles of Association is given in full below

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### **BOARD OF STATUTORY AUDITORS - LEGAL AUDITING OF THE COMPANY'S ACCOUNTS**

#### **Article 27)**

*The Board of Statutory Auditors shall consist of three standing members and two alternate members, who remain in office for three financial years and are eligible for re-election. Current laws shall apply to statutory auditors' requirements for eligibility, integrity, experience and independence, to their duties, the determination of their remuneration and their term in office; more specifically, with regard to the experience requirements under article 1 of Ministry of Justice Decree 162 dated 30 March 2000, activities that are considered strictly pertinent to those of the Company are those matters concerning commercial or tax law, economics or corporate finance and the sectors of activity listed in article 4 above and the sectors of fashion, luxury goods, manufacturing industry, finance, banking and insurance.*

*The Board of Statutory Auditors shall be appointed by the Shareholders' Meeting on the basis of lists presented by shareholders, with the procedures described below, so as to: (a) allow the minority to appoint one standing member and one alternate member, and (b) ensure the balance between genders (masculine and feminine) represented within the Board of Statutory Auditors.*

*The number of candidates appearing in the lists may not exceed the number of members up for election. Each candidate shall be listed with a sequential number. Furthermore, if and until expressly provided by mandatory law and/or regulatory provisions, each list, except for those containing less than three candidates, shall be composed of a number of candidates belonging to the underrepresented gender (masculine or feminine) so that, should such list result as the Statutory Auditors Majority List (as defined below), from such list a number of statutory auditors belonging to the underrepresented gender are elected equal to, at least, the Full Quota, or, if applicable, the Reduced Quota.*

*No candidate may appear in more than one list, otherwise they will be disqualified.*

#### **A) Presentation of lists**

*Lists may be presented only by those shareholders who own, alone or together with others, at the time of presentation of the list, at least the percentage of share capital consisting of shares with voting rights at Ordinary Shareholders' Meetings, set forth by applicable law or regulations governing the appointment of the*

*Board of Statutory Auditors. Details of this percentage and of the appointment procedures shall be provided in the notice convening the Shareholders' Meeting.*

*No individual/entity attending the meeting, none of the shareholders belonging to a shareholder syndicate as defined by article 122 of Decree 58/1998, nor the parent company, subsidiaries and companies under common control pursuant to article 93 of Decree 58/1998, may present or vote for more than one list, either directly or through a third party or trust company.*

*If the above rules are not observed by one or more individuals/entities entitled to attend and vote at the Shareholders' meeting, their vote for any of the lists presented is discounted.*

*The lists, containing the names of the candidates for the office of standing statutory auditor and alternate statutory auditor, prepared in compliance with the Full Quota or, if applicable, the Reduced Quota of Statutory Auditors to be elected, shall be signed by the shareholders presenting them and filed at the Company's registered offices at least 25 (twenty-five) days in advance of the date set for the single call or first call of the related Shareholders' Meeting or within the different deadline set forth by applicable law in force from time to time, without prejudice to any other form of publicity established by applicable legislation. The lists must be accompanied by:*

*(i) information on the identity of the shareholders who have presented the lists, specifying their overall percentage interest in share capital, and a certificate confirming them as the owners of such interest. The certificate attesting the ownership of at least the minimum shareholding required to present a list of candidates, determined having regard to the amount of shares registered in favour of the concerned shareholders on the same day when the lists are deposited with the Company, can be delivered to same Company also after the deposit of the lists, provided that such certificate is delivered at least 21 (twenty-one) days before the date of first call of the relevant Shareholders' Meeting or within the different deadline provided for by the applicable law in force from time to time;*

*(ii) a statement by the shareholders, other than those who individually or jointly own a controlling or majority interest, confirming the absence of relationships connecting them to the latter, as defined by article 144-quinquies of the regulations implementing Decree 58/1998;*

*(iii) comprehensive details on the personal characteristics and experience of the candidates;*

*(iv) a statement by the candidates themselves confirming that they are in possession of the requirements envisaged by law, that there are no reasons of ineligibility and incompatibility against them holding office and that they meet the requirements of integrity and experience established by law for members of the Board of Statutory Auditors;*

*(v) statements by the candidates in which they accept their candidacy and provide details of the number of their appointments as directors or statutory auditors in other companies, with the undertaking to update this list at the date of the Shareholders' Meeting.*

*(vi) any other information required by current statutory and regulatory provisions.*

*Lists for which the above provisions are not observed shall be treated as if they had not been presented.*

*The lists presented are made available to the public at the Company's office, on its website and through the other modalities provided for by applicable law and regulations, at least 21 (twenty-one) days before the date of single call or first call of the Shareholders' Meeting convened to resolve on the appointment of the Board of Statutory Auditors or within the different deadline provided for by applicable law and regulations in force from time to time.*

### **B) Voting**

*Every shareholder entitled to vote may vote for only one list, including through a third party or trust company.*

*Two standing members and one alternate member shall be elected from the list that obtains the highest number of votes ("Statutory Auditors Majority List") in the sequential order in which they appear on this list.*

*The third standing member and the second alternate member shall be taken from the list obtaining the second highest number of votes and presented and voted by entitled individuals/entities who are not associated with the majority shareholders as defined by par. 2, article 148 of Decree 58/1998 ("Statutory Auditors Minority List"). The first and second candidates appearing on this list shall be elected in the sequential order in which they appear therein.*

*In the event of a tied vote, further ballots shall be taken involving the entire Shareholders' Meeting in order to obtain an unequivocal result.*

*The Shareholders' Meeting shall appoint the standing member elected on the Statutory Auditors Minority List as the Chairman of the Board of Statutory Auditors.*

*Without prejudice to the above, the provisions of law and regulations in force from time to time apply to the presentation, deposit and publication of the lists, including in the cases where only one list is presented, or the lists are presented by shareholders associated one with the others as per par. 2 of article 148 of Decree 58/1998.*

*In any event, even if only one list has been presented or admitted to voting, the candidates on this list shall be appointed as standing statutory auditors, in compliance, if and until expressly provided by mandatory law and/or regulatory provisions, with the required balance between genders (masculine or feminine, and alternate statutory auditors in accordance with the sequential number in which they appear in the respective sections of this list.*

*The Statutory Auditors Majority List or the only list (as the case may be) shall ensure compliance with the Full Quota or, where applicable, the Reduced Quota of statutory auditors to be elected. In particular, if the composition of the controlling body, determined on the basis of the sequence numbers assigned to the candidates of such list, does not include a sufficient number of candidates of the underrepresented gender (masculine or feminine) - taking also into account, in case of the Statutory Auditors Majority List, the gender (masculine or feminine) of the candidate elected by the Statutory Auditors Minority List -, candidates having the lowest sequence number, belonging to the mainly represented gender (masculine or feminine), will be*



*automatically replaced by candidates of the underrepresented gender (masculine or feminine) with the highest sequence number, until the Full Quota, or the Reduced Quota, if applicable, of statutory auditors to be elected has been reached.*

*If no list is presented or if it is not possible to appoint one or more statutory auditors using the list voting system, the Shareholders' Meeting shall decide with the majorities required by law and ensuring, in any case, the presence of the required number of members belonging to the underrepresented gender (masculine or feminine) between the standing members of the Board of Statutory Auditors, such as to comply with the Full Quota, or, where applicable, the Reduced Quota, of statutory auditors to be elected.*

### **C) Replacement**

*In the event of having to replace a statutory auditor, the replacement shall be an alternate statutory auditor belonging to: (i) the same list and (ii) if and until it is necessary in order to ensure the proportion between genders (masculine and feminine) within the Board of Statutory Auditors in compliance with the Full Quota or, if applicable, the Reduced Quota, of statutory auditors belonging to the underrepresented gender (masculine or feminine), the same gender as the ceased statutory auditor, in the order specified therein.*

