



**MONCLER S.p.A.**

*Registered office at Via Stendhal 47, Milan - fully-paid share capital Euro 51,661,324.80  
Milan Companies Register, tax code and VAT no. 04642290961 - REA no. 1763158*

**Directors' explanatory report on the third item on the agenda of the Ordinary Shareholders' meeting called for April 22, 2020 in single call.**

*Item no. 3 on the agenda – Appointment of the Board of Statutory Auditors for the term 2020-2022: 3.1 appointment of three Statutory Auditors and two Alternate Auditors; 3.2 appointment of the Chairman of the Statutory Auditors; 3.3 determination of the annual compensation of the members of the Board of Statutory Auditors.*

Dear Shareholders,

with the Shareholders' meeting approval of the financial statements as of December 31, 2019, the term of the office of the Board of Statutory Auditors will expire, as appointed by the Shareholders' meeting on April 20, 2017 for the term 2017/2018/2019.

Therefore, You are convened at the ordinary meeting to discuss and resolve on the appointment of the Board of Statutory Auditors for the term 2020-2022, pursuant to the terms and the provisions of art. 24 of the By-laws. In particular, You have been convened for:

- (i) the appointment of three Statutory Auditors and two Alternate Auditors, as well, for the appointment of the Chairman of the Statutory Auditors, and
- (ii) the determination of the compensation of the members of the Board of Statutory Auditors.

The new Board of Statutory Auditors will be in office for three financial years until the approval by the Shareholders' meeting of the financial statements as of December 31, 2022.

**1. Appointment of three Statutory Auditors and two Alternate Auditors; appointment of the Chairman of the Statutory Auditors.**

Pursuant to art. 24 of the By-laws, the Shareholders' meeting appoints the Board of Statutory Auditors, composed by three Statutory Auditors, and determines their compensation. The Shareholders' meeting appoints as well two alternate Statutory Auditors.

The lists indicate the candidates with a sequence number equal to the seat to be filled, distinguishing between the candidates for the office of Statutory Auditors and the candidates for the office of alternate Statutory Auditors.

***Terms, conditions and requirements for the submission of the lists***

Lists may be submitted only by Shareholders that, alone or together with other Shareholders, upon the submission of the list, own shares representing at least 1% of the share capital, pursuant to what CONSOB established under Determination no. 28 of January 30, 2020.

The lists shall be filed by hand delivery at the registered office of the Company (Corporate Affairs Office, Via Stendhal, no. 47, 20144 Milan) or through certified e-mail (at [moncler@legalmail.it](mailto:moncler@legalmail.it)) within at least twenty-five days before the date of the Shareholders' meeting (*i.e.*, by March 28, 2020).

It is reminded that, in the event where – upon the expiration of the above-mentioned deadline for the submission of the lists– only one list was filed, or only lists submitted by Shareholders that are connected to each other pursuant to art. 144-*quinquies* of the CONSOB Regulation no. 11971 of May 14, 1999 were filed, it is then possible to submit additional lists until the third day following such date (*i.e.*, by March 31, 2020). In such case, the minimum participation to the share capital for the submission of the lists will be reduced and equal to 0.50% of the share capital.

Each Shareholder may submit or participate in the submission of one and only list.

The ownership of the minimum amount of shares required to submit the lists is determined with regard to the shares that are registered in favour of the Shareholder on the day when the lists are filed with the registered office of the Company. The Shareholders that submit the lists must exhibit and/or forward to the registered office of the Company a copy of the appropriate certification released by the intermediary qualified pursuant to the law, even after the filing of the lists, nonetheless at least twenty-one days before the date of the Shareholders' meeting.

Each list - composed by a section for the appointment of regular Statutory Auditors and one for the appointment of alternate Statutory Auditors - shall contain the names of the candidates, not higher than the number of the Board of Statutory Auditor members to be appointed, listed with an assigned sequence number. The first candidate in each section must be picked from among the statutory auditors (*revisori legali*) listed in the appropriate register referred to by art. 2397 of the Italian Civil Code.

Each candidate may be presented in only one list, under penalty of ineligibility.

In accordance to the gender balance regulations in effect from time to time, the lists that submit a total number of candidates higher than or equal to three must be composed of candidates belonging to both genders, in accordance with the *pro tempore* regulations in force regarding the balance between genders, as regards both candidates for the office of regular Statutory Auditor and candidates for the office of alternate Statutory Auditor..

The following may not be elected as Statutory Auditors, and if elected shall forfeit their position: those who exceed the limits on the cumulation of positions, or those for whom causes of ineligibility or forfeiture are present, or who do not possess the requirements of integrity and professionalism established by legal and regulatory provisions in effect. Candidates must satisfy the requirements of good standing and professionalism set forth in the applicable regulations and particularly in Decree no. 162 of March 30, 2000 of the Italian Ministry of Justice. Pursuant to Art. 1, paragraph 2 letters b) and c) of Decree no. 162 of March 30, 2000 of the Italian Ministry of Justice, the matters relating to commercial law and tax law, business administration and financial management, as well as the matters and areas related to the activities of the Company are considered strictly pertinent to the scope of the Company itself. Candidates must also satisfy the independence requirements in accordance with the applicable legislation and the Corporate Governance Code for listed companies. As for situations of ineligibility and limits on the accumulation of directorships and audit appointments that can be held by Statutory Auditors, the current dispositions of law and regulation find full application.

The lists are to be filed along with:

- the information related to the identity of the Shareholders that submitted the lists, along with the indication of the percentage of the share capital owned overall;
- the declaration of the Shareholders that submitted the list and others than those who own, also jointly, a controlling interest or a relative majority, confirming the absence of connections with the latter pursuant to article 144-*quinquies* of the CONSOB Regulation no. 11971 of May 14, 1999 also taking account of the recommendations made by CONSOB with Communication no. DEM / 9017893 of February 26, 2009;
- the *curriculum vitae* relating to each candidate's personal and professional characteristics and including a list of the administrative and supervisory positions held by each candidate in other companies, as well the statements whereby the individual candidates accept their candidacies and declare, under their own responsibility, that no cause of ineligibility or incompatibility exists and that they possess the requisites prescribed by law, regulations and the By-laws.

The lists for which the provisions recalled above were not complied with are to be considered as not submitted.

The outgoing Auditors may be re-elected.

### ***Disclosure for the proposals of appointment***

The Company, at least twenty-one days before the date of the Shareholders meeting (i.e., by April 1, 2020) shall made available to the public at the registered office, on the Company website [www.monclergroup.com](http://www.monclergroup.com), in the Section "*Governance/Shareholders' Meeting*", and on the authorized storage mechanism "1info", the lists of the candidates filed by the Shareholders.

### ***Method of voting***

The Statutory Auditors shall be appointed as set forth, referring to the article 24 of the By-laws for the full version of the method of appointment:

- a. from the list which received the highest number of votes at the Shareholders' meeting, two regular members and one alternate shall be drawn, based on the sequential order in which they are listed in the sections of the list;
- b. from the list which received the second highest number of votes at the Shareholders' meeting and that is not connected in any way, even indirectly, with those who submitted or voted for the list which came first in the number of votes, the remaining regular member – who shall assume the position of Chairman – and the other alternate member shall be drawn, based on the sequential order in which they are listed in the sections of the list. In the event that more than one minority list has received the same number of votes, the list candidate most senior in age shall be appointed regular Statutory Auditor and alternate Statutory Auditor;
- c. in the event that a single list is submitted, the Board of Statutory Auditors shall be drawn entirely therefrom, provided that the list has been approved by a simple majority vote.

If the procedures indicated above do not ensure a composition of the Board of Statutory Auditors that, in its regular members, complies with the gender balance regulations applicable from time to time, the necessary replacements shall be made from the candidates for the position of regular Statutory Auditor on the list which obtained the highest number of votes, in the sequential order in which the candidates are listed.

### ***Publicity of the appointment of the Board of Statutory Auditors***

The Company shall immediately inform the public, through a press release pursuant to article 144-*novies* of the Issuers' Regulation, of the appointment of the Board of Statutory Auditors, indicating:

- the list from which each of the members has been elected, specifying whether this list was the list submitted and voted by the majority or the minority;
- the outcome of the evaluations performed, based on the declaration supplied by the interested or, however, available to the Company, in relation to the possession from one or more of the members of the Board of Statutory Auditors appointed by the Shareholders' meeting of the requirements envisaged in article 148, paragraph 3 of the TUF.

With reference to the evaluation of potential connections among the lists, the Shareholders are invited to see the recommendations contained in the CONSOB communication DEM/9017893 of February 26, 2009.

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## **2. Determination of the compensation of the members of the Board of Statutory Auditors.**

Pursuant to art. 2402 of the Italian Civil Code and art. 24 of the By-laws, the Shareholders' meeting determines the compensation for the Statutory Auditors.

Please note that the compensation for the expiring Board of Statutory Auditors have been originally fixed by the Shareholders' meeting on April 20, 2017 in Euro 60,000 per annum for the Chairman and Euro 41,000 per annum for the other Statutory Auditors.

Dear Shareholders, You are therefore invited to determine the compensation for the members of the Board of Statutory Auditors, based upon the proposals by the Shareholders' also during the same Shareholders' meeting, balancing the effort required, the relevance of the office held and the size and the sector characteristics of Moncler, in accordance with the recommendations of the art. 8 of the Self-Regulatory Code of the listed companies approved by the Corporate Governance Committee. Please make reference to Section 1, Paragraph 2 "*Policy regarding the compensation of the members of the Board of*

*Statutory Auditors*’ of the Report on the policy regarding remuneration and fees paid, which will be made available to the public according to the applicable law.

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Dear Sirs, in consideration of the above, we invite you to resolve upon the following, pursuant to the terms and the provisions described above:

- i. the appointment of the members of the Board of Statutory Auditors;
- ii. the appointment of the Chairman of the Board of Statutory Auditors;
- iii. the determination of the compensation of the members of the Board of Statutory Auditors.

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Milan, March 13, 2020

For the Board of Directors

The Chairman, Remo Ruffini