

# Report on Corporate Governance and Ownership Structure

## Financial year 2021

(customary administrative and control model)

*Drawn up pursuant to art. 123-bis of the Consolidated Law on Finance and approved by the Board of Directors on 14 March 2022*



**Servizi  
Italia**

SERVIZI ITALIA S.P.A.  
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## GLOSSARY

**Financial Statements:** the financial statements of Servizi Italia S.p.A. as at 31 December 2021

**Corporate Governance Code:** the Corporate Governance Code of listed companies adopted by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria, published on 31 January 2020.

**Italian Civil Code/Civ. Code:** the Royal Decree no. 262 of 16 March 1942, as subsequently amended and supplemented.

**Board:** the Board of Directors of Servizi Italia S.p.A.

**Consob/CONSOB:** the National Commission for Companies and Stock Exchange, based in Rome, Via Martini 3.

**Reference date:** date of approval of this Report, i.e. 14 March 2022.

**Legislative Decree no. 231/2001:** Italian Legislative Decree no. 231 of 8 June 2001, including "*Regulations governing the administrative liability of legal persons, companies and associations, including those without legal personality, pursuant to Article 11 of Italian Law no. 300 of 29 September 2001*", as subsequently amended and supplemented.

**Issuer/Company/Servizi Italia S.p.A.:** Servizi Italia S.p.A., with registered office in Via San Pietro, 59/b – 43019 Castellina di Soragna (PR), tax code and Parma Register of Businesses no. 08531760158.

**Financial Year or Reference Financial Year:** the financial year 1 January – 31 December 2021, to which the Report refers.

**Servizi Italia Group or the Group:** Servizi Italia S.p.A. and its Subsidiaries.

**Issuers' Regulations:** the Regulations issued by Consob with resolution no. 11971 of 1999 (as subsequently amended) on matters related to issuers.

**Market Regulations:** the Regulation issued by Consob with resolution no. 20249 of 2017 (as subsequently amended) on markets.

**Related-Party Regulation:** the regulation issued by Consob with resolution no. 17221 of 12 March 2010 (as subsequently amended) on related-party transactions.

**Report:** the present report on corporate governance and ownership structures that companies are required to prepare pursuant to Article 123-*bis* of the Consolidated Law on Finance (TUF).

**Remuneration Report:** report on the remuneration policy and remuneration paid prepared pursuant to Article 123-*ter* of the Consolidated Law on Finance and Art. 84-*quater* of the Issuers' Regulations.

**Subsidiaries:** San Martino 2000 S.c.r.l., Steritek S.p.A., Wash Service S.r.l., Ekolav S.r.l., SRI Empreendimentos e Participações Ltda (parent company of the companies: Lavsim Higienização Têxtil S.A., Maxlav Lavanderia Especializada S.A., Vida Lavanderias Especializada S.A., Aqualav Serviços De Higienização Ltda) and Ankateks Turizm İnşaat Tekstil Temizleme Sanayi ve Ticaret Ltd şirketi (parent company of the company Ergülteks Temizlik Tekstil Ltd. Sti.).

**Articles of Association:** Articles of Association in force at the Reference date, available on the website [www.servizitaliagroup.com](http://www.servizitaliagroup.com).

**TUF or Consolidated Law on Finance:** Italian Legislative Decree no. 58 of 24 February 1998, as subsequently amended and supplemented.

## 1.0 ISSUER PROFILE

Servizi Italia, a company based in Castellina di Soragna (Parma, Italy), has been operating for more than 35 years as leader in the field of integrated services for the rental, washing and sterilisation of textile materials and medical devices in the healthcare sector. The Company, which together with its Italian and foreign subsidiaries forms the Servizi Italia Group, offers a wide and diversified range of services thanks to a highly technological production platform, made up of over 50 production plants in 7 countries and counts about 3,700 employees and collaborators: these are the numbers with which Servizi Italia contributes daily to the health and safety of professionals, patients and workers.

The organisation of Servizi Italia complies with the provisions contained in the Italian Civil Code and with the regulations governing corporations with listed shares, and in particular with the provisions of the Consolidated Law on Finance and the Corporate Governance Code.

The Company annually combines the Financial Statements and Consolidated Financial Statements with the publication of the Report on Corporate Governance and Ownership Structure, drawn up pursuant to Article 123-bis of the TUF, the publication of the Report on remuneration policy and remuneration paid prepared pursuant to Article 123-ter of the TUF and the Non-Financial Statement prepared pursuant to Italian Legislative Decree no. 254/2016.

The corporate governance, based on a traditional management and control model (so-called "Latin" model), is made up of the following bodies:

- Shareholders' Meeting;
- Board of Directors (operating through the Executive Directors/Executive Committee and the Directors with representation, and assisted by the Governance and Related-Party Committee, with preliminary, propositional and consultative functions regarding nominations and remuneration, internal control and management of risks pursuant to the Corporate Governance Code and the Risk Policy adopted by the Company, as well as the functions envisaged by the Related-Party Regulation in relation to both transactions of lesser importance and – given the qualification of a "smaller company" – to transactions of greater relevance with related parties);
- Board of Statutory Auditors;
- Legal Auditing Company;
- Supervisory Body set up pursuant to Legislative Decree no. 231/01.

In compliance with the criteria established by the Corporate Governance Code, the Board (i) guides the Company by pursuing its sustainable success; (ii) defines the strategies of the Company and the Servizi Italia Group and monitors their implementation; (iii) defines the most functional corporate governance system for the performance of the business and the pursuit of its strategies, taking into account the autonomy offered by the legal system and, if necessary, evaluates and promotes the appropriate changes, submitting them, when applicable, to the Shareholders' Meeting; (iv) promotes, in the most appropriate forms, dialogue with Shareholders and other stakeholders relevant to the Company.

The Board of Directors interprets its role in the Company's leadership by pursuing its sustainable success (an objective, which is embodied in the creation of long-term value for the benefit of the shareholders, taking into account the interests of the other stakeholders relevant to the Issuer) in particular through the following main long-term objectives of the Servizi Italia Group: (i) creation of value; (ii) improvement in operating margins; (iii) integrity and ethics of the Group, social responsibility and environmental protection. These objectives are pursued through six main guidelines:

1. consolidation of leadership in Italy;
2. strengthening of foreign markets already served;
3. integrity and ethics of the Group, social responsibility, environmental protection;

4. management optimisation and business continuity;
5. focused international development;
6. diversification of services and cross selling.

The Group is convinced that the creation of value over time is possible if the strategy followed in running the business is based on the following lines: economic, environmental, social, supported by a sound and transparent corporate governance.

In particular, the results and objectives achieved by the Group in relation to these aspects are set out in the 2021 Non-Financial Statement ("NFS"), which includes – *inter alia* – the 2022-2026 Sustainability Plan, drawn up on a mandatory basis in compliance with Italian Legislative Decree 254/16, which can be consulted on the Company's website at [www.servizitaliagroup.com](http://www.servizitaliagroup.com), to which reference should be made for anything not expressly mentioned [here](#).

For further information on how the Board of Directors interprets its own role in the Company's leadership with the aim of pursuing sustainable success, please refer to chapters 4.7, 8 and 9 of this Report.

Servizi Italia falls within the definition of SMEs pursuant to Article 1, paragraph 1, letter w-*quater*.1), of the TUF and Article 2-*ter* of the Issuers' Regulation and has a capitalisation as at 30 December 2021, as calculated by Borsa Italiana, equal to Euro 65.79 million.

Pursuant to the Corporate Governance Code, the Company does not fall within the definition of a "large company", as its capitalisation has not exceeded the value of Euro 1 billion on the last trading day of each of the three previous calendar years, while it qualifies as a "company with concentrated ownership" as one of the shareholders directly holds the majority of the votes that can be exercised at the ordinary shareholders' meeting. Please refer to chapters 4.7, 4.3 and 7.1 of this Report for information on the use of the flexibility options provided by the Code.

This Report, as well as the Articles of Association, the Code of Ethics and the Organisational, Management and Control Model drawn up in accordance with Legislative Decree no. 231/01 are available on Company's website at [www.servizitaliagroup.com](http://www.servizitaliagroup.com).

## 2.0 INFORMATION ON THE OWNERSHIP STRUCTURE (pursuant to Article 123-bis, paragraph 1, of the TUF) at the Reference date

### a) Structure of the share capital (pursuant to Article 123-bis, paragraph 1, letter a), of the TUF)

The amount of the share capital subscribed and paid up is equal to Euro 31,809,451.00 (thirty-one million eight hundred and nine thousand four hundred and fifty-one/00), while the categories of shares that make up the share capital are indicated in the table below:

SHARE CAPITAL STRUCTURE				
	No. of shares	No. of voting rights	Listed (indicate markets)/unlisted	Rights and obligations
Ordinary shares	31,809,451	31,809,451	Electronic Equity Market (MTA) – STAR Segment	Vote at the Shareholders' Meeting
Preferred shares	-	-	-	-
Multiple voting shares	-	-	-	-

Other categories of shares with voting rights	-	-	-	-
Savings shares	-	-	-	-
Convertible savings shares	-	-	-	-
Other categories of shares without voting rights	-	-	-	-
Other	-	-	-	-

Note that the Company has not issued financial instruments granting the right to subscribe to newly issued shares.

At the date of approval of this Report, there are no share-based incentive plans in place that involve capital increases, including free of charge.

*b) Restrictions on the transfer of securities (pursuant to Article 123-bis, paragraph 1, letter b), of the TUF)*

The Articles of Association do not contain restrictions on the transfer of securities, such as ownership limits or the need to obtain the approval of Servizi Italia S.p.A. or other holders of securities.

*c) Significant shareholdings in the share capital (pursuant to Article 123-bis, paragraph 1, letter c), of the TUF)*

Servizi Italia qualifies as an SME, pursuant to Article 1, paragraph 1, letter w-*quater*.1) of the TUF; as such, according to the results of the Shareholders' Register, supplemented by the communications received pursuant to Article 120 of the TUF and any other information available to the Company at the Reference Date, those who directly or indirectly hold more than 5% of the share capital are:

RELEVANT CAPITAL SHARES			
Declarant	Direct Shareholder	% share on ordinary capital	% share on voting capital
Coopservice S.Coop.p.a.	Aurum S.p.A.	55.3339%	55.3339%
Steris Corporation	Steris UK Holding Limited	5.903%	5.903%
Servizi Italia S.p.A.	Servizi Italia S.p.A.	6.59%	6.59%*

\*of which 6.59% without voting rights

*d) Securities conferring special rights (pursuant to Article 123-bis, paragraph 1, letter d), of the TUF)*

Servizi Italia has not issued securities conferring special rights of control, nor do the Articles of Association provide special powers for certain shareholders (for example, those under Italian Law 474/94).

The Company's Articles of Association do not provide for increased or multiple voting shares.

*e) Employee share ownership: mechanism for exercising voting rights (pursuant to Article 123-bis, paragraph 1, letter e), of the TUF)*

There is no employee shareholding system and, therefore, no mechanism for exercising the voting rights of employees, nor do the Articles of Association contain specific provisions relating to the exercise of voting rights of employee shareholders.

*f) Restrictions on voting rights (pursuant to Article 123-bis, paragraph 1, letter f), of the TUF)*

The Company's Articles of Association do not contain any special provisions that restrict voting rights, such as, for example, limitations on voting rights for a certain percentage or number of votes, time limits imposed for the exercise of voting rights or systems in which, with the cooperation of Servizi Italia, the financial rights attached to securities are separated from the ownership of securities.

*g) Shareholder agreements (pursuant to Article 123-bis, paragraph 1, letter g), of the TUF)*

As at the Reference date, Servizi Italia does not know no shareholders' agreements, pursuant to Article 122 of the TUF.

*h) Change of control clauses (pursuant to Article 123-bis, paragraph 1, letter h), of the TUF) and statutory provisions on takeover bids (pursuant to Articles 104, paragraph 1-ter and 104-bis, paragraph 1)*

As already indicated in the Addendum to the Information Document on Related-Party Transactions published on 19 December 2018, Servizi Italia has signed a lease agreement with the related party Focus S.p.A., a wholly-owned subsidiary of Coopservice S.Coop.p.a, relating to the properties in Castellina di Soragna. Under the terms of this contract, the tenant, Servizi Italia, undertakes to issue the lessor, in the event that it loses the status of a subsidiary company, even indirectly, of Coopservice S.Coop.p.a, within 30 days of the occurrence of this condition, a bank guarantee, issued by a credit institution, on first call, to ensure the proper and timely fulfilment of all obligations assumed under the contract, also as a security deposit. This first-call surety must provide for an express waiver of the prior enforcement of the principal debtor in derogation of Article 1944 paragraph 1 of the Italian Civil Code, as well as with waiver of the exception provided for in Article 1957 paragraph 2 of the Italian Civil Code, and will be equal to Euro 1,013,000 (one year's rent), with annual expiry, tacitly and automatically renewable and to be renewed from year to year, and the lessor's text of approval cannot be unjustifiably denied. If the surety is not delivered to the lessor, the latter may terminate the contract in accordance with Article 1456 of the Italian Civil Code.

The Company has also signed loan agreements for a total amount of Euro 47 million with lending institutions, which provide for an obligation of early repayment to be borne by the Company, or the right by the lending institution to request early repayment of the financed amount, if the company Coopservice S.Coop.p.a ceases to maintain a controlling shareholding in the share capital of Servizi Italia.

There are no other significant agreements to which the Issuer or other Group companies are parties, which take effect, are amended or terminated in the event of a change of control of the Company.

The Articles of Association of Servizi Italia do not contain provisions that derogate from the provisions on the passivity rule provided by Article 104, paragraphs 1 and 1-bis of the TUF, nor rules of neutralisation under Article 104-bis, paragraphs 2 and 3 of the TUF.

*i) Powers to increase share capital and authorisations to purchase treasury shares (pursuant to Article 123-bis, paragraph 1, letter m), of the TUF)*

As at the Reference date, the Company's Board of Directors has not been delegated to increase the share capital pursuant to Article 2443 of the Italian Civil Code.

The Articles of Association provide that the Company may issue financial instruments other than shares, in compliance with the requirements of the law and by resolution of the Extraordinary Shareholders' Meeting.

The Shareholders' Meeting held on 20 April 2021 – after revoking the authorisation to purchase and dispose of treasury shares approved at the meeting held on 28 May 2020, for anything not used – in accordance with Articles 2357 et seq. of the Italian Civil Code, as well as Article 132 of the TUF, authorised the Board of Directors to renew the authorisation to purchase and dispose of treasury shares, as proposed by the Board of Directors. The resolution authorises the purchase of a maximum of 6,361,890 ordinary shares with a par value of Euro 1.00 each, corresponding to the fifth part of the Company's share capital (taking into account the shares already held by the Company from time to time) for a period of 18 months from the date of the shareholders' resolution, while

the duration of the authorisation relating to the disposal of treasury shares has no time limits. For further details on the reasons for the authorisation, as well as on the methods of purchase and price limits, please refer in full to the Directors' Report on items in the Agenda of the Shareholders' Meeting held on 20 April 2021, available at Company's registered office, on Company's website [www.servizitaliagroup.com](http://www.servizitaliagroup.com) and on eMarket Storage mechanism at [www.emarketstorage.com](http://www.emarketstorage.com).

Also on 20 April 2021, the Board of Directors, implementing the authorisation of the Shareholders' Meeting, resolved to renew the treasury share purchase programme aimed at setting up a stock of treasury shares to be used, if necessary, as consideration in extraordinary transactions and/or as part of exchange and/or sale of equity investments, which at the same time represents an opportunity for efficient investment of company liquidity. The share purchase programme is coordinated by an authorised intermediary, INTERMONTE SIM S.p.A., which makes the negotiating decisions regarding the timing of the purchase of Servizi Italia shares in full independence from the Company, but within the limits of what is decided by the Shareholders' Meeting.

At the closing date of the Financial Year, the Company held a total of 2,000,408 treasury shares, equal to 6.29% of the Issuer's share capital.

#### *l) Management and coordination actions (pursuant to Articles 2497 et seq. of the Italian Civil Code)*

As at the Reference date, the Issuer is part of the group headed by Coopservice S.Coop.p.a, an Italian company with registered offices in Reggio Emilia, which holds control through its wholly-owned subsidiary Aurum S.p.A., with registered offices in Via Rochdale 5, Reggio Emilia.

At the Reference date, Aurum S.p.A. exercises control over the Issuer, pursuant to Article 93 of the TUF, holding an equity investment equal to 55.3339% of the Issuer's ordinary share capital.

The Issuer is not subject to management and coordination, pursuant to Articles 2497 et seq. of the Italian Civil Code, either by the direct parent company Aurum S.p.A. or by the indirect parent company Coopservice S.Coop.p.a, which do not exercise acts of direction and/or interference in the management of the Company (or any of its subsidiaries). The Issuer, in fact, operates under conditions of corporate and entrepreneurial autonomy, acting autonomously in business relations with its customers and suppliers and independently defining its own business plans and/or budgets.

The Issuer, on the other hand, exercises management and coordination, pursuant to Articles 2497 et seq. of the Italian Civil Code, with regard to its subsidiaries.

Note that with regard to the information required by Article 123-bis of the TUF in relation to:

- **Agreements between companies and directors on severance indemnities** (pursuant to Article 123-bis, paragraph 1, letter i) of the TUF), reference should be made to the Report on remuneration policy and remuneration paid published pursuant to Article 123-ter of the TUF.
- **Appointment and replacement of directors and amendments to the Articles of Association** (pursuant to Article 123-bis, paragraph 1, letter l) of the TUF), reference should be made to chapters 4.2 and 13 of this Report.

### **3.0 COMPLIANCE (pursuant to Article 123-bis, comma 2, letter a), of the TUF)**

With Board resolution of the 20 April 2021, Servizi Italia adhered to the Corporate Governance Code drawn up by the Committee for Corporate Governance of Listed Companies, accessible to the public on the website of the Committee for Corporate Governance at the web page <https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf>.

It should be noted that neither the Company nor its strategically important subsidiaries are subject to non-Italian legal provisions that affect the Issuer's corporate governance structure.

## 4.0 BOARD OF DIRECTORS (pursuant to Article 123-bis, comma 1, letter I), of the TUF)

### 4.1 Role of the Board of Directors

Pursuant to Article 17 of the Articles of Association, the Board is assigned the broadest powers for the ordinary and extraordinary management of the Company, and has the power to perform all acts it deems appropriate to achieve the corporate objective, with the sole exception of those that the law reserves to the decisions of the Shareholders' Meeting.

The Board is also assigned the following powers: (a) merger resolution in the cases referred to in Articles 2505 and 2505-bis of the Italian Civil Code; (b) the establishment and closing of secondary offices; (c) the reduction of the share capital in the event of withdrawal by the shareholder, without prejudice to the hypothesis referred to in the last paragraph of Article 2437-quater of the Italian Civil Code; (d) the adaptation of the Articles of Association to regulatory provisions; (e) an indication of which Directors may represent the Company; (f) the transfer of the registered office within the national territory; (g) the appointment and dismissal of the Financial Reporting Manager pursuant to Article 154-bis of the TUF.

In compliance with the criteria of the Code, the Board (i) guides the Company by pursuing its sustainable success; (ii) defines the strategies of the Company and the Servizi Italia Group and monitors their implementation; (iii) defines the most functional corporate governance system for the performance of the business and the pursuit of its strategies, taking into account the autonomy offered by the legal system and, if necessary, evaluates and promotes the appropriate changes, submitting them, when applicable, to the Shareholders' Meeting; (iv) promotes, in the most appropriate forms, dialogue with Shareholders and other stakeholders relevant to the Company. In particular, in addition to the powers established by the applicable legislation and regulations, and by the Articles of Association (and in compliance with the same), the Board of Directors:

- a) examines and approves the business plan of the Company and of the Group it heads, also on the basis of the analysis of the issues relevant to the generation of long-term value carried out with the support of the Executive Committee of which the Board determines composition and functions;
- b) periodically monitors the implementation of the business plan and evaluates the general performance of operations, periodically comparing the results achieved with those planned;
- c) defines the nature and level of risk compatible with the strategic objectives of the Company, including in its assessments all the elements that may be relevant in view of the Company's sustainable success;
- d) defines the corporate governance system of the Company and the structure of the Group headed by it and assesses the adequacy of the organisational, administrative and accounting structure of the Company and of the strategically important subsidiaries, with particular reference to the internal control and risk management system; for this purpose, after determining the relative criteria, it identifies the subsidiaries of strategic importance;
- e) resolves on the transactions of the Company and its subsidiaries with a significant strategic, economic, asset-related or financial importance for the Company; to this end, it establishes the general criteria for identifying transactions of significant importance;
- f) in order to ensure the correct management of corporate information, on the proposal of the Chairman, adopts a procedure for the internal management and external communication of documents and information concerning the Company, with particular reference to inside information, and carries out the additional duties established therein;
- g) if deemed necessary to define a corporate governance system more functional to the needs of the Company, draws up motivated proposals to be submitted to the Shareholders' Meeting regarding the choice and characteristics of the corporate model (traditional, "one-tier", "two-tier"), in terms of size, composition and appointment of the Board and term of office of its members, articulation of the

administrative and property rights of the shares, percentages established for the exercise of the prerogatives set to protect minorities;

- h) on the proposal of the Chairman, formulated in agreement with the Investor Relations Manager, adopts and describes in the report on corporate governance a policy for managing dialogue with all Shareholders, also taking into account the engagement policies adopted by institutional investors and asset managers, and carries out the additional tasks established in the policy for managing dialogue with all Shareholders;
- i) adopts specific regulations that define the rules for the functioning of the Board and its Committees, including the procedures for taking minutes of meetings and for managing information to the Directors; these procedures identify the terms for the prior sending of the information and the methods for protecting the confidentiality of the data and information provided so as not to jeopardise the timeliness and completeness of the information flows;
- j) pre-defines the quantitative and qualitative criteria for assessing the significance of the relationships identified by the Code, which could jeopardise independence, at least at the beginning of its mandate and prior to the actual assessment of the independence of the individual Directors;
- k) designates an Independent Director as Lead Independent Director in the cases in which (1) the Chairman is the main person responsible for the management of the company (known as "chief executive officer") or is the holder of significant management powers, (2) the Chairman controls the Company, also jointly, (3) it is required by the majority of the Independent Directors;
- l) decides, on the proposal of the Chairman, the appointment and dismissal of the Secretary and defines the professional requirements and the attributions in its own regulations;
- m) to the extent of its competence, ensures that the process of appointment and succession of Directors is transparent and functional to achieve the optimal composition of the Board; also for this purpose adopts a specific Board diversity policy, in compliance with the provisions of Article 123-bis, paragraph 2, lett. d-bis) of Italian Legislative Decree no. 58 of 24 February 1998 ("TUF" or Consolidated Law on Finance);
- n) periodically evaluates the effectiveness of its activities and the contribution made by its individual components, through formalised procedures whose implementation it oversees; to this end, at least every three years, in view of the renewal of the Board, it carries out a self-assessment regarding the size, composition and concrete functioning of the Board and its Committees, also considering the role it played in defining the strategies and in monitoring the management trend and the adequacy of the internal control and risk management system;
- o) where it is required by the legal provisions or the applicable pro tempore Code or when it is deemed appropriate, the Board expresses an orientation on its considered optimal quantitative and qualitative composition, taking into account the results of the self-assessment and the provisions of the relevant Board's diversity policy applicable from time to time;
- p) evaluates the definition, with the support of the Governance and Related-Party Committee, of a plan for the succession of executive Directors, which identifies at least the procedures to be followed in the event of early termination of office;
- q) draws up the remuneration policy of the Servizi Italia Group, in compliance with the legislation and regulations pro tempore in force and with the criteria of the Code, and carries out the additional tasks established therein;
- r) identifies internally (i) a Director in charge of setting up and maintaining an effective internal control and risk management system (the Director responsible for the internal control and risk management system), as well as (ii) a Committee with the task of supporting the assessments and decisions of the

Board relating to the internal control and risk management system and the approval of periodic financial and non-financial reports;

- s) defines the "Risk Policy" of Servizi Italia S.p.A. Group (hereinafter referred to as the "Guidelines of the internal control and risk management system") in compliance with the legislation and regulations pro tempore in force and with the criteria of the Code, and carries out the additional tasks established therein;
- t) approves, in compliance with the legislation and regulations pro tempore in force, the Related-Party Regulation of Servizi Italia and carries out the additional tasks established therein.

In carrying out these activities, the Board of Directors complies with the principles of correct corporate and entrepreneurial management, in compliance with all applicable laws and regulations and the provisions of the Code of Ethics and the Organisational and Management Model pursuant to Legislative Decree no. 231/2001.

In particular, the Board of Directors guides the Company by pursuing its sustainable success and defines the strategy of Servizi Italia and the Servizi Italia Group, through the following main long-term objectives: (i) creation of value; (ii) improvement in operating margins; (iii) Group integrity and ethics, social responsibility, environmental protection. These objectives are pursued through six main guidelines:

1. consolidation of leadership in Italy;
2. strengthening of foreign markets already served;
3. Group integrity and ethics, social responsibility and environmental protection;
4. management optimisation and business continuity;
5. focused international development;
6. diversification of services and cross selling.

In fact, Servizi Italia Group is convinced that the creation of value over time is possible if the strategy followed in running the business is oriented towards the following lines: economic, environmental, social, supported by a sound and transparent corporate governance.

Furthermore, as anticipated, the Board of Directors defines the most functional corporate governance system for the performance of the business and the pursuit of its strategies: (i) taking into account the autonomy offered by the legal system; and (ii) if necessary, evaluates and promotes the appropriate changes, submitting them, when applicable, to the Shareholders' Meeting.

In this regard, the Board may draw up motivated proposals to be submitted to the Shareholders' Meeting on the following topics:

- a) choice and characteristics of the corporate model (traditional, "one-tier", "two-tier")
- b) size, composition and appointment of the Board of Directors and term of office of its members;
- c) articulation of the administrative and equity rights of shares;
- d) percentages established for the exercise of the prerogatives set for the protection of minority interests.

In relation to the examination and approval of strategic, industrial and financial plans for the Company and the Servizi Italia Group, as well as the periodic monitoring of their implementation, the definition of the corporate governance system of Servizi Italia and of the structure of Servizi Italia Group, it should be noted that, although the Articles of Association do not expressly provide for this, this sort of activities falls within the ordinary and extraordinary administration functions of the Board itself, as none of its members has the power to act in relation to such matters without the Board's prior approval. The same applies to the examination and prior approval of transactions of Servizi Italia and its subsidiaries, when such transactions have a significant strategic, economic, asset-related or financial importance for the Company itself.

In particular, in the Reference Financial Year, the Board of Directors has:

1. examined and approved the business plan of the Company and Servizi Italia Group, also on the basis of the analysis of the relevant issues for the generation of long-term value, periodically monitoring its implementation and evaluating the general performance of operations, taking into consideration the information received from the delegated bodies and periodically comparing the results achieved with those planned, especially on the occasion of the approval of the economic and financial data for the period;
2. defined, in the context of the transactions and documentation submitted for its approval, the nature and level of risk compatible with the strategic objectives of the Issuer, including in its assessments all the elements that may be relevant in view of the Company's sustainable success;
3. defined the Company's corporate governance system and the structure of the group it heads: in particular, on the occasion of the renewal of the Board of Directors of Servizi Italia, the Board submitted to the Shareholders' Meeting guidelines on the size and composition of the same Board, as well as the diversity policy (please refer to chapter 13 of this Report for more details);
4. assessed the adequacy of the organisational, administrative and accounting structure of the Issuer and its strategically important subsidiaries (Steritek S.p.A.; Wash Service S.r.l.; Ekolav S.r.l.; Lavsım Higienizaço Txtil S.A.; Maxlav Lavanderia Especializada S.A.; Vida Lavanderias Especializada S.A.; Aqualav Serviços De Higienizaço Ltda; Ankateks Turizm İnřaat Tekstil Temizleme Sanayi ve Ticaret Ltd řirketi; Erglteks Temizlik Tekstil Ltd. Sti), most recently, at the meeting for the approval of the annual financial report as at 31 December 2021. In particular, these assessments were adopted on the basis of an analysis by the Director in charge of the Internal Control and Risk Management System and with the prior opinion of the Control and Risk Committee, which, during its meetings - in which the head of the internal audit function also participated - was in a position to continuously verify the adequacy and effective functioning of the internal control and risk management system of both the Issuer and the Group;
5. examined and approved in advance the Company's most significant transactions. The Board has not established general criteria for identifying transactions of significant strategic, economic, asset-related or financial importance for Servizi Italia, as the most significant transactions carried out by the Executive Committee are reported in advance to the entire Board in order to receive prior authorisation;
6. promoted dialogue with shareholders and relevant stakeholders. In this regard, on the proposal of the Chairman, formulated in agreement with the Investor Relations Manager, the Board has adopted a policy for managing dialogue with all shareholders, also taking into account the engagement policies adopted by institutional investors and asset managers (for details, see chapter 12 of this Report). The Chairman ensures that the Board is in any case informed, at the first possible meeting, of the development and significant contents of the dialogue with all shareholders.

Please refer to chapters 4.2, 4.3, 4.4, 7.1, 8.1 and 9 of this Report for information on the further characteristics of the Board regarding its composition, functioning, appointment and self-assessment; remuneration policy; internal control and risk management system.

#### [4.2 Appointment and replacement of directors and amendments to the Articles of Association \(pursuant to Article 123-bis, paragraph 1, letter l\), of the TUF\)](#)

The Article 15 of the Articles of Association provides that the Company is managed by a Board of Directors composed of a minimum of 3 and a maximum of 14 members, including the Chairman. At least one of the members of the Board of Directors, or 3 if the Board of Directors is composed of more than 7 members, must meet the independence requirements established by the provisions, as well as regulations, applicable from time

to time. Without prejudice to the provisions concerning the minimum number of candidates who meet the independence requirements, at least one-third of the members of the Board of Directors - or the greater number required by the laws and regulations in force from time to time - must be Directors of the least represented gender, rounded up to the next higher unit. The composition of the Board of Directors must in any case ensure gender balance in accordance with the laws and regulations in force from time to time, which currently requires at least two-fifths of the elected Directors to be of the lesser represented gender (rounded up to the nearest unit if the application of the gender distribution criterion does not result in a unit of members of the Board of Directors).

The Shareholders' Meeting determines the number of members of the Board of Directors, at the time of their appointment, within the above limits, as well as the duration of their appointment, which may not exceed three financial years. The term of office of the directors thus appointed expires on the occasion of the Shareholders' Meeting called to approve the financial statements for the last year of their term of office, unless they are revoked or resigned, and they may be re-elected. The Shareholders' Meeting may also change the number of directors during the term of office as long as they are within the limits set out in Article 15 of the Articles of Association. In this case, the Shareholders' Meeting appoints the new directors in the same manner as indicated in Article 15 of the Articles of Association, without prejudice to the need to ensure the presence within the Board of Directors of the number of directors meeting the independence requirements for statutory auditors provided for by current legislation and in compliance with the criterion concerning the gender balance explained above. The term of office of the directors thus appointed ends with that of the directors in office at the time of their appointment.

The members of the Board of Directors are elected on the basis of lists of candidates in accordance with the procedures indicated below. A number of shareholders who, alone or together with other shareholders, represent at least 2.5% of the Company's share capital, or on the different measure established by Consob in implementation of current provisions<sup>(1)</sup>, may submit a list of candidates, ordered progressively by number, submitting it at the registered offices, including by means of remote communication that allows the identification of those presenting the list, no later than the twenty-fifth day prior to the date of first call of the Shareholders' Meeting, under penalty of forfeiture. The lists are made available to the public at the Company's registered offices, on the website and in the other ways provided for by Consob Issuers' Regulations at least twenty-one days prior to the Shareholders' Meeting. In order to prove ownership of the number of shares necessary to present the lists, the communication issued by the persons authorised to do so, which has by rite been received within the deadline for publication of the lists by the Company, shall be considered authentic. Each list must expressly indicate the candidature of at least one person, or three in the case of a Board of Directors composed of more than seven members, having the requisites of independence required for auditors by current legislation. Lists, which have a number of candidates equal to or greater than three, must contain a number of candidates belonging to the less represented gender that is no less than one third - or the maximum quote requested by law and rules in force from time to time - of the number of members to be elected to the Board of Directors.

Each shareholder, shareholders who are parties to the same shareholders' agreement pursuant to Article 122 of the Consolidated Law on Finance, may submit, or take part in submitting, and vote for only one list. No list may be used to approve or vote in favour of any candidate in violation of this prohibition. Each candidate may stand for election on one list only, under penalty of ineligibility.

Together with each list, within the deadline, at Company's registered office, are deposited (i) declarations in which each candidate accepts his/her candidacy and attests, under his/her own responsibility, that there are no grounds for ineligibility and incompatibility, as well as the existence of the requirements prescribed by current legislation and the Articles of Association for holding the office of director of the Company; (ii) the appropriate certification issued by an authorised intermediary pursuant to law proving ownership of the number of shares necessary to present the lists; (iii) information regarding both the identity of the shareholders who have

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<sup>(1)</sup> Amount determined by Consob with Executive Decision no. 60 published on 28 January 2022: 2.5%.

presented the list and the percentage of shareholding held by them; and (iv) the curriculum vitae regarding the personal and professional characteristics of each candidate, with an indication of the positions of administration and control held in other companies and any indication of his or her suitability to qualify as independent. The notice of call must indicate the shareholding for the presentation of the lists and may provide for the filing of further documentation. Lists submitted without complying with the above provisions shall be deemed not to have been submitted.

At the end of the vote, the candidates from the two lists obtaining the highest number of votes according to the following criteria are elected:

- a. all the Directors to be elected, except one, are drawn from the list that obtained the highest number of votes, according to the progressive order of presentation ("Majority List");
- b. the director in person of the candidate indicated with the first number on the list is drawn from the list that obtained the second highest number of votes, which is not connected in any way, even indirectly, with the shareholders who submitted, contributed to submitting or voted for the Majority List ("Minority List").

The candidate elected in first place on the Majority List is elected Chairman of the Board of Directors. Without prejudice to any other provisions, in the event of a tie, the oldest candidate in terms of age shall be elected.

If the appointment of at least one director (or three in the case of a Board of Directors composed of more than seven members) meeting the independence requirements set forth by legislation and regulations in force from time to time has not been ensured, a non-independent candidate(s), elected last in numerical order on the Majority List, shall be replaced, according to the numerical order in which they are presented, by the first (and, if applicable, also by the second) independent candidate(s) not elected, drawn from the same list.

If, as a result of the above procedure, at least one third of the Board of Directors is not made up of directors belonging to the least represented gender (rounded up to the next higher unit), or in any case it does not comply with the gender balance provided for by laws and regulations in force from time to time, the candidate of the most represented gender elected as last in numerical order on the list that received the highest number of votes shall be replaced by the first candidate of the least represented gender not elected on the same list and in numerical order. This replacement procedure shall take place until compliance with the gender balance criterion provided for by law and the Articles of Association. In the event that the application of the above procedure does not make it possible to achieve the above result, the replacement shall take place by resolution of the Shareholders' Meeting, following the presentation of candidates of the least represented gender.

If the first two lists obtain an equal number of votes, a new vote is taken by the Shareholders' Meeting, with only the first two lists being put to the vote. The same rule applies in the event of a tie between the lists that are second in number of votes and that are not connected, even indirectly, with the shareholders who presented or voted for the competing list. In the event of further parity between lists, the list presented by the shareholders with the largest shareholding or, alternatively, by the largest number of shareholders shall prevail.

For the purposes of allocating the directors to be elected, the Articles of Association do not provide that the lists of candidates must obtain a minimum percentage of votes at the Shareholders' Meeting.

If only one list is submitted or if no list is submitted, the Shareholders' Meeting shall pass resolutions pursuant to and with the majorities required by law, without complying with the above procedure and in compliance with the criterion governing the balance between genders provided by the law and the Articles of Association.

A director who meets the independence requirements pursuant to laws and regulations in force from time to time, and who, after being appointed, loses the independence requirements, must immediately notify the Board of Directors and shall cease to hold office. If a director ceases to meet the above independence requirements, he or she shall not be disqualified if the minimum number of directors required by current legislation continues to meet those requirements.

Should one or more directors leave office during the year, the Board of Directors will appoint the replacement(s) by co-optation pursuant to Article 2386 of the Italian Civil Code, from among the candidates belonging to the same list as the director(s) leaving office, taking care to ensure that the Board of Directors has the necessary number of independent members provided for by the regulations in force from time to time and members belonging to the less represented gender in compliance with Article 15.1 of the Articles of Association. If for any reason there are no names available and eligible, the Board of Directors will appoint the replacement(s) by co-optation pursuant to Article 2386 of the Italian Civil Code without constraints in the choice and taking care to ensure the presence on the Board of Directors of the necessary number of directors belonging to the less represented gender and of independent directors.

If the Shareholders' Meeting is required by law to appoint the directors necessary to complete the Board of Directors following termination of office, the Shareholders' Meeting shall resolve with the majorities required by law, in compliance with the criteria for the composition of the Board of Directors provided for by law, including regulations, from time to time in force and by Article 15 of the Articles of Association, respecting where possible the principles set forth therein and the principle of minority representation.

Whenever the majority of the members of the Board of Directors cease to be in office for any reason, the entire Board of Directors will be deemed to have resigned and the Shareholders' Meeting must be called without delay by the directors remaining in office to reconstitute the Board.

Directors are subject to the prohibition set forth in Article 2390 of the Italian Civil Code, unless they are exempted from it by the Shareholders' Meeting.

The Articles of Association do not provide for additional independence requirements to those established for statutory auditors pursuant to Article 148, paragraph 3, of the Consolidated Law on Finance, nor for requirements of honourableness and/or professionalism other than those required by law for assuming the office of director.

For further information, please refer to the current Articles of Association available on the website: [www.servizitaliagroup.com](http://www.servizitaliagroup.com).

Note that no sector-specific legislation other than that of the Consolidated Law on Finance is applicable to the composition of the Board of Directors.

Pursuant to Article 123-bis, paragraph 1, letter l), of the TUF and with regard to the amendments to the Articles of Association, it should be noted that any amendments must be made in compliance with legislative and regulatory principles in force, with the specification that Article 17.2 of the Articles of Association confers on the Board of Directors the power to pass resolutions on the matters referred to in Article 2365, paragraph 2 of the Italian Civil Code.

As regards the information on the role of the Board of Directors and of the Board Committees in the directors' self-assessment, appointment and succession processes, please refer to chapter 7 of this Report.

#### *4.3 Composition (pursuant to Article 123-bis, paragraph 2, letter d), of the TUF)*

The Board of Directors is made up of executive and non-executive directors, all of whom have the professionalism and skills appropriate to the tasks entrusted to them. The number and skills of non-executive directors are such as to ensure that they have a significant influence on board resolutions and to guarantee effective management monitoring. A significant portion of the non-executive directors meets the independence requirements pursuant to the TUF and to the Corporate Governance Code as detailed below.

Before the Shareholders' Meeting held on 20 April 2021 and called, *inter alia*, to renew the Board of Directors, the Board was made up of 11 members: Roberto Olivi, Ilaria Eugeniani, Michele Magagna, Antonio Paglialonga, Lino Zanichelli, Umberto Zuliani, Antonio Aristide Mastrangelo, Romina Guglielmetti, Chiara Mio, Giovanni Manti and Simona Campanini. This Board was appointed for the three-year period 2018-2020 by the Shareholders' Meeting of 20 April 2018, on the basis of:

- the list filed by the majority Shareholder **Aurum S.p.A.** – holder of 17,601,404 shares in Servizi Italia S.p.A. as at 23 March 2018, equal to 56.33% of the share capital, which was composed of the following candidates: Roberto Olivi, Enea Righi, Ilaria Eugeniani, Michele Magagna, Umberto Zuliani, Antonio Paglialonga, Lino Zanichelli, Paola Gina Maria Schwizer, Romina Guglielmetti, Chiara Mio, Carmen Pezzuto, Giovanni Manti, Simona Campanini and Angelo Minotta;
- the list filed by the minority shareholder **Padana Everest S.r.l.** – holder of 1,044,646 shares in Servizi Italia S.p.A. as at 20 March 2018, equal to 3.28% of the share capital, which was composed of the following candidates: Antonio Aristide Mastrangelo, Maria Gabriella Marchetti and Marco Marchetti.

The Shareholders' Meeting held on 20 April 2021 determined the number of members of the Board of Directors as seven, appointing the Board of Directors for the three-year period 2021-2023, i.e. until approval of the Financial Statements as at 31 December 2023, on the basis of:

- the list filed by the majority shareholder **Aurum S.p.A.** – holder of 17,601,424 shares in Servizi Italia S.p.A. as at 24 March 2021, equal to 55.3339% of the share capital, composed of the following candidates: Roberto Olivi, Ilaria Eugeniani, Michele Magagna, Anna Maria Fellegara, Umberto Zuliani, Benedetta Pinna, Angelo Minotta, Simona Campanini, Antonio Di Prima, Teresa Zambon, Giovanni Manti, Erica Poli, Andrea Cattini and Alessia Antonelli;
- the list filed by the minority shareholder **Everest S.r.l.** – holder of 1,413,839 shares in Servizi Italia S.p.A. as at 21 March 2021, equal to 4.45% of the share capital, composed of the following candidates: Antonio Aristide Mastrangelo, Maria Gabriella Marchetti and Marco Marchetti.

The Directors appointed by the Shareholders' Meeting of 20 April 2021 are indicated in the following table:

Name	Position	Date of first appointment
Roberto Olivi	Chairman (a)	Appointment as Director on 9 March 2010 Appointment as Chairman on 22 April 2015
Ilaria Eugeniani	Deputy Chairman (a)	24/01/2005
Michele Magagna	Director (a)	20/04/2018
Umberto Zuliani	Director (c)	20/04/2018
Antonio Aristide Mastrangelo	Director (b) (d) (e)	11/09/2017
Anna Maria Fellegara	Director (b) (d)	20/04/2021
Benedetta Pinna	Director (b) (d)	20/04/2021

(a) Member of the Executive Committee

(b) Non-executive Director who meets the requirements of independence pursuant to the TUF and the Corporate Governance Code

(c) Non-executive Director who does not meet the requirements of independence pursuant to the TUF and the Corporate Governance Code

(d) Member of the Governance and Related Parties Committee

(e) Lead Independent Director

For further information concerning – *inter alia* – the composition of the Board in office at the closing date of the Reference Financial Year, please refer to table no. 2 attached to this Report.

The outcome of the votes concerning the appointment of the Board by the Shareholders' Meeting of 20 April 2021 was:

	votes	%
List no.1): Shareholder "Aurum S.p.A."	18,461,523	90.0039
List number 2): Shareholder "Everest S.r.l."	1,831,686	8.9298
Against	0	0
Abstaining	218,695	1.0661
Non-voting	0	0
<b>Total shares for which a vote was cast</b>	<b>20,511,904</b>	<b>100.0000%</b>

Further information on the structure of the Board of Directors, Committees and the directors' curricula (Article 144-decies of the Issuers' Regulations) is provided at the end this Report.

### Diversity criteria and policies in the composition of the Board and in the Company organisation

The Company has applied diversity criteria and policies, in relation to aspects such as age, gender, and training and professional path in relation to the composition of the Board of Directors, in compliance with the primary objective of ensuring the adequate competence and professionalism of its members.

More specifically, with regard to the criterion of gender diversity, it should be noted that:

- in compliance with the provisions of the Corporate Governance Code and with laws currently applicable to the Company, at least two fifths of the directors currently in office belong to the less represented gender;
- in line with Company's practice of timely adaptation to the best practices reflected in the principles of the Corporate Governance Code, the criterion of gender diversity referred to in Corporate Governance Code has been crystallised through a specific amendment to Article 15 of the Articles of Association, approved by the Shareholders' Meeting on 30 May 2019, establishing the rule (general and no longer limited to the first three mandates after 12 August 2012) according to which *"At least one third of the Board of Directors consists of directors of the less represented gender, with rounding up to the superior unit"*;
- following the entry into force of Italian Law No. 160 of 27 December 2019 ("Budget Law 2020"), which, as is well known, has (i) replaced Articles 147-ter, paragraph 1-ter and 148, paragraph 1-bis, of the Consolidated Law on Finance, providing that the portion to be reserved to the less represented gender within the board of directors and the board of statutory auditors must be equal to *"at least two fifths"*, and (ii) established that this criterion will apply for six consecutive terms of office *"from the first renewal of the boards of directors and statutory auditors of companies listed on regulated markets after the date of entry into force of this law"*, which took place on 1 January 2020, the Board of Directors, on 5 March 2020, deemed it appropriate to bring Article 15 of the Articles of Association into line with the general principle that the composition of the board of directors and the board of statutory auditors *"must in any case ensure a balance between genders in accordance with the legislation, including regulations, in force from time to time"*, thus adopting a flexible criterion that makes the Articles of Association flexible and adequate even in the event of further subsequent amendments to the legislation on gender balance (considering the repeated interventions to the texts of Articles 147-ter, paragraph 1-ter, and 148, paragraph 1-bis, of the TUF made by the legislator in December 2019). It is represented that: (i) as far as the Board of Directors is concerned, the new regulations were applied from the renewal at the Shareholders' Meeting convened to approve the financial statements for the year ending 31 December 2020; (ii) since this is merely a regulatory adjustment, the two-fifths distribution criterion (of the members to be reserved for the less represented gender) will be applied for six consecutive terms of office starting from the first renewal after 1 January 2020, without prejudice to the application of the distribution criterion already provided for in Article 15 of the Articles of Association as amended by the Shareholders' Meeting of 30 May 2019 (which crystallised the reserve for

the less represented gender by at least one third of the elected members), in compliance with the best practices reflected in the recommendations of the new Corporate Governance Code.

In implementation of the provisions of Article 123-bis, paragraph 2, letter d-bis) of the Consolidated Law on Finance, as well as in compliance with the best practices reflected in the principles and recommendations of the Corporate Governance Code, on the occasion of the next renewal of the Board, the Board of Directors - having consulted the Nomination Committee - made some considerations on the future size and composition of the Board, which have been submitted to the shareholders for guidance and policy on diversity (the "**Diversity Policy**") in view of the appointment of the members of the Board of Directors for the three-year period 2021-2023.

In particular, the Board had taken into account:

- the results of the self-assessment of the composition and functioning of the Board itself and its Committees;
- the results of a succession planning process, which, using a specific method proposed by the Nominations Committee, identified a matrix of eligibility for election to the Board, containing possible candidates for the position of executive director belonging to the Company's organisation. This matrix, available from the Human Resources Department, takes into consideration managerial skills, training and professional experience, age, willingness/motivation to hold the position, as well as the assessment of specific requirements for taking up the position itself, might be taken into consideration in formulating the list in order to ensure a succession plan for executive directors;
- of the renewed strategy based on the sustainable success of the Company and Servizi Italia Group, which is substantiated by the creation of long-term value to the benefit of Servizi Italia's Shareholders, taking into account the interests of the other stakeholders relevant to the Company, and therefore the guarantee of business continuity, through the continuous search for optimisations and efficiencies in governance, in the production operations and in the service supply chain, in order to improve business marginality and profitability.

The Board of Directors of Servizi Italia, respecting the prerogatives of the Shareholders in the designation and appointment of its members, had also hoped that in its composition is pursued an objective of integration of different managerial and professional profiles, with particular regard to the business sector in which Servizi Italia operates and to economic, accounting, legal and financial matters, risk management, remuneration policies and social sustainability, and that account is also taken of the importance of a balanced presence of independent members and a balanced representation of gender in compliance with the provisions of the law, as well as the benefits that may derive from the presence of different ages, also in terms of plurality of perspectives and managerial and professional experience.

The Board of Directors had also evaluated the opportunity to suggest to the Shareholders, who are called upon to renew the Board of Directors, whose term of office expired with the Shareholders' Meeting convened for the approval of the financial statements as at 31 December 2020, to reduce the total number of members from eleven to seven, in any case in compliance with the limits set out in Article 15 of the Articles of Association (which provides for a minimum of three to a maximum of fourteen members of the Board of Directors). This approach – according to the considerations of the current Board of Directors – would have made it possible to reconcile, on one hand, the maintenance of the skills required in view of the complexity and specificity of business activities, as well as the achievement of the objectives of the medium/long-term Business Plan. In any case, this approach would have been pursued in compliance with the regulations in force and the principles deriving from the Corporate Governance Code concerning the ratio between Executive Directors (at least 2), Non-executive Directors (at least 3) and Independent Directors (at least 2 of the Non-executive Directors), in view of the complexity and specificity of the activities and governance functions (including the Board Committees) of the Company and of the corporate Group it heads, without prejudice, in any case, to compliance with the regulations in force from time to time and applicable on gender balance.

The contents of the Diversity Policy submitted to Shareholders at the Shareholders' Meeting of 20 April 2021 are set out below:

- the members of the Board of Directors should be identified in consideration of elements such as age (1/5 of the candidates presented in the list may be over 70 years of age), so as to allow a balanced number of points of views and managerial and professional experiences, a balance between the need for continuity and innovation in management, as well as a composition characterised by a mix of different but complementary competences and experience and, in particular, should:
  - be aware of the powers and obligations inherent in the functions, which each of them is required to perform (executive and non-executive functions, independence, etc.);
  - be provided with adequate professional skills for the role to be filled, including in any internal committees of the Board of Directors and calibrated in relation to the operational characteristics and size of Servizi Italia;
  - be able to devote adequate time to the complexity of the task, taking into account the nature, quality, commitment required and functions carried out in the Company, as well as other tasks in companies or bodies, commitments or work activities carried out;
  - direct their work towards the pursuit of the sustainable success and overall interest of the Company and the Group, and thus towards the creation of long-term value for the benefit of the Shareholders, also taking into account the interests of the other stakeholders relevant to the Company, regardless of the corporate structure from which they were voted or from the list from which they were taken, and be capable of expressing independent judgement;
  - have a managerial and/or professional profile appropriate to the role and, if they do not hold executive positions in the Company, be able to contribute with special commitment to the dialectical function of the Board of Directors and to an effective monitoring of the choices made by the executive members of the Board;
- at least two directors should be independent, on the basis of the criteria established by law and the recommendations of the Corporate Governance Code, in order to ensure an adequate presence of independent directors in the board committees;
- in the light of their experience on the boards of directors of listed and unlisted companies, all directors should be able to express their capacity for strategic orientation, stimulation of results, spirit of collaboration, capacity for influence and resolution of any divergences;
- one (or more) director(s) should represent the following areas of expertise and experience: (a) management experiences (also multinational), including in situations of strategic and business development; (b) experience in or knowledge of the reality of foreign organisations or institutions, preferably in countries where Servizi Italia operates;
- one (or more) director(s) should possess experience and skills in the Company's core business, above all in those sectors of specific interest to Servizi Italia; knowledge of international geo-political dynamics; knowledge of regulatory policies and practices in sectors of interest to the Company and in the countries where it operates;
- one (or more) director(s) should have expertise in economic-financial, accounting, sustainability and risk management issues, preferably specific to the type of business offered by the Company and the Group;
- one (or more) director(s) should have legal expertise (with particular reference to the areas of commercial, corporate and capital markets law) and corporate governance know-how;
- one (or more) Director(s) should have appropriate knowledge and experience in financial or compensation policy matters;
- professional profiles that present causes for ineligibility to hold office, pursuant to current legislation, cannot be nominated. In particular, those who fall under the cases provided for by Article 53, paragraph 16-

ter of Italian Legislative Decree no. 165/2001 (pantouflage or revolving doors) are excluded from the position of Director;

- The Chairman should therefore have the following characteristics: (i) be a person with experience and authority to ensure, during his term of office, the correct, efficient and effective management of the Board of Directors, within which he has the task of creating a strong spirit of cohesion, encouraging the equal participation of all Directors in the Board's debate; (ii) be a person with leadership and professional and business backgrounds appropriate to the position and complementary to those of the Delegated Body; (iii) have experience on the boards of directors of large companies of a size and complexity comparable to those of Servizi Italia; (iv) to be able to devote time, presence, and commitment to the full performance of their role and duties;
- The Delegated Body - whether represented, in compliance with Article 17 of the Articles of Association, by a Chief Executive Officer or by an Executive Committee composed of members chosen among the members of the Board of Directors - should be composed of Directors who possess the following characteristics: (i) have significant and successful experience in senior executive roles in large companies of comparable size and complexity to Servizi Italia; (ii) possess strategic orientation skills and, preferably, experience and/or knowledge of Servizi Italia's business or related sectors, with particular reference to governmental and institutional opportunities and risks, including international ones, as well as economic-financial and operational control skills; (iii) have leadership, authority and a recognised strategic vision and management style oriented towards the ability to create team spirit among employees.

In order for the Company's Board of Directors to carry out its duties as effectively as possible, it is considered essential that, at the time of their acceptance of their office of Director, even for non-executive roles, all candidates should have carefully assessed and guarantee Shareholders their availability in terms of the time necessary for the full and diligent performance of their responsibilities and of the tasks assigned to them.

On the occasion of the first meeting following the Shareholders' Meeting of 20 April 2021, the Board of Directors ascertained that the current composition of it was in compliance with the legislation, including regulations, in force and with the principles and criteria illustrated in the Diversity Policy.

With regard to the promotion of corporate policies regarding measures to promote equal treatment and opportunities between genders within the corporate organisation, reference should be made to the Consolidated Non-Financial Statement prepared for the Financial Year, made available to the public at the Company's registered office, the *eMarket Storage* mechanism at the address [www.emarketstorage.com](http://www.emarketstorage.com), as well as on the Company's website ([www.servizitaliagroup.com](http://www.servizitaliagroup.com)).

#### **Maximum accumulation of positions held in other companies**

The Board of Directors has not defined general criteria for the maximum number of directorships and control positions that its own Directors may hold in other companies. The lack of establishment of a general rule on the maximum number of positions held essentially resides in the multiplicity of abstractly possible situations, which differ in relation to the characteristics of each individual Director, as well as the type, size, complexity and specificity of the sector of activity of the companies in which the additional offices are held, as well as the specific role held.

However, the Board of Directors carried out a specific and precise evaluation of the situation of each individual member, in order to verify that it can be considered compatible with an effective performance of the role of director in Servizi Italia. Upon the outcome of this assessment, each director was deemed to be in a position compatible with the effective performance of the aforementioned role.

#### **4.4 Operation of the Board of Directors (pursuant to Article 123-bis, paragraph 2, letter d), of the TUF)**

The Board of Directors and the related committees have adopted specific regulations aimed at regulating their composition, duties, rules and operating methods. With particular reference to the Regulations of the Board of

Directors, it should be noted that the same defines, *inter alia*, the methods for taking the minutes of the meetings and the procedures for managing the information to the Directors, including the terms for sending information prior to the meeting and the methods for protecting the confidentiality of the data and information provided so as not to jeopardise the timeliness and completeness of the information flows. Furthermore, the professional requirements and powers of the secretary of the Board of Directors are defined in the Regulations of the Board of Directors.

In particular, with reference to the procedures for taking minutes, the aforementioned Regulation of the Board of Directors dictates that: (i) specific minutes are drawn up of each meeting of the Board by the secretary, signed by the chair of the meeting and by the secretary taking the minutes, (ii) copies of the minutes signed by the chair of the meeting or by the secretary provide full evidence; (iii) the minutes adequately acknowledge the progress of the work and any dissent expressed by the members of the Board on the individual issues and their reasons. And also that: (i) the minutes are distributed in preliminary draft as soon as they are available, with an invitation to report any observations in time for the preparation of the final version, which, as a rule, is made available by the next meeting of Board for their transcription in the specific corporate book; (ii) with reference to the resolutions adopted that require immediate execution, the minutes can be certified and abstracted by the chair and the secretary of the Board of Directors, even before the completion of the verification and approval process of the entire minutes, making sure that the secretary indicates this need during the meeting.

With reference to the information prior to the board meeting, the Regulations of the Board of Directors provide that, for the discussion of the items on the agenda, the supporting documentation that provides the necessary information is made available to the Directors and Standing Auditors, by the secretary who makes use of the Company's Legal and Corporate Affairs Department for this purpose, to allow them to express themselves with awareness and in an informed manner on the matters to be debated and resolved. The aforementioned documentation is made available in a manner suitable for guaranteeing the necessary security and confidentiality, as a rule on the same date on which the meeting is called, where possible, and in any case in compliance with the deadline - deemed appropriate - of at least two working days before the meeting. Without prejudice to cases of urgency, in which the documentation is made available in the best possible time.

If the documentation made available is voluminous or complex, the Chairman - with the help of the Secretary who avails themselves of the relevant corporate functions - must ensure that the same is accompanied by a document summarising the most significant and relevant points for the decisions on the agenda, it being understood that this document cannot be considered as a substitute for the complete documentation sent to the Directors. The information distributed is supplemented (and, if necessary, replaced, where appropriate) by the information provided during the board meeting or during specific preparatory and in-depth meetings.

The chairman - with the help of the secretary - must verify that the above documentation has been duly made available to the Directors and the Standing Auditors. In the event that it is not possible to respect the deadline set for the information prior to the board meeting, the chairman - with the help of the secretary - ensures that adequate and timely in-depth analyses are carried out during the meeting, also, where necessary, with the help of the competent corporate functions.

Where the chairman deems it appropriate, in relation to the content of the topic and the related resolution, the documentation may be provided directly during the meeting, giving prior notice of this to the Directors and Standing Auditors within two working days before the meeting.

The supporting documentation for board meetings is archived in the Board's records.

The Directors play their role within the Board of Directors, or in the context of the Committees in which the Board of Directors is organised. Any requests for data, documents and news formulated outside the Board meetings are addressed to the secretary and the chairman of the Board of Directors, who ensure their response in the most suitable ways to ensure the functionality of the investigative and information processes.

The transmission of documentation is coordinated by the secretary, in agreement with the corporate functions involved, to the extent of their competence. Documentation not already publicly available is normally classified as "reserved and confidential" and their disclosure to third parties is prohibited.

The provisions of the Regulations of the Board of Directors have found full application and, in particular, in the rare cases in which it was possible to provide the necessary information prior to the board meeting well in advance, the chairman - with the help of the secretary - made sure that during the meeting adequate and timely in-depth analyses were carried out on the subject also, where necessary, with the help of the competent corporate functions, in compliance with the provisions of the aforementioned Regulations of the Board of Directors.

During the Financial year, there were no exceptional events in which information prior to a board meeting required confidentiality limits. The Chairman of the Board of Directors also ensured that the items on the agenda were given the necessary time to allow for constructive debate, encouraging contributions from individual directors during the meetings.

Table 2, attached to this Report, shows the structure of the Board of Directors, the number of meetings held during the Financial Year, their average duration, the actual participation of each member and information on the year of birth and date of first appointment of the members of the Boards, as well as their respective role.

For the 2022 financial year, with the possibility of amendments and/or additions, the Company identified the meetings of the Board of Directors referred to in the events calendar duly published within the time limits required by law. Up until the Reference date, the Board of Directors met 3 times.

The Shareholders' Meeting did not authorise, in a general and preventive manner, exceptions to the non-competition clause provided for in Article 2390 of the Italian Civil Code, and the Board did not assess any problematic cases on these merits.

#### 4.5 ROLE OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

The Chairman of the Board of Directors plays a liaison role between the Executive and the Non-executive Directors and takes care of the effective functioning of the Board's work, guaranteeing the most appropriate management of the meetings' timetable, promoting the optimisation of the debate and monitoring the extension of the discussion, accordingly to the importance of the items on the agenda.

In particular, during the Financial Year, the Chairman ensured:

- that the documentation necessary to the meetings of the Board of Directors was made available to the Directors and Standing Auditors in a manner suitable for guaranteeing the necessary security and confidentiality and well in advance of the date of the meetings, as well as the suitability of the complementary information provided during the board meetings, so as to allow the Directors to act in an informed manner in the performance of their role;
- the coordination of the activity of the board committees (with preliminary, proposing and consultative functions) with the activity of the Board, through periodic reporting made in the capacity of Chairman of the Executive Committee and the involvement and dialogue with the Chairman of the Control and Risk Committee and with the Chairman of the Nominations and Remuneration Committee in the first instance, and subsequently with the Chairman of the Governance and Related-Party Committee;
- in agreement with the Executive Committee, the participation in board meetings - also at the request of individual directors - of the managers of the Issuer and of the companies of the group it heads, managers of the competent corporate functions according to the matter in question, to provide the appropriate in-depth analysis of the items on the agenda. In particular, during the Financial Year, the following took part in board meetings: the General Manager, the Financial Reporting Manager and the Manager of Foreign Development, the Manager responsible for M&A and Strategic Planning, the Manager of Organisation & Systems and responsible for the

NFS, the Manager responsible for the Consolidated Financial Statements and the Internal Valuation Expert, pursuant to the Impairment Test Procedure;

- the carrying out of a specific induction sessions for Directors and Statutory Auditors, as well as in-depth studies, during the discussion of the items on the agenda of the various meetings, aimed at providing the Directors and Statutory Auditors an adequate knowledge of the business sector in which the Servizi Italia Group operates, of its competitive positioning, of the principles of correct management of the specific risks connected with the business, of company dynamics and their evolution, also from a point of view of sustainable success, of the regulatory/self-regulatory framework of reference in the countries in which the Group operates - in particular Brazil and Turkey, where some subsidiaries are based - as well as on the implementation of the Company's anti-corruption and antitrust management system, also with the collaboration of the Servizi Italia Group's management.

In regard to this, it should be noted that most of the Directors possess an in-depth knowledge of the reality and dynamics of the Company and the Servizi Italia Group, linked, among other things, to their successful stay in office, and that the number of meetings of the Board and the Committees ensures continuous updating of Directors (and Statutory Auditors) on Company and market.

Finally, during the meetings of the Board of Directors, the delegated bodies illustrate what is relevant for the Company's and Servizi Italia Group's performance, constantly providing, among other things, information on major updates in competitive framework and business dynamics;

- the adequacy and transparency of the Board's self-assessment process, with the support of the Nominations Committee. In particular, during 2020 the Board of Directors started the process aimed at assessing the operation of the Board itself and its Committees, as well as their size and composition, also taking into account elements such as professional characteristics, experience, also managerial experience, and the gender of its members, as well as their seniority in office, including in relation to the criteria of diversity provided for by the policy adopted by the Company in compliance with the recommendations of Article 2 of the Corporate Governance Code. The evaluation process was carried out by means of an analytical questionnaire with specific sections for the reporting of any issues worthy of further investigation, prepared by the Nominations and Remuneration Committee and delivered to all directors. This in order to:

- carry out an initial individual assessment by each member of the body, and a second collective assessment;
- measure the results achieved, attempting to identify the reasons and possible corrective actions that can be taken to improve the operation of the body itself.

During 2021, the results of the questionnaire were then assessed in their entirety by the Nominations and Remuneration Committee and then by the Board of Directors. The Board of Directors, on the basis of the findings, deemed that the size, composition and operation of the Board and its Committees were adequate in relation to the Company's organisational and management needs, and that the composition of the Board complies with the criteria of diversity envisaged by the policy adopted by the Company. The results of the questionnaire were then assessed also by the Independent Directors.

During 2021, the Governance and Related-Party Committee, acting as the Nominations Committee, given the recent establishment of the Board of Directors and acknowledged that the self-assessment, pursuant to the Corporate Governance Code, in companies other than large ones with non-concentrated ownership, is conducted at least every three years, did not consider it appropriate to propose to proceed with an annual and detailed self-assessment on the size, composition and actual operation of the Board of Directors and its committees, considering instead more appropriate to provide for a three-year self-assessment process. For the 2021 financial year, in particular, the Governance and Related-Party Committee proposed to the Board of Directors, in consideration of the changes introduced in terms of governance (Board of Directors consisting of a smaller number of members, retaining the Executive Committee as delegated body, establishment of a single internal board committee to support the Board of Directors) and the changes to the meeting procedures imposed by the Covid-19 epidemiological emergency, a reflection on the relationships and exchanges of information

between the same Board and the committees, as well as on the opportunity to carry out further induction sessions for Non-executive Directors, to look further into the characteristics of the Company's business.

The Chairman of the Board of Directors also ensured that the same was in any case informed by them, at the first available meeting, on the development and significant contents of the dialogue with all shareholders, in compliance with the provisions of the current Policy for the management of the dialogue with the Shareholders approved by the Company.

### Secretary of the Board

Pursuant to the current Regulations of the Board of Directors, approved by the board resolution adopted on 20 April 2021, on the proposal of the Chairman, the Board appoints a Secretary for the organisation of its work, choosing him/her from among subjects - whether employees of the Company or third parties - who have gained an overall experience of at least one year in the corporate sphere with particular regard to issues concerning companies listed on a regulated market.

The Secretary is responsible for supporting the Chairman in conducting their activities and providing impartial assistance and advice to the Board on every aspect relevant to the correct functioning of the corporate governance system, also drawing up the minutes of each Board meeting, a document which is signed together with the Chairman. The Secretary also oversees the filing of the minutes and company books. In the event of their impediment or absence, the duties of the Secretary are entrusted to another person appointed from time to time by the Board on the proposal of the Chairman, also within the staff of the Legal and Corporate Affairs Department.

On 20 April 2021 the Board of Directors appointed Ms Elena Abbati, an employee of the Company meeting the aforementioned requirements, as Board Secretary. Ms Abbati was also appointed Secretary of the Executive Committee and of the Governance and Related-Party Committee, in compliance with the regulations adopted by them and, during the Reference Financial Year, she supported the Chairmen of the Board of Directors, of the Executive Committee and of the board committees, providing impartial assistance and advice on every aspect relevant to the correct functioning of the corporate governance system.

## 4.6 EXECUTIVE DIRECTORS

### Chief Executive Officers

Pursuant to the Articles of Association, the Board of Directors may delegate part of its powers, including the use of the corporate signature, to one or more of its members in the capacity of CEO, determining their powers and remuneration (as part of the overall determination made by the Shareholders' Meeting pursuant to Article 17.10 of the Articles of Association). In addition, the offices of Chairman and CEO may be performed by the same Director.

In addition, the Board of Directors may establish an Executive Committee, composed of members chosen from among the members of the Board of Directors, including the Chairman himself. The Executive Committee has powers conferred on it by the Board at the time of its establishment. The rules laid down for the Board of Directors apply to the Executive Committee, insofar as they are compatible.

The Board may appoint, revoke and/or in any case determine the termination of the relationship with agents, general managers, *ad negotia* proxies and representatives in general for the performance of certain acts or categories of acts in the name and on behalf of the Company, selecting them from among the employees of the Company or third parties.

As regards the main management powers attributed to the director Roberto Olivi, Chairman of the Company's Board of Directors, please refer to the next paragraph.

The Director Eugeniani, with power of attorney issued on 24 April 2015, has been granted all powers to carry out the following activities, with obligation to report, in the name and on behalf of the Company:

- 1) issue, sign and settle invoices, debit notes, credit notes and receive them;
- 2) arrange accounts and invoices, agreeing and settling payments, both in and out of court;
- 3) maintain and sign Company's correspondence;
- 4) propose instances, appeals, complaints to any jurisdiction, both ordinary and administrative;
- 5) demand all values and sums without limitation owed to the Company for any reason whatsoever, including those owed to the Company from government and state-controlled and local entities, issuing corresponding settlements and releases;
- 6) represent the Company in bankruptcy proceedings and judicial and extra-judicial settlement proceedings, in bankruptcy and *cessio bonorum* agreements;
- 7) represent the Company before the representatives of the Bank of Italy and the Italian Exchange Office for all financial and commercial transactions in foreign currency, as well as before any credit institution or private bankers, stipulating with bank contracts for short-, medium- and long-term financing;
- 8) carry out transactions at the offices of the public deposits fund, deposits and loan offices, post offices, railway offices, customs offices and transport companies in general, with insurance companies, and at all public and private offices, both civil and military, Italian and foreign, including the right to withdraw sums, assets, envelopes, including registered and insured letters, enabling restrictions and releases exempting solvent administrations from any and all liability;
- 9) open and close postal current accounts at post and telegraph offices, paying in and withdrawing from them, within the framework of current regulations;
- 10) sign the declarations of tax substitutes, attestations for remuneration subject to withholding tax and the remunerations for employed labour;
- 11) draw, turn and protest effects, but not issue bills of exchange;
- 12) withdraw sums, by signing cheques, debiting current accounts with banks and making withdrawals, including those from overdrafts, which might be permitted in favour of the principal company, in any form whatsoever, including by issuing cheques in its favour, in favour of third parties, either by payment orders or requests for cheques from banks.

Board member Eugeniani is also responsible for representing the Company in financial affairs, in the registry offices, tax offices and municipal offices, including those for local taxes, in the general share register, and in VAT (Value Added Tax) offices, at the labour inspectorate, regional labour offices and institutes for compulsory insurance, in the capacity of drawing up, signing and presenting declarations, requests, variations, appeals, complaints, proxies for payment, claims and forms for the incomes of third parties subject to withholding tax, and any other tax declaration, challenging tax assessments or taxes against the tax commissions and administrative offices of every order and level, proposing and accepting agreements by signing.

The aforementioned board member may exercise her powers independently within the maximum expenditure limit set at Euro 25,000,000.00 (twenty-five million/00) per transaction; above this limit each deed must be endorsed by a legal representative of the Company, through the joint signature of the deed itself.

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

The Chairman of the Board of Directors is Mr Roberto Olivi, who also holds the position of Chairman of the Board of Directors of Coopservice S.Coop.p.a, a company that indirectly exercises control over the Issuer through Aurum S.p.A.

To the Chairman of the Board has been also attributed, in addition to the legal representation of the Company in dealings with third parties and in legal proceedings, and the corporate signature within the scope of the powers conferred and within the limits of the powers provided for by the Articles of Association, the power to sign consultancy and intellectual work contracts involving the assumption of obligations for the Company up to the amount of Euro 200,000.00 (two hundred thousand/00).

On 7 January 2020, the Board of Directors had appointed an Executive Committee, granting it the powers described in the following paragraph. The Executive Committee was composed by Roberto Olivi (Chairman), Ilaria Eugeniani (Deputy Chairperson) and Michele Magagna (member). The Executive Committee was subsequently confirmed, in its composition and in its powers, on 20 April 2021. Therefore, the Chairman is also Executive Director of the Company. On 5 March 2020, the Chairman, Roberto Olivi, was also appointed, and subsequently confirmed on 20 April 2021, Director in charge of the Internal Control and Risk Management System.

It should be noted that the Chairman is not the main person responsible for the management of the Issuer nor the controlling shareholder of the Issuer.

#### **EXECUTIVE COMMITTEE (pursuant to Article 123-bis, paragraph 2, letter d), of the TUF)**

In consideration of the provisions of Article 17.6 of the Articles of Association and the positive experience during the previous year in entrusting executive powers to a collegiate body, on 20 April 2021 the Board of Directors confirmed the establishment of an Executive Committee, already appointed on 7 January 2020, confirming as members the Directors Roberto Olivi (Chairman), Ilaria Eugeniani (Deputy Chairperson) and Michele Magagna, in office until the expiry of the current Board and, therefore, until the approval of the financial statements for the year ending 31 December 2023.

In continuity from the previous year, the Executive Committee was granted the authority to exercise all the powers attributed to the Board of Directors by law and by the Articles of Association to carry out all acts of ordinary and extraordinary administration with the exception, in addition to those that cannot be delegated pursuant to Article 2381 of the Italian Civil Code, of: purchase and sale transactions or, in any case, acts of disposal (including, by way of example and without limitation, the constitution of usufruct, pledge and mortgage) of real estate, shareholdings in other companies, companies and business units (excluding consortia, companies set up by consortia and temporary associations of companies); the granting of guarantees in the interest of third parties, including guarantees in the interest of subsidiaries or associated companies; the assumption of loans exceeding the amount of Euro 8,000,000.00 per year (eight million/00); powers that cannot be delegated by law and by the Articles of Association.

The Executive Committee was expressly granted the right to sub-delegate to its members and/or to third parties, even partially and including individual powers, within the limits of the powers conferred, to be formalised in writing.

The Chairman of the Executive Committee is responsible for the legal representation of the Company before third parties and in court, as well as signing on behalf of the Company within the scope of the powers conferred on the Executive Committee and within the limits of the powers provided for in the Articles of Association. All this with the obligation to report periodically, at most quarterly, regarding the exercise of their functions, in accordance with the law and the Articles of Association.

In the event of absence and/or impediment of the Chairman of the Executive Committee, the Deputy Chairperson of the Executive Committee is vested with the legal representation of the Company in dealings with third parties and in legal proceedings, as well as signing on behalf of the Company within the scope of the powers

conferred on the Executive Committee and within the limits of the powers provided for by the Articles of Association.

The Executive Committee is assisted by the General Manager.

The rules laid down for the Board of Directors apply to the Executive Committee, which meets at least once a month to carry out the functions and tasks assigned to it by the Board of Directors. The Executive Committee has adopted a specific regulation aimed at defining its own operating rules, the methods of recording the minutes of the meetings and the procedures for managing information, including the terms for sending the preliminary despatch and the methods for protecting the confidentiality of the data and information provided so as not to jeopardise the timeliness and completeness of information flows. Furthermore, the professional requisites and powers of the Secretary of the Executive Committee are defined in the Regulations of the Executive Committee.

The work is coordinated by the Chairman, who informs the Board of Directors at the earliest available opportunity.

At the Reference date, further information on the meetings of the Executive Committee for the Financial year and for the 2022 financial year, is provided in an annex to this Report.

#### **Disclosure to the Board by the directors/delegated bodies**

During meetings of the Board of Directors, the delegated bodies provide Directors and Statutory Auditors with adequate information, at least on a quarterly basis, on the general performance of operations and its foreseeable evolution, as well as on the activities carried out in the exercise of their respective powers.

#### **Other Executive Directors**

At the Reference date the Executive Directors are: Roberto Olivi (Chairman of the Executive Committee and Director in charge of the Internal Control and Risk Management System), Ilaria Eugeniani (Deputy Chairperson of the Executive Committee, as well as Head of Administration, Finance and Control) and Michele Magagna (member of the Executive Committee).

#### *4.7 Independent Directors and Lead Independent Director*

##### *Independent Directors*

Until 20 April 2021 the Board of Directors was composed of 11 Directors, three of whom are independent in accordance with the TUF and the Corporate Governance Code: Romina Guglielmetti, Chiara Mio and Antonio Aristide Mastrangelo.

Following the changes in the composition of the Board of Directors, resolved by the Shareholders' Meeting on 20 April 2021, the Board of Directors is made up of seven directors, of which three independent pursuant to the TUF and the Corporate Governance Code: Benedetta Pinna, Anna Maria Fellegara and Antonio Aristide Mastrangelo. The number of Independent Directors and their skills were deemed by the Board of Directors to be adequate for the needs of the company and for the operation of the Board, as well as for the establishment of the related Committees.

It should be noted that the Chairman of the Board of Directors was neither qualified as independent nor indicated as such in the list from which they were drawn.

At the beginning of its mandate, the Board of Directors predefined the quantitative and qualitative criteria for assessing the significance of the relevant circumstances pursuant to the Code for the purposes of assessing the independence of the directors. In particular, the Board of Directors identified the following criteria:

1. quantitative parameters: (i) additional annual remuneration (accrued by the Director towards the Company and/or its subsidiaries and/or the parent company) in total equal to or greater than 100% of the overall fixed

annual remuneration due to the Director in question (a) for the office of Director and (b) for any particular offices within the Board (including that of member of the Committees recommended by the Code); (ii) annual value of the commercial/financial/professional relationship between the company/professional firm/consultancy company of which the Director is an executive director or partner or shareholder on the one hand, and the Company and/or its subsidiaries and/or the parent company and/or the related executive directors/top management on the other hand is higher than 20% of the annual turnover of the company/professional firm/consultancy firm referable to the Director.

2. qualitative parameters: (i) the commercial/financial relationship is of a strategic nature for the Company and/or its subsidiaries and/or the parent company; (ii) the professional relationship has as its object strategic consultancy (in favour of the Company and/or its subsidiaries and/or the parent company) and/or assistance and consultancy in relation to a transaction of strategic importance for the Company and/or its subsidiaries and/or the parent company.

Immediately after the appointment, the Board of Directors positively assessed the satisfaction of the independence requirements envisaged by Articles 147-ter, 4th paragraph, and 148, 3rd paragraph, of the TUF and recommendations no. 6 and 7 of the Corporate Governance Code for the directors Anna Maria Fellegara, Antonio Aristide Mastrangelo and Benedetta Pinna and it announced the outcome of their assessments by means of a press release issued to the market.

In conducting this verification, the Board of Directors deemed not relevant for the purposes of assessing the independence of the Director Anna Maria Fellegara, pursuant to the Corporate Governance Code, that she had previously held the office of Standing Auditor of the Company for more than nine of the last 12 years, this in consideration of the fact that, as expressly provided for by the Corporate Governance Code, there must be more regard to the substance than to the form and by reason of both the judgement of high professionalism, experience and independence of position unanimously held on Ms Fellegara and the significant differences - in terms of functions, responsibilities and involvement in management decisions - between the office of Standing Auditor held in the Company until 28 April 2020 and the that of Independent Director.

In making the above assessments, the Board of Directors considered all the information available, in particular that provided by the Directors being assessed, assessing all the circumstances that could potentially compromise the independence identified by the TUF and the Code and applied all the criteria envisaged by the Code with reference to the independence of directors. Each director has provided all the elements necessary or useful for the assessment of the Board of Directors.

Previously, the Board had assessed at least annually the independence requirements of the Independent Directors in office until the Shareholders' Meeting of 20 April 2021.

The correct application of the criteria and procedures adopted by the Board to assess the independence of its members was also positively assessed by the Board of Statutory Auditors.

The Independent Directors in office until 20 April 2021 met once in the absence of the other Directors during the Reference Financial Year. The meeting, coordinated by the Lead Independent Director, focused on the activities for alignment with the Corporate Governance Code implemented by the Company.

It should be noted that all the current Independent Directors qualified as meeting the requirements of independence also in the context of the lists filed for the appointment of the Board of Directors at the Shareholders' Meeting of 20 April 2021. Even in the absence of an express commitment to this effect, all the Independent Directors maintained their independence until the Reference Date. Please note that Article 15.4 of the Articles of Association specifies that if a Director ceases to meet the above independence requirements, this will not determine their disqualification if the minimum number of Directors required by current legislation continues to meet those requirements.

### ***Lead Independent Director***

Although conditions do not subsist as pursuant to recommendation 13 of the Corporate Governance Code, having taken into account the fact that the office of Chairman is held by the same person who also holds the office of Chairman of the shareholder controlling the Issuer, in continuity with the past, the Board of Directors deemed it appropriate to provide itself with a further corporate governance structure deriving from international best practices, appointing a Lead Independent Director in the person of the independent director Antonio Aristide Mastrangelo.

The Lead Independent Director: (i) represents a reference and coordination point for the requests and contributions of non-executive directors and, in particular, those who are independent; (ii) coordinates the meetings exclusively held for independent directors.

During the Financial year, the Lead Independent Director in office actively participated in the meetings of the Board of Directors, coordinating, where necessary or simply appropriate, the requests and contributions of non-executive directors and in particular of independent directors, also coordinating a meeting exclusively for independent directors.

## 5.0 MANAGEMENT OF COMPANY INFORMATION

The Company's Board of Directors approved a specific procedure for the internal management and external communication of documents and information concerning Servizi Italia, which regulates the procedures for the processing, internal management and external communication of documents and corporate information concerning the Company and its Subsidiaries, including information regulated pursuant to Article 113-ter of the TUF, and with particular reference to inside information pursuant to Article 7 of EU Regulation no. 596/2014.

Servizi Italia has also established a Register of Persons with access to inside information in accordance with Article 18 of EU Reg. no. 596/2014, with particular attention to the recommendations contained in the "Consob Guidelines" on the management of inside information, delegating to a qualified third-party supplier the maintenance and custody of the same, on the basis of the information transmitted by the Corporate Affairs Office.

Furthermore, in compliance with the provisions of the Consob Guidelines on the management of inside information, the Company has identified sixteenth categories of relevant information (the term "*relevant information*" refers to any information that has a sufficient chance of becoming inside information subsequently, or even imminently, but is not yet sufficiently accurate to be deemed as such), establishing a special register (the "**Register of Relevant Information**" or "RRL"), in which are indicated for each category of relevant information (if necessary divided into sub-categories) the functions that typically have access (or have the right to access) to information of the category (or, if it is the case, of the sub-categories), with an indication of the responsible persons.

Without prejudice to the specific provisions of this procedure, the Directors, Statutory Auditors, managers, employees, agents and consultants of the Company and its subsidiaries are bound to comply with statutory provisions and keep confidential inside information, relevant information and generally all documentation and information concerning the Company and its subsidiaries of which they become aware in the performance of their duties (unless made public in the required forms), handling the information only through specifically authorised channels, as well as adopting all other precautions to ensure that the information is circulated within the company without compromising its confidential nature.

## 6.0 INTERNAL BOARD COMMITTEES (pursuant to art. 123-bis, paragraph 2, letter d), of the TUF)

Within the Board of Directors, in compliance with the provisions of Principle XI and Recommendation no. 16 of the Corporate Governance Code:

on 20 April 2018, the Nominations and Remuneration Committee and the Control and Risk Committee were set up, whose responsibilities were defined in specific regulations approved by the Board of Directors. Both committees were made up of three members; their functions were merely to make proposals and provide advice, assisting the Board of Directors in investigating matters falling within their respective areas of responsibility. The operating rules and methods for taking minutes were also defined within the respective regulations. With a view to organisational efficiency, the Nominations and Remuneration Committee used to bring together the functions of the two committees provided for by the previous Corporate Governance Code, in compliance with the conditions set out in Article 4 of that Code.

- On 20 April 2021, considering that the Corporate Governance Code provides for the option to distribute in a different way or even merge into a single committee preliminary, propositional and consultative functions regarding appointments, remuneration and control and risks of the committees envisaged by the Code and with a view to improving organisational efficiency, the Board of Directors established the Governance and Related-Party Committee (the "Governance Committee"), made up of three non-executive and independent directors pursuant to the law and to the Code, which is entrusted with the preliminary, propositional and consultative functions regarding appointments, remuneration and control and risks, pursuant to the Corporate Governance Code and the Risk Policy adopted by the Company (hereinafter referred to as the "*Guidelines of the Internal Control and Risk Management System*"), as well as the functions envisaged by Consob Regulation no. 17221/10 and the Related-Party Regulation adopted by the Company. The Board of Directors has also approved a Governance Committee regulation, which defines the operating rules, including the procedures for recording the minutes of the meetings and the procedures for the management of information flows to its members, specifying the terms for sending preliminary information and the methods for protecting the confidentiality of the data and information provided so as not to jeopardise the timeliness and completeness of the information flows.

In particular, with reference to the procedures for taking minutes, it is envisaged that specific minutes are drawn up by the Secretary for each Board meeting, signed by the chairman of the meeting and by the Secretary taking the minutes. Copies of the minutes signed by the chairman of the meeting or by the Secretary provide full evidence. The minutes adequately acknowledge the progress of the work and any dissent expressed by the members of the Board on the individual issues and their reasons.

The minutes are distributed in preliminary draft as soon as available, with an invitation to report any comments in time for the preparation of the final version, which, as a rule, is made available by the next meeting of the Board for transcription in the appropriate company records.

With reference to the resolutions adopted that require immediate execution, the minutes can be certified and abstracted by the Chairman and the Secretary of the Board of Directors, even before the completion of the verification and approval process of the entire minutes. This need is indicated by the Secretary during the meeting.

With reference to disclosures, the Governance Committee Regulation provides that, for the discussion of the items on the agenda, the supporting documentation with which the necessary information is provided is made available to the members of the Committee and the members of the Board of Statutory Auditors invited to the meeting (and, with regard to internal control and risk management issues, to the Director in charge of the internal control and risk management system) to allow the members of the Committee to express themselves with awareness and in an informed manner on matters subject to debate and deliberation.

The supporting documentation is made available in a manner suitable for guaranteeing the necessary security and confidentiality, as a rule on the same date on which the meeting is called, where possible, and in any case in compliance with the deadline - deemed appropriate - of at least two days before the meeting. Without prejudice to cases of urgency, in which the documentation is made available in the best possible time.

In the event that it is not possible to comply with the deadline set above for preliminary disclosure to Committee meetings, the Chairman - with the assistance of the Secretary - ensures that adequate and timely in-depth analyses are carried out on the subject during the meeting, where necessary, with the help of the competent corporate functions.

If the Chairman deems it appropriate in relation to the content of the topic and the related resolution, the information documentation may be provided directly during the meeting, giving prior notice to the members of the Committee within the above mentioned term. The supporting documentation for the meetings is archived in the Committee's records.

The provisions of the Regulation of the Governance Committee have been fully applied and, in particular, in the rare cases in which it was not possible to provide the necessary information well in advance, the Chairman - with the assistance of the Secretary - made sure that during the meeting adequate and timely investigations on the subject were carried out also, where necessary, with the help of the competent corporate functions.

It should be noted that the functions of the committees provided for in the Code have not been reserved for the Board of Directors.

The Board of Directors determined the composition of the Committees by promoting the competence and experience of the relative members.

#### **Additional committees (other than those required by law or recommended by the Code)**

No further committees were set up, other than those required by law or by the Code.

### **7.0 SELF-ASSESSMENT AND SUCCESSION OF DIRECTORS - NOMINATIONS COMMITTEE**

#### *7.1 Self-assessment and succession of Directors*

During 2020 the Board of Directors started the process aimed at assessing the operation of the Board itself and its Committees, as well as their size and composition, also taking into account elements such as professional characteristics, experience, also managerial experience, and the gender of its members, as well as their seniority in office, including in relation to the criteria of diversity provided for by the policy adopted by the Company in compliance with the recommendations of Article 2 of the previous Corporate Governance Code. The evaluation process was carried out by means of an analytical questionnaire with specific sections for reporting any issues worthy of further investigation, prepared by the Nominations and Remuneration Committee and delivered to all directors, as it was done in the previous two years of the mandate. This in order to:

- carry out an initial individual assessment by each member of the body, and a second collective assessment;
- measure the results achieved, attempting to identify the reasons and possible corrective actions that can be taken to improve the operation of the body itself.

The self-assessment process did not envisage the involvement of external consultants.

During 2021, the results of the questionnaire were then assessed in their entirety by the Nominations and Remuneration Committee and then by the Board of Directors. The Board of Directors, on the basis of the findings, deemed that the size, composition and operation of the Board and its Committees were adequate in relation to the Company's organisational and management needs, and that the composition of the Board complies with the criteria of diversity envisaged by the policy adopted by the Company. The results of the questionnaire were then assessed also by the independent directors.

In the course of 2021, the Governance Committee acting as the Nominations Committee, given the recent establishment of the current Board and acknowledged that the self-assessment, pursuant to the Corporate Governance Code, in companies other than large ones with non-concentrated ownership, is conducted at least every three years, did not consider it appropriate to propose to proceed with an annual and punctual self-

assessment on the size, composition and actual operation of the Board of Directors and its committees, considering instead it more appropriate to provide a three-year self-assessment process. For the 2021 financial year, in particular, the Governance Committee proposed to the Board of Directors, in consideration of the changes introduced in terms of governance (Board of Directors consisting of a smaller number of members, maintenance of the Executive Committee as a delegated body, of a single internal board committee in support of the Board of Directors) and the changes to the meeting procedures imposed by the pandemic, a reflection on the relationships and exchanges of information between the same Board and the committees, as well as on the opportunity to carry out further induction sessions in favour of non-executive directors, to learn more about the characteristics of the Company's business.

Furthermore, in implementation of the provisions of Article 123-bis, paragraph 2, letter d-bis) of the TUF, as well as in compliance with the best practices reflected in the principles and recommendations of the Corporate Governance Code, on the occasion of the last renewal of the Board, the Board of Directors, having consulted the Nominations Committee, made some considerations on the future size and composition of the Board, which were subsequently submitted to the shareholders for guidance and policy in relation to diversity (the "**Diversity Policy**"), to the shareholders in view of the appointment of the above mentioned board for the three-year period 2021-2023.

In particular, the Board had taken into account:

- the results of the self-assessment of the composition and functioning of the Board itself and its Committees;
- the results of a succession planning process, which, using a specific method proposed by the Nominations Committee, identified a matrix of eligibility for election to the Board, containing *inter alia* possible candidates for the position of executive director belonging to the Company's organisation. This matrix, available from the Human Resources Department, takes into consideration managerial skills, training and professional experience, age, willingness/motivation to hold the position, as well as the assessment of specific requirements for taking up the position itself, might be taken into consideration in formulating the list in order to ensure a succession plan for executive directors;
- of the Group's renewed strategy based on the sustainable success of the Company and the Group, which is substantiated by the creation of long-term value to the benefit of Servizi Italia's Shareholders, taking into account the interests of the other stakeholders relevant to the Company, and therefore the guarantee of business continuity, through the continuous search for optimisations and efficiencies in governance, in the production operations and in the service supply chain, in order to improve business marginality and profitability.

The Diversity Policy was made available on the Company's website, as an attachment to the Directors' Report on the items on the agenda of the Ordinary Shareholders' Meeting of 20 April 2021, at the same time as the publication of the notice of call.

Please also note that, with reference to the "*succession plan*", the Articles of Association govern the mechanism for appointing Directors on the basis of lists submitted by Shareholders, as well as the replacement of Directors during their mandate. The Board of Directors, in its meeting of 4 March 2021, resolved to approve the updated succession planning policy, subject to the favourable opinion of the Nominations and Remuneration Committee. The updated succession planning policy mainly concerned the integration of the requirements of the delegated body and of the succession and contingency plan in the event of its impediment, even temporarily, as well as the updating of the roles envisaged in the company organisation. The succession planning policy is aimed at:

- favouring, as a guarantee of a succession plan for Executive Directors, the preparation by the Company of an eligibility matrix for the Board containing the criteria for identifying possible candidates for the office of director belonging to the organisation of Servizi Italia;
- ensuring business continuity and facilitating a generational turnover in the Company through the definition of structured phases and succession tables for Executives with strategic responsibilities, Senior Managers,

key roles and special roles within the organisation, in order to reduce uncertainty in business management and be in a position to select the best possible substitutes;

- managing, through a structured procedure, the succession of the CEO/Members of the Executive Committee in case of temporary impediment or termination of office;
- encouraging the professional growth of Company employees with leadership skills and ensuring the corporate sustainability of role changes by identifying short- and medium-term successors for all strategic managerial positions; implementing individual development plans for these employees (development of skills, performance management system, retention policy).

The succession planning process is activated every three years, on the initiative of the Human Resources Manager and the Organisation Manager. The review process also includes the involvement of the delegated body (Chief Executive Officer or Executive Committee), the Nominations and Remuneration Committee and the Heads of Functions.

## 7.2 NOMINATIONS COMMITTEE

Servizi Italia had established a Nominations and Remuneration Committee ("CNR"), in office until the Shareholders' Meeting of 20 April 2021. Subsequently, the Board of Directors set up the Governance and Related-Party Committee ("CG"), which is also responsible for appointments.

### Composition and operation of the nominations committee (pursuant to Article 123-bis, paragraph 2, letter d), of the TUF)

Until 20 April 2021, the CNR was made up of three Independent Directors: Chiara Mio (Chairperson), Romina Guglielmetti and Antonio Mastrangelo. Subsequently, with the renewal of the Board, the competence in the matter of appointments was attributed to the CG, in office for the entire duration of the mandate of the Board of Directors (i.e. until the Shareholders' Meeting called to approve the Financial Statements at 31 December 2023), made up of three Independent Directors: Anna Maria Fellegara (Chairman), Antonio Aristide Mastrangelo and Benedetta Pinna.

Table 3, attached to this Report, shows the structure of the Board of Directors and the Committees, the number of meetings held during the Financial Year, their average duration, the actual participation of each member, their role, the number of meetings scheduled for the current year, as well as those already held.

The meetings of the CNR and of the CG were coordinated by a Chairperson, the respective meetings were regularly minuted and the Chairperson reported on the activities carried out to the first possible meeting of the Board of Directors. The meetings were attended, on individual items on the agenda, by Directors or exponents of corporate functions who are not members, upon invitation by the Chairperson of the Committee itself and - in the case of the participation of representatives of the corporate functions competent for the matter - informing the Director in charge of the internal control and risk management system.

The Chairman of the Board of Statutory Auditors has always attended the meetings of the CNR, while all the members of the Board of Statutory Auditors have always attended the meetings of the CG.

### Functions of the nominations committee

The CNR had the following consultative and proposal-making functions with regard to nominations vis-à-vis the Board of Directors:

- to formulate opinions to the Board of Directors on the size and composition of the Board, and express recommendations on the professional figures whose presence on the Board is deemed appropriate;
- to make recommendations in this regard:

- a) the maximum number of charges as director or auditor in other companies listed on regulated markets (including foreign markets), in financial, banking, insurance or large companies that may be deemed compatible with the effective performance of the office of director of the Company,
- b) to the Board of Directors' assessments of any problematic cases in which the shareholders' meeting has authorised, in a general and preventive manner, of exceptions to the non-competition clause provided for by Article 2390 of the Italian Civil Code;
- to propose to the Board of Directors candidates for the office of director in cases of co-optation, where it is necessary to replace independent directors;
- to support the Board with a specific investigation into the preparation of any succession plans;

The CG has assumed the following preliminary, consultative and proposal-making functions with regard to nominations vis-à-vis the Board of Directors:

- assisting the Board of Directors in the self-assessment activities of the Board of Directors and its Committees;
- assisting the Board of Directors in defining the optimal composition of the Board and its Committees and in defining and updating the Board of Directors' diversity policy;
- assisting the Board of Directors in identifying candidates for the office of Director in the event of co-optation;
- assisting the Board of Directors in preparing, updating and implementing any plan for the succession of Executive Directors.

With regard to the Financial Year, the main activities carried out by the CNR with regard to nominations were as follows:

- support to the Board of Directors for updating the succession planning policy;
- analysis of the recommendations of the Corporate Governance Committee for 2020 and of the process of adaptation to the Corporate Governance Code as far as it is concerned;
- proposal to the Board of Directors on the guidelines to be formulated to the Shareholders on the future size and composition of the Board of Directors.

In relation to the Financial Year, the main activities carried out by the CG on the matter of nominations were:

- acknowledgement of the activities carried out by the CNR;
- support to the Board of Directors in defining and planning the self-assessment activities of the Board of Directors and its Committees.

For the purpose of carrying out the tasks assigned to it, the CNR and the CG have had the opportunity to access the information and company functions necessary for the performance of their tasks, have financial resources and make use of external consultants, within the terms established by the Board.

## 8.0 REMUNERATION OF BOARD DIRECTORS

### 8.1 Remuneration of Directors

#### Remuneration policy

On the proposal of the CNR, the Board of Directors adopted the Company's Remuneration Policy relating to the three-year period "2021-2023" (the "**Remuneration Policy**"), in compliance with the applicable legislation. This document defines the guidelines that all the corporate bodies involved must observe in order to determine the remuneration of directors - in particular executive directors and other directors holding special charges - and executives with strategic responsibilities, both at a procedural level (procedure for defining and implementing remuneration policies) and at a substantial level (criteria that must be complied with in setting the remuneration).

In particular, the Remuneration Policy:

i) sets out how it contributes to the corporate strategy, the pursuit of the Company's long-term interests and sustainable success, and is determined taking into account the remuneration and working conditions of the Company's employees;

ii) defines the various remuneration components that may be recognised and establishes the criteria for the recognition of variable remuneration based on financial and non-financial performance objectives, linked to the corporate strategy for the improvement of economic value performance and the management of sustainability issues contained in the Consolidated Non-Financial Statement pursuant to Italian Legislative Decree no. 254/2016;

iii) specifies the elements of the Remuneration Policy from which an exception may be made under exceptional circumstances, and the procedural conditions under which, without prejudice to the provisions on related-party transactions, the exception may be applied.

In compliance with the provisions of Article 123-ter, paragraph 6, of the TUF, the Shareholders' Meeting held on 20 April 2021 was called upon to resolve:

- in a binding manner on the remuneration policy described in the first section of the Report on remuneration policy and remuneration paid;
- in a non-binding manner on the second section of the Report on remuneration policy and remuneration paid, which represents the items making up the remuneration of members of the Board of Directors and the Board of Statutory Auditors and key management personnel and analytically illustrates the remuneration paid during the year.

The Shareholders' Meeting, held on 20 April 2021, passed a favourable resolution, accepting both points.

In determining the remuneration and its individual components, the Remuneration Policy takes into account a balance of the overall remuneration consisting of a fixed monetary component and both short- and medium/long-term variable monetary components, whose weight will take into account the specific content of the powers delegated to individual beneficiaries and/or the functions and role they actually perform within the company.

The Remuneration Policy provides for maximum limits on the payment of variable components, as well as performance objectives to which the payment of the variable components is linked. These objectives are predetermined and relate to the Company's strategic objectives aimed at promoting its sustainable success, also including non-financial parameters linked to the corporate strategy for improving the economic value performance and to the management of sustainability issues contained in the Consolidated Non-financial Statement referred to in Italian Legislative Decree no. 254/2016.

The Remuneration Policy also defines contractual agreements that allow the Company to request the return, in whole or in part, of variable components of remuneration paid (or to withhold sums subject to deferment), determined on the basis of data that subsequently proved to be manifestly incorrect.

The Remuneration Policy and remuneration procedures are illustrated in the first section of the Report on Remuneration Policy and Remuneration Paid drafted pursuant to Article 123-ter of the TUF, which is made available to the public at the Company's registered offices, the eMarket Storage storage mechanism at the address [www.emarketstorage.com](http://www.emarketstorage.com), as well as on the Company's website ([www.servizitaliagroup.com](http://www.servizitaliagroup.com)), to which reference should be made in full for any information not contained in this Report.

It should be noted that the Shareholders' Meeting did not approve share-based incentive plans for directors.

***Indemnity for Directors in the event of resignation, dismissal or termination of employment following a takeover bid (pursuant to Article 123-bis, paragraph 1, letter i), of the TUF)***

Pursuant to Article 123-bis, paragraph 1, letter i), of the TUF, it should be noted that at the date of approval of this Report there are no agreements in place between the Company and the current members of the Board of Directors that provide for the payment of indemnities in the event of resignation or dismissal/termination without just cause or if their relationship ends following a takeover bid.

It is also specified that during the Financial Year, not having met the conditions, the Company did not have to publish any press release following internal processes for the attribution or recognition of any indemnities and/or other benefits for termination of office and/or dissolution of the relationship with an Executive Director or a General Manager.

## 8.2 Remuneration Committee

Servizi Italia had established a Nominations and Remuneration Committee (“**CNR**”), in office until the Shareholders' Meeting of 20 April 2021. Subsequently, the Board of Directors established the Governance and Related-Party Committee (“**CG**”), which is also responsible for remuneration matters.

### *Composition and operation of the remuneration committee (pursuant to Article 123-bis, paragraph 2, letter d), of the TUF)*

Until 20 April 2021, the CNR was made up of three Independent Directors: Chiara Mio (Chairperson), Romina Guglielmetti, and Antonio Mastrangelo. Subsequently, with the renewal of the Board, the competence in the matter of nominations was attributed to the CG, in office until the approval of the Financial Statements at 31 December 2023, composed of three independent directors: Anna Maria Fellegara (Chairperson), Antonio Aristide Mastrangelo and Benedetta Pinna.

At least one member of the CNR and of the CG has knowledge and experience in financial matters or in relation to remuneration policies deemed adequate by the Board at the time of appointment.

No Director can take part in the meetings of the Committee in which proposals relating to their own remuneration are formulated.

Table 3, attached to this Report, shows the structure of the Committees, the number of meetings held during the Financial Year, their average duration, the actual participation of each member, their role, the number of meetings scheduled for the current year, as well as those already held.

The meetings of the CNR and of the CG were coordinated by a Chairperson, the respective meetings were regularly minuted and the Chairperson reported on the activities carried out to the first possible meeting of the Board of Directors. The meetings were attended, on individual items on the agenda, by directors or exponents of corporate functions who are not members, upon invitation by the Chairperson of the committee itself and - in the case of the participation of representatives of the corporate functions competent for the matter - informing the Director in charge of the internal control and risk management system.

The Chairman of the Board of Statutory Auditors has always attended the meetings of the CNR, while all the members of the Board of Statutory Auditors have always attended the meetings of the CG.

### Functions of the Committee

The CNR had the following consultative and proposal-making functions with regard to remuneration vis-à-vis the Board of Directors:

- assisting the Board of Directors in drawing up the policy for the remuneration of the Directors, Statutory Auditors (without prejudice to the provisions of Article 2402 of the Italian Civil Code) and Executives with strategic responsibilities;

- submitting proposals or expressing opinions to the Board of Directors on the remuneration of executive directors and other directors holding special offices, as well as on setting performance objectives related to the variable component of such remuneration; the proposal concerning the remuneration of directors who are also members of the Remuneration Committee will be formulated by an independent director (or, failing this, by a non-executive director) who is not a member of any of the Board Committees;
- monitoring the concrete application of the policy for the remuneration of directors, statutory auditors and executives with strategic responsibilities as well as the decisions adopted by the Board on remuneration, verifying, in particular, the effective achievement of performance objectives, making use with regards to the latter of the information provided by the delegated body and Human Resources Manager;
- periodically assessing the adequacy and overall consistency of the remuneration policy for directors, statutory auditors and executives with strategic responsibilities, in this regard using the information provided by the delegated body and Human Resources Manager; making proposals to the Board of Directors on this matter;
- examining in advance the Report on Remuneration Policy and Remuneration Paid to be made available to the public with a view to the annual general meeting for the approval of the financial statements;
- within the scope of its responsibilities, drafting and submitting to the Board of Directors as well as monitoring the application of incentive systems for the management (including any remuneration plans based on financial instruments), understood as instruments aiming to attract and motivate resources of an adequate level and experience, developing a sense of belonging and ensuring a constant orientation towards the creation of value over time;
- being able to provide support to the delegated body and the Manager of Human Resources with regard to the enhancement of managerial resources, recruitment of talents and the promotion of initiatives with universities in this field;
- evaluating the criteria adopted for the remuneration of executives with strategic responsibilities and supervising their application on the basis of the information provided by the delegated body and Human Resources Manager.

The CG has the following consultative and proposal-making functions with regard to remuneration vis-à-vis the Board of Directors:

- assisting the Board of Directors in drawing up the remuneration policy;
- submitting proposals or expressing opinions on the remuneration of Executive Directors and other Directors who hold particular offices, as well as on the setting of performance objectives related to the variable component of such remuneration;
- monitoring the concrete application of the policy for the remuneration and verifying, in particular, the effective achievement of performance objectives, making use with regards to the latter of the information provided by the delegated body and Human Resources Manager;
- periodically assessing the adequacy and overall consistency of the remuneration policy for Directors, Statutory Auditors and Executives with strategic responsibilities, in this regard using the information provided by the delegated body and Human Resources Manager;
- examining in advance the report on remuneration policy and remuneration paid to be made available to the public with a view to the annual general meeting for the approval of the financial statements;
- within the scope of its responsibilities, drafting and submitting to the Board of Directors as well as monitoring the application of incentive systems for the management (including any remuneration plans based on financial instruments), understood as instruments aiming to attract and motivate resources of an adequate level and experience, developing a sense of belonging and ensuring a constant orientation towards the creation of value over time;
- being able to provide support to the delegated body and the Manager of Human Resources with regard to the enhancement of managerial resources, recruitment of talents and the promotion of initiatives with universities in this field;

- evaluating the criteria adopted for the remuneration of executives with strategic responsibilities and supervising their application on the basis of the information provided by the delegated body and Human Resources Manager;
- performing the additional functions assigned to the same according to the remuneration policy in force from time to time and/or by the Board of Directors;

With regard to the Financial Year, the main activities carried out by the CNR in relation to remuneration in support of the Board of Directors were:

- update of the ABS and LTI-Cash 2021-2023 variable remuneration plans;
- analysis of the recommendations of the Corporate Governance Committee for 2020 and of the process of adaptation to the Corporate Governance Code as far as it is concerned;
- verification of the achievement of the objectives set for the disbursement of the short-term variable incentive envisaged by the Annual Bonus System Plan;
- assessment of the adequacy, overall consistency and concrete application of the remuneration policy for directors and executives with strategic responsibilities;
- examination of the Remuneration Report before its approval by the Board of Directors;
- examination of the remuneration positions of executives with strategic responsibilities, top management and key personnel in the organisation.

In relation to the Financial Year, the main activities carried out by the CG on the matter of remuneration were:

- acknowledgement of the activities carried out by the CNR;
- preparation of the proposal to the Board of Directors for the distribution of the overall remuneration approved by the Shareholders' Meeting for the Board;
- formulation of the proposal regarding the performance objectives related to the variable component of the remuneration of the Executive Directors who are beneficiaries of the plans;
- examination of the remuneration positions of executives with strategic responsibilities, top management and key personnel in the organisation, with the support of a third-party consultancy company, whose independence of judgement has previously been verified.

For the purpose of carrying out the tasks assigned to it, the CNR and the CG have had the opportunity to access the information and company functions necessary for the performance of their tasks, have financial resources and make use of external consultants, within the terms established by the Board.

## 9.0 INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM - CONTROL AND RISK COMMITTEE

### Foreword

The Board of Directors has defined the guidelines of the internal control and risk management system, consisting of the set of rules, procedures and organisational structures aimed at an effective and efficient identification,

measurement, management and monitoring of the main risks, in order to contribute to the sustainable success of the Company.

The Company's internal control and risk management system aims to:

- contribute to the management of the company consistent with the corporate strategies and objectives defined by the Board of Directors, promoting the making of informed decisions;
- ensure the necessary separation between operational and control functions, and therefore be structured in such a way as to avoid or minimise situations of conflict of interest in the assignment of responsibilities;
- facilitate the identification, measurement, management and adequate monitoring of the risks assumed by the Issuer and the Servizi Italia Group;
- contribute to the sustainable success of the Company and the Servizi Italia Group, which consists in the creation of long-term value for the benefit of the Shareholders, taking into account the interests of the other stakeholders relevant to the Company and the Servizi Italia Group;
- establish control activities at each operational level and clearly identify tasks and responsibilities, in particular in the phases of supervision and intervention and correction of the irregularities found;
- ensure reliable information systems and suitable reporting processes at the various levels to which control functions are assigned;
- ensure that the anomalies and/or violations found - also through the internal reporting system by the staff (known as "whistleblowing system") - are promptly brought to the attention at adequate levels of the company;
- allow the recording of every management event and, in particular, of every transaction with an adequate degree of detail, ensuring its correct attribution in terms of time.

Therefore, the Group has developed a model based on the integration of risk management and internal control systems and their adequacy.

The model adopted by the Company is aimed at ensuring the continuity of the organisation and the adequacy of its processes, activities and services in terms of:

1. Business Objectives:
  - achievement of the objectives set out in the definition of corporate strategies;
  - effective and efficient use of organisational resources.
2. Governance Objectives:
  - ensure the consistency, accuracy, reliability and timeliness of financial reporting;
  - safeguarding the company's assets;
  - compliance with laws, regulations, contracts, ethical and company rules;
  - protection of ethical and social responsibilities;

The Company's internal control and risk management system is structured on **three levels**:

1. **first level**: the operating structures identify, evaluate, monitor, mitigate and report risks deriving from ordinary business activities, ensuring the correctness of operations in accordance with the limits and objectives assigned;
2. **second level**: the corporate functions involved in controls (such as the risk management, legal and compliance functions), organised in relation to the company's size, sector, complexity and risk profile, to which "second level" controls are assigned for monitoring and manage typical corporate risks (strategic, operative, financial,

market, liquidity, credit, non-compliance, fraud and disloyalty of staff, legal, reputational, etc.); these functions are subject to review by the Head of the Internal Audit department;

3. **third level:** Internal Auditing, which reports directly to the Board of Directors, assesses the suitability of the overall internal control and risk management system to ensure the effectiveness and efficiency of processes, the safeguarding of company assets, the reliability and integrity of accounting and management information, compliance with internal and external regulations and management instructions.

In order to carry out its activities, the Internal Auditing department presents an activity plan to the Board of Directors, in which the planned auditing activities are represented in line with the risks associated with the activities aimed at achieving Company's objectives.

The results of the activities carried out, on a half-yearly basis, are brought to the attention of the Director in charge of the Internal Control and Risk Management System, the Governance and Related-Party Committee in function of the Control and Risk Committee, the Board of Directors and the Board of Statutory Auditors; the critical elements observed during the assessment are, on the other hand, promptly reported to the competent company structures for the implementation of any improvement action needed.

The Servizi Italia Group, aware of its mission and corporate policy, pursue the objective of promptly monitoring the risks identified in all activities, which is an essential condition to preserve the trust of stakeholders and to ensure the sustainability of the business over time, so contributing to the sustainable success of the Company and Servizi Italia Group.

The risk control process, common to all the control functions, in line with the best practices in question, in particular according to the principles of the new COSO-ERM framework (Committee of Sponsoring Organisation of the Treadway Commission) - (Enterprise Risk Management), is divided into the following phases:

1. *risk governance* and risk culture;
2. strategy and definition of objectives for risk management;
3. risk analysis;
4. information, communication and reporting for risks;
5. monitoring the performance of the risk management model.

The Board of Directors, supported by the Governance and Related-Party Committee, in function of the Control and Risk Committee, through the Director in charge of the Internal Control and Risk Management System and the Head of Internal Audit, plans, organises and directs the execution of initiatives capable of ensuring the achievement of corporate objectives through the periodic review of its objectives, the modification of processes in relation to changes in the internal and external environment of the Company, the promotion and maintenance, within the Company, of a culture and climate favourably oriented towards Risk Management.

The different types of risk are defined in the Group's risks map, which is updated at least once a year. The risks map represents the Group's Risk Appetite Framework (hereinafter, in brief, also "RAF"), i.e., the key instrument with which the Board of Directors defines the propensity to risk, tolerance thresholds, sustainable risk limits, risk governance policies and the framework of related organisational processes.

Within the scope of the RAF and, therefore, the internal body of regulations on risk management, aspects linked to the management of social, environmental, economic and governance risks are also considered.

In order to minimise the various types of risk to which it is exposed, the Group has adopted control methods and time scales that allow Management to monitor risks and inform the Director in charge of the Internal Control and Risk Management System and (also through him) the Board of Directors accordingly. Without prejudice to the principle of continuous monitoring and taking into account the characteristics of the activities carried out by Group companies, the review of the risk analysis shows that, through the application of the planned organisational and management actions, the Company obtained the desired mitigation on the main risks

identified in the operational, financial, strategic and compliance areas, implementing and documenting the control points within company procedures.

With regard to its foreign subsidiaries, the Company has implemented the configuration dedicated to internal controls, both by drawing on internal resources and through *external specialists*/professionals, guaranteeing their professionalism and independence. This was done in order to increase third-level on-site supervision and monitoring, in relation to the risk issues already identified and monitored by the Parent Company.

### **Main features of the 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 TUF**

The Group's Risk Management System must not be considered separately from the internal control system in relation to the financial reporting process, since both are elements of the same internal control and risk management system ("**SCIGR**"). The SCIGR consists of the set of rules, procedures and organisational structures aimed at guaranteeing the reliability, accuracy, trustworthiness and timeliness of financial information, formalised in the documented process called "*Guidelines for the internal control and risk management system*" (the "**Guidelines**").

In fact, the aforementioned Guidelines allow the Company and, in particular, its recipients (including managers and operators of company functions) to cooperate in a structured manner, through:

- the identification of risks and vulnerabilities relevant to the company;
- the identification of the control methods intended to mitigate or manage the risks previously identified;
- the development of action plans to mitigate risks and reduce them to at least acceptable levels.

In relation to financial reporting, the Enterprise Risk Management process is closely linked to the strategic planning process, with the aim of associating the Group's overall risk profile with prospective profitability resulting from the planning/budget document. For this reason, the SCIGR has been set up in terms of the sizing of analysis, risk assessment, roles and responsibilities, with particular attention paid to the strategic planning process, budgeting, control and reporting processes and technical and accounting tools (multi-year plans, budgets, reporting, performance indicators, performance analysis: dimensions, critical success factors, KPIs).

The controls and rules aimed at identifying, selecting, measuring, managing and monitoring the main risks relevant to the organisation involve, with different roles and within their respective competences:

a) the Board of Directors, which plays a role in guiding and evaluating the adequacy of the System and identifies within it:

(i) a director responsible for setting up and maintaining the System;

(ii) a *Governance and Related-Party Committee acting as the Control and Risk Committee*;

b) Head of Internal Audit;

c) the other corporate roles and functions with specific tasks regarding internal control and risk management, articulated in relation to the size, complexity and risk profile of the company;

d) the Board of Statutory Auditors;

e) the Directors and Statutory Auditors of the Issuer's subsidiaries.

In particular, the Board of Directors, which plays a guiding and evaluating role with regard to the adequacy of the SCIGR, therefore:

- a) identifies an internal Director responsible for the Internal Control and Risk Management System, as well as a Control and Risk Committee (i.e. the Governance Committee);
- b) defines, with the support and subject to the opinion of the Governance Committee, the guidelines of the Internal Control and Risk Management System in line with the Company's strategies, so that the main risks relating to the Issuer and its subsidiaries are correctly identified, as well as adequately measured, managed and monitored, also determining the degree of compatibility of these risks with the management of the company consistently with the strategic objectives identified, including in their assessments all the elements that may be relevant for the sustainable success of the Issuer and the Group;
- c) periodically, and generally on the occasion of (or prior to) the Board meetings held for the approval of the annual and half-yearly financial reports, assesses - with the support and subject to the opinion of the Governance Committee - the adequacy of the Internal Control and Risk Management System with respect to the characteristics of the company and the risk profile assumed, as well as its effectiveness;
- d) on the proposal of the Director in charge the Internal Control and Risk Management System, subject to the favourable opinion of the Governance Committee and having consulted the Board of Statutory Auditors, appoints and revokes the Head of Internal Audit, defining their remuneration in line with company policies, and making sure that the same is equipped with adequate resources to carry out their duties. If it decides to entrust the Internal Audit department, as a whole or by operational segments, to a person external to the Company, it ensures that they are equipped with adequate requirements of professionalism, independence and organisation and provides adequate reasons for this choice in the corporate governance report;
- e) with the support and after consulting the Governance Committee, having consulted the Board of Statutory Auditors and the Director in charge of the Internal Control and Risk Management System, approves at least annually the work plan prepared by the Head of Internal Audit;
- f) with the support of the Governance Committee, evaluates the advisability of adopting measures to ensure the effectiveness and impartiality of judgement of the other corporate functions involved in the controls, verifying that they are equipped with adequate professionalism and resources;
- g) with the support of the Governance Committee, appoints and revokes the members of the Issuer's Supervisory Body, established and functioning pursuant to Legislative Decree no. 231/2001, ensuring coordination among the various parties involved in the Internal Control and Risk Management System;
- h) with the support of the Governance Committee, evaluates, after consulting the Board of Statutory Auditors, the results presented by the independent auditing company in any letter of suggestions and in the additional report addressed to the before mentioned Board;
- i) with the support of the Governance Committee, describes in the report on corporate governance the main characteristics of the Internal Control and Risk Management System and the methods of coordination among the subjects involved in it, indicating the reference national and international models and best practices, expresses its overall assessment of the adequacy of the system itself and accounts for the choices made regarding the composition of the Supervisory Body;
- l) usually on the occasion of a meeting to be held in the fourth quarter of the year, identifies the companies of strategic importance within the Servizi Italia Group;
- m) adopts the Organisational, Management and Control Model prepared pursuant to Legislative Decree no. 231/2001 and approves all adjustments to the regulatory provisions in force from time to time;
- n) adopts, in compliance with the legislation and regulations in force from time to time, the procedure for the approval of transactions with related parties, and carries out the additional tasks, which, in compliance with the regulations in force from time to time, are assigned to it pursuant to the procedure for the approval of transactions with related parties, as well as the regulatory provisions in force from time to time.

The Group has also identified a context perimeter, where the interactions that internal and external factors exert on the various stakeholders and on the sensitive corporate processes involved are identified, from which the potential risks were identified, divided into risk classes, which could arise within one or more specific processes, in the event of failure to meet the needs/expectations of the various stakeholders.

Once the risk classes related to the nature of the Group's objectives and the responses to risk have been identified, management identifies the control activities necessary to ensure that they are implemented promptly and appropriately. All control activities have been implemented:

- at a process level, with the aim of monitoring the performance of operational activities, identifying, assessing and preventing any risks by constantly measuring the effectiveness of the internal control system adopted;
- at a general level, mainly with reference to information technology and its correct application in the management, technical-accounting and organisational fields, in compliance with the rules and control structures identified for the activities for which it is responsible.

The Director in charge of the internal control and risk management system, and the Financial Reporting Manager are the main guarantors of this model.

As part of its risk management activities, during the meetings held to approve the periodic and additional financial reports, the Board of Directors verifies the Group's exposure to the risk factors characterising the business, which are illustrated and further detailed in the Report on Operations for the Financial Year and in the specific notes to the Separate and Consolidated Financial Statements.

During the Financial Year, the Board, the Control and Risk Committee (later Governance and Related-Party Committee acting as Control and Risk Committee), the Board of Statutory Auditors and Head of Internal Audit assessed the adequacy and effectiveness of the internal control system for financial reporting.

#### *9.1 Director in charge of the Internal Control and Risk Management System*

On 5 March 2020, the Board of Directors appointed the Chairman Roberto Olivi as temporary Director in charge of the Internal Control and Risk Management System. In the Reference Financial Year, following the renewal of the Board, the Board of Directors confirmed Chairman Olivi as Director in charge of the Internal Control and Risk Management System.

Furthermore, the Board of Directors, with the assistance of the Governance and Related-Party Committee, operating as the Control and Risk Committee, defines the guidelines of the Internal Control and Risk Management System, periodically examining the main corporate risks identified by the Director in charge of the Internal Control and Risk Management System, and assesses at least once a year the adequacy, effectiveness and actual operation of the Internal Control and Risk Management System.

In particular, the Director in charge the Internal Control and Risk Management System:

a) identifies the main corporate risks, taking into account the characteristics of the activities carried out by the Company and its subsidiaries, and periodically submits them to the Board of Directors for examination;

b) executes the Risk Policy adopted by the Company, taking care of planning, implementation and management of the Internal Control and Risk Management System, and constantly verifying its adequacy and effectiveness, as well as adapting it to the dynamics of the operating conditions and the legislative and regulatory framework.

In particular:

- identifies the risk factors for the Issuer or the other companies of the Servizi Italia Group, with particular attention to the companies having strategic relevance - without prejudice to the primary responsibility of the Managing Directors of each single company - also in the light of the changes in the internal and external conditions under which they operate, as well as of the management trends, of the deviations from the

forecasts and of the legislative and regulatory framework in force from time to time, including all elements that may be relevant for the sustainable success of the Company and Servizi Italia Group;

- defines the tasks of the operating units dedicated to control functions, ensuring that the various activities are managed effectively and impartially by qualified personnel and consultants with specific experience and knowledge. In this context, areas of potential conflict of interest must be identified and minimised;
- establishes effective channels of communication to ensure that staff and consultants are aware of the policies and procedures relating to their duties and responsibilities;
- defines information flows aimed at ensuring full knowledge and governance of corporate events;

c) proposes to the Board of Directors, while informing the Governance Committee, the appointment, revocation and remuneration of the Head of Internal Audit and ensures their independence and operational autonomy from any operational manager, verifying that they are provided with adequate resources for performing their activities;

d) submits to the Board of Directors the annual work plan prepared by the Head of Internal Audit, after hearing the opinion of the Governance Committee and consulting the Board of Statutory Auditors;

e) may entrust the Internal Audit department with the task of carrying out checks on specific operational areas and on compliance with internal rules and procedures in the execution of company transactions, simultaneously notifying the Chairman of the Board of Directors, the Chairman of the Control and Risk Committee and the Chairman of the Board of Statutory Auditors;

f) promptly reports to the Control and Risk Committee on problems and critical issues that have emerged during the performance of its activities or of which it has become aware, so that the Control and Risk Committee can take the appropriate initiatives.

The Director in charge of the Internal Control and Risk Management System, during the Financial Year and in line with the aforementioned responsibilities assigned to them:

- identified the main corporate risks, taking into account the characteristics of the activities carried out by the Company and its subsidiaries, and periodically submits them to the Board of Directors for examination;

executed the Risk Policy adopted by the Company, taking care of planning, implementation and management of the Internal Control and Risk Management System, and constantly verifying its adequacy and effectiveness, as well as adapting it to the dynamics of the operating conditions and the legislative and regulatory framework. In particular:

- identified the risk factors for the Issuer or the other companies of the Servizi Italia Group, with particular attention to the companies having strategic relevance - without prejudice to the primary responsibility of the Managing Directors of each single company - also in the light of the changes in the internal and external conditions under which they operate, as well as of the management trends, of the deviations from the forecasts and of the legislative and regulatory framework in force from time to time, including all elements that may be relevant for the sustainable success of the Company and Servizi Italia Group;
- defined the tasks of the operating units dedicated to control functions, ensuring that the various activities are managed effectively and impartially by qualified personnel and consultants with specific experience and knowledge. In this context, areas of potential conflict of interest must be identified and minimised;
- established effective channels of communication to ensure that staff and consultants are aware of the policies and procedures relating to their duties and responsibilities;
- defined information flows aimed at ensuring full knowledge and governance of corporate events;
- proposed to the Board of Directors, while informing the Governance and Related-Party Committee, acting as Control and Risk Committee, the appointment, revocation and remuneration of the Head of Internal

Audit and ensured their independence and operational autonomy from any operational manager, verifying that they are provided with adequate resources for performing their activities;

- entrusted the Internal Audit department with the task of carrying out checks on specific operational areas and on compliance with internal rules and procedures in the execution of company transactions, simultaneously notifying the Chairman of the Governance and Related-Party Committee and the Chairman of the Board of Statutory Auditors;
- reported to the Governance Committee on its activities, without pointing out any problems or critical issues.

## 9.2 Control and Risk Committee

Until 20 April 2021, the Control and Risk Committee (“**CCR**”) was made up of three Independent Directors: Romina Guglielmetti (Chairperson), Chiara Mio and Antonio Mastrangelo. Subsequently, with the renewal of the Board, the competence in matters of control and risks was attributed to the CG, in office until the approval of the Financial Statements at 31 December 2023, composed of three Independent Directors: Anna Maria Fellegara (Chairperson), Antonio Aristide Mastrangelo and Benedetta Pinna. In any case, the composition of the committee overall ensured adequate competence in the activity sector in which the Company operates, functional to assessing the risks. In particular, all members have or had adequate knowledge and expertise in accounting and finance and/or risk management.

Table 3, attached to this Report, shows the structure of the Committees, the number of meetings held during the Financial Year, their average duration, the actual participation of each member, their role, the number of meetings scheduled for the current year, as well as those already held.

The meetings of the CNR and of the CG were coordinated by a Chairperson, the respective meetings were regularly minuted and the Chairperson reported on the activities carried out to the first possible meeting of the Board of Directors.

The meetings were attended, on individual items on the agenda, by directors or exponents of corporate functions who are not members, upon invitation by the Chairperson of the committee itself and - in the case of the participation of representatives of the corporate functions competent for the matter - informing the Director in charge of the internal control and risk management system.

The Chairman of the Board of Statutory Auditors has always attended the meetings of the CCR and, for most of the meetings, so have the Standing Auditors, while all the members of the Board of Statutory Auditors have always attended the meetings of the CG.

### Functions attributed to the Committee

The CCR had the following consultative and proposal-making functions vis-à-vis the Board of Directors:

- to support and issue opinions to the Board of Directors in identifying and updating the principles and indications contained in the guidelines of the Internal Control and Risk Management System;
- to support and issue opinions to the Board of Directors regarding the assessment of the adequacy of the Internal Control and Risk Management System with respect to the characteristics of the business and the risk profile assumed, as well as its effectiveness, with the aim of ensuring that the main business risks are correctly identified and adequately managed. In this regard, to report to the Board of Directors at least on a half-yearly basis, as a rule on the occasion of (or prior to) the Board meetings held for the approval of the annual and half-yearly financial reports, on the activities carried out, as well as on the adequacy and effectiveness of the Internal Control and Risk Management System;
- after consulting the Financial Reporting Manager, the Independent Auditors and the Board of Statutory Auditors, to assess the correct use of accounting standards and their uniformity with regard to the preparation of the consolidated financial statements;
- to assess the correctness of the process of preparing the periodic financial and non-financial information, so that it correctly represents the business model, the strategies of the Company, the impact of its activities

and the performance achieved; and to acknowledge the information provided by the delegated body and the Financial Reporting Manager concerning the suitability of the periodic financial and non-financial information to correctly represent the business model, the strategies of the Company, the impact of its activities and the performance achieved;

- to examine the content of periodic non-financial information relevant to the Internal Control and Risk Management System and to support the Board of Directors in describing, in the context of the annual report on corporate governance and ownership structure, the main features of the Internal Control and Risk Management System and the methods of coordination among the various parties involved in the Internal Control and Risk Management System;
- to express opinions on specific aspects relating to the identification of the main corporate risks and to support the assessments and decisions of the Board of Directors relating to the management of risks deriving from prejudicial facts of which the latter has become aware;
- to support and issue opinions to the Board of Directors concerning the appointment and revocation of the Head of Internal Audit, the definition of their remuneration in line with company policies, and the verification that they have adequate resources to carry out their responsibilities;
- to support and issue opinions to the Board of Directors in approving the work plan prepared by the Head of Internal Audit;
- to examine the periodic reports and those of particular importance prepared by the Internal Audit department;
- to monitor the autonomy, adequacy, effectiveness and efficiency of the Internal Audit department;
- to entrust the Internal Audit department with the task of carrying out checks on specific operational areas, simultaneously notifying the Chairman of the Board of Statutory Auditors;
- to support the Board of Directors in assessing the results set out by the auditor in the letter of suggestions, if any, and in the supplementary report addressed to the Board of Statutory Auditors;
- to discuss with the Financial Reporting Manager the results of control activities relating to the corporate risks associated with the activities for which the Financial Reporting Manager is responsible, as well as the implementation of internal procedures involving the same Manager;
- to carry out any additional tasks assigned by the Board of Directors.

With a view to constantly monitoring the Company's degree of compliance to the regulatory provisions, in order to formulate proposals and suggestions to the Board of Directors, the Control and Risk Committee could:

- examine and discuss with management and the Head of Internal Audit the most significant findings, the reasons given and any difficulties encountered in the course of its activities;
- meet with management to examine the primary corporate risks identified by the Director in charge of the Internal Control and Risk Management System, and the measures adopted by management to prevent, monitor and control such risks.

Furthermore, the CCR reported to the Board, at least on the occasion of the approval of the annual and half-yearly financial reports, on the activity carried out as well as on the adequacy of the internal control system.

The CG assists the Board of Directors in evaluations and decisions relating to the Internal Control and Risk Management System and to the approval of periodic financial and non-financial reports. In particular:

- a) it supports and issues opinions to the Board of Directors in identifying and updating the principles and indications contained in the guidelines of the Internal Control and Risk Management System (the Risk Policy adopted by the Company);
- b) it supports and issues opinions to the Board of Directors regarding the assessment of the adequacy of the Internal Control and Risk Management System with respect to the characteristics of the business and the risk profile assumed, as well as its effectiveness, with the aim of ensuring that the main business risks are correctly identified and adequately managed. In this regard, it reports to the Board of Directors at least on a half-yearly basis, as a rule on the occasion of (or prior to) the Board meetings held for the

- approval of the annual and half-yearly financial reports, on the activities carried out, as well as on the adequacy and effectiveness of the Internal Control and Risk Management System;
- c) after consulting the Financial Reporting Manager, the Independent Auditors and the Board of Statutory Auditors, it assesses the correct use of accounting standards and their uniformity with regard to the preparation of the consolidated financial statements;
  - d) it assesses the correctness of the process of preparing the periodic financial and non-financial information, so that it correctly represents the business model, the strategies of the Company, the impact of its activities and the performance achieved; and it acknowledges the information provided by the delegated body and the Manager in charge of drawing up the corporate accounting documents concerning the suitability of the periodic financial information;
  - e) it examines the content of periodic non-financial information relevant to the Internal Control and Risk Management System and supports the Board of Directors in describing, in the context of the annual report on corporate governance and ownership structure, the main features of the Internal Control and Risk Management System and the methods of coordination among the various parties involved in the Internal Control and Risk Management System;
  - f) it expresses opinions on specific aspects relating to the identification of the main corporate risks and supports the assessments and decisions of the Board of Directors relating to the management of risks deriving from prejudicial facts of which the latter has become aware;
  - g) it supports and issues opinions to the Board of Directors concerning the appointment and revocation of the Head of Internal Audit, the definition of his remuneration in line with company policies, and the verification that he has adequate resources to carry out his responsibilities;
  - h) it supports and issues opinions to the Board of Directors in approving the work plan prepared by the Head of Internal Audit;
  - i) it examines the periodic reports and those of particular importance prepared by the Internal Audit department;
  - j) it monitors the autonomy, adequacy, effectiveness and efficiency of the Internal Audit department;
  - k) it may entrust the Internal Audit department with the task of carrying out checks on specific operational areas, simultaneously notifying the Chairman of the Board of Statutory Auditors;
  - l) it supports the Board of Directors in assessing the results set out by the auditor in the letter of suggestions, if any, and in the supplementary report addressed to the Board of Statutory Auditors;
  - m) it discusses with the Financial Reporting Manager the results of control activities relating to the corporate risks associated with the activities for which the Financial Reporting Manager is responsible, as well as the implementation of internal procedures involving the same Manager;
  - n) it carries out any additional tasks assigned by the Board of Directors.

Furthermore, the CG reports to the Board, at least on the occasion of the approval of the annual and half-yearly financial reports, on the activity carried out as well as on the adequacy of the internal control system.

During the Financial year, the Control and Risk Committee has, specifically:

- acknowledged the activities carried out and in progress regarding the work plan adopted for the audit of the financial statements of Servizi Italia S.p.A. and the consolidated financial statements of the Servizi Italia Group as at 31 December 2020;
- expressed a favourable opinion on the approval of the *Impairment Test Procedure* by the Board of Directors;
- acknowledged the updating of the Risk Policy, which constitutes the "Guidelines of the Internal Control and Risk Management System" of the Company), the preparation of the Guidelines for tax governance, risk control and management and the Reporting procedure of non-financial data;
- acknowledged the activities implemented by the Company in order to obtain ISO 37001 certification;
- acknowledged the activities relating to the preparation of the Sustainability Plan of Servizi Italia Group for the 2020-2023 period and the Consolidated Non-Financial Statement: Sustainability Report 2020;
- acknowledged the annual report of the Personal Data Protection Committee;

- expressed a favourable opinion, with regard to the parts for which it is responsible, on the approval of the Company's Report on Corporate Governance and ownership structure for the 2020 financial year by the Board of Directors, noting that the corporate governance system adopted by the Company complies, inter alia, with the provisions of the Italian Civil Code, the TUF and the Corporate Governance Code;
- expressed a favourable opinion on the approval of the "Non-Financial Statement 2020" drafted not only in compliance with Italian Legislative Decree 254/16 but also in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" guidelines published in 2016 by the Global Reporting Initiative and the indications given by EC Guidelines 2017/C215/01;
- expressed a favourable opinion on Company's 2021 plan of audit activities and also expressed a favourable opinion on its approval by the Board of Directors;
- taken favourable note of the Internal Auditor's annual Report and of the overall suitability of the Internal Control and Risk Management System, expressing a positive opinion on its overall suitability;
- assessed the correct use of the accounting standards and their uniformity for the purposes of preparing the separate and consolidated financial statements as at 31 December 2020, after noting the findings of the representative of the Independent Auditors, consulted the Board of Statutory Auditors and the Financial Reporting Manager;
- approved the Report of the Control and Risk Committee as at 31 December 2020.

With regard to the Financial Year, in relation to control and risks the CG has:

- acknowledged the activities carried out by the previous Control and Risk Committee and the recommendations made by the latter during the last meetings;
- in consideration of what is stated by AISCI, heard the opinion of the Board of Statutory Auditors, ascertained the requisites of professionalism, competence and experience gained in the role, independence and organisation, absence of responsibility of operational areas, expressed a favourable opinion confirming Mr Antonio Ciriello as Internal Auditor of the Company, deeming the proposed budget and remuneration adequate;
- acknowledged the preliminary activities for the preparation of the 2021 NFS;
- acknowledged the periodic Report on the Internal Auditing activities carried out in the first half of 2021 by the Internal Auditor;
- met with the Supervisory Body for coordination activities;
- acknowledged the findings of the Independent Auditors, together with the Financial Reporting Manager and consulted the Board of Statutory Auditors, evaluated the correct use of accounting standards and their homogeneity for the purposes of the limited half-yearly review;
- approved the information to the Board of Directors on the activities carried out in relation to control and risks and on the adequacy of the internal control and risk management system;
- consulted the Board of Statutory Auditors and the Director in charge of the internal control and risk management system, expressed a favourable opinion on the submission to the Board of Directors of the Mandate for the Group Internal Audit and the Guidelines of the Internal Control and Risk Management System;
- acknowledged the Family Audit certification process undertaken by the Company;
- acknowledged the periodic disclosure of the Head of Corruption Prevention and of the Head of Antitrust Compliance;
- acknowledged the implementation of the Internal Audit department.

For the purpose of carrying out the tasks assigned to it, the CNR and the CG have had the opportunity to access the information and company functions necessary for the performance of their tasks, have financial resources and make use of external consultants, within the terms established by the Board.

### *9.3 Head of Internal Audit*

On 20 April 2021, on the proposal of the Director in charge of the Internal Control and Risk Management System, subject to the favourable opinion of the CG acting as Control and Risk Committee and after consulting the Board of Statutory Auditors, the Board of Directors confirmed the appointment of Antonio Ciriello, previously confirmed on 28 June 2007, as Head of the Internal Audit department, responsible for verifying that the Internal Control and Risk Management System is functioning and adequate, and consistent with the guidelines defined by the Board.

The Board also defined his remuneration in line with company policies, ensured him adequate resources for the fulfilment of his responsibilities, assigning him a budget equal to Euro 20,000.00 (twenty thousand/00), with reporting obligation, without prejudice to the possibility for the same to request additional resources from the Board of Directors for specific needs.

The Board of Directors also approved the document "Global Policy: the Group's Internal Audit Mandate", which sets out the principles and rules defining its mission, area of competence, independence, responsibilities and the authority of the Internal Auditing department within the Group. The document is consistent with the mission of the Internal Audit department and with the binding elements of the International Professional Practices Framework (the fundamental principles for the professional practice of internal auditing), as well as with the Code of Ethics, and international internal auditing standards.

The Internal Auditor, equipped with adequate requisites of professionalism, is not responsible for any operational area, has direct access to all information useful for the performance of the assignment and reports hierarchically to the Board of Directors, which, during the Financial Year, approved his work plan, with the favourable opinion of the Control and Risk Committee, after consulting the Board of Statutory Auditors and the Director in charge of the internal control and risk management system.

In particular, the Head of Internal Audit:

- a) verifies, both on an ongoing basis and in relation to specific needs and in compliance with international standards, the operation and suitability of the Internal Control and Risk Management System, through an audit plan approved by the Board of Directors, based on a structured process of analysis and prioritisation of the main risks;
- b) assists the Director in charge of the Internal Control and Risk Management System in the design, management and monitoring of the Internal Control and Risk Management System and in the identification of the various risk factors, including all the elements that may be relevant to the sustainable success of the Company and the Servizi Italia Group;
- c) plans and carries out - in line with the annual work plan - direct and specific control activities within the Issuer and the companies of the Servizi Italia Group, with special regard to the companies having strategic importance, in order to identify any shortcomings in the Internal Audit and Risk Management System in the various risk areas;
- d) within the audit plan, verifies the reliability of information systems, including the accounting detection systems;
- e) verifies that rules and procedures of the control processes are complied with and that all subjects involved operate in compliance with the predefined objectives; in the context of the work plan, verifies that the procedures adopted by the Issuer ensure compliance, in particular, with the provisions of law and regulations in force;
- f) ascertains, with the methods deemed most appropriate, that the anomalies found in controls' operation and functioning have been removed;

g) keeps all the documentation relating to the activities carried out; that documentation can be consulted at any time by the Chairman of the Board of Directors, by the Director in charge of the Internal Control and Risk Management System, by the Control and Risk Committee - through its Chairman - and by the Board of Statutory Auditors;

h) drafts periodic report containing adequate information on its activities, on the methods with which risk management is carried out and on compliance with the plans defined for their containment. The periodic reports contain an assessment of the suitability of the Internal Control and Risk Management System;

i) prepares timely reports on particularly significant events also in case of request coming from the Board of Statutory Auditors,

l) sends the reports pursuant to letters h) and i) to the Chairmen of the Board of Statutory Auditors, the Control and Risk Committee, the Board of Directors, the Supervisory Body, as well as to the Director in charge of the Internal Control and Risk Management System and, where appropriate, to the Financial Reporting Manager, except in cases where the subject of these reports specifically concerns the activities of these parties;

m) at least twice a year, in time to allow the Control and Risk Committee and the Board of Directors, as well as the Director in charge of the Internal Control and Risk Management System, to carry out their respective duties during (or prior to) the Board meetings held to approve the annual and half-yearly financial reports, prepares a half-yearly summary of the main findings that emerged during the six months in question and throughout the year;

n) provides valuable support to the Board of Statutory Auditors in fulfilling its responsibilities in terms of supervising compliance with the law, respect for the principles of proper administration, the adequacy of the organisational, administrative and accounting structure and the Internal Control and Risk Management System, as well as the adequacy of the instructions given to the subsidiaries pursuant to Article 114, paragraph 2, of the TUF;

o) supports the Supervisory Body in fulfilling its responsibilities in terms of assessing the effectiveness of the Organisational Model pursuant to Legislative Decree 231/01;

p) supports the Financial Reporting Manager in planning and implementing the procedural system needed for the purposes of certification and truthfulness, and also ensures, with regard to the audits carried out in the areas of interest to the Financial Reporting Manager, a suitable and direct flow of information on the functioning of the controls relating to administrative and accounting processes;

q) periodically reports to the Board of Directors, the Control and Risk Committee, the Board of Statutory Auditors and the Supervisory Body on its work and, in the event of particularly significant events, prepares timely reports.

During the Reference Financial Year, in particular, the Head of Internal Audit has:

- 1) verified, both on an ongoing basis and in relation to specific needs and in compliance with international standards, the operation and suitability of the Internal Control and Risk Management System, through an audit plan approved by the Board, based on a structured process of risks analysis and prioritisation;
- 2) prepared periodic reports containing information on its activities, on the manner in which risk management is conducted, as well as on compliance with the plans defined for their containment, and assessed the suitability of the Internal Control and Risk Management System; these were then sent to the Director in charge of the Internal Control and Risk Management system, as well as to the Chairmen of the Control and Risk Committee (later Governance Committee), the Board of Directors and Board of Statutory Auditors;

- 3) verified, within the framework of the 2021 plan of audit activities, the reliability of information systems, including the accounting detection systems, both in terms of infrastructure management and application management, with the support of a qualified third-party supplier.

In accordance with the 2021 audit plan, audits conducted by the Internal Auditor have included, among other things:

- procedural activities relating to the fast close for the purposes of the consolidated half-yearly financial report;
- administrative flows of foreign subsidiaries;
- operational and compliance activities;
- risk analysis review.

#### 9.4 Organisational Model pursuant to Legislative Decree no. 231/2001

The Company adopted an Organisational, Management and Control Model pursuant to Legislative Decree no. 231/2001. This Model, together with the Code of Ethics, is available and can be consulted on the company's website: [www.servizitaliagroup.com](http://www.servizitaliagroup.com) – Corporate Governance section, for what concerns the Model and Sustainability section for what concerns the Code of Ethics.

The Model was drawn up on the basis of the guidelines issued by Confindustria and in compliance with the guidelines of the relevant jurisprudence.

The Model provides for a series of rules of conduct, procedures and control activities aimed at preventing the occurrence of the offences expressly listed in Legislative Decree No. 231/2001. In addition, a disciplinary system has been introduced to be applied in cases of violation of the Model.

The Board of Directors has also assigned to a specially constituted body, the Supervisory Body ("SB") the functions identified in Article 6, paragraph 1, letter b), of Legislative Decree no. 231/2001, i.e. supervisory and control functions with regard to the functioning, effectiveness, adequacy and observance of the aforementioned Model. In carrying out its duties, the SB avails itself not only of its own structure, but also of the support of Servizi Italia's corporate functions and external consultants.

The Supervisory Body has a collegial structure and is composed of individuals with proven experience, who fill the requirements of autonomy, independence, integrity, professionalism, continuity of action, and possess specific skills in terms of inspection and consulting activities.

The members of the Supervisory Body hold office for three years and can be re-appointed. They can only be revoked for just cause.

During the Financial Year, the SB was made up of the following members:

Position	Members	In office from	In office until
Chairperson of the SB	Veronica Camellini <i>Attorney specialising in corporate issues and implementation and verification of the Internal Control and Risk Management System</i>	02/02/2019	02/02/2022
Member of the SB	Laura Verzellesi <i>Accountant specialising in administrative, accounting and tax matters</i>	02/02/2019	02/02/2022
Member of the SB	Francesco Magrini <i>Attorney with specific expertise in the administrative responsibility of entities</i>	02/02/2019	02/02/2022

As at the Report's Reference date, the members of the Supervisory Body are as follows:

Position	Members	In office from	In office until
Chairperson of the SB	Veronica Camellini <i>Attorney specialising in corporate issues and implementation and verification of the Internal Control and Risk Management System</i>	02/02/2022	02/02/2025
Member of the SB	Francesco Magrini <i>Attorney with specific expertise in the administrative responsibility of entities</i>	02/02/2022	02/02/2025
Member of the SB	Antonio Ciriello <i>Head of Regulated Systems and Head of the Company's Internal Auditing department and expert in risk management and corporate compliance</i>	02/02/2022	02/02/2025

Therefore, upon the expiry of the mandate of the SB in office, the Board of Directors decided to entrust the task of supervising the observance and functioning of the Model to a specially constituted body, composed of three members, of which two external professionals and one a control function officer of the Company, without the powers to influence the strategic or economic orientation of the same, in order to ensure coordination among the various parties involved in the internal control and risk management system.

#### 9.5 Independent Auditors

On 22 April 2015, the Shareholders' Meeting approved by a majority vote the proposal of the Board of Statutory Auditors to appoint Deloitte & Touche S.p.A. to audit the separate and consolidated financial statements of Servizi Italia S.p.A. for the years 2015-2023.

The mandate will expire with the approval of the financial statements as at 31 December 2023.

With regard to the Reference Financial Year, the independent auditors did not send any letter of suggestions or additional reports to the Board of Statutory Auditors.

#### 9.6 Financial Reporting Manager and other company roles and functions

With the favourable opinion of the Board of Statutory Auditors, on 28 April 2020 the Board of Directors appointed, with effect as from 29 April 2020, Angelo Minotta, Finance Manager, as Financial Reporting Manager.

This appointment took place in compliance with the provisions of Article 24 of the Articles of Association, which states that: (i) the Financial Reporting Manager must be appointed by the Board of Directors subject to the mandatory opinion of the Board of Statutory Auditors; (ii) the Financial Reporting Manager must be chosen from among the company's managers with proven experience in accounting and finance; (iii) the Financial Reporting Manager must be given adequate means and powers to carry out the tasks assigned to them; (iv) the Financial Reporting Manager must possess the same requisites of integrity asked of statutory auditors by the current provisions of the law.

With reference to the professionalism requirements, please note that Angelo Minotta has proven experience in accounting and finance, and meets the requirements of integrity established for the members of the control bodies by Article 148, paragraph 4, of the TUF, in compliance with the provisions of Article 24 of the Articles of Association.

For the entire duration of her term of office, the Financial Reporting Manager has been granted wide ranging powers directly and/or indirectly related to the performance of assigned duties, including, by way of example and

without this implying any limitation to the generality of the foregoing, the power to access any type of information and/or document concerning the Company and/or companies included in the scope of consolidation, deemed relevant and/or appropriate for the performance of duties assigned by law; the power to observe and/or enforce, directly and/or through collaborators, all tax and fiscal regulations and/or obligations in general; prepare the Company's financial statements drafts in compliance with current legislation, ensuring reliability and compliance with the reality of all data; sign reports prepared following inspections by public officials for assessments and controls of any kind, issuing related declarations. The Financial Reporting Manager responsible for preparing the company's financial reports has an annual budget of € 50,000.00 for the performance of her duties.

#### *10.6 Coordination between persons involved in the internal control and risk management system*

In compliance with the best practices of listed companies, the Company has established coordination methods among the various bodies involved in the Internal Control and Risk Management System, in order to maximise efficiency, reduce duplication and ensure effective performance of the duties of the Board of Statutory Auditors.

In particular, meetings are periodically held jointly among the various bodies responsible for internal control and risk management in order to identify, on the basis of the business processes identified in the audit plan prepared by the Head of Internal Audit, those areas of intervention and analysis specific to each body, and to identify, for each of them and taking into account their respective responsibilities, different viewpoints for examining the same issues, in order to avoid overlapping functions and/or duplication of activities, while implementing a unitary compliance system within the Company and the Group.

In Servizi Italia, the Head of Internal Audit and the Organisation and Systems Manager are also responsible for promoting coordination among the various parties involved in the Internal Control and Risk Management System (Board of Directors, Director in charge of the Internal Control and Risk Management System, Control and Risk Committee (later Governance Committee), Head of Internal Audit, Financial Reporting Manager, Board of Statutory Auditors, Supervisory Body and other company roles and functions with specific tasks in relation to internal control and risk management).

During the Financial year, special meetings were held between:

- Director in charge of the Internal Control and Risk Management System, Financial Reporting Manager, Head of Internal Audit and Manager of Organisation and Systems;
- Board of Statutory Auditors, Control and Risk Committee (later Governance Committee), Supervisory Body, Financial Reporting Manager, Independent Auditors, Head of Internal Audit and Organisation and Systems Manager, other corporate roles and functions with specific tasks with regard to internal control and risk management.

Subsequently, depending on the issues dealt with, the Board of Directors is informed through the Director in charge of the Internal Control and Risk Management System, the Financial Reporting Manager, the Head of the Internal Audit department, the Chairman of the Board of Statutory Auditors, the Chairman of the Control and Risk Committee (later Governance Committee), the Chairman of the Supervisory Body and the attorneys/delegates.

The Board of Statutory Auditors and the Control and Risk Committee (later the Governance Committee) promptly exchange relevant information for the performance of their duties and the Chairman of the Board of Statutory Auditors, or another Statutory Auditor designated by them, participates in the work of the Control and Risk Committee (later Governance Committee).

## **10.0 INTERESTS OF DIRECTORS AND OPERATIONS WITH RELATED PARTIES**

On 25 June 2021, the Board of Directors approved an updated version of the Regulation for transactions with related parties, subject to the favourable opinion of the Governance Committee operating as the Committee for

Transactions with Related Parties, which can be consulted on the Company's website, in the Corporate Governance/Documentation section. This regulation, updated in the light of the amendments to the Consob RPT Regulation (amended by Consob Resolution no. 21624 of 10 December 2020), is aimed at ensuring effective transparency and compliance with the criteria of substantial and procedural fairness in the execution of transactions with related parties, in compliance with the provisions of current legislation and, in particular, the Consob Related-Party Regulation.

Pursuant to the RPT Regulation, it is envisaged that, if the transactions with related parties involve Directors who have an interest, on their own behalf or on behalf of third parties, in conflict with that of the Company, these Directors must refrain from deciding on such transactions. Furthermore, if transactions with related parties involve the interests of one of the Company's CEOs, the CEO placed in the situation referred to in Article 2391 of the Italian Civil Code may not adopt decisions approving the transaction, even if the latter falls within the CEO's delegated powers, and as soon as he/she is informed he/she must inform the Board of Directors, in the person of its Chairman, of both the transaction and his/her interest in it as soon as possible. Each director is required to provide similar information when a transaction, for whatever reason, is subject to a resolution by a collective management body of which he/she is a member or to a resolution of the Board.

In the latter case, the Director who has an interest of his/her own involved in a related-party transaction must notify the collective governing body, the Board of Directors and the Board of Statutory Auditors, specifying its nature, terms, origin and scope. If the transaction falls within the competence of the collective governing body, the Directors involved in the transaction abstain from voting on it; they contribute to reaching the constitutive quorum, but are excluded from the quorum required for the adoption of the resolution. In any case, the provisions of Article 2391 of the Italian Civil Code shall apply.

Furthermore, please note that in the Reference Financial Year, the Control and Risk Committee, constituted of three independent directors, Romina Guglielmetti (Chairperson), Chiara Mio and Antonio Aristide Mastrangelo, as provided for by Article 8 of the RPT Regulation, has also been assigned the functions of the Related-Party Transactions Committee ("RPT Committee") until 20 April 2021, and is therefore called upon to express its reasoned opinion on the Company's interest in carrying out transactions with related parties, as well as on the convenience and substantial correctness of the related conditions, and to perform the additional functions assigned to the Committee by the RPT Regulation.

Subsequently, with the renewal of the Board of Directors, the competence for transactions with related parties was attributed, as required by Article 8 of the RPT Regulation, to the Governance and Related-Party Committee, in office until the approval of the Financial Statements at 31 December 2023, made up of three independent directors: Anna Maria Fellegara (Chairperson), Antonio Aristide Mastrangelo and Benedetta Pinna. With regard to related parties, the CG carries out the tasks, which, in accordance with the regulations in force from time to time, are attributed to it pursuant to the Regulations for transactions with related parties adopted by the Company in relation to both transactions of lesser importance, and - given the qualification of "smaller company" of Servizi Italia and as long as the Company qualifies as such - to transactions of greater importance with related parties.

The meetings of the CNR and of the CG were coordinated by the respective Chairperson, the respective meetings were regularly minuted and the respective Chairperson reported on it to the first possible meeting of the Board of Directors.

Table 3, attached to this Report, shows the structure of the Committees, the number of meetings held during the Financial Year, their average duration, the actual participation of each member, their role, the number of meetings scheduled for the current year, as well as those already held.

During the Reference Financial Year, the CNR, acting as Committee for Transactions with Related Parties, in particular, verified the usability of a transaction as "ordinary" and "concluded at conditions equivalent to market or standard conditions".

During the Financial Year, with regard to related parties, the Governance and Related-Party Committee has:

- expressed a favourable opinion on the submission of the Regulations for Transactions with Related Parties updated to the Board of Directors, favourably acknowledging the changes made;
- acknowledged the disclosure on the exempt Transactions of greater significance referring to the period 1 January-30 September 2021 drawn up by the Executive Committee and the General Manager of the Company, with the support of the competent corporate functions;
- expressed a favourable opinion on two transactions of lesser significance with related parties.

## 11.0 BOARD OF STATUTORY AUDITORS

### 11.1 Appointment and replacement

The Board of Statutory Auditors is made up of three Standing Auditors and two Alternate Auditors, and is appointed by the Ordinary Shareholders' Meeting, which determines their annual remuneration for the entire duration of their term of office. Statutory Auditors are entitled to reimbursement of expenses incurred in the performance of their duties and may be re-elected. At least one Standing Auditor and one Alternate Auditor must belong to the least represented gender on the Board of Statutory Auditors; in any case, the composition of the Board of Statutory Auditors must ensure gender balance in accordance with laws, including regulations, in force from time to time.

On this point, it should be noted that Italian Law no. 160 of 27 December 2019 ("**Budget Law 2020**") amended the criteria relating to the gender balance in administrative and control bodies of listed companies (introduced by Italian Law no. 120 of 12 July 2011), providing that the quota to be reserved for the less represented gender within the Board of Directors and the Board of Statutory Auditors is equal to "at least two-fifths" and establishing that this criterion shall apply for six consecutive terms "*starting from the first renewal of the Board of Directors and the Board of Statutory Auditors of companies listed on regulated markets following the date of entry into force of this law*", which occurred on 1 January 2020.

Consob, in its Communication no. 1/20 of 30 January 2020, also clarified that, in the event that corporate bodies are made up of three members (as is typically the case for supervisory bodies), since it is in fact impossible, from an arithmetic point of view, to ensure the presence of at least two fifths of both genders in these bodies, the criterion of rounding up to the higher unit is inapplicable. Consequently, the provision set out in Article 144-*undecies*.1, paragraph 3, of the Issuers' Regulation was integrated by providing that, for corporate bodies made up of three members, the criterion of rounding down to the nearest whole number (i.e. one member out of three) is applied.

Without prejudice to situations of incompatibility envisaged by current legislation, those who already hold the office of member of the Board of Statutory Auditors in five issuing companies in accordance with current legislative and regulatory provisions, except for different limits established by current legislation, may not take the office of auditor and, if elected, shall forfeit their office.

Attributes, duties and duration are those established by law. The members of the Board of Statutory Auditors are chosen from among those who meet the requirements of integrity, professionalism and independence required by law and regulatory provisions. In particular, for the purposes of the provisions of article 1, paragraph 2, letters b) and c) of Decree No. 162 of the Ministry of Justice of 30 March 2000, the matters and sectors closely related to the Company's activities are considered to be those listed in article 2 of the Articles of Association. If the requirements are not met, the office is forfeited.

Statutory Auditors are appointed on the basis of lists presented by the shareholders according to the procedures described below and, in any case, in compliance with regulations in force on a case by case basis. The candidates on each list are listed by a sequential number. The lists are made up of two sections: one for candidates for the office of standing auditor, the other for candidates for the office of alternate auditor. Each section containing at

least here candidates must contain at least one male candidate and one female candidate; and in any case, it must be composed in such a way that the gender balance within the Board of Statutory Auditors is ensured in accordance with the legislation, including regulations, in force from time to time; candidates must be included in the list alternately by gender (one male, one female or vice versa, and so on).

Only shareholders who, alone or together with others, represent at least 2.5% (two point five per cent) of the Company's share capital or a different measure established by Consob<sup>(2)</sup> in implementation of current provisions, are entitled to submit lists.

Each shareholder, shareholders who are parties to the same shareholders' agreement pursuant to Article 122 of the TUF, subsidiaries and those subject to joint control pursuant to Article 93 of the TUF, even if they act through a third party or trust company, may submit, or take part in submitting, and vote for, only one list. No list may be used to approve or vote in favour of any candidate in violation of this prohibition. Each candidate may appear on only one list under penalty of ineligibility.

Without prejudice to the application of a different legal disposition, the lists presented must be deposited at the Company's registered offices, including by means of remote communication that allows the identification of those presenting the list, no later than the twenty-fifth day prior to the date set for the first call of the Shareholders' Meeting, and made available to the public at the Company's registered offices, on the website and in other ways provided for by Consob regulations at least twenty-one days prior to the date of the Shareholders' Meeting.

Together with each list, the following must be deposited at the Company's registered offices within the terms indicated above:

- a copy of the certificates issued in accordance with the law by the authorised intermediaries;
- *CV concerning personal and professional skills of each candidate, indicating administrative and control positions held in other companies;*
- statements in which the individual candidates accept their candidacy and certify, under their own responsibility, that there are no grounds for ineligibility or incompatibility, including with reference to the number of offices referred to in the second paragraph of this article, and that they meet the regulatory and statutory requirements for the respective offices.

In addition to the above, if a list is presented by shareholders other than those who hold, even jointly, a controlling interest or a relative majority in the Company's share capital, the list must be accompanied by a declaration from the shareholders presenting it, attesting to the absence of any relationship with one or more reference shareholders, as defined by current legislation. The call notification must specify the shareholding for the presentation of the lists and may provide for the deposit of any further documentation.

A list for which the above provisions are not observed shall be considered as not having been submitted.

The election of the members of the Board of Statutory Auditors will be carried out as follows:

- two standing auditors and one alternate auditor are taken from the list that obtained the highest number of votes from shareholders at the Shareholders' Meeting, on the basis of the progressive order in which they are listed in the sections of the list;
- from the list that obtained the second highest number of votes from shareholders at the Shareholders' Meeting and that is not connected, even indirectly, in accordance with the provisions of current legislation and regulations, with the shareholders who submitted or voted for the list that received the highest number of votes, the remaining standing member, who shall chair the Board of Statutory Auditors, and the other

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<sup>(2)</sup> Amount determined by Consob with Executive Decision no. 60 published on 28 January 2022: 2.5%.

alternate member shall be drawn, on the basis of the progressive order in which they are listed in the sections of the list.

If the composition of the Board of Statutory Auditors is not ensured by the methods indicated above, in compliance with gender balance stated by article 20.1 of the Articles of Association, the necessary replacements of candidates on the list that obtained the highest number of votes, according to the progressive order in which the candidates are listed. If this procedure does not allow compliance with the regulations in force from time to time on the subject of gender balance within the Board of Statutory Auditors, the Shareholders' Meeting shall provide for the necessary replacements by a resolution adopted with the majority required by law.

In the event of a tie, the Shareholders' Meeting shall proceed to a new vote, putting to the vote only the first two lists. The same rule shall apply in the event of a tie between the lists that are second in number of votes and that are not connected, even indirectly, in accordance with the provisions of current legislation and regulations, with the shareholders who have submitted, contributed to the submission of, or voted for the list that was first in number. In the event of further parity between lists, the list presented by the shareholders with the largest shareholding or, alternatively, the list presented by the largest number of shareholders shall prevail.

In the event of the termination of a Standing Auditor, the Alternate Auditor belonging to the same list as the terminated Auditor takes over. This replacement will take place by ensuring, where possible, the presence among the standing members of the Board of Statutory Auditors of an auditor belonging to the least represented gender, in compliance with the provisions of art. 20.1 of the Articles of Association. If this is not possible, the Shareholders' Meeting must be convened promptly to ensure compliance with this composition criterion.

The Shareholders' Meeting, called upon to reinstate the Board of Statutory Auditors, will take steps in accordance with the law, in compliance with the principle of necessary representation of minority shareholders and the gender balance provided for in Article 20.1 of the Articles of Association.

If the statutory and regulatory requirements are no longer met, the Auditor's term of office shall expire.

If only one list is submitted or if no list is submitted, the Shareholders' Meeting resolves with the majorities required by law and in compliance with gender balance criterion stated by Article 20.1 of the Articles of Association.

### *11.2 Composition and operation (pursuant to Article 123-bis, par. 2, letter d), of the TUF)*

Table 4 attached to this Report shows the structure of the Board of Statutory Auditors, the number of meetings held in during the Financial Year under analysis, their average duration and the actual participation of each member in the meetings held during the Financial Year.

The Board of Statutory Auditors of Servizi Italia S.p.A., appointed on 28 April 2020 and in office until the date of the Shareholders' Meeting called to approve the Financial Statements as at 31 December 2022, was made up as follows:

BOARD OF STATUTORY AUDITORS	
Name	Position
Roberto Cassader	Chairman of the Board of Statutory Auditors*
Gianfranco Milanese	Standing Auditor*
Benedetta Pinna	Standing Auditor*
Davide Barbieri	Alternate Auditor
Elena Iotti	Alternate Auditor*

\* *Belonging to the Majority List*

On 28 April 2020, at the Shareholders' Meeting, the following lists were submitted:

- List no. 1 presented by the Majority Shareholder Aurum S.p.A., holder of 17,601,424 shares equal to 55.3339% of the share capital of Servizi Italia S.p.A.;

- List no. 2 submitted by the shareholders Mediolanum International Funds Limited, manager of the Challenge Funds - Challenge Italian Equity fund, and Mediolanum Gestione Fondi SGR S.p.A., manager of the Medioanum Flessibile Futuro Italia fund, holders of a total of 811,000 shares, equal to 2.5495% of the share capital of Servizi Italia S.p.A., who confirmed the absence of any relationship with the majority shareholder;
- List no. 3 submitted by the Shareholder Everest S.r.l., holding 1,413,839 shares equal to 4.4447% of the share capital of Servizi Italia S.p.A., which confirmed the absence of any connection with the majority shareholder.

The result of the vote on 28 April 2020 was:

List	No. of shares	%
List no. 1	17,602,239	85.438306
List no. 2	1,586,202	7.699158
List no. 3	1,413,839	6.862537
Against	-	-
Abstaining	-	-
Non-voting	-	-
<b>Total shares for which a vote was cast</b>	<b>20,602,280</b>	<b>100</b>

Therefore, in view of the voting results, two standing auditors (Gianfranco Milanese and Benedetta Pinna) and one alternate auditor (Elena Iotti) were taken from the list, which obtained the highest number of votes at the Shareholders' Meeting, on the basis of the order in which they were listed. In accordance with the provisions of current legislation and regulations, from the list with the second highest number of votes (which was not connected, either directly or indirectly, to the Shareholders who submitted or voted for the list that obtained the highest number of votes) the Chairman (Roberto Cassader) and the other alternate auditor (Davide Barbieri) were taken, according to the order in which they were listed.

As at the Reference date, following the resignation of the Standing Auditor Benedetta Pinna on 24 March 2021 with effect from 2 April 2021 and the taking over of the office of Standing Auditor by the Alternate Auditor Elena Iotti (taken from the same list of the resigning Standing Auditor) in accordance with the law and the Articles of Association, the Board of Statutory Auditors of Servizi Italia S.p.A. in office is made up as follows:

BOARD OF STATUTORY AUDITORS	
Name	Position
Roberto Cassader	Chairman of the Board of Statutory Auditors*
Gianfranco Milanese	Standing Auditor*
Elena Iotti	Standing Auditor*
Davide Barbieri	Alternate Auditor

\* *Belonging to the Majority List*

Based on the assessments of the same Board of Statutory Auditors, in consideration of all the information available in the self-assessment, the composition of the Board is adequate to ensure the independence and professionalism of its function.

Please note that the Shareholders' Meeting called for 20 April 2022 (first call) will also be called to integrate the Board of Statutory Auditors, specifying that, since the list voting mechanism does not apply, the Shareholders' Meeting will be called upon to resolve by majority vote, in compliance with the criteria for the composition of the Board of Statutory Auditors provided for by the laws and regulations in force and by Article 20 of the Articles of Association. It should be noted that Article 2401 of the Italian Civil Code provides that the Shareholders'

Meeting may alternatively (i) confirm as Standing Auditor the Alternate Auditor who has taken over, and appoint a new Alternate Auditor, or (ii) appoint a new Standing Auditor, in which case the Alternate Auditor who has already taken over the position of Standing Auditor will resume his/her position of Alternate Auditor. Pursuant to Article 2401 of the Italian Civil Code, the term of office of the newly appointed members will expire at the same time as that of the current members of the Board (i.e. with the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2022).

Further information on Statutory Auditors' résumés at the Reference date is provided in the annex to this Report.

### Diversity criteria and policies

As implementation of the provisions of Article 123-bis, paragraph 2, letter d-bis) of the TUF, the Board of Statutory Auditors has adopted its own diversity policy in relation to the composition of the Company's Board of Statutory Auditors ("**Policy**") and it is responsible for the monitoring the results of its implementation, as well as for updating it.

The composition of the Board of Statutory Auditors must comply with the legal and regulatory provisions in force at the time, as well as the requirements indicated by the Company's Articles of Association and by the principles of the Corporate Governance Code to which the Company adheres. In addition, the Board of Statutory Auditors hopes that its members will possess the characteristics described in the Policy, so that the supervisory body can exercise its supervisory duties in the most effective manner, making decisions that can concretely make use of the contribution of a plurality of qualified points of view.

The Policy intends exclusively to guide the candidacies formulated by the Shareholders during the renewal of the entire Board of Statutory Auditors, or to integrate the related composition, ensuring adequate consideration of the benefits that can derive from a harmonious composition of the Board itself, aligned with the criteria of diversity described in the Policy.

Specifically, the Board of Statutory Auditors of Servizi Italia believes that, in addition to integrity, professionalism and independence required by law and recommended by the principles deriving from corporate governance, an optimal composition must satisfy the following requirements:

- (i) the Statutory Auditors should be by majority auditors registered in the specific register;
- (ii) the composition of the Board of Statutory Auditors must in any case ensure gender balance in accordance with the provisions of the law and the Articles of Association in force from time to time, in compliance with the gender diversity criterion set out in recommendation 8 of the Corporate Governance Code;
- (iii) to achieve a balance between continuity and renewal requirements in the exercise of supervisory functions, a balanced combination of different seniority would be desirable, as well as - in order to allow a balanced plurality of prospects and experiences - even a balanced one combination of different age groups;
- (iv) the Statutory Auditors should possess managerial and/or professional and/or academic and/or institutional profiles such as to create a set of competences and experiences that are different and complementary to each other, so as to facilitate an optimal performance of the supervisory functions required to the Board of Statutory Auditors. In particular:
  - a. professional profiles should include the acquisition of skills and experience in positions of responsibility in accredited professional or consultancies firms and having worked in the fields of economics, accounting, law, finance and risk management;
  - b. academic and/or institutional profiles should possess competences and experiences that, due to their characteristics, can allow an optimal fulfilment of the supervisory functions delegated to the Board of Statutory Auditors;

- (v) the international projection of the Group's activities should be taken into consideration, ensuring the presence of at least one Standing Auditor who has acquired adequate experience in the international context. This experience must be assessed on the basis of managerial, professional, academic or institutional activity carried out internationally;
- (iv) the Statutory Auditors must, as a whole, be competent in the sectors in which the Servizi Italia Group operates and indicated in the Articles of Association. To this end, if the Statutory Auditors do not have specific competence in these sectors, it is hoped that they could participate in an adequate induction programme organised by the Company;
- (vii) the Chairman should be a person with authority to ensure adequate coordination of the work of the Board of Statutory Auditors with the activities carried out by the other parties involved in various ways in the governance of the Internal Control and Risk Management system, in order to maximise its efficiency and reduce duplication of activity. Furthermore, the Chairman has the task of creating a spirit of cohesion within the Board of Statutory Auditors to ensure the effective fulfilment of the supervisory functions delegated to this body, representing at the same time, like the other Statutory Auditors, a guarantee figure for all shareholders and stakeholders.

In order for the Servizi Italia Board of Statutory Auditors to carry out its duties in the most effective manner, in addition to the requirements in terms of the diversity indicated above, it is considered essential that all the Statutory Auditors guarantee sufficient time for the diligent performance of their duties, taking into account both the number and quality of the positions held in the administrative and control bodies of other companies (in compliance with the law), and the commitment required of them by the additional work and professional activities carried out.

It is also recalled that the Shareholders' Meeting on 30 May 2019 resolved to adopt the gender diversity criterion through a specific amendment to Article 20 of the Articles of Association establishing the rule (general and no longer limited to the first three mandates subsequent to 12 August 2012) according to which "*at least one standing auditor and one alternate auditor must belong to the gender less represented in the Board of Statutory Auditors*".

On 5 March 2020, the Board of Directors resolved to amend Article 20 of the Articles of Association according to the aforementioned regulations recently introduced by Article 1, paragraphs 302-304 of the 2020 Budget Law, also taking into account the clarifications offered by Consob in Communication no. 1/20 of 30 January 2020 and following amendment of Article 144-*undecies*.1 paragraph 3 of the Issuers' Regulation (which confirmed that the criterion of rounding up to the next higher unit applies only to corporate bodies consisting of more than three members, while rounding down is applied to bodies consisting of three members), introducing the general principle that the composition of the Supervisory Body "*must in any case ensure gender balance in accordance with the legislation, including regulations, from time to time in force*", thus adopting a flexible criterion that makes the Articles of Association flexible and adequate even in the event of further subsequent amendments to the legislation on gender balance. It should be noted that the regulatory changes do not have a significant impact on the rules of composition of the Board of Statutory Auditors, it being confirmed that at least one Standing Auditor (out of three) and one Alternate Auditor (out of two) must belong to the least represented gender within the body.

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## Independence

At the first opportunity after the appointment of each member, also according to applicative Criterion 8.C.1 of the applicable Corporate Governance Code, the Board of Statutory Auditors verified the existence of the independence requirements of its members, communicating the outcome of these checks to the Board of Directors, which informed the market by means of a press release. The criteria of independence taken into

consideration are all those established by current legislation, as well as by Article 3 of the applicable Corporate Governance Code.

At the beginning of its mandate, the Board of Directors has predefined the quantitative and qualitative criteria for assessing the significance of the relevant circumstances pursuant to the Code for the purposes of assessing the independence of the directors, also applied to the members of the Board of Statutory Auditors in compliance with the provisions of Recommendation 9 of the Corporate Governance Code.

During the Reference Financial Year, the Board of Statutory Auditors has verified the continued existence of the independence requirements, as indicated in the Code, of its members, having considered the information made available by its members and forwarded the results of these checks to the Board of Directors; in carrying out these assessments, it also applied all the criteria set out in the Code of Conduct with reference to the independence of directors.

### Remuneration

The remuneration of Statutory Auditors is appropriate to the competence, professionalism and commitment required by the importance of the role covered and the Company's size and sector specifications as well as its situation. For further information, please refer to the Remuneration Report available on the Company's website at [www.servizitaliagroup.com](http://www.servizitaliagroup.com).

### Interest management

In compliance with recommendation 37 of the Corporate Governance Code, the Company requires that any Statutory Auditor who, on their own part or on that of third parties, has an interest in a specific transaction must promptly and thoroughly inform the other Statutory Auditors and the Chairman of the Board of Directors of the nature, terms, origins and range of their interests.

## 12 RELATIONS WITH SHAREHOLDERS

### Access to information - Dialogue with shareholders

From the moment of the listing of its shares, the Company deemed it in its specific interest, and its duty towards the market, to establish a continuous dialogue with its shareholders, in full compliance with current legislation.

As part of the process of compliance with the Corporate Governance Code and in accordance with Principle IV and Recommendation no. 3 thereof, on 19 January 2021, the Board of Directors adopted a Policy for the management of dialogue with shareholders (the "**Policy**"), formulated by the Investor Relations Manager, in consultation with the Chairman. The Policy governs the methods of engagement and communication with all Company's current and potential shareholders in order, inter alia, to enhance the exchange of information and improve the level of mutual understanding between Company and investors, in compliance in any case with the provisions contained in EU Regulation no. 596/2014 of the European Parliament and of the Council of 16 April 2014 and the related implementing provisions on the management and public disclosure of "inside information" and the provisions of the "*Procedure for the internal management and external disclosure of documents and information concerning Servizi Italia S.p.A.*" adopted by the Company.

The Policy - aimed at fostering the stability of Shareholders' investments and sustainable success of the Company, providing the Shareholders with a better understanding of Company's objectives and requests to the Shareholders, promoting a communication that helps to align their interests with those of the Company and the Group - is published on the Company's website [www.servizitaliagroup.com](http://www.servizitaliagroup.com).

In order to better implement its relations with the market, the Company has set up specific sections that are easily identifiable, accessible and continually updated in its website, where news of importance to shareholders are provided, thereby enabling shareholders to consciously exercise their rights.

At the date of this report, the Company has identified Pietro Giliotti (Manager responsible for Consolidated Financial Statements) as the person specifically responsible to manage shareholder relations (Investor Relations Manager), who, in collaboration with the delegated body, the General Manager, the CFO and other members of the Investor Relations Team, coordinates and promotes investor relations activities, as well as meetings and contacts with shareholders and/or investors.

Servizi Italia S.p.A. has appointed as Specialist Intermonte SIM S.p.A., an entity authorised to carry out the activity in question, not being a part of the same group to which Servizi Italia S.p.A. belongs, or headed by Servizi Italia S.p.A.

In disclosing financial data or fielding requests for clarification of published data or the business model, the Company, Intermonte SIM S.p.A. and Midcap Partners, during the Financial Year, organised special meetings, events and conference calls with institutional investors and financial analysts.

During the Financial Year, the Investor Relations Team held several individual and group meetings (via conference call) with analysts and investors.

In the Financial Year, Servizi Italia also met potential investors and shareholders, participating in major events such as:

- Virtual STAR Conference, 23 March 2021, organised by Borsa Italiana;
- Midcap Partners Conference in Paris, 11 May 2021, organised by Midcap Partners;
- Virtual STAR Conference Fall Edition, 12 October 2021, organised by Borsa Italiana.

### 13 SHAREHOLDERS' MEETINGS (pursuant to Article 123-bis, par. 2, letter c), of the TUF)

The Shareholders' Meeting represents all the members and its resolutions, taken in accordance with the law and the Articles of Association, bind all the members.

The Company's Shareholders' Meeting, both ordinary and extraordinary, is convened, pursuant to law and the Article of Association, by the Board of Directors, even in a place other than the registered offices, provided that it is in Italy or in another member state of the European Union, by means of a notice to be published, within the legal terms, on the Company's website as well as in the manner provided for by Consob regulations pursuant to Article 113-ter, paragraph 3, of the TUF.

Pursuant to Article 11 of the Articles of Association, the Ordinary Shareholders' Meeting is convened at least once a year within one hundred and twenty days of the end of the financial year. The Shareholders' Meeting may be convened within one hundred and eighty days of the end of the financial year if the legal conditions for the exercise of this right are met. The Shareholders' Meeting may be convened by the Board of Directors at the request of shareholders representing at least one twentieth of the share capital or, subject to prior notification to the Chairman of the Board of Directors, by the Board of Statutory Auditors or by at least two members of the same.

Shareholders who, even jointly, represent at least one-fortieth of the Company's share capital, may request, within the terms, in the manner and within the limits prescribed by the regulations in force on a case by case basis, the addition to the list of items to be discussed, indicating in the request the additional items proposed by them or submit new proposals for resolutions on items already on the agenda. All requests must be submitted in writing. The addition to the list of matters to be dealt with by the Shareholders' Meeting shall be notified, in the manner prescribed for the publication of the convocation notice, at least fifteen days prior to the date set for the meeting. Requests for additions to the list of items to be discussed are not permitted for items on which the

shareholders' meeting resolves, in accordance with the law, on a proposal from the directors or on the basis of a project or a report prepared by them, other than those referred to in Article 125-ter, first paragraph, of the TUF.

Shareholders who request additions to the agenda must prepare a report on the items they propose to discuss. The report must be submitted to the administrative body by the deadline for submitting the request for additional suggestions. The Board of Directors will make available to the public the report, together with its own evaluations, at the same time as the notification for additional suggestions is published, making it available at the Company's registered office, on the Company's website and in accordance with the other procedures provided for by the relevant Consob regulations in force.

The notice of call must indicate the date, time and place of the meeting as well as the list of points to be discussed and other information required by current legislation and regulations. The same notice may indicate the day, time and place for any meetings subsequent to the first if the previous ones are not attended.

Pursuant to Article 135-undecies of the TUF, the Company does not designate a person to whom shareholders may grant a proxy with voting instructions for participation in the Shareholders' Meeting.

Pursuant to Article 12 of the Articles of Association, ordinary and extraordinary Shareholders' Meetings are validly constituted and pass resolutions with the majorities established by law.

The members of the Board of Directors and members of the Board of Statutory Auditors are appointed, respectively, in accordance with the procedures set out in articles 15 and 20 of the Articles of Association.

Pursuant to article 13 of the Articles of Association, the persons entitled to attend the Shareholders' Meeting are those who have the right to vote and for whom the Company has received, in compliance with the legislation, including regulations, in force on a case by case basis, the communication issued by the appointed intermediaries in accordance with their accounting records.

Any person with the right to vote who has the right to attend the Shareholders' Meeting may be represented at the Meeting by others by means of a written proxy, in accordance with and within the limits of the provisions of the law. The proxy may also be conferred by electronic means or with an electronic document signed in electronic form, in compliance with the laws and regulations in force on a case by case basis. Unless otherwise provided by law, the proxy can be notified to the Company even by e-mail to the certified e-mail address indicated in the convocation notice, with possibility of using the proxy form prepared by the Company, which can be downloaded directly from the Company's website.

Note that at the Reference date, no plans exist for multiple voting shares, nor has the Company so far introduced the institution of the increase voting rights provided for in Article 127-quinquies of the TUF.

During the Financial Year, a shareholders' meeting was held on 20 April 2021, attended by nine directors in office and all the members of the Board of Statutory Auditors.

In order to minimise the risks related to the ongoing health emergency and in consideration of the provisions of Article 106 of Italian Legislative Decree no. 18 of 17 March 2020 (the so-called "Cura Italia Decree"), converted with Italian law no. 27 of 24 April 2020, applicable at the time of the prorogation provided lastly by Article 3, paragraph 6, of Italian Legislative Decree no. 183 of 31 December 2020, converted with Italian Law no. 21 of 26 February 2021, the intervention at the Shareholders' Meeting by those who were entitled to vote took place exclusively through the representative appointed by the Company pursuant to Article 135-undecies of the TUF (the "**Designated Representative**"). Moreover, in view of the epidemiological emergency caused by Covid-19 and in compliance with the fundamental principles of health protection, Directors, Statutory Auditors, the Appointed Representative, as well as the other legitimate parties other than those who were entitled to vote, were entitled to intervene by means of telecommunications, which also ensured their identification, in compliance with the provisions of Article 106, paragraph 2 of the Cura Italia Decree.

On the occasion of the Shareholders' Meeting of 20 April 2021, the renewal of the Board of Directors was resolved, determining the number of members, the composition, the duration of the mandate, as well as the overall remuneration.

With reference to the size, composition and term of office of the members of the Board of Directors, the outgoing Board of Directors drew up motivated proposals described in the Directors' Report on the items on the agenda and in the guidelines on the size and composition of the Board of Directors of Servizi Italia S.p.A. and on the diversity policy, attached to the same report.

With regard to the overall remuneration to be attributed to the Board of Directors, the outgoing Board of Directors refrained from formulating specific proposals in this regard and invited the Shareholders' Meeting to resolve on the matter on the basis of the proposals that the Shareholders could file together with their list. In fact, the resolution was based on the proposal formulated by the majority shareholder Aurum S.p.A. and filed together with the list for the appointment of the members of the Board of Directors.

Through the Chairman, the Board reported in relation to the activities carried out and those planned and endeavoured to ensure that shareholders are provided with adequate information on the elements necessary for them to be able to take informed decisions within the competence of the shareholders' meeting.

The Company makes available in advance on its website, in specific sections and within the terms provided for by its Articles of Association and by current legislation, the documentation necessary for the shareholders concerned to be adequately informed of the items on the agenda and, therefore, to be able to make the required decisions at the Shareholders' Meeting.

Shareholders are also regularly informed about the functions exercising by the committees both through this Report and through the information contained in the Report on Remuneration policy and remuneration paid, prepared pursuant to Article 123-ter of the TUF.

The Company's Board of Directors has not deemed appropriate to adopt Regulations governing the conduct of Shareholders' Meetings, in view of the characteristics of the Company and its shareholders.

As the Reference date, the Ordinary Shareholders' Meeting has been called for 20 April 2022 (first call) and 21 April 2022 (second call). It is represented that, taking into account the containment measures imposed with regard to the Covid-19 epidemiological emergency situation, pursuant to Article 106, paragraph 4 of the Italian Law Decree no. 18 of 17 March 2020 (known as "Cura Italia Decree", converted with Italian Law no. 27 of 24 April 2020, as last amended by the Italian Law Decree no. 228 of 30 December 2021), the participation in the Shareholders' Meeting of those with voting rights will be allowed exclusively through the Representative Designated by the Company pursuant to Article 135-undecies of the TUF.

#### **14 FURTHER CORPORATE GOVERNANCE PRACTICES (pursuant to Article 123-bis, par. 2, letter a), of the TUF)**

The Board of Directors of the Company, by resolution of 28 January 2016, set up, on a voluntary basis, a specific whistleblowing system, in order to implement the Company's Internal Control and Risk Management System by providing it with a specific and confidential information channel, also able to guarantee the anonymity of the reporting party. Following the amendments made to Article 6 of Legislative Decree 231/01, the Company deemed it appropriate to integrate the whistleblowing procedure, previously adopted on a voluntary basis, within the Organisation, Management and Control Model pursuant to Legislative Decree 231/01, identifying the Supervisory Body as the body responsible for receiving and managing reports. Subsequently, on 30 July 2020, the Company updated the whistleblowing procedure, with the aim of defining a system allowing the reporting, by employees, members of corporate bodies and third parties, of unlawful phenomena and suspicious conduct, irregularities in the management of the company, attempted, presumed and actual acts of corruption, as well as any violation or deficiency concerning the management system for the prevention of corruption, acts or facts that may constitute a violation of the rules, internal and external, governing the activities of Servizi Italia S.p.A., the principles and rules of conduct contained in the Code of Ethics, as well as the provisions contained in the

Organisation, Management and Control Model pursuant Legislative Decree 231/01, in the Antitrust Code of Conduct and in the General Data Protection Regulation.

## 15 CHANGES FROM THE CLOSING OF THE PREVIOUS FINANCIAL YEAR

There have been no changes in the corporate governance structure from the closing of the 2021 financial year to the Reference date.

## 16 CONSIDERATIONS ON THE LETTER FROM THE CHAIRMAN OF THE CORPORATE GOVERNANCE COMMITTEE

The Company received the recommendations contained in the letter of 3 December 2021 from the Chairman of the Corporate Governance Committee, which were brought to the attention of the Board of Directors and of the Governance Committee in the meeting held on 14 March 2022 and, submitted – for its competences – also to the Board of Statutory Auditors.

In this regard it should be noted that:

- with reference to the topic of **sustainable success**, adequate and concise information has been provided in this Report on the methods adopted for its pursuit and on the approach adopted in promoting dialogue with relevant stakeholders, also providing brief indications on the dialogue policy with all shareholders adopted by the Company and published in full on its website;
- with regard to the issue of **proportionality**, the classification of the Company as a non "large" company and a "concentrated ownership" company was assessed and indicated in this Report, adequately indicating the choices made by the Company in the process of adopting the Code;
- with reference to the **independence** of Directors, this Report describes the criteria used to evaluate the significance of professional, commercial and financial relationships and additional remuneration such as to compromise in the abstract the independence of Directors and Statutory Auditors, pursuant to Recommendation no. 7 of the Code;
- with regard to the subject of **information prior to the board meeting**, the Regulations of the Board and of the Committees explicitly indicate the deadline considered appropriate for sending the documentation and an adequate illustration of the effective compliance with the previously defined deadline has been provided in the Report, illustrating how, in any case, adequate information was provided in the Board;
- with reference to the **appointment and succession of Directors**, reference is made to what is amply illustrated in the Report, noting however that the Company does not qualify as a "large company";
- with regard to **gender equality**, the Company promotes equal treatment and opportunities among genders within the entire company organisation. On the subject, in any case, reference should be made to the contents of this Report and of the Consolidated Non-financial Statement - 2021 Sustainability Report;
- with regard to the **remuneration policies**, the consistency of the parameters identified for the variable remuneration with the strategic objectives of the business activity and the pursuit of sustainable success was adequately considered, assessing the provision of non-financial parameters, which, with particular reference to social and environmental objectives, are predetermined and measurable. For further information, please refer to the Remuneration Report.

**TABLE 1 A - POSITIONS HELD BY DIRECTORS AND STATUTORY AUDITORS AS AT THE REFERENCE DATE**

The table below indicates the positions held by each member of the Board of Directors in other companies listed on regulated markets, or of significant size, as at the Reference date.

**ANNEX A - RESUMES OF DIRECTORS, STATUTORY AUDITORS AND STRATEGIC MANAGERS**

Name	Company	Office held
Roberto Olivi	Coopservice S.Coop.p.a	Chairman of the Board of Directors
Ilaria Eugeniani	-	-
Michele Magagna	Coopservice S.Coop.p.a	Special Attorney and General Manager
Antonio Aristide Mastrangelo	Newchem S.p.A.	Chairman of the Board of Statutory Auditors
	Retitalia S.p.A.	Chairman of the Board of Statutory Auditors
	Metra S.p.A.	Director
	Save S.p.A.	Statutory Auditor
	Fengari Holdings Cooperatief U.A.	Director
Anna Maria Fellegara	Crédit Agricole Italia S.p.A.	Director
	Samko S.r.l.	Statutory Auditor
	Autrostrada Campogalliano Sassuolo S.p.A.	Statutory Auditor
	BCC Sistemi Informatici S.c.p.A.	Statutory Auditor
	Motridal S.p.A.	Statutory Auditor
Benedetta Pinna	-	-
Umberto Zuliani	-	-
Motridal S.p.A.	Coopservice S.Coop.p.a	Director
Lino Zanichelli*	-	-
Giovanni Manti*	-	-
Simona Campanini*	-	-
Romina Guglielmetti*	Compass Banca S.p.A.	Director
	MBFacta S.p.A.	Director
	Pininfarina S.p.A.	Director
	Tod's S.p.A.	Director
	Enel S.p.A.	Statutory Auditor
Chiara Mio*	Bluenergy Group S.p.A.	Chief Executive Officer
	Crédit Agricole Friuladria S.p.A.	Chairman of the Board of Directors
	Danieli & C. S.p.A.	Director
	Eurotech S.p.A.	Director
	OVS S.p.A.	Director
	Sofidel S.p.A.	Director

\* Left on the Reference date

A brief CV is provided below for each Director, Statutory Auditor and Strategic Manager in office at the end of the Reference Financial Year, showing the level of expertise and experience gained in corporate management.

**Brief CV of the Directors in office at the end of the Reference Financial Year****Roberto Olivi** (Chairman of the Board of Directors and the Executive Committee)

Obtained his degree in Economics and Business from the University of Modena. Since 2015, has been Chairman of Servizi Italia S.p.A. Since 2010, has been Chairman of the Board of Directors of Coopservice S.Coop.p.a, a leading player nationwide in the planning, delivery and management of integrated services relating to the business of hygiene and sanitation, surveillance, ecology and transport. In Coopservice since

1991, has taken on various managerial roles over the years, from the business management of the supervisory division to the general management of the Company.

#### **Ilaria Eugeni** (Deputy Chairperson of the Board of Directors and the Executive Committee)

Graduated in Economics and Business (quantitative major) from the University of Parma. Hired by Servizi Italia S.p.A. in 2002, she took on the task of coordinating the organisational structure relating to the administration function and subsequently took on the role of Administration, Finance and Control Manager, coordinating the accounting and budget area and the finance area. She has been a member of the Company's Board of Directors since February 2005 and currently holds other positions as director in companies directly owned by the Issuer. From 1995 to 2001, she worked as a collaborator in a business consulting firm.

#### **Michele Magagna** (Member of the Executive Committee)

Graduated in Economics and Business at the University of Bologna, between 1999 and 2007 held various positions within the company Manutencoop, up to holding the position of Head of the southern area for all services, and area coordinator for the entire hygiene line. Between 2007 and 2008, was Technical Manager at Dussman Services S.r.l., then Commercial Manager at Coopservice S.Coop.p.a, where he has been General Manager since 2018.

#### **Umberto Zuliani** (Director)

Graduated in Law from the University of Parma. After working in the legal department of Max Mara Fashion Group S.r.l., he then began his career as a freelance lawyer and auditor. Expert in fiscal, commercial and corporate matters, since 1997 has been advising clients and private companies, as well as public bodies and publicly owned companies. Since 2001, has been a partner and director of Attolini Spaggiari Zuliani & Associati law and tax firm.

#### **Antonio Aristide Mastrangelo** (Independent Director)

Graduated in Economics and Commerce at Luigi Bocconi University in Milan, s registered with the Register of Statutory Auditors, as well as with the Order of Chartered Accountants of Milan. Formerly a lecturer at the University of Modena and Reggio Emilia and at University Cattolica del Sacro Cuore of Piacenza; currently a consultant to industrial and financial companies on issues related to corporate, regulatory, tax and management law at his own firm of the same name. He holds positions as a director or statutory auditor in joint stock companies operating in the industrial and financial sector such as, inter alia, Save S.p.A. and Baglioni Hotel S.p.A

#### **Benedetta Pinna** (Independent Director)

Graduated in Law and enrolled in the Bologna Bar Association since 2012, in the same year she joined the international tax and legal consulting firm Pirola Pennuto Zei & Associati in Bologna, where she holds the role of Associate Partner and provides legal consultancy to companies in relation to corporate and business matters, corporate compliance and M&A transactions. She holds the role of member of the boards of statutory auditors and supervisory bodies of various joint stock companies; since 2019 she has been a member of the Association of the members of Supervisory bodies (Associazione dei componenti degli organismi di Vigilanza) pursuant to Legislative Decree 231/2001, where she participates in seminars and studies activities in relation to current issues regarding the administrative liability of entities.

#### **Anna Maria Fellegara** (Independent Director)

Full Professor of Business Economics at the University Cattolica del Sacro Cuore and Dean of the Faculty of Economics and Law of the same university. Her teaching and research areas relate to financial and social reporting and management control, in particular she teaches Financial Statements, also Consolidated, and International Accounting Standards and Legal Auditing of companies. She is the author of numerous publications and speaker at conferences on these issues. Chartered Accountant and Auditor enrolled in the First Constitution Auditors Register (Italian Ministerial Decree of 12 April 1995). She is a Full Professor at

AIDEA - Accademia Italiana di Economia Aziendale, Deputy Chairperson of SIDREA Società Italiana di Ragioneria e Economia Aziendale, as well as a member of the European Accounting Association.

### **Brief CV of the Statutory Auditors in office at the end of the Reference Financial Year**

#### **Roberto Cassader (Chairman of the Board of Statutory Auditors)**

Graduated in Economics and Commerce, registered with the Order of Chartered Accountants of Monza, since 1994 he has been working as a Chartered Accountant in leading professional firms in Milan, with particular reference to tax advice and planning, support for extraordinary corporate transactions, international taxation, VAT issues, tax due diligence and tax litigation. He has many years of experience in the analysis and evaluation of the corporate governance structure, evaluation of the internal control system aimed at risk management and assistance in the development of related organizational and control models. He is an auditor and standing auditor of several national and international corporations, is registered with the Register of Auditors and is the author of several publications on tax matters.

#### **Gianfranco Milanese (Standing Auditor)**

Graduated in Economics and Commerce, enrolled in the Order of Chartered Accountants of Bologna; from 1986 to 1997 held the position of auditor at Coopers & Lybrand, and subsequently practised independently as a Chartered Accountant and Auditor. Member of the boards of statutory auditors and supervisory bodies of various corporations and cooperatives, also plays a role in administrative consulting and in the organisation of industrial accounting systems and management control.

#### **Elena Iotti (Standing Auditor)**

Graduated in Business Administration from the University of Parma. She is included in the Register of Chartered Accountants and Accounting Experts of Reggio Emilia and in the Register of Statutory Auditors. She has been practising the profession of Chartered Accountant in Reggio Emilia since 2009, carrying out activities mainly aimed at management and corporate consultancy with specialisation in administration, finance and control for companies. She has gained experience in auditing firms and in the field of M&A transactions.

### **Brief resume of Strategic Executives of Servizi Italia S.p.A. in office at the end of the Reference Financial Year**

For the résumés of Ilaria Eugeni, Director and Strategic Executive of the Issuer, please refer to the previous point.

#### **Andrea Gozzi (General Manager)**

Graduated in Economics and Commerce at the University of Bologna, he immediately began his professional career in the service sector, becoming, over the years, Administrative Head of several companies in the Bologna area. In 2001 he joined the Manutencoop Group, first as Administrative Manager and then, in 2008, as Managing Director of the subsidiary Servizi Ospedalieri S.p.A.. In 2015 he held the role of COO in Manutencoop Facility Management and then, in 2018 and until February 2019, as General Manager of Rekeep S.p.A. His last experience in the Rekeep Group saw him engaged at the helm of Rekeep Rail S.r.l.

#### **Angelo Minotta (Financial Reporting Manager)**

Graduated with honours in Law, he obtained a master's degree in "Commercial exchanges, banking activities and investments in Arab countries" and joined Servizi Italia in 2006, after some experience - also abroad - in the banking sector and at Coopservice S.Coop.p.a. Since 2012 he has been CFO of the Brazilian subsidiaries of Servizi Italia since and member of the boards of directors of several Group companies. Currently, in addition to his role as Financial Reporting Manager, he is Manager of Foreign Development and Chief Financial Officer of the Company.

**Giovanni Manti** (Organisation and Systems Manager and CSR Manager)

*Master's degree in Management Engineering (specialising in business management and organisation) from the University of Calabria - Cosenza. In July 2002, he joined the Servizi Italia Group where he currently holds the position of Group Organisation and Systems Manager, with responsibility for defining and implementing policies, models and organisational structures that are efficient and consistent with the Group's business needs and strategy, and with the listed Issuer's Corporate Governance. From July 1999 to July 2002, worked at Coopservice S.Coop.p.a, as an assistant to the Quality Assurance Manager, dealing with mapping and the optimisation of organisational processes.*

**TABLE 2: STRUCTURE OF THE BOARD OF DIRECTORS AT THE END OF THE FINANCIAL YEAR**

Board of Directors													
Position	Members	Year of birth	Date of first appointment (*)	In office since	In office until	List (submitters) (**)	List (M/m) (***)	Exec.	Non-exec.	Indep. Code	Indep. TUF	No. other positions (****)	Attendance (*****)
Chairman of BoD and EC•	Roberto Olivi	1961	09/03/2010	20/04/2021	Approval of the financial statements as at 31/12/2023	Shareholders	M	X				1	10/10
Deputy Chairperson of BoD and EC	Ilaria Eugeniani	1970	24/01/2005	20/04/2021	Approval of the financial statements as at 31/12/2023	Shareholders	M	X				0	10/10
Administrator - EC member	Michele Magagna	1973	20/04/2018	20/04/2021	Approval of the financial statements as at 31/12/2023	Shareholders	M	X				1	10/10
Director	Umberto Zuliani	1970	20/04/2018	20/04/2021	Approval of the financial statements as at 31/12/2023	Shareholders	M		X			0	10/10
Director◦	Antonio Aristide Mastrangelo	1943	11/09/2017	20/04/2021	Approval of the financial statements as at 31/12/2023	Shareholders	m		X	X	X	5	10/10
Director	Anna Maria Fellegara	1958	20/04/2021	20/04/2021	Approval of the financial statements as at 31/12/2023	Shareholders	M		X	X	X	5	7/7
Director	Benedetta Pinna	1982	20/04/2021	20/04/2021	Approval of the financial statements as at 31/12/2023	Shareholders	M		X	X	X	0	7/7

**Number of meetings held during the Financial Year: 3****Quorum required for the presentation of lists by minorities for the election of one or more members (pursuant to Article 147-ter of the TUF): 2.5%****NOTES**

The symbols indicated below must be inserted in the "Office" column:

• This symbol indicates the director responsible for the internal control and risk management system.

◦ This symbol indicates the Lead Independent Director (LID).

(\*) The date of first appointment of each director is defined as the date on which the director was first appointed (in absolute terms) to the Issuer's Board of Directors.

(\*\*) This column indicates whether the list from which each director was drawn was presented by shareholders (indicating "Shareholders") or by the BoD (indicating "BoD").

(\*\*\*) This column indicates whether the list from which each director was drawn is the "majority" list (indicating "M"), or the "minority" list (indicating "m").

(\*\*\*\*) This column shows the number of offices as director or auditor held by the person concerned in other companies listed or of relevant size. The Corporate Governance Report indicates these offices in full.

(\*\*\*\*\*) This column indicates the attendance of directors to the meetings of the BoD (indicate the number of meetings they attended compared to the total number of meetings they could have attended; e.g. 6/8; 8/8, etc.).

## Board of Directors

Position	Members	Year of birth	Date of first appointment (*)	In office since	In office until	List (submitters) (**)	List (M/m) (***)	Exec.	Non-exec.	Indep. Code	Indep. TUF	No. other positions (****)	Attendance (*****)
----- DIRECTORS WHO LEFT OFFICE DURING THE FINANCIAL YEAR -----													
Director	Antonio Paglialonga	1972	22/04/2015	20/04/2018	Approval of the financial statements as at 31/12/2020	Shareholders	M		X			1	2/3
Director	Lino Zanichelli	1953	22/04/2015	20/04/2018	Approval of the financial statements as at 31/12/2020	Shareholders	M		X			0	3/3
Director	Giovanni Manti	1970	28/04/2020	28/04/2020	Approval of the financial statements as at 31/12/2020	Shareholders	M	X				0	3/3
Director	Simona Campanini	1963	13/05/2020	13/05/2020	Approval of the financial statements as at 31/12/2020	Shareholders	M	X				0	3/3
Director	Romina Guglielmetti	1973	22/04/2015	20/04/2018	Approval of the financial statements as at 31/12/2020	Shareholders	M		X	X	X	5	3/3
Director	Chiara Mio	1964	20/04/2018	20/04/2018	Approval of the financial statements as at 31/12/2020	Shareholders	M		X	X	X	6	3/3

### NOTES

The symbols indicated below must be inserted in the "Office" column:

• This symbol indicates the director responsible for the internal control and risk management system.

○ This symbol indicates the Lead Independent Director (LID).

(\*) The date of first appointment of each director is defined as the date on which the director was first appointed (in absolute terms) to the Issuer's Board of Directors.

(\*\*) This column indicates whether the list from which each director was drawn was presented by shareholders (indicating "Shareholders") or by the BoD (indicating "BoD").

(\*\*\*) This column indicates whether the list from which each director was drawn is the "majority" list (indicating "M"), or the "minority" list (indicating "m").

(\*\*\*\*) This column shows the number of offices as director or auditor held by the person concerned in other companies listed or of relevant size. The Corporate Governance Report indicates these offices in full.

(\*\*\*\*\*) This column indicates the attendance of directors to the meetings of the BoD (indicate the number of meetings they attended compared to the total number of meetings they could have attended; e.g. 6/8; 8/8, etc.).

**TABLE 3: STRUCTURE OF THE BOARD COMMITTEES AT THE END OF THE FINANCIAL YEAR**

BoD		Executive Committee		Governance and Related-Party Committee		Control and Risk and Related-Party Committee		Nominations and Remuneration Committee	
Position/Qualification	Members	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)
Chairman of BoD and EC Not independent	Roberto Olivi	12/12	C	-	-	-	-	-	-
Deputy Chairperson of BoD and EC Not independent	Ilaria Eugeniani	12/12	M	-	-	-	-	-	-
Executive Director Not independent	Michele Magagna	12/12	M	-	-	-	-	-	-
Non-Executive Director Independent according to the TUF and the Code	Anna Maria Fellegara	-	-	8/8	C	-	-	-	-
Non-Executive Director Independent according to the TUF and the Code	Antonio Aristide Mastrangelo	-	-	8/8	M	3/3	M	4/4	M
Non-Executive Director Independent according to the TUF and the Code	Benedetta Pinna	-	-	8/8	M	-	-	-	-
----- DIRECTORS WHO LEFT OFFICE DURING THE FINANCIAL YEAR -----									
Non-Executive Director Independent according to the TUF and the Code	Romina Guglielmetti	-	-	-	-	3/3	C	4/4	M
Non-Executive Director Independent according to the TUF and the Code	Chiara Mio	-	-	-	-	3/3	M	4/4	C
<b>Number of meetings held during the Financial Year:</b>		3		3		0		0	
<b>NOTES</b>									
(*) This column indicates the attendance of directors to the meetings of the committees (indicate the number of meetings they attended compared to the total number of meetings they could have attended; e.g. 6/8; 8/8, etc.).									
(**) This column indicates the position of the director in the committee: "C": Chairman; "M": member.									

**TABLE 4: STRUCTURE OF THE BOARD OF STATUTORY AUDITORS AT THE END OF THE FINANCIAL YEAR**

Board of Statutory Auditors									
Position	Members	Year of birth	Date of first appointment (*)	In office since	In office until	List (M/m) (**)	Indep. Code	Attendance at meetings of the Board of Statutory Auditors (***)	No. other positions (****)
Chairman	Roberto Cassader	1965	28/04/2020	28/04/2020	Approval of the financial statements as at 31/12/2022	m	X	18/18	12
Standing Auditor	Gianfranco Milanese	1960	22/04/2017	28/04/2020	Approval of the financial statements as at 31/12/2022	M	X	18/18	18
Standing Auditor	Elena Iotti	1979	28/04/2020	02/04/2021	Approval of the financial statements as at 31/12/2022	M	X	11/18	5
Alternate Auditor	Davide Barbieri	1984	28/04/2020	28/04/2020	Approval of the financial statements as at 31/12/2022	m	X	-	10
-----STATUTORY AUDITORS WHO LEFT DURING THE FINANCIAL YEAR -----									
Standing Auditor	Benedetta Pinna	1982	28/04/2020	28/04/2020	01/04/2021	M	X	7/7	1

Indicate the number of meetings held during the Financial Year: 5

Indicate the *quorum* required for the presentation of lists by minorities for the election of one or more members (pursuant to Article 148 of the TUF): 2.5%

#### NOTES

(\*) The date of first appointment of each statutory auditor is defined as the date on which the statutory auditor was first appointed (in absolute terms) to the Issuer's Board of Statutory Auditors.

(\*\*) This column indicates whether the list from which each statutory auditor was drawn is the "majority" list (indicating "M"), or the "minority" list (indicating "m").

(\*\*\*) This column indicates the participation of the statutory auditors in the meetings of the board of statutory auditors (indicate the number of meetings they attended compared to the total number of meetings they could have attended; e.g. 6/8; 8/8, etc.).

(\*\*\*\*) This column indicates the number of offices as director or statutory auditor held by the person concerned pursuant to Article 148-bis of the TUF and the related implementing provisions contained in the Consob Issuers' Regulation. The complete list of appointments is published by Consob on its website pursuant to Article 144-quinquiesdecies of the Consob Issuers' Regulation.