*This is without prejudice to other replacement procedures established by current statutory or regulatory provisions.*

*The Shareholders' Meeting called under par. 1, article 2401 of the ICC shall make the appointment or replacement in compliance with the principle of having the required minority representation and, if and until it is necessary, in order to ensure the balance between genders (masculine and feminine) within the Board of Statutory Auditors, in compliance with the Full Quota or, if applicable, the Reduced Quota, of statutory auditors belonging to the underrepresented gender (masculine or feminine).*

\*\*\*

*The powers, duties and term in office of the statutory auditors are those established by law.*

*The statutory auditors may, individually or jointly, request the Board of Directors to provide details and explanations about the information they have received and about general business trends or specific transactions, and may carry out inspections and controls at any time.*

*Members of the Board of Statutory Auditors may not hold similar appointments in more than five companies that are quoted on the stock exchange. The statutory auditors shall comply with the limits on the number of appointments as a director or statutory auditor established by article 148-bis of Decree 58/1998 and related regulations for its implementation.*

*No standing or alternate statutory auditor may be a director or employee of companies or entities that control the Company; this is without prejudice to the other limitations on the number of appointments that may be held under current statutory or regulatory provisions.*

*Meetings of the Board of Statutory Auditors may be held via teleconference or videoconference, in accordance with the terms stated in article 17.*

\*\*\*

In accordance with Principle 8.P.1. of the Code, the Statutory Auditors must act independently, and therefore shall not be “representatives” of the majority or minority that nominated or elected them.

The Board of Statutory Auditors monitors compliance with legislation and the Articles of Association and with the principles of correct administration, the appropriateness of the Company’s organisational structure, within its sphere of responsibility, the internal control and risk management system and the administrative/accounting system, and the reliability of the latter in correctly representing operating events.

In accordance with Application Criterion 8.C.4. of the Code, the Board of Statutory Auditors may request the Internal Audit function to perform audits of specific operational areas or company transactions.

In accordance with the requirements of Article 159 of the CFA, as subsequently amended and supplemented, the Board of Statutory Auditors has the prerogative of making a substantiated proposal for the legal audit appointment by the Shareholders’ Meeting.

The Board of Statutory Auditors, among the tasks allocated to it by law, checks on the correct application of the criteria and procedures used by the Board of Directors to evaluate the independence of its members; the result of this check is disclosed annually to the market in the Corporate Governance Report or in the Statutory Auditors’ report to the Shareholders’ Meeting.

\*\*\*

It is specified that, with reference to the year 2014, during which the Shareholders’ Meeting was held that appointed the Board of Statutory Auditors, the participating share pursuant to Article 144-quarter of the Issuers’ Regulations was fixed by the Consob at 2.5% (resolution 18775 of January 29, 2014).

### **13. COMPOSITION AND PERFORMANCE OF THE BOARD OF THE STATUTORY AUDITORS (EX ARTICLE 123-BIS, PARAGRAPH 2, LETTER D), CFA)**

The current Board of Statutory Auditors, appointed by the Shareholders’ Meeting on April 15, 2014 and that will remain in office until the next Shareholders’ Meeting called to approve the annual separate financial statements as at December 31, 2016, consists of the Chairman Paolo Nicolai and of the effective statutory auditors Franco Corgnati and Bettina Solimando, respectively taken, the Chairman of the Board of Statutory Auditors, from the minority list filed by the shareholder Only 3T S.r.l., and the effective statutory auditors from the majority list filed by the shareholder Multibrands Italy B.V..

On the occasion of the appointment of the Board of Statutory Auditors two lists were submitted: (1) List no. 1,

submitted by the shareholder Multibrands Italy B.V., composed by: Mr Franco Corgnati, Ms Bettina Solimando and Mr Yuri Zugolaro, as effective Auditors, and Ms Marzia Reginato and Mr Luca Valdameri, as deputy auditors; and (2) List no. 2, having no connections with List no. 1, submitted by the shareholder Only 3T S.r.l., composed by: Mr. Paolo Nicolai, as effective Auditor, and Mr Gianfranco Gaudio, as deputy Auditor.

List no. 1 obtained 65.765451% of the votes, calculated on the share capital voting at the Meeting, while List no. 2 obtained 27.575849% of the votes, calculated on to the share capital voting at the Meeting.

The statutory auditors' curricula vitae, containing their personal and professional characteristics and, in detail, the positions held at the date of the Report in other joint-stock entities (S.p.A. [joint-stock company], S.r.l. [private limited liability company] and S.a.p.a. [limited joint-stock partnership]), and particularly at companies listed on regulated Italian markets, are published on the Website in the Investor Relation/Corporate Governance section and appended to the Report.

The Board of Statutory Auditors met 7 times in 2015, with an average length of 3 hours per meeting. The average presence of the auditors was 100%.

The precise dates of the meetings of the Board of Statutory Auditors for the current Financial Year have not yet been fixed.

\*\*\*

As prescribed in Application Criterion 8.C.1. of the Code, applied all the criteria envisaged for directors by the Code, the Board of Statutory Auditors reviewed the independence of its members both on the first possible occasion after their appointment and during the FY in question, confirming respectively that each one of them met and continued to satisfy these requirements.

\*\*\*

The Issuer establishes that a statutory auditor who, on his own account or that of others, has an interest in a specific transaction of the Issuer, must promptly and exhaustively inform the other statutory auditors and the Chairman of the Board of Directors with regard to the nature, terms, origin and scope of his/her interest (Application Criterion 8.C.3.).

In the performance of its duties, the Board of Statutory Auditors usually coordinates with the Internal Audit function and the Control and risk Committee (Application Criteria 8.C.4. and 8.C.5.) by means of a constant exchange of information and periodic meetings.

The Board of Statutory Auditors functions as "*comitato per il controllo interno e la revisione contabile*" pursuant to Article 19 of Italian Legislative Decree no. 39 of January 27, 2010.

## **14. INVESTOR RELATIONS**

The Website contains an Investor Relations section, easily accessed from the home page of the Website, in which the important information concerning the Company is available, so as to allow the shareholders to consciously exercise their rights. This section is divided into various subsections, one of which is devoted to corporate governance and also contains the Annual Corporate Governance Reports for past years.

Barbara Ferrante functions as Investor Relations Officer.

Through this function, the Company aims to maintain and improve its dialogue with the market, in compliance with current regulations and with the requirements of its internal procedures.

The Company's conduct and procedures to date have in fact been designed to avoid asymmetrical information and to put into practice the principle that each actual or potential investor is entitled to receive the same information in order to make well-informed investment decisions.

Moreover, when the annual, half-yearly and quarterly data are announced, the Company holds specific conference calls, webcasts and/or meetings with institutional investors and financial analysts, which in any case are open to all stakeholders.

## **15. SHAREHOLDERS' MEETINGS (EX ARTICLE 123-BIS, PARAGRAPH 2, LETTER C), CAN)**

Shareholders' Meetings are called in accordance with applicable law and regulations by the Company's Board of Directors, at the Company's registered office or elsewhere, provided in Italy, in the place indicated in the meeting's notice.

The Directors call without delay the Shareholders' Meetings when so requested by the shareholders in accordance with applicable law and regulations. The shareholders requesting the call of the Shareholders' Meetings prepare and submit to the Board of Directors, contextually with their request, a report on the proposals concerning the items to be discussed at such Shareholders' Meetings. The Board of Directors makes available to the public the aforesaid report along with its own evaluations thereon simultaneously with the publication of the notice of call of the relevant Shareholders' Meetings in accordance with applicable law and/or regulations.

Shareholders' Meetings are convened, pursuant to the provisions of law, through a notice of call containing an indication on the date, time, place and agenda of each such Shareholders' Meeting, as well as any other

information required pursuant to applicable law and regulation, to be published on the Website and through the additional modalities which may be provided for pursuant to applicable law and regulations.

Shareholders' Meetings can be held in either ordinary or extraordinary session.

An Ordinary Shareholders' Meeting must be called at least once a year, within 120 days of the end of the Company's financial year. When so entitled by law, the annual Shareholders' Meeting can be convened within 180 days of the end of the Company's financial year; in this case the directors outline the reasons of the delay in the directors' report accompanying the annual financial statements.

Shareholders' Meetings are convened in one single call, unless, with respect to a specific Shareholders' Meeting, the Board of Directors has resolved to fix a date for the second and, eventually, the third call, informing the shareholders of such circumstance in the relevant notice of call.

Shareholders who, alone or jointly with others, represent at least 2.5% (two point five percent) of share capital may request in writing, within 10 (ten) days of publication of the notice convening the Shareholders' Meeting, or the different term set forth by law within the limits and in accordance with the modalities provided by applicable law and regulations, that additional items be placed on the agenda, specifying in such request the additional proposed topics for discussion. Any additions to the meeting's agenda following requests of this kind shall be published in the manner and terms established by the applicable law.

Within the deadline for the presentation of their request to integrate the items on the agenda, the requesting shareholders submit to the Board of Directors a report on such additional items. The Board of Directors makes available to the public the aforesaid report along with its own evaluations thereon simultaneously with the notice of integration of the agenda through the above mentioned modalities.

No integrations to the Shareholders' Meetings' agenda are permitted with respect to those items on which, by operation of law, same Shareholders' Meetings are called to resolve by the Board of Directors or on the basis of a plan or report prepared by same Board of Directors, other than the reports which are ordinarily prepared by the Board on the items of the agenda.

Each share carries the right to one vote.

The entitlement to attend and vote at the Shareholders' Meetings is attested by an specific certificate delivered to the Company by an authorized intermediary in accordance with its accounting books, issued in favour of the individual/entity which is entitled to vote on the basis of the participation owned by his/her/it at the end of the seventh trading day preceding the date of single call or first call of the concerned Shareholders' Meeting or at the different term set forth by applicable law or regulations. The above mentioned certificate shall be delivered to the Company by the authorized intermediary within the deadlines set forth by law.

The individuals/entities entitled to vote may be represented in the relevant Shareholders' Meetings by written proxy, in the cases and to the extent allowed by applicable law and regulations. The proxy may be submitted to the Company in an electronic way, through a certified email account (PEC) or any other technical modalities which may be contemplated by applicable law or regulations.

The Company, availing itself of the possibility set forth by law, elects not to appoint the representative provided for by article 135-undecies of the Decree 58/1998.

Article 20 of the Articles of Association establishes that the Board of Directors is also assigned responsibility for decisions concerning mergers in the cases envisaged by Articles 2505 and 2505-*bis* of the ICC, demergers in the case of Article 2505-*bis* as referred to in Article 2506-*ter* of the ICC, the opening or closure of secondary locations, the reduction of share capital in the event of shareholder withdrawal, adjustment of the Articles of Association to regulatory requirements and the transfer of the Company's registered headquarters within Italy.

\*\*\*

The Company's Shareholder Meeting held on September 14, 2005, as required by the Code, approved, upon the proposal of Board of Directors, the Regulation governing the proceedings of Shareholders' Meetings, which can be found on the Website, section Investor Relations/Corporate Governance; that Regulation was then completed and amended by the Meeting on March 29, 2010.

The said Regulation guarantees orderly and functional Shareholder Meeting proceedings and the right of each shareholder to speak on the items under discussion.

\*\*\*

In conformity with Application Criterion 9.C.2. of the Code, the Board of Directors makes every effort to ensure that all shareholders have appropriate information on the necessary items, to enable them knowledgeably to take the decisions for which the Shareholders' Meeting is responsible.

Accordingly, the directors' report on the matters listed on the agenda, the dossier containing the separate and consolidated financial statements and reports by the Board of Statutory Auditors and Independent Auditors are published as soon as they are available to the Company, and in any case in accordance with the terms and conditions imposed by current law and regulations: they are filed at the registered headquarters and secondary offices of the Company and on the Company Website and the shareholders are entitled to obtain a copy thereof.

When it approves the annual financial report, the Board of Directors also reports to the Shareholders' Meeting on its past and planned activities.

As the shareholders' meeting represents an opportunity for dialogue between shareholders and directors, the directors shall participate in the shareholders' meetings, especially those directors who, in consideration of the duties with which they are entrusted, may provide a useful contribution to the discussion in shareholders'

meeting.

\*\*\*

The Remuneration and Nomination Committee informs the shareholders on the fulfilment of its functions by the informative report included in the Report and in the Report on remuneration.

\*\*\*

During the Financial Year there were some changes to the capitalization of the Company shares, essentially connected to new development of the business.

## **16. FURTHER CORPORATE GOVERNANCE RULES (ex article 123-*bis*, paragraph 2, letter a), CFA)**

The Company does not apply any corporate governance rules further to those indicated in the previous points.

## **TABLES**



**TABLE 1: INFORMATION ABOUT SHARE OWNERSHIP**

STRUCTURE OF SHARE CAPITAL as at 31 December 2013				
	no. of shares	% of share capital.	Listed on Milan STM – FTSE Italia Mid Cap Segment *	Rights and duties
Ordinary Shares	62,629,965	100%	Entire share capital	-
Shares with multiple voting rights	N.A.	N.A.	N.A.	N.A.
Shares with limited voting rights	N.A.	N.A.	N.A.	N.A.
Shares without voting rights	N.A.	N.A.	N.A.	N.A.
Other	N.A.	N.A.	N.A.	N.A.

*\* It is pointed out that all shares had been traded on the STM – Blue Chip segment until September 21, 2008, and in the Standard (Class 1) segment from September 22, 2008 to March 21, 2010*

OTHER FINANCIAL INSTRUMENTS (granting the right to subscribe newly issued shares)				
	Listed	no. instruments outstanding	Category of shares to service conversion/exercise	No. of shares to service conversion/exercise
Convertible bonds	Third Market (MFT) - Vienna	1,500	ordinary	**
Warrants	N.A.	N.A.	N.A.	N.A.

*\*\*increase of the capital in cash, payable and in divisible form, with the exclusion of the pre-emption right pursuant to article 2441, paragraph 5, of the ICC, for a maximum amount of Euro 150,000,000, inclusive of any possible share premium, to be issued in one or more times by means of issue of ordinary shares of the Company with a nominal value of Euro 5,00 each*

**TABLE 2: STRUCTURE OF THE BOARD OF DIRECTORS AND ITS COMMITTEES as at 31.12.2015**

Board of Directors													Control and risk Committee		Remun. And nomination Committee.		Possible other Committee	
Office	Members	Year of birth	Date of first appointment	Office held since	Office held until	List*	Exec.	Non exec.	Indep. as per Code	Indep as per CFA	(%) **	No. other positions ***	****	**	****	**	****	**
Chairman	Robert Polet	1955	27.04.2015	7.04.2015	31.12.2017	M		X			100%	See cv (annex 2)			X <sup>1</sup>		NA	NA
Chief Executive Officer	Luisa Deplazes De Andrade Delgado <sup>1</sup>	1966	07.08.2012	7.04.2015	31.12.2017	M	X				100%	See cv (annex 2)					NA	NA
Director	Jeffrey A. Cole	1941	29.03.2010	7.04.2015	31.12.2017	M		X	X	X	100%	See cv (annex 2)			X	100%	NA	NA
Director	Melchert Frans Groot	1959	29.03.2010	7.04.2015	31.12.2017	M		X			100%	See cv (annex 2)	X <sup>2</sup>	100%	X <sup>3</sup>	100%	NA	NA
Director	Guido Guzzetti	1955	27.04.2015	27.04.2015	21.12.2017	m		X	X	X	100%	See cv (annex 2)					X <sup>1</sup>	100%
Director	Marco Jesi	1949	29.03.2010	7.04.2015	31.12.2017	M		X	X	X	85.92%	See cv (annex 2)	X <sup>2</sup>	100%	X	100%	X	100%
Director	Ines Mazzilli	1962	27.04.2015	27.04.2015	31.12.2017	M		X	X	X	100%	See cv (annex 2)	X <sup>1</sup>	100%			X <sup>1</sup>	100%
Director	Eugenio Razelli	1950	29.03.2010	7.04.2015	31.12.2017	M			X	X	100%	See cv (annex 2)	X	100%			X	100%
DIRECTORS NO LONGER IN OFFICE																		
Director	Giovanni Ciserani	1962	29.03.2010	07.08.2012	27.04.2015	M		X	X	X	50%						X <sup>2</sup>	NA
Director	Massimiliano Tabacchi	1970	Since the quotation	07.08.2012	27.04.2015	m		X			100%	See cv (annex 2)	X <sup>3</sup>	100%	X <sup>2</sup>		NA	NA
No. meetings held during 2015								BoD: 7			CRC: 4			RNC: 4			Others: 1	

NOTES:  
 \* In this column M/m indicates whether the member was elected from the majority (M) or the minority (m) list.  
 \*\* This column indicates the attendance percentage of the directors at the respective meetings of the Board of Directors and the committees (no. attendances / no. meetings held during the period of office of the party concerned).  
 \*\*\* This column indicates the number of directorships and/or offices as statutory auditor held by the party concerned in other companies listed on regulated markets (including foreign markets), and in financial, bank, insurance or large companies. A list of all such companies is attached to this report with reference to each director, specifying whether or not the company in which the office is held forms part of the group headed by the issuer or of which the issuer forms part.  
 \*\*\*\* In this column an "X" indicates that the member of the Board of Directors belongs to the committee.  
 1. From April 27, 2015  
 2. Until April 27, 2015

**TABLE 3: STRUCTURE OF BOARD OF STATUTORY AUDITORS as at 31.12.2015**

Board of Statutory Auditors									
Position	Components	Year of birth	Date of first appointment	In office since	In office until	List (M/m) *	Independence as per Code	** (%)	Number of other offices
Chairman	Paolo Nicolai	1955	24.04.2011	15.04.2014	31.12.2016	m	X	100%	See CV (annex 2)
Standing statutory auditor	Franco Corgnati	1942	From the quotation	15.04.2014	31.12.2016	M	X	100%	See CV (annex 2)
Standing statutory auditor	Bettina Solimando	1974	24.04.2011	15.04.2014	31.12.2016	M	X	100%	See CV (annex 2)
Alternate statutory auditor	Marzia	1959	24.04.2011	15.04.2014	31.12.2016	M	X	NA	
Alternate statutory auditor	Gianfranco Gaudio	1959	24.04.2011	15.04.2014	31.12.2016	m	X	NA	
		Indicate the quorum required for the presentation of lists at the last appointments: 2.5% by Consob resolution 18775 of January 29, 2014							
		Number of meetings held during the relevant financial year: 7							

NOTES:

\* In this column M/m indicates whether the member was elected from the majority (M) or the minority (m) list.

\*\* This column indicates the attendance percentage of the auditors at the meetings of the Board of Auditors (no. attendances /no. meetings held during the period of office of the interested party).

\*\*\* This column indicates the number of directorships and/or offices as statutory auditor held by the part concerned that are relevant pursuant to Article 148-bis of the CFA. The full list of offices held is attached, as required by Article 144-quinquiesdecies of the CONSOB Issuers' Regulation, to the report on supervisory activity, prepared by the statutory auditors pursuant to Article 152, paragraph 1 of the CFA.

It is specified that the present Board of Statutory Auditors is the same of the previous one that was appointed on April 24, 2011 and terminated its mandate with the approval of the financial statements as at December 31, 2013.

## **ANNEXES**

## **ANNEX 1**

### **Main characteristics of existing risk management and internal control systems in relation to the financial reporting process pursuant to article 123-bis, paragraph 2, letter b) of the CFA**

The Company considers the risk management system to be an integral part of the internal control system in relation to the financial reporting process. This system in fact aims to assure the reliability, accuracy, trustworthiness and timeliness of financial reporting.

Given this, since the coming into force of Italian Law 262/2005 the Company has implemented procedures designed to increase the transparency of financial reporting and make the system of internal controls more efficient and particularly those concerning financial reporting, of which they form part.

The methodological approach adopted by the Company to meet regulatory requirements and the responsibilities of the manager appointed to prepare accounting and corporate documents ("Financial Reporting Manager") is set out hereinafter.

As indicated in Section 10.5 of the Report, the Financial Reporting Manager is responsible for certifying that the administrative and accounting procedures used to construct the separate annual financial report/consolidated annual financial report/half-yearly financial report:

- have been defined consistently with the company's administrative and accounting system and its structure;
- have been subjected to assessment of appropriateness;
- have been effectively applied during the period to which the separate annual financial report/consolidated annual financial report/half-yearly financial report refers.

In order to be able to express an assessment of appropriateness, it has been necessary to identify a theoretical model of reference, so as to have criteria against which to make the assessment.

In view of the fact that Article 154-bis of the CFA does not explicitly refer to a specific model to use to assess the appropriateness of administrative and accounting procedures – and in order to meet the needs consequent to application of the rule in question – the Company has opted to apply a model universally recognised as being one of the most accredited, i.e. the COSO Report – Internal Control Integrated Framework.

By virtue of its widespread use, success and authoritativeness, the COSO Report has provided the starting point for several regulatory bodies, both Italian (the Bank of Italy and the ISVAP - Italian insurance regulator) and international (PCAOB, SEC and the Basle Committee) and is indicated as a sound basis of reference also by professional associations, including, in Italy, the ANDAF (the Italian association of financial and administration officers) and the AIIA (the Italian association of internal auditors).

This model of reference permits assessment of the appropriateness of an internal control system with respect to three dimensions of analysis (Objectives, Components, and Context). For each of these it is necessary to select the aspects relevant for specific application of the model.

Based on the COSO Report – Internal Control Integrated Framework, the Company has implemented a model (hereinafter “Model 262” referring to the Italian law involved) that permits assessment of the appropriateness of the internal control system in terms of achievement of various objectives, including the effectiveness and efficiency of processes, the reliability of financial reporting, and compliance with laws and regulations.

According to this Model 262, the elements in relation to which the Company assesses the appropriateness of the control system are as follows:

- “Control environment”

This means the corporate governance approach adopted by the Company and the Group and, in both of them, the people and tools dedicated to the organisation, assessment and auditing of the general internal control system, within which the reliability of financial reporting is one of the objectives.

- “Risk assessment”

Model 262 provides for identification of the risks of not achieving the objectives set, followed by identification of which control activities are present to reduce such risks. The control system is appropriate to the extent that risks are covered by control activities. In the specific case, the risks are those of unreliable financial reporting and can be classified in the following categories (the so-called “financial statement assertions”):

- *existence/occurrence*: assets and liabilities exist at a certain date and the transactions recorded represent events that really occurred during a given period;
- *cut-off*: the transactions and events have been attributed to the proper accounting period
- *completeness*: all transactions, assets and liabilities to be recorded have effectively been included in the financial statements;
- *accuracy*: transactions, assets and liabilities have been correctly calculated and recorded;
- *valuation or allocation*: assets, liabilities, shareholders’ equity, revenues and costs are recognised in financial statements at their correct amounts, in accordance with the appropriate GAAPs;
- *rights & obligations*: assets represent the company’s rights and liabilities represent its obligations;
- *presentation & disclosure*: items in financial statements are properly named, classified and illustrated in financial reporting disclosure.

- “Control activities”

Control activities, designed to reduce the above risks, can be classified in several types, for example: preventive, investigative, manual, electronic, and so on. Among the control activities normally performed by personnel at various organisational levels, we indicate, where applicable, the following:

- *Top-management analyses*: performance achieved is compared with the budget, forecasts, with previous periods’ results and with competitors’ results. To the extent that these activities are

used to check unexpected results revealed by the accounting system, they contribute to control of financial reporting;

- *Transaction controls*: these are performed to check the completeness, accuracy and authorisation of the entry in the accounting systems of transactions managed in business processes and of the related databases in the archives concerned;
- *Information system controls*: the heavy reliance on information systems, particularly as regards preparation of financial reporting, makes it necessary to keep them under control. Controls for information systems concern the development and maintenance of applications software, protection of accesses, operators' activity, back-up procedures, and security plans, etc.;
- *Physical controls*: equipment, stocks, securities, cash and other assets are physically protected and an inventory periodically taken of them and compared with accounting data;
- *Segregation of tasks*: in order to reduce the risk of errors and irregularities, tasks are split between several people. For example, authorisation of transactions, their booking in accounts and management of the corresponding assets must be performed by different people;
- *Policies and procedures*: control activities are normally based on policies and procedures.
- "Information and communication"

Model 262 provides for appropriate information flows between the parties involved in the internal control system. In the specific case, these flows include communication of procedures to those concerned, exchanges of information between those playing a role in the corporate governance model, reporting on the progress of any improvements being made to the control system, and reporting on any anomalies found during the monitoring activities indicated below.
- "Monitoring"

Lastly, Model 262 envisages performance of assessments of the effective application of procedures and, in particular, of the control activities mentioned above.

Structured in this way, the Model 262 thus permits assessment of the appropriateness of an internal control system at various organisational levels (for example, at the levels of group, company, and process, etc). More specifically, controls can be performed on the basis of:

- Analysis of the Group, which aims to identify companies featuring complexities and levels of importance such as to bring them within the scope of the analysis;
- Analysis of business segments, which aims to identify the main business processes (according to the so-called "value chain" approach), mapping them with respect to Group companies, and to describe the main areas of accounts affected by such processes;
- Analysis of areas of accounts, which aims to assess their complexity from the qualitative standpoint, starting from the feeder business process, and from the quantitative standpoint, as regards the materiality of balances.

These preliminary analyses make it possible both to delineate the boundary of subsequent analyses of appropriateness and to plan their depth. For example, for areas of accounts featuring a low degree of complexity, analysis of the risks of unreliable financial reporting and of related control activities can be performed as part of the processes of period-end closure of accounts.

For areas of accounts that instead are highly complex, it may be necessary to add to this context analysis of feeder processes, in order to detect and assess the adequacy of controls of transactions recorded in accounts and that are involved in those processes.

As regards the heavy reliance on information systems, particularly as regards processing of financial reporting, the boundary of subsequent analyses of appropriateness normally include the processes of the Information Systems area.

The bodies and/or units involved in operation of the Model 262 and their related roles are indicated below:

- Control and Risk Committee: as the body responsible for the functionality of the general control system, it is also required to express an opinion and, if necessary, take action vis-à-vis the Financial Reporting Manager to ensure that the part of the internal control system dedicated to assuring the correctness of financial reporting is effective and actually operating;
- Financial Reporting Manager: he has the ultimate responsibility for ensuring that the control activities in place permit assurance of fair and complete financial reporting, which he himself certifies;
- Group Accounting and Corporate Reporting unit: the personnel appointed for this purpose coordinate and perform periodic tests to ensure updating and operation of the set of controls identified and necessary to assure the correctness of financial reporting;
- Internal Audit unit: double role as support of the Financial Reporting Manager in the mapping and testing activity/operation as independent person who assesses the work of the above-mentioned Manager;
- Relevant company people, process owners: they have the ultimate responsibility for updating the overall design of controls (flow charts and RCMs - Risk Control Matrixes) and for performing tests to check controls' effectiveness and their consistency with the design.



**ANNEX 2**

**Curricula Vitae of Directors and Statutory Auditors**



**ROBERT POLET**  
**Chairman (non-executive)**

Robert Polet (born in Kuala Lumpur, Malaysia, on July 25, 1955), Chairman of the Board of directors of SAFILO GROUP S.p.A. since October 5, 2011.

He was, from 2004 to 2011, Chairman and Chief Executive Officer of the Management Board of the Gucci Group contributing to the successful consolidation and growth of the Group and its brands.

He previously spent 26 years in the Unilever Group where he was President of Unilever's Worldwide Ice Cream and Frozen Foods division, a \$ 7.8 billion business consisting of over 40 operating companies.

Prior to that position, Mr. Polet worked in a variety of executive roles within Unilever, including Chairman of Unilever Malaysia, Chairman of Van den Bergh's and Executive Vice President of Unilever's European Home and Personal Care division.

Mr. Polet is also a non-executive Director of Reed Elsevier PLC/NV, Philip Morris International Inc., William Grant & Sons and a non-executive Chairman of Rituals B.V. and NSG Apparel B.V..



## **LUISA DEPLAZES DE ANDRADE DELGADO**

### **Chief Executive Officer**

Luisa Deplazes de Andrade Delgado (born in Rabus, Canton of Graubunden, Switzerland, on August 9, 1966), is Chief Executive Officer of SAFILO GROUP S.p.A. and Safilo S.p.A. as of October 15, 2013. She was previously an independent Director of SAFILO GROUP S.p.A..

She holds a Licence en Droit from the Université de Genève (Switzerland), a Master of Laws LLM, from King's College/London School of Economics (University of London) and a Postgraduate Diploma of European Studies from the Universidade Lusiana (Lisbon, Portugal).

She attended academic summer schools in History, Arts and Political Science in Italy (Florence), Ireland (Dublin), Spain (Santander), Holland (The Hague-International Court of Justice) and various Language schools in Ireland, the US, Canada, France, Mexico, Italy, Spain, Portugal and Sweden.

She joined Procter & Gamble in early 1991, and held, amongst others, roles of increasing responsibility in Human Resources at Procter & Gamble before assuming, between 1999 and 2007, responsibility for the Group's Human Resources function for the Western European region.

From mid-2007 to mid-2012, she was General Manager and Vice President for Procter & Gamble Nordic (Sweden, Denmark, Finland, and Norway) based in Stockholm, Sweden.

From September 2012 to July 2013, Luisa worked for SAP A.G. as Member of the Global Executive Board, in charge of Global Human Resources and Labour Relations Director, based in Germany.

Since 2012 she has been a member of the Supervisory Board of INGKA Holding B.V. (also called the IKEA Group), Leiden, Netherlands, which counts 147,000 employees worldwide and whose annual turnover in 2014 amounted to € 28.7 MM.

She speaks Raetoromanisch (4<sup>th</sup> Swiss national language), English, French, Italian, Portuguese, German, Spanish, and very basic Swedish.



**JEFFREY A. COLE**  
**Director (independent)**

Jeffrey A. Cole (born in Cleveland, Ohio, USA, on May 20, 1941), Director of the Board of Directors of SAFILO GROUP S.p.A. since March 29, 2010.

He graduated from Harvard College and Harvard Business School.

Jeffrey A. Cole was Chairman and CEO, from 1983 to 2003, of Cole National Corporation, a leading optical retailer in North America and a leading provider of managed vision care service, as well as owning the gift store chain "Things Remembered", with sales, including franchisees, of over \$1billion. Major brands included Pearle Vision, Sears Optical, Target Optical, Cole Managed Vision Care and Things Remembered. Cole National also owned a minority interest in optical retailer, Pearle Europe B.V., now GrandVision B.V..

Jeffrey A. Cole built the strategic platform of Cole National through acquisitions and internal growth including the start-up of Pearle Europe B.V. in late 1996 in partnership with HAL INVESTMENTS of Rotterdam, the Netherlands. Cole National was acquired in October 2004 by Luxottica, an eyewear company based in Milan, Italy.

Jeffrey A. Cole has served as a Supervisory Board Member, since 1996, at GrandVision B.V. and its predecessor, a leading international optical retailer with over 6,000 locations in 45 countries. Since 2014 he has been a board member of Hilco, a US based manufacturer and distributor of eyewear accessories.

Jeffrey A. Cole is a trustee of the Cole Eye Institute of the Cleveland Clinic one of the top ranked eye research and treatment centers in the USA.

Jeffrey A. Cole has been the founder and principal shareholder of numerous companies in the USA and has served on the Board of Directors at various times of 10 publicly traded companies in the USA.



## **MEL GROOT**

### **Director (non-executive)**

Mel Groot (born in The Hague, Netherlands, on October 22, 1959), was the Chairman of the Board of Directors of SAFILO GROUP S.p.A. from March 29, 2010 to October 5, 2011, when he handed over his position, remaining as a non-executive member of the Board of Directors.

In 1984 he graduated in Civil Engineering from the Technical University of Delft, and subsequently gained a Master's in Business Administration from Columbia University in New York.

After his first work experience with Philips, in 1989 he joined HAL Holding N.V. where he is the Chairman of the Executive Board since October 2014.

Presently he is also Vice-chairman of the Supervisory Board of GrandVision N.V. (non-executive), Vice-chairman of Supervisory Board of Royal Vopak N.V. (non-executive) and member of the Supervisory Board of Anthony Veder N.V. (non-executive).

In the past, Mel Groot held important roles in different companies of the HAL Group among these, he was CEO of Pearle Europe B.V. (2001-2003) and GrandVision S.A. (2005-2006), Supervisory Board member of Pearle Europe B.V. (1996 – 2010), Chairman of Supervisory Board of GrandVision S.A. (2004 – 2010) and Chairman of the Supervisory Board of Audionova B.V. (2011-2014).



**GUIDO GUZZETTI**  
**Director (independent)**

Guido Guzzetti (born in Milano on September 21, 1955), Director of the Board of Directors of SAFILO GROUP S.p.A. since April 27, 2015.

He graduated in Physics from Milan University.

Mr. Guzzetti gained fourteen years of experience as CEO of Italian Asset Management Companies ("Società di Gestione del Risparmio", regulated by Bank of Italy and Consob) and three years as CEO of an Italian BankInsurance P&C Company (regulated by ISVAP) belonging to a leading Italian Banking Group.

Overall, he worked for twenty-four years for Companies operating in the financial sector, gaining also experience on Risk Management issues related to the investment process as well as to other risk areas such as Investments, Admin and IT.

Since 2014, Mr. Guzzetti has been serving as Independent Director on the Board of Saipem S.p.A. and he is a member of its Control and Risk Committee.

He served as Independent Director on the Board of Astaldi S.p.A. and was a member of its Control and Risk Committee.

Since 2010, he has been involved in research and consultancy activities related to Financial Markets.



**MARCO JESI**  
**Director (independent)**

Marco Jesi (born in Milano on October 12, 1949), Director of the Board of Directors of SAFILO GROUP S.p.A. since March 29, 2010.

He graduated in Law from the Università Statale in Milan. He started his management career in marketing schools like Unilever, Kraft and Johnson Wax, holding top management positions both in Italy and in Europe. In 1987-89 became Sales and Operations director in GS Supermercati, a national chain of supermarkets. He has held European top management positions in Pepsi Cola, Seagram and Frito-Lay Western Europe. From 2002 to 2006, he was President of PepsiCo Europe for all PepsiCo businesses in Europe, from Portugal to Russia.

From 2006 to 2007, he was appointed Chairman and CEO of Galbani, until the business was sold to Lactalis group. From 2011 to 2014, he has been a member of the Board of Directors of Autogrill S.p.A. (independent director) and a member of Board of Directors of Parmalat S.p.A. (independent director).

Currently he is Chairman of the Board of Directors of Arcaplanet, the biggest Italian retail chain of pet care and food products. He is also a member of the Advisory Board of Gallina Blanca Star.



**INES MAZZILLI**  
**Director (independent)**

Ines Mazzilli (born in Milan on May 5, 1962), Director of the Board of Directors of SAFILO GROUP S.p.A. since April 27, 2015.

She graduated in Business and Administration, major in Finance, from Università Bocconi in Milan and she attended a Management course at the INSEAD University in France.

Ines has 29 years of experience in a variety of senior finance management positions.

In 1993, she joined HEINEKEN as Planning & Control Manager of the Italian Operating Company and she was promoted to Finance Director in 2001.

In 2006-2010, Ines has been Senior Finance Director of the Western Europe Region.

In 2010-2015, Ines has been Senior Finance Director of the Global Business Services, responsible for Business Partnering to Global Business Services, HEINEKEN Global Shared Services in Kraków, Global Process and Control Improvement and Global Finance Business Process Management.

In 2015-2016, Ines has been Senior Director Global Finance Processes & Internal Control, responsible for HEINEKEN Global Shared Services, Global Process and Control Improvement and Global Finance Business Process Management.

Prior to joining HEINEKEN, Ines spent the early part of her career in finance jobs in Elizabeth Arden, being part of Eli Lilly first, and Unilever after.

Ines started her career in banking.

Ines is active in a variety of roundtables with multinationals (e.g. Global Finance Transformation Forum, Finance Leaders' Summit, Finance Director Europe Briefings) and since June 2014, member of the Advisory Board of *Corso di laurea magistrale in Economia e Legislazione d'Impresa*, University of Pavia (Italy).





## **EUGENIO RAZELLI**

### **Director (independent)**

Eugenio Razelli (born in Genova on June 18, 1950), Director of the Board of Directors of SAFILO GROUP S.p.A. since March 29, 2010

He graduated in Electrical Engineering from Genova University. He began his career in Fiat Auto and Zanussi, and became CEO of Gilardini Industriale in 1983. Subsequently, he held positions of growing responsibility with Comind (General Manager of Stars and Politecna) and Magneti Marelli. In particular, in the Components Sector of the Fiat Group he held the positions of General Manager of the Electronic Components Division, of Executive Vice President Manufacturing of the Electromechanical Components Group and, later on, of General Manager of this same Group. In 1991 he was appointed President of the Engine Control Systems.

He moved to Pirelli Cavi in 1993 as Vice President Manufacturing, and was later appointed President & CEO of Pirelli Cable North America.

Upon his return to Italy in 1997 he continued to work at Pirelli Cavi first serving as Senior Executive Vice President, Telecom Division and then as Senior Executive Vice President, Energy Division.

From 2001 to 2003 he held the position of President & CEO of Fiamm, a leading company in the market of batteries.

From May 2003 to March 2005 he was Senior Vice President for Business Development of Fiat S.p.A. in charge of Mergers and Acquisitions, Innovation and ICT strategies.

From April 2005 to June 2015 he was President and Chief Executive Officer of Magneti Marelli.

Today he is Industrial Advisor of Fondo Strategico Italiano and Capvis as well as member of the BoD of OMR (Officine Meccaniche Rezzatesi)

From 2005 to 2011 he was President of the Italian Association of the Automotive Industry (ANFIA) that has been representing since 1912 the whole automotive sector in Italy; and from 2006 to 2011 Member of the Board of CONFINDUSTRIA (General Confederation of the Italian Industry).

Since 2009 he has been Vice President of OICA (International Organization of Motor Vehicle Manufacturers) and from 2009 to 2011 President of FEDERVEICOLI, the Federation of the Italian Motor Vehicles and Components Associations of the transport sector, established after an agreement among ANCM (National Association for the Bicycle, Motorcycle and Accessory Industry), ANFIA and UNACOMA (Italian Farm Machinery Manufacturers Association).

**PAOLO NICOLAI**  
**DOTTORE COMMERCIALISTA**  
**REVISORE LEGALE**

**PAOLO NICOLAI**

**CURRICULUM VITAE**

1) Dati anagrafici

Paolo Nicolai, nato a Legnago (VR) il 26/06/1955

Residente in Padova, Via Rinaldi n. 12

Coniugato con 3 figli

Iscritto all'Albo dei Dottori Commercialisti di Padova in data 06/05/1981 al n. 01498 A

Revisore Legale nominato con D.M. 12/04/1995 G.U. Supplemento Ordinario del 21/04/1995 n. 31/Bis

2) Formazione

Maturità scientifica (1973)

Laurea in Economia e Commercio presso l'Università di Padova (1980)

Abilitazione all'esercizio della professione di dottore commercialista (1981)

3) Esperienze professionali

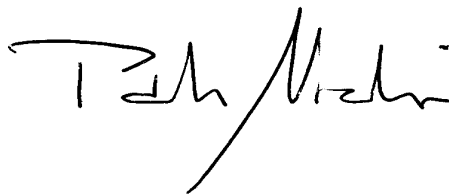
Dal 1981 al 1983 revisore contabile presso la società di auditing Arthur Andersen.

Dal 1984 al 1990 primo collaboratore e poi partner dello Studio Legale Tributario c/o le sedi di Milano e Treviso (corrispondente per i servizi fiscali e societari dell'Arthur Andersen & Co.).

Dal 1991 ad oggi partner dello Studio Associato di Consulenza Tributaria di Padova fondato insieme a Francesco Calabrese, Gianfranco Gaudio e Olindo Checchin.

Padova, li 2 febbraio 2016

Paolo Nicolai



**DR. PAOLO NICOLAI - CARICHE SOCIETARIE IN ESSERE AL 01/02/2016**

N.	SOCIETA'	CODICE FISCALE	SEDE LEGALE	PR	CARICA	SCADENZA CARICA
1	MULTITECNO S.R.L.	00975890286	Fossalta di Portogruaro	VE	Presidente C. S.	31/12/2017
2	CA' DEL BOSCO S.R.L. - SOCIETA' AGRICOLA	01749900989	Erbusco	BS	Presidente C. S.	31/12/2017
3	AQUAFIN HOLDING S.P.A.	01286160062	Milano	MI	Presidente C. S.	31/12/2017
4	MONEYNET S.R.L.	05221390825	Palermo	PA	Presidente C. S.	31/12/2015
5	SAFILO GROUP S.P.A.	03032950242	Pieve di Cadore	BL	Presidente C. S.	31/12/2016
6	SAFILO S.P.A.	03625410281	Pieve di Cadore	BL	Presidente C. S.	31/12/2016
7	HOLDING F.I.S. SPA	01348120930	Pordenone	PN	Presidente C. S.	31/12/2015
8	SANTA MARGHERITA S.P.A.	00717760243	Fossalta di Portogruaro	VE	Presidente C. S.	31/12/2017
9	RPM S.P.A.	00226730299	Badia Polesine	RO	Sindaco Effettivo	31/12/2016
10	ELETTROTEST S.P.A.	00356140293	Badia Polesine	RO	Sindaco Effettivo	31/12/2016
11	CEMENTIZILLO S.P.A.	00203550280	Padova	PD	Sindaco Effettivo	31/12/2017
12	CALCESTRUZZI ZILLO S.P.A.	00867100281	Padova	PD	Sindaco Effettivo	31/12/2017
13	ZIGNAGO HOLDING S.P.A.	03781170281	Fossalta di Portogruaro	VE	Sindaco Effettivo	31/12/2017
14	S.M. TENIMENTI LAMOLE E VISTARENNI E SAN DISDAGIO S.R.L.	00308350529	Greve in Chianti (FI)	SI	Sindaco Effettivo	31/12/2017
15	ACCIAIERIE VENETE S.P.A.	00224180281	Padova	PD	Sindaco Effettivo	31/12/2015
16	CEMENTERIA DI MONSELICE S.P.A.	01575210164	Padova	PD	Sindaco Effettivo	31/12/2017
17	AQUAFIL S.P.A.	00123150229	Arco	TN	Sindaco Effettivo	31/12/2016
18	AQUAFIN CAPITAL S.P.A.	04197570239	Verona	VR	Sindaco Effettivo	31/12/2016
19	VILLANOVA ENERGIA S.R.L.	04247980271	Fossalta di Portogruaro	VE	Sindaco Unico	31/12/2016
20	42337133 S.R.L.	04840930285	Padova	PD	Amministratore Unico	a tempo indeterminato
21	RIELLO S.P.A.	02641790239	Legnago	VR	Amministratore	31/12/2015
22	ANTONIO CARRARO S.P.A.	00186830287	Campodarsego	PD	Amministratore	31/12/2017
23	OFFICINA S.R.L.	04920430289	Padova	PD	Amministratore	a tempo indeterminato

*Paolo Nicolai*

## CURRICULUM FORMATIVO PROFESSIONALE

### FRANCO CORGNATI

nato a Milano il 10 luglio 1942

residente ad Arcugnano (VI), Via Cazzale n. 12

con Studio in Vicenza, Stradella dell'Isola n.1.

- Diploma di maturità classica, conseguito presso il Ginnasio - Liceo classico Statale "Giovanni Berchet" di Milano;
- Laurea in Economia e Commercio all'Università di Padova, sede distaccata di Verona, nella sessione estiva del 1968;
- Abilitazione all'esercizio della professione di Dottore Commercialista, conseguita con superamento dell'esame di Stato presso l'Università di Venezia nella prima sessione del 1970;
- Iscritto all'Ordine dei Dottori Commercialisti, ora Ordine dei Dottori Commercialisti e degli Esperti Contabili, di Vicenza dal 4 luglio 1970;
- Nominato Revisore Ufficiale dei Conti con decreto del Ministro di Grazia e Giustizia del 13.12.1976, pubblicato sulla Gazzetta Ufficiale n. 336 del 18.12.1976;
- Iscritto nell'albo dei Consulenti tecnici del giudice presso il Tribunale Civile e Penale di Vicenza "per la particolare competenza nel campo tributario, contabile, societario, amministrativo, finanziario, per le stime di patrimonio e la valutazione di conferimenti" dal 29.10.1980;
- Iscritto nell'albo dei Periti presso il Tribunale Penale di Vicenza, per la categoria "contabilità, bilanci e società", a' sensi dell'art. 67 Disp. Att. C.P.P.; dal 25.10.1994;
- Iscritto nel Registro dei Revisori Legali con decreto ministeriale del 12.4.1995, pubblicato sulla Gazzetta Ufficiale n. 31 bis del 21.4.1995;
- Esercita la professione di Dottore Commercialista in via esclusiva dal 1970;
- Dal 1997 al 2007 membro e dal 2000 al 2007 vicepresidente del Consiglio dell'Ordine dei Dottori Commercialisti di Vicenza;
- Vicepresidente del Consiglio di Disciplina Territoriale dell'Ordine dei Dottori Commercialisti ed Esperti Contabili di Vicenza;
- Cariche pubbliche elettive: dal 1980 al 1985 assessore alle finanze e bilancio del Comune di Arcugnano (VI);

- Ha ricoperto e ricopre l'incarico di sindaco effettivo in società quotate alla Borsa Italiana, in altre società industriali e commerciali, in società finanziarie ed in società parabancarie oltre che in consorzi di garanzia collettiva fidi ed aziende municipalizzate;
- Ha svolto numerosi incarichi di perito estimatore nominato dal Presidente del Tribunale;
- Ha svolto l'incarico di liquidatore per la liquidazione volontaria di società industriali e finanziarie;
- Ha svolto l'incarico di liquidatore giudiziario di società ed enti commerciali.

Vicenza, 25 gennaio 2016

Dr Franco Corgnati

A handwritten signature in black ink, consisting of several overlapping strokes that form a stylized, somewhat abstract shape, likely representing the name 'Franco Corgnati'.

## DR FRANCO CORGNATI - CARICHE IN ESSERE AL 25 GENNAIO 2016

N	SOCIETA'	COD. FISCALE	SEDE LEGALE	Pr	CARICA	SCADENZA CARICA
1	ABC Assicura SpA	00647820232	Verona	VR	Sindaco effettivo	31/12/2015
2	Az. Agricole L. Bennati S.p.A.	00647670272	Roma	RM	Sindaco effettivo	31/12/2016
3	B. & T. S.r.l. in liquidazione	09863770013	S. Mauro Torinese	TO	Sindaco effettivo	31/12/2016
4	Baglio di Pianetto S.r.l.	02940950245	Vicenza	VI	Presidente collegio sindacale	31/12/2016
5	Bauer S.p.A.	00443820311	Roma	RM	Presidente collegio sindacale	31/12/2014
6	Burgo Energia S.r.l.	08737780018	S. Mauro Torinese	TO	Sindaco effettivo	31/12/2017
7	Burgo Group S.p.A.	13051890153	Altavilla Vicentina	VI	Sindaco effettivo	31/12/2015
8	Burgo Distribuzione Srl	00623020377	Altavilla Vicentina	VI	Presidente collegio sindacale	31/12/2017
9	Burgo Factor SpA	10209320158	Milano	MI	Presidente collegio sindacale	31/12/2017
10	Centro Servizi Metalli S.p.A.	01323290351	Reggio Emilia	RE	Sindaco effettivo	31/12/2017
11	Consorzio Automazione Tessile in liquidaz.	02481270243	Valdagno	VI	Liquidatore	a revoca
12	Ferriera di Cittadella S.p.A.	00800140246	Vicenza	VI	Sindaco effettivo	31/12/2015
13	Filivivi S.r.l.	04816000964	Quaregna	BI	Presidente collegio sindacale	31/12/2016
14	Finintes S.p.A.	01469900128	Milano	MI	Presidente collegio sindacale	31/12/2016
15	Forint S.p.A.	00167200245	Vicenza	VI	Presidente collegio sindacale	31/12/2017
16	Holding Gruppo Marchi S.p.A.	01791370024	Altavilla Vicentina	VI	Presidente collegio sindacale	31/12/2015
17	Licana S.p.A. in liquidazione	03038590240	Villa d'Almè	BG	Sindaco effettivo	31/12/2017
18	Manifattura Lane G. Marzotto & Figli S.p.A.	00166580241	Milano	MI	Presidente collegio sindacale	31/12/2017
19	Mosaico S.r.l.	03506890247	Altavilla Vicentina	VI	Presidente collegio sindacale	31/12/2016
20	Palladio Group S.p.A.	03079210245	Dueville	VI	Presidente collegio sindacale	31/12/2017
21	PFC S.r.l.	03247130242	Vicenza	VI	Presidente collegio sindacale	31/12/2016
22	Prodotti Stella S.p.A.	01419130685	Altavilla Vicentina	VI	Presidente collegio sindacale	31/12/2016
23	Safilo Group S.p.A.	03032950242	Pieve di Cadore	BL	Sindaco effettivo	31/12/2016
24	Safilo S.p.A.	03625410281	Pieve di Cadore	BL	Sindaco effettivo	31/12/2016
25	Veninvest S.p.A.	01619690249	Vicenza	VI	Presidente collegio sindacale	31/12/2017
26	Vigel S.p.A.	01587520246	Vicenza	VI	Presidente collegio sindacale	31/12/2015

Dr Franco Corgnati



## Bettina Solimando

### Posizione

Partner dello Studio Pirola Pennuto Zei & Associati - Studio di consulenza tributaria e legale - con studi in Milano, Torino, Roma, Bologna, Padova, Brescia, Napoli, Parma, Verona, Londra, Shanghai e Pechino.

Dottore Commercialista e Revisore Contabile.

### Formazione

1998 - Laurea in Economia e Commercio- Università degli Studi di Verona con voti 110/110 e lode - Tesi sperimentale sul controllo di gestione

### Esperienza professionale

Consulente fiscale di importanti gruppi italiani e multinazionali, ha avuto occasione di intervenire in diverse operazioni di Merger & Acquisition, e ha curato importanti contenziosi fiscali per primaria clientela. In particolare è consulente di importanti gruppi industriali con casa madre tedesca ed austriaca, che assiste nella consulenza ricorrente e straordinaria per operazioni di acquisizione e ristrutturazione (Volkswagen – Audi, Bosch Rexroth, Trumpf GmbH, RHI AG, Hubner GmbH, Bilfinger Berger)

Esperienze maturate relativamente agli aspetti fiscali, previdenziali e giuslavoristici dei lavoratori espatriati di importanti società multinazionali. Incarichi in lavori di due diligence contabili-fiscali e in progetti di ristrutturazione di gruppi aziendali.

Incarichi di redazione di perizie di valutazione di aziende.

È membro di Collegi Sindacali di società italiane. Ricopre l'incarico di sindaco effettivo di società quotate.

### Percorso Professionale

Da settembre 1998 professionista dello Studio Pirola Pennuto Zei & Associati, presso le sedi di Brescia e Milano, e dal 2000 presso la sede di Verona.

### Attività Didattiche

"Cultore della Materia" nella Facoltà di Economia dell'Università degli Studi di Verona - Dipartimento di Economie, Società e Istituzioni - Sezione di Economia Aziendale - per la disciplina *Ragioneria Generale ed Applicata I*.

Relatore del Master in Internal Auditing dell'Università degli Studi di Verona.

Relatore in convegni organizzati dallo Studio Pirola Pennuto Zei & Associati, su argomenti di carattere fiscale e societario.

Seminari su tematiche fiscali e societarie rivolte a società clienti.



**DOTT.SSA BETTINA SOLIMANDO – CARICHE IN ESSERE AL 04 FEBBRAIO 2016**

N	SOCIETA'	COD. FISCALE	SEDE LEGALE	PR	CARICA	SCADENZA CARICA
1	Safilo Group Spa *	03032950242	Pieve di Cadore	BL	Sindaco Effettivo	31/12/2016
2	Safilo Spa	03625410281	Pieve di Cadore	BL	Sindaco Effettivo	31/12/2016
3	Esprinet SPA *	05091320159	Vimercate	MB	Sindaco Effettivo	31/12/2017
4	Centroelettrica SpA	03019100985	Salò	BS	Sindaco Supplente	31/12/2016
5	Distributori Articoli Sanitari Srl	02656040017	Torino	TO	Sindaco Effettivo	31/12/2017
6	Equibox Holding Spa	04339950265	Asolo	TV	Sindaco Effettivo	31/12/2015
7	GCE Mujelli Spa	02101430961	S. Martino B.A.	VR	Sindaco Effettivo	31/12/2015
8	Hoerbiger Italiana Spa	00884990151	Verona	VR	Sindaco Effettivo	31/12/2017
9	A.S.D.EA. S.A.P.A. di Giuliano Ambrosini e Figli	03606550238	Verona	VR	Sindaco Supplente	27/05/2016
10	Specchiasol Srl	01365850237	Bussolengo	VR	Sindaco Supplente	31/12/2017
11	Volkswagen Group Firenze Spa	05671860483	Firenze	FI	Sindaco Effettivo	31/12/2017
12	Paul Hartmann SpA	07179150151	Verona	VR	Sindaco Effettivo	31/12/2016
13	Global Power SpA	03443420231	Verona	VR	Sindaco Supplente	31/12/2015

\*Società Quotata

*Bettina Solimando*