

**IMMOBILIARE GRANDE DISTRIBUZIONE**

**SOCIETA' DI INVESTIMENTO IMMOBILIARE QUOTATA S.P.A.**

*Registered office in Bologna, Via Trattati Comunitari Europei 1957-2007 n. 13,*

*VAT, Bologna Company Register no. 00397420399*

*Bologna Chamber of Commerce Registration no. 458582*

*Share capital subscribed and paid-in: € 650,000,000.00*

## **REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE**

<b>3.</b>	<b>REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE .....</b>	<b>4</b>
3.1	// COMPANY PROFILE .....	4
3.2	// INFORMATION ON OWNERSHIP STRUCTURE (pursuant to Art. 123-bis, par. 1, TUF) AT 23 FEBRUARY 2023 .....	6
3.3	// COMPLIANCE (pursuant to Art. 123-bis, paragraph 2, lett. a), first part, TUF) .....	8
3.4	// BOARD OF DIRECTORS .....	9
3.4.1	ROLE OF THE BOARD OF DIRECTORS .....	9
3.4.2	APPOINTMENT AND REPLACEMENT (pursuant to Art. 123-bis, para. 1, lett. l), first part, TUF) .....	10
3.4.3	COMPOSITION (pursuant to Art. 123-bis, paragraph 2, lett. d) and d-bis), TUF) .....	11
3.4.4	FUNCTIONING OF THE BOARD OF DIRECTORS (pursuant to Art. 123-bis, par 2, lett. d) TUF) .....	18
3.4.5	ROLE OF THE CHAIR OF THE BOARD OF DIRECTORS .....	21
3.4.6	EXECUTIVE DIRECTORS .....	22
3.4.7	INDEPENDENT DIRECTORS AND LEAD INDEPENDENT DIRECTOR .....	24
3.5	// HANDLING OF CORPORATE INFORMATION .....	26
3.6	// BOARD COMMITTEES (pursuant to Art. 123-bis, par. 2, lett. d), TUF) .....	27
3.7	// BOARD REVIEW AND SUCCESSION OF DIRECTORS - APPOINTMENTS AND REMUNERATION COMMITTEE .....	28
3.7.1	BOARD REVIEW AND SUCCESSION OF DIRECTORS .....	28
3.7.2	APPOINTMENTS AND REMUNERATION COMMITTEE .....	30
3.8	// DIRECTORS' REMUNERATION .....	33
3.9	// INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM - CONTROL AND RISKS COMMITTEE .....	33
3.9.1	CHIEF EXECUTIVE OFFICER .....	43
3.9.2	CONTROL AND RISKS COMMITTEE .....	43
3.9.3	HEAD OF INTERNAL AUDIT .....	47
3.9.4	DECREE 231/2001 ORGANIZATIONAL MODEL .....	48
3.9.5	EXTERNAL AUDITORS .....	49
3.9.6	FINANCIAL REPORTING OFFICER .....	49
3.9.7	COORDINATION OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM PERSONNEL .....	50
3.10	// DIRECTORS' INTERESTS AND TRANSACTIONS WITH RELATED PARTIES .....	51
3.11	// BOARD OF STATUTORY AUDITORS .....	53
3.11.1	APPOINTMENT AND REPLACEMENT .....	53

<b>3.11.2 COMPOSITION AND ROLE OF THE BOARD OF STATUTORY AUDITORS (pursuant to Art. 123-bis, paragraph 2 (d) of TUF)</b>	<b>54</b>
<b>3.12 // RELATIONS WITH SHAREHOLDERS</b>	<b>59</b>
<b>3.13 // SHAREHOLDERS' MEETINGS (EX ART. 123-BIS, PAR. 2, LETTER C) TUF)</b>	<b>60</b>
<b>3.14 // ADDITIONAL CORPORATE GOVERNANCE PRACTICES (pursuant to Art. 123-bis, par. 2, lett. a) second part of TUF)</b>	<b>62</b>
<b>3.15 // SUBSEQUENT EVENTS</b>	<b>62</b>
<b>3.16 // COMMENTS ON THE LETTER RECEIVED FROM THE CHAIR OF THE ITALIAN CORPORATE GOVERNANCE COMMITTEE</b>	<b>62</b>
<b>TABLES</b>	<b>63</b>

### 3. REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE

**Code/CG Code/Corporate Governance Code:** the Corporate Governance Code for listed companies approved in January 2020 by the Corporate Governance Committee.

**Civil Code/C.C.:** the Italian Civil Code.

**CG Committee/Corporate Governance Committee:** the Italian Committee for the Corporate Governance of listed companies, endorsed by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria.

**Board:** the Issuers' Board of Directors.

**Issuer or Company:** the company Immobiliare Grande Distribuzione SIIQ S.p.A. referred to in this Report.

**Year:** financial year 2022, referred to in this Report.

**CONSOB Regulations for Issuers:** the regulations for issuers approved by CONSOB with Resolution 11971 of 1999, as amended.

**CONSOB Market Regulations:** the market regulations issued by Consob with Resolution 20249 of 2017.

**CONSOB Regulations for Related Party Transactions:** the Regulations issued by CONSOB pursuant to Resolution 17221 of 12 March 2010, as amended, for related party transactions.

**Report:** this Report on Corporate Governance and Ownership Structure, prepared pursuant to Art. 123-*bis* TUF.

**Remuneration Report:** the report on remuneration policy and compensation paid, prepared pursuant to Art. 123-*ter* TUF and Art. 84-*quater* of the CONSOB Regulations for Issuers.

**Testo Unico della Finanza/TUF:** Legislative Decree 58 of 24 February 1998.

Unless otherwise specified, the following terms are as defined in the CG Code: directors, executive directors [see *Q. Def. (1)* and *Q. Def (2)*], independent directors, significant shareholder, chief executive officer (CEO), Board of Directors, Board of Statutory Auditors, business plan, company with concentrated ownership, large company, sustainable success, Top Management.

#### 3.1 // COMPANY PROFILE

The Company has a traditional system of management and control founded on the centrality of the Board of Directors. The financial audit is performed by external auditors, in accordance with the law.

The Company's Corporate Governance model is based on: (i) the guiding role of the Board of Directors in matters of corporate strategy, as a whole and through specifically appointed committees with advisory and consulting functions; (ii) the transparency of business decisions within the Company and vis-à-vis the market; (iii) the definition of a remuneration policy for the directors and the managers with strategic

responsibilities which complies with the Code; (iv) the efficiency and efficacy of the internal control and risk management system; (v) the strict governance of potential conflicts of interest; and (vi) clear procedures for transactions with related parties and for the treatment of corporate information. The Company's mission is to create value for all its stakeholders: shareholders and financial community, employees, visitors and local community, tenants and suppliers. The Company believes this is possible through sustainable growth.

The Board of Directors plays an active role in defining the Company's strategy, first and foremost through in-depth board discussions in which, on request, the Company's Management participates in order to provide further information on specific agenda items. In addition, during the approval process for the 2022-2024 Business Plan, the Company organized special meetings involving the entire Board of Directors and members of the Board of Statutory Auditors, for the purpose of fine-tuning the plan and allowing open discussion of the Company's strategies prior to approval.

Regarding risk management policies, during specific meetings the Board of Directors, with input from the Internal Control Committee, took regular stock of the development of the Company's *Enterprise Risk Management* (ERM) project, which is periodically revised through structural risk assessment processes entailing the evaluation of new identified risks and their mitigation factors, with a view to integration with existing strategies taking account of the Company's organizational and business model. All such efforts figured into the new 2022-2024 Business Plan. In this regard, see Section 9.0 "Internal Control and Risk Management System – Control and Risks Committee." Likewise, with regard to compensation policies, with input from the Appointments and Remuneration Committee the Board of Directors has proposed some changes and additions to the bonus system in order to make performance targets more incisive and consistent with the Company's business and sustainability strategy, over a multi-year horizon, in order to create long-term value.

Again in 2022, the Company prepared a Corporate Sustainability Report which describes characteristics and strategy in terms of ESG, short-, medium- and long-term growth targets, and key results achieved during the year.

Every year the Company makes the Corporate Sustainability Report, certified and approved by IGD SIIQ S.p.A.'s Board of Directors, available to the public on its website at <http://www.gruppoigd.it/en/sustainability/sustainability-report/>.

At this time, the Company does not prepare a non-financial report pursuant to Legislative Decree 254/2016.

The Company qualifies as an SME pursuant to Art. 1.w-quater.1) TUF (capitalization below the threshold set by CONSOB<sup>1</sup>).

---

<sup>1</sup> The TUF definition of an SME was modified by Art. 44-bis (1) of Decree Law 76 of 16 July 2020, converted into legislation by Law 120 of 11 September 2020. Before the change, TUF Art. 1 (1) w-quater.1 defined SMEs as small and medium enterprises with listed shares whose revenue (even before admission for trading) was less than €300 million, or that had a market capitalization of less than €500 million, specifying that "listed companies that exceed both of these limits for three years in a row do not qualify as SMEs." The change eliminated the revenue limit, so at the moment, SMEs are defined as small and medium enterprises with listed shares whose market capitalization is less than €500 million, and "listed companies that exceed that limit for three years in a row do not qualify as SMEs." The second paragraph of the decree law's Art. 44-bis also established a transitional phase under which "Issuers that on the effective date of the conversion of this decree into law [i.e., as of 15 September 2020] qualified as SMEs only on the basis of revenue will continue to qualify as such for two financial years following the one in course."

AVERAGE CAPITALIZATION		
2022	2021	2020
404.697.177	429.290.348	424.586.990

The Company does not meet the definition of "large company" and/or "company with concentrated ownership" as set forth in Borsa Italiana's Corporate Governance Code.

### **3.2 // INFORMATION ON OWNERSHIP STRUCTURE (pursuant to Art. 123-bis, par. 1, TUF) AT 23 FEBRUARY 2023**

**a) Share capital structure (pursuant to Art. 123-bis, par. 1, lett. a), TUF)**

The share capital approved at the date of this Report totals €650,000,000.00 fully subscribed and paid-in, divided into 110,341,903 ordinary shares without a stated par value (see Table 1).

**b) Share transfer restrictions (pursuant to Art. 123-bis, par- 1, letter b), TUF)**

There are no restrictions and all shares are freely transferable.

**c) Significant interests in share capital (pursuant to Art. 123-bis, par. 1, lett. c), TUF)**

Based on the declarations received under Art. 120 of TUF and other information available to the Company, the shareholders with voting rights holding more than 5% of the company's ordinary share capital are those indicated in Table 1 "Significant interests in share capital" attached to this report (see Table 1).

**d) Shares granting special rights (pursuant to Art. 123-bis, para. 1, lett. d), TUF)**

The shares issued all have the same rights.

**e) Stock sharing; exercise of voting rights (pursuant to Art. 123-bis, par. 1, lett. e), TUF)**

There are no specific mechanisms which provide for employee share ownership.

**f) Restrictions on voting rights (pursuant to Art. 123-bis, par. 1, lett. f), TUF)**

There are no restrictions on voting rights.

**g) Shareholder agreements (pursuant to Art. 123-bis, par. 1, lett. g), TUF)**

There are no shareholder agreements deemed relevant pursuant to Art. 122 of TUF.

**h) Provisions relating to change of control clauses (pursuant to Art. 123-bis, par.1, lett. h), TUF) and takeover bids (pursuant to Art. 104, par. 1-ter, and 104-bis, par. 1, TUF)**

In the course of their normal business, the Company and group companies may stipulate agreements with financial partners which include clauses which grant each of the parties the right to rescind and/or amend

said agreements and/or require repayment of the loan in the event the direct or indirect control of the company contracting party should change.

Without prejudice to the above, the Company:

- i. on 11 January 2017 issued, through a private placement, an unsecured non-convertible bond loan, for a nominal amount of €100 million, expiring January 2024, the regulations for which call for a put option that may be exercised by the note holders in the event control of the Company should change;
- ii. on 28 November 2019, repurchased part of the notes "300,000,000 2.500 per cent notes due 31 May 2021" and the "€162,000,000 2.650 per cent. Notes due 21 April 2022" (outstanding notes) tendered as a result of the tender offer launched by BNP Paribas S.A., which settled on 22 November 2019. After the notes were repurchased, the Company requested the cancellation of the Existing Notes repurchased by IGD. At the same time, on 28 November 2019 the Company issued new fixed-rate senior notes "€400,000,000 2.125 per cent. Fixed Rate Notes due 28 November 2024" which call for the issue of a put option that may be exercised by the note holders in the event control of the Company should change;
- iii. on 16 October 2020, signed an agreement with Banca Monte dei Paschi di Siena for a 6-year €36.3 million loan, guaranteed by SACE as part of the Garanzia Italia program, which contains a mandatory early termination clause in the event control of the Company should change;
- iv. on 25 November 2021, signed an agreement with MPS Capital Services and Banco BPM for a five-year, €77 million loan – containing a mandatory early termination clause in the event control of the Company should change – to finance the real estate transaction involving the disposal of a portfolio of six hypermarkets and supermarkets, subsequently transferred to the closed-end real estate fund "Fondo Juice," of which IGD owns a non-controlling interest of 40%;
- v. on 4 August 2022, stipulated an agreement for a €215,000,000.00 senior, unsecured Green loan, with BNP Paribas and other lenders which contains a mandatory termination clause if control of the Company should change.

With regard to takeover bids, in the Company's bylaws there are no clauses which provide for exceptions to the passivity rule nor application of the neutrality rules.

**i) Authority to increase share capital and authorizations to buy back shares (pursuant to Art. 123-bis, par. 1, lett. m), TUF)**

The Board of Directors has the right to, by 14 April 2027, increase share capital against payment, in one or more installments, by up to 10% of the current share capital, through the issue of new ordinary shares without a stated par value, to be subscribed by parties selected by the Board of Directors including qualified investors and/or business partners and/or financial partners in Italy and abroad or shareholders of the Company – excluding pre-emption rights pursuant to Art. 2441, paragraph 4 (2), of the Italian Civil Code as long as the issue price corresponds to the shares' market price which must be confirmed in a report issued by a financial auditor or a financial audit firm.

During the Annual General Meeting held on 14 April 2022, shareholders granted the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, the right to, by 14 April 2027, increase share capital against payment, in one or more installments, by up to €65,000,000.00 (sixty-five million/00), including any share

premium, through the issue of new ordinary shares without a stated par value, excluding pre-emption rights pursuant to Art. 2441, paragraph 4 (1) of the Italian Civil Code, to be carried out through contributions in kind pursuant to Art. 2440, of the Italian Civil Code, provided that these are related to the Company's corporate purpose (including, for example, real estate assets, equity investments, companies and/or business divisions), with the ability to make use of the provisions provided under Art. 2343-ter of the Italian Civil Code.

At the moment there is no authorization for the Company to purchase or sell treasury shares, pursuant to Art. 2357, par. 2 of the Civil Code.

The Company had no treasury shares at the date of this report.

#### **j) Management and coordination (pursuant to Art. 2497 et seq. Italian Civil Code)**

The Company, pursuant to Art. 2497 of the Italian Civil Code, is subject to the management and coordination of shareholder Coop Alleanza 3.0 soc.coop. which controls 40.92% of the Company's share capital.

As the Company is subject to the management and coordination of Coop Alleanza 3.0 soc. Coop., it is subject to Art. 16, paragraph 4 of the Consob Market Regulations, based on which the committees formed pursuant to the Code must comprise only independent directors.

### **OTHER INFORMATION**

#### **Indemnity of Directors (pursuant to Art. 123-bis, para 1, letter i), TUF)**

With regard to information relative to any agreements between the Company and the Directors in the event of resignation, dismissal or termination following a takeover bid pursuant to Art. 123-bis, para 1, letter i), TUF, please refer to the Remuneration Report published in accordance with Art. 123-ter of TUF and available on the Company's website: <http://www.gruppoigd.it/en/governance/remuneration/>.

#### **Norms applicable to the appointment and replacement of directors, amendments to the corporate by-laws (pursuant to Art. 123-bis, par. 1, lett. I),TUF)**

Rules for the appointment and replacement of directors, and for amendments to the corporate by-laws, are contained in Title V of the bylaws (General Meeting, Board of Directors) made available on the company's website: [www.gruppoigd.it](http://www.gruppoigd.it). Please refer to the "Board of Directors" section of this report for further information.

### **3.3 // COMPLIANCE (pursuant to Art. 123-bis, paragraph 2, lett. a), first part, TUF)**

Since its IPO on 11 February 2005, the Company has adopted the Corporate Governance Code and has structured its corporate governance, i.e. its rules and standards of conduct, in a way that ensures efficient and transparent corporate bodies and control systems in line with the Code guidelines.

In January 2020, the Corporate Governance Committee adopted the Corporate Governance Code with effect from FY 2021. In 2020, 2021 and 2022 the Company implemented the process of updating its



Corporate Governance Code in order to comply with Code recommendations, as discussed in greater detail below.

The January 2020 version of the Code is available on Borsa Italiana's website at: <https://www.borsaitaliana.it/>

In line with the best international practices relating to Corporate Governance and in light of the recommendations found in the Corporate Governance Code approved by Borsa Italiana's Corporate Governance Committee, the Company has also adopted its own Corporate Governance Regulations which, along with the other documents (corporate bylaws, Decree 231/01 Model for organization, management and control, Code of ethics, Regulations for shareholders' meetings, Procedures for related party transactions, Regulations for the management of privileged information, Internal dealing code, Anti-corruption Policy) – is an integral part of the group of self-governance instruments used by the Company.

In accordance with the law, this Report contains a general description of the corporate governance system adopted by the Company, along with information on the shareholder structure and application of the Corporate Governance Code, as per the "comply or explain" standard set out in the Code.

The Company's subsidiaries include two Romanian companies, WinMagazin S.A. and WinMarkt Management S.r.l., which, however, do not have any impact on the current structure of IGD's Governance.

## **3.4 // BOARD OF DIRECTORS**

### **3.4.1 ROLE OF THE BOARD OF DIRECTORS**

The Board of Directors plays an active role in guiding and encouraging decision-making by carefully assessing information and documentation at its board meetings, including with input from its internal committees. The committees report to the Board of Directors, twice-yearly, on the work they have carried out and/or when specific issues are discussed; of particular note is the role of the Control and Risk Committee when it comes to the constant monitoring, as part of the *Enterprise Risk Management* (ERM) project, of the internal control and risk management system.

The Board of Directors and the Company's Top Management participated in seminars concerning the guidelines for drawing up the new Business Plan, before its definitive approval.

The Chief Executive Officer routinely informs the Board of investor relations activities, using ad hoc reporting tools presented during Board meetings.

On 14 December 2021 the Board approved the "Policy for Dialogue with Shareholders and Other Stakeholders" which governs the tools of dialogue and the means of engagement and communication, in line with Code recommendations, the engagement policies adopted by institutional investors, proxy advisors and active managers, best international practices, the provisions of Regulation (EU) no. 596/2014 of the European Parliament and of the Council of 16 April 2014 ("MAR"), and implementation protocols regarding the management and disclosure of inside information. For further information, see Section 12 of this Report.

Without prejudice to the duties assigned to it by law and the corporate bylaws or its specific functions within the Internal Control System, the Board of Directors:

- a) examines and approves the business plan and/or the strategic plan of the Company and its Group, also on the basis of an analysis of issues relevant for the generation of value in the long term;
- b) routinely monitors the implementation of the business plan and/or strategic plan and evaluates general business performance, periodically comparing actual results with forecasts;
- c) defines the nature and level of risk deemed compatible with the Company's strategic objectives, including in its assessments all the factors deemed material to the Company's sustainable success;
- d) defines the Company's corporate governance system and the structure of the Group it heads, and judges the adequacy of the organizational, administrative and accounting structure of the Company and its strategic subsidiaries, with particular reference to the internal control and risk management system;
- e) resolves on the operations of the Company and its subsidiaries where such transactions are strategically, economically or financially significant for the Company; toward this end, it determines the general criteria to be used to define relevant transactions and ensures that the strategically significant subsidiaries submit any transactions that could have a significant impact on the Company to the Board of Directors for approval;
- f) at the recommendation of the Chair of the Board of Directors in agreement with the Chief Executive Officer (responsible for the internal control and risk management system), updates the procedure for the management and disclosure of documents and information concerning the Company, with particular reference to inside information. For further details, see Section 5 of this Report.

Specifically, with reference to the above duties, in 2022 the Board of Directors:

- carefully analyzed the phases of the *Enterprise Risk Management* project, taking resolutions on the nature and level of risk deemed adequate and compatible with the Company's strategic objectives;
- approved the "Regulations for the Sustainability Committee";
- appointed the Risk Management Unit, in outsourcing, to Donato Camporeale of Società PwC Business Services S.r.l.

For further duties of the Board of Directors regarding composition, functioning, appointment and review, remuneration policy, and the internal control and risk management system, see Sections 4, 8 and 9 of this Report.

### **3.4.2 APPOINTMENT AND REPLACEMENT (pursuant to Art. 123-bis, para. 1, lett. I), first part, TUF)**

Pursuant to Articles 16.2 and 16.3 of the bylaws, the directors are elected on the basis of preference lists which comply with the current laws relating to gender equality. In accordance with Art. 16.3 of the bylaws, lists could be submitted by shareholders who, alone or together with others, hold the interest determined in accordance with CONSOB (for 2023 equal to 4.5% of the Company's share capital, pursuant to Consob regulation n. 76 of 30 January 2023). The lists must be filed at the head office at least twenty-five days in advance of the first-call date of the meeting. Shareholders must prove possession of the shares needed to file voting lists by submitting the relative certification by the deadline for the publication of the list (namely at least 21 days prior to the Annual General Meeting). Pursuant to Art. 147-ter, paragraph 1-bis, TUF,

ownership of the minimum amount needed to participate in the filing of a list is based on the number of shares officially held by the shareholder on the day the lists are filed with the Issuer.

The candidates must be numbered sequentially in the lists up to the number of seats to be filled. In accordance with the latest version of Art. 147 ter, fourth paragraph, of the TUF, Art. 16.3, last passage, of the bylaws states that every list must include at least two clearly indicated candidates who qualify as independent in accordance with the law. The lists which include three or more candidates must include candidates of both genders, as indicated in the notice of call for the Annual General Meeting, in order to ensure that the composition of the Board of Directors complies with current laws relating to gender equality.

In compliance with the bylaws, the lists must be filed along with the candidates' irrevocable acceptance of office (should they be elected), curriculum vitae, and statements confirming that there are no reasons for ineligibility and/or disqualification and that they meet the requirements set by law.

Art. 16.4 of the bylaws, reflecting the provisions of Art. 147-ter, paragraph 3 of the TUF, prohibits any shareholder from submitting or participating in the submission of more than one list. In keeping with the above, Art. 16.7 of the bylaws states that if more than one list is submitted, at least one director must be appointed from the minority list that receives a majority of the votes cast. Thus, if the candidates ranked with the highest quotients come from a single list, the candidate from the minority list who has earned the highest quotient will be elected in place of the candidate at the bottom of the ranking. Pursuant to Art. 16.7-bis of the bylaws – as introduced by the amendments approved by the shareholders meeting in ordinary session on 18 April 2013 – if the law relating to gender equality fails to be complied with as a result of the votes cast, the candidates belonging to the more represented gender with the least amount of votes on the list that receives the most votes will be replaced by the number of candidates on the same list needed to ensure compliance with the laws governing gender equality without prejudice to the minimum number of independent directors required under the law. In the event that not enough candidates of the least represented gender appear on the list that receives the greatest number of votes, the shareholders will appoint the directors of the least represented gender with the majority of votes required by law.

Art. 16.8 of the bylaws, on the subject of filling vacancies on the Board of Directors, combines the co-option system with the requirement that minority interests be represented and that at least two directors qualify as independent pursuant to Art. 147-ter, par. 3 of the TUF, as well as in accordance with the laws governing gender equality.

For information on the role of the Board of Directors and board committees in the processes of review, appointment and succession of directors, see Section 7 of this Report.

### **3.4.3 COMPOSITION (pursuant to Art. 123-bis, paragraph 2, lett. d) and d-bis), TUF)**

IGD's Board of Directors is comprised of 11 members: 1 executive director/chief executive officer, with powers over the internal control system; 7 independent directors, including the chair; and 3 non-executive directors. All of the directors have professional qualifications and skills appropriate to their tasks. This was taken into account on occasion of the recent re-election of the Board, including in light of the opinion expressed by the outgoing Board of Directors on its size, composition and functioning with respect to the

Company's complexity, as presented to the shareholders in view of the Annual General Meeting of 15 April 2021.

In the new Board composition, the profiles of the non-executive directors are such to ensure them a significant weight in the assumption of board resolutions and to provide for the effective monitoring of operations. A significant share of the directors – 7 out of 11 – qualify as independent.

On 15 April 2021 the Annual General Meeting elected the current Board of Directors, which will serve until the date of the AGM called to approve the 2023 financial statements.

The current Board of Directors is made up of the following 11 directors: Rossella Saoncella (Chair), Claudio Albertini (Chief Executive Officer), Stefano Dall'Ara (Deputy Chair), Edy Gambetti, Antonio Rizzi, Silvia Benzi, Rossella Schiavini, Alessia Savino, Timothy Guy Michele Santini, Rosa Cipriotti, and Géry Robert-Ambroix.

During the Annual General Meeting held on 15 April 2021 which elected the current board, three lists were presented, by Coop Alleanza 3.0 soc. Coop. (List no. 1), Unicoop Tirreno soc. Coop. (List no. 2), and Europa Plus SCA SIF (List no. 3). The lists were submitted with all the documentation relating to the personal and professional characteristics of the candidates along with statements relating to their qualifications as independent and irrevocable acceptance of the appointment in the time period provided for under the law.

More in detail, from List no. 1, submitted by the majority shareholder Coop Alleanza