



Cerved Information Solutions S.p.A.

Registered office in Milan, Via San Vigilio no. 1

Share capital EUR 50,450,000 fully paid-up

Companies' Register of Milan, *codice fiscale* and *partita IVA*: 08587760961

REA MI - 2035639

Institutional website: <http://company.cerved.com>

Explanatory report of the Board of Directors of Cerved Information Solutions S.p.A. on the fourth item on the agenda of the Shareholders' Meeting convened in ordinary session for 29 April 2016 in a single call

ITEM NO. 4 ON THE AGENDA

APPOINTMENT OF THE BOARD OF DIRECTORS:

- A. DETERMINATION OF THE NUMBER OF MEMBERS OF THE BOARD OF DIRECTORS;
- B. DETERMINATION OF THE DURATION OF THE BOARD OF DIRECTORS' MANDATE;
- C. APPOINTMENT OF THE MEMBERS OF THE BOARD OF DIRECTORS; AND
- D. DETERMINATION OF REMUNERATION OF THE BOARD OF DIRECTORS.

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BACKGROUND

Article 125-*ter*, paragraph 1, of Legislative Decree No. 58, 24 February 1998 (the “**TUF**”) provides that, whereas not already required by other provisions of law, within the deadline for the publication of the Shareholders' Meeting's convening notice envisaged for each item on the agenda, the managing body of a listed company must make available to the public, at its registered office, on the website and following the other procedures set forth by Consob regulation, a report on each of the items on the agenda.

This Report (the “**Report**”) illustrates the items on the agenda of the Shareholders' Meeting of Cerved Information Solutions S.p.A. (“**Cerved**” or the “**Company**”), convened in ordinary session in Milan, at Mediobanca S.p.A., Via Filodrammatici no. 3, on 29 April 2016 at 10:30, in a single call (the “**Meeting**”); for any further clarification please refer to the specific reports envisaged by the legal and regulatory directives in force.

This Report was sent to Borsa Italiana S.p.A. and deposited at the registered office within the terms of law; a copy of the Report can be found on the Company's website <https://company.cerved.com>, section *Governance – Shareholders' Meeting*.

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Dear Shareholders,

With reference to item 4 on the agenda of the Shareholders' Meeting, you are requested to deliberate on the appointment of Cerved's Board of Directors (the “**Board of Directors**”), after having determined the number and the duration of appointment of the directors, and also the determination of their remuneration.

Before describing the abovementioned item on the agenda, the Board of Directors reminds you that on 14 March 2014, upon incorporation of the Company (and before being admitted and listed on the Telematic Stock Exchange organised and managed by Borsa Italiana S.p.A., on 24 June 2014), four directors were appointed, namely Giorgio De Palma, Andrea Ferrante, Giampiero Mazza and Federico Quitadamo, until the date of the Shareholders' Meeting called upon to approve the financial statements of the Company as at 31 December 2016.

Subsequently, on 25 March 2014, the Shareholders' Meeting of the Company deliberated to

increment to nine the number of the directors and integrated the Board of Directors by appointing five new directors, namely Fabio Cerchiai (simultaneously appointed as Chairman of the Board of Directors), Gianandrea Edoardo De Bernardis, Marco Nespolo, Edoardo Francesco Maria Romeo, and Francisco Javier De Jaime Guijarro. The Board decided that the new directors remain in office until the end of the mandate granted to the four directors originally appointed, and thus until the Shareholders' Meeting called upon to approve the financial statements of the Company as at 31 December 2016.

The subsequent Shareholders' Meeting of the Company, on 30 April 2014, resolved to increase the number of directors from nine to eleven and appointed the remaining two directors, Mara Anna Rita Caverni and Aurelio Regina.

On 26 August 2015, the director Edoardo Romeo resigned from his office as director of the Company with effect from 31 August 2015. On 22 September 2015, the Board of Directors therefore proceeded to co-opt a director to substitute the resigning director, under Article 2386, paragraph 1 of the Italian Civil Code and under paragraph 13.11 of the Articles of Association of the Company (available on the Company's website at <https://company.cerved.com/>, section *Governance – Board of Directors*; the “**Articles of Association**”), appointing, until the first Shareholders' Meeting after the co-optation, Sabrina Delle Curti, *General Counsel* of the Company. Sabrina Delle Curti was subsequently confirmed as director, until termination of the mandate granted to the other directors in office, by the Shareholders' Meeting held on 14 December 2015.

On 11 January 2016 the directors Giampiero Mazza, Giorgio De Palma, Andrea Ferrante, Francisco Javier De Jaime Guijarro, and Federico Quitadamo resigned from their offices within the Company, with effect from the following Shareholders' Meeting.

On 12 January 2016 the Board of Directors, acknowledging the resignations of the abovementioned directors on the prior day, and also considering the recent exit of Chopin Holdings S.à.r.l. (Luxemburg company owned by some funds assisted by companies linked to CVC Capital Partners SICAV-FIS S.A.) from Cerved's shareholder structure, resolved to not proceed with the co-optation of new directors, in substitution of the resigning ones under Article 2386 of the Italian Civil Code and under paragraph 13.11 of the Articles of Association.

During this meeting, all the other directors resigned with effect from the next Shareholders' Meeting in order to foster the renewal of the entire board of directors, and the Board of Directors granted mandate to the Chairman of the Board of Directors, Fabio Cerchiai, and to the Chief Executive Officer, Gianandrea De Bernardis, to convene the next Shareholders' Meeting to appoint, through election on the basis of slates, a new Board of Directors.

You are therefore invited to resolve on the renewal of the entire managing body, which office will terminate on the date of the Meeting.

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APPOINTMENT OF THE BOARD OF DIRECTORS:

A. DETERMINATION OF THE NUMBER OF MEMBERS OF THE BOARD OF DIRECTORS

With reference to the determination of the number of the members of the Board of Directors, we remind you that, under Article 13.1 of the Articles of Association, to which please refer to in full, the Meeting, before appointing the members of the Board of Directors, shall determine the number – not lower than 9 and not higher than 13 – of the members of the managing body.

Preliminarily, please be aware that, as set forth by Article 13.6 of the Articles of Association, the outgoing Board of Directors intends to deposit, pursuant to Article 13.6 of the Articles of Association, its own slate of 11 candidates for the position of directors. In this respect, the Board of Directors believes, also further to the experience of the Board of Directors resigning today, that 11 is the adequate number of directors, among other things, in order to:

- (a) allow the establishment of internal committees within the new Board of Directors in compliance with the requisites of independence and professionalism set forth by the applicable recommendations of the Corporate Governance Code of listed companies approved by the Committee for the Corporate Governance and promoted by Borsa Italiana, ABI, Ania, Assogestioni, Assonime, and Confindustria (the “**Corporate Governance Code**”);
- (b) guarantee the efficient and effective operation of the managing body;
- (c) foresee a sufficient number of adequate professional figures within the Board of Directors; and
- (d) guarantee an adequate balance between executive directors, meaning the executive directors with representative powers and management powers, and non-executive directors, with the requisites of independence set forth by both the TUF and the Corporate Governance Code.

In the event that the Meeting deems the number of 11 members of the Board of Directors to be adequate, we remind you that, under the applicable provisions of law and the Articles of Association, at least 3 of the directors appointed will have to have the requisites of independence set forth for statutory auditors by Article 148, paragraph 3 of the TUF and that at least 3 directors will have to belong to the least represented gender.

In light of all the above, the Board of Directors submits the following **draft resolution** for your approval:

“Cerved Information Solutions S.p.A.’s Meeting, convened in ordinary session, on 29 April 2016 in single call, after having examined the explanatory Report of the Board of Directors and the proposals thereof,

resolves

- 1) *to set to 11 the number of components of the Board of Directors.*

APPOINTMENT OF THE BOARD OF DIRECTORS:

B. DETERMINATION OF THE DURATION OF THE BOARD OF DIRECTORS' MANDATE

With reference to the duration in office of the Board of Directors, we remind you that, under Article 13.2 of the Articles of Association, the directors are appointed for a period of three fiscal years, or for a period of time, in any event not greater than three fiscal years, set forth at the time of appointment, and are re-electable.

The Board of Directors deems the three-year duration of the mandate adequate in relation to the possibility to guarantee continuity to the Company's management and to plan on a multi-year basis the strategies of the Company. The Board of Directors is therefore in favour of granting a three-year mandate to the Board of Directors which will be appointed by the Meeting.

In light of all the above, the Board of Directors submits the following **draft resolution** for your approval:

“Cerved Information Solutions S.p.A.’s Meeting, convened in ordinary session, on 29 April 2016 in single call, after having examined the explanatory Report of the Board of Directors and the proposals thereof,

resolves

- 1) to set to a period of 3 fiscal years the duration of mandate of the Board of Directors, which will therefore remain in office until the Shareholders' Meeting is convened for the approval of the financial statements as at 31 December 2018.*

APPOINTMENT OF THE BOARD OF DIRECTORS:

C. APPOINTMENT OF THE MEMBERS OF THE BOARD OF DIRECTORS

Under Article 13 of the Articles of Association, the directors are appointed by the Shareholders' Meeting, in compliance with the legal and regulatory directives in force on the matter of gender balance, on the basis of slates presented by the Shareholders of the Company, in which the candidates, in a number not higher than 15 and in possession of the requisites set forth by the legal and regulatory directives in force from time to time, must be listed by the attribution of a progressive number.

At least three directors with the requisites of independence set forth by the law and by the regulatory directives must be part of the Board of Directors.

Each slate must indicate which candidates have such requisites of independence set forth by the legal and regulatory directives in force from time to time.

The Shareholders shall be especially aware regarding the provisions of the Articles of Association regarding gender balance, which are applicable starting from the appointment of the Board of Directors on which the Meeting is now called to resolve on. In this regard, Article 13.7 of the Articles of Association provides that, with regard to the first renewal of the Board of Directors following the admission to the stock market listing of the Company (on 24 June 2014), the slates shall comprise candidates of both genders, so that the ones of the least represented gender are at least one fifth (rounded up) of the candidates.

The slates must be deposited at the registered office of the Company and published pursuant to the existing legal framework. The slates presenting a total number of candidates equal to or higher than three must comprise candidates from both genders, so that the candidates of the least represented gender are at least one fifth (rounded up) of total candidates.

Each Shareholder can present or contribute to the presentation of only one slate and each candidate can be presented in only one slate, on penalty of losing the right to be elected. Not only the outgoing Board of Directors, but also the Shareholders who, on their own or jointly with other Shareholders, represent at least 2.5% of the share capital with voting rights in the Ordinary Meeting or the different stake in the share capital set forth by the legal and regulatory directives in force from time to time, will have the right to present slates.

In this regard, it is important to note that, pursuant to resolution no. 19449 of 28 January 2016, Consob determined in the measure of 1% the stake required under Article 144-*quater* of the regulation regarding issuers issued by Consob with resolution no. 11971 of 14 May 1999 (as subsequently amended and integrated) for the presentation of slates of candidates for the election of the managing and controlling bodies of the Company.

The deadline for the submission of the slates with the Corporate Affairs Department of the Company, located in Via San Vigilio no. 1, Milan, with the modalities hereinafter specified and indicated in the Meeting's convening notice, is 4 April 2016. Particularly, the slates must be deposited: (i) by hand delivery at the Company's office in Milan, Via San Vigilio no. 1, addressing the Corporate Affairs Department during regular business hours (Tel. +39 02 7754395); (ii) by registered mail at the following address: Cerved Information Solutions S.p.A., *Segreteria degli Affari Societari*, Via San Vigilio, no. 1, 20142, Milan; (iii) by fax on +39 02 76261611; or (iv) by certified email at cervedinformationsolutions@legalmail.it at least 25 days before the Meeting, by **4 April 2016**. Communications of the intermediaries certifying the ownership of the stake as at the date when the slate is presented need to be deposited by 8 April 2016.

Together with each slate, there is a requirement to deposit the declarations whereby each of the candidates accept their candidacy and certify, at their own responsibility, the inexistence of causes of non-eligibility or incompatibility, and also the inexistence of the requisites set forth by the existing legal framework for the respective offices. Together with the declarations, a *curriculum vitae* must be deposited for each candidate, regarding personal and professional characteristics, eventually indicating suitability to qualify as independent. The slates that are not in compliance with the provisions of the Articles of Association are considered as not presented. Anyone who is entitled to vote can only vote for one slate.

We would like to remind you that Consob recommends that the Shareholders who present a “minority slate” also need to deposit a declaration certifying “*lack of connecting relationships, even indirectly, under Article 147-ter, paragraph 3, of the TUF and Article 144-quinquies of the Issuers Regulation, with the shareholders who hold, even jointly, a controlling or simple majority interest, whereas identifiable on the basis of the communications of the interests pursuant to Article 120 of the TUF or of the publication of the shareholders’ agreements pursuant to Article 122 of the TUF*”, specifying the relationships eventually existing with said controlling or simple majority shareholders.

The candidacy proposals that do not comply with the abovementioned requisites will be considered as not presented.

The slates that are regularly presented will be made available to the public at the Company’s registered office and at Borsa Italiana S.p.A., and also on the Company’s website <http://company.cerved.com>, section *Governance*, area *Assemblea degli Azionisti*, by 8 April 2016.

At the end of the vote, the candidates of the two slates that obtained the highest number of votes are considered elected, in compliance with the following criteria:

- (a) from the slate that obtained the majority of votes, a number of directors is drawn, in the same progressive order as they are listed in the slate, equal to the total number of the components to be elected, except for one or two, depending on what specified hereinafter;
- (b) the remaining director is drawn from the second slate that obtained in the Shareholders’ Meeting the highest number of votes, not linked in any way, not even indirectly, with those who presented or voted for the slate that came in first by number of votes, only when such slate results voted by a number of Shareholders inferior to 5% of the share capital with voting rights in the ordinary Shareholders’ Meeting or by twice the stake in the share capital set forth by the legal and regulatory directives in force from time to time on the matter of slates presentation;
- (c) whereas, instead, the slate that obtained the highest number of votes in the Shareholders’ Meeting after the majority slate results voted by a number of Shareholders representing at least 5% of the share capital with voting rights within the Shareholders’ Meeting in ordinary session or twice the interest in the share capital as set forth by the legal and regulatory directives in force from time to time regarding the presentation of slates, both the remaining directors will be drawn from the abovementioned slate in the same progressive order as they are listed in the same slate; and
- (d) whereas more than one minority slate is voted by a number of Shareholders represented by at least 5% of the share capital with voting rights in the Shareholders’ Meeting in ordinary session or by twice the interest in the share capital as set forth by the legal and regulatory directives in force from time to time on the matter of slates presentation, the

remaining two directors will be drawn, one for each, from the two minority slates that will have obtained the highest number of votes after the majority slate in the same progressive order as they are listed in the slates themselves.

If at the end of the vote the composition of the Board of Directors is not ensured pursuant to the guidelines in force on the matter of gender balance, or in the event that at least three directors having the requisites of independence have not been elected (or the possible highest minimum number required by the legal and regulatory directives in force), the due replacements will take place in the context of the slates from which the directors are drawn. The order of replacement will be as follows: firstly the directors will be replaced, from the bottom of the slate, drawn from the only minority slate or from any minority slate which was voted the least, then similarly with reference to any minority slate which was voted the most, and lastly similarly with reference to the majority slate. Whereas finally this procedure does not ensure the result hereby indicated, the replacement will take place through resolution by the Shareholders' Meeting by relative majority vote.

The procedure of the vote by slate is only applicable in case of appointment of the entire Board of Directors.

The outgoing Board of Directors reminds you that it will deposit by 30 March 2016, under Article 13.6 of the Articles of Association, its own slate of candidates for the office of director of the Company.

When determining the composition of its own candidates' slate, the outgoing Board of Directors bears in mind: (i) the structure, typical of a public company, that characterises the Company, distinguished especially by the lack of a reference shareholder who usually promotes the slate which could obtain the majority of votes in the Shareholders' Meeting; (ii) the need to propose an adequate number of candidates in possession of the requisites to qualify as independent pursuant to the Corporate Governance Code; and (iii) the directives in force on the matter of gender balance necessary for the composition of the managing bodies of listed companies.

Please also be aware that, for the time being, the Board of Directors prefers not to express its position regarding the highest numbers of offices compatible with an effective performance of the office as director of the Company.

As previously stated, under Article 13.6 of the Articles of Associations, the slate of the outgoing Board of Directors will be deposited at the Company's office, by the thirtieth day before the date of the Meeting, and be made available to the public at the same time and together with any other slate presented by the Shareholders who have the right to do so, at the Company's office, on the website of the Company <http://company.cerved.com> and in any other way indicated by Consob, at least 21 days before the date of the Meeting, by 8 April 2016.

In light of all the above, **please express your vote with regard to the appointment of the managing body.**

APPOINTMENT OF THE BOARD OF DIRECTORS:

D. DETERMINATION OF REMUNERATION OF THE BOARD OF DIRECTORS

Under the applicable legal provisions, it is the Shareholders' Meeting duty to determine the remuneration of the members of the Board of Directors.

On the occasion of renewal of the Board of Directors and considering the proposal of the outgoing Board of Directors to set to 11 the number of directors, in consistency with the remuneration of the outgoing Board of Directors, we propose:

- (a) to determine
 - in EUR 200,000 the remuneration for the Chairman of the Board of Directors, who will be appointed by the Board of Directors elected by the Meeting;
 - in EUR 40,000 the remuneration for each director, different from the Chairman; and
 - in EUR 20,000 the further remuneration for each director who takes on the office of Chairman of one of the committees set forth by the existing legal framework or by the Corporate Governance Code for each year the Board of Directors will remain in office; and
- (b) to delegate to the Board of Directors the determination of the remuneration of the directors who perform special tasks, upon hearing the statutory auditors' opinion.

In light of all the above, the Board of Directors submits the following **draft resolution** for your approval:

“Cerved Information Solutions S.p.A.’s Meeting, convened in ordinary session, on 29 April 2016 in single call, after having examined the explanatory Report of the Board of Directors and the proposals thereof,

resolves

- 1) *to determine*
 - *in EUR 200,000 the remuneration for the Chairman of the Board of Directors, who will be appointed by the Board of Directors elected by the Meeting;*
 - *in EUR 40,000 the remuneration for each director, different from the Chairman; and*
 - *in EUR 20,000 the further remuneration for each director who takes on the office of Chairman of one of the committees set forth by the existing legal framework or by the Corporate Governance Code for each year the Board of Directors will remain in office; and*
- 2) *to delegate to the Board of Directors the determination of the remuneration of the directors who perform special tasks, upon hearing the statutory auditors' opinion.*

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Milan, 17 March 2016

For the Board of Directors
The Chairman
(Fabio Cerchiai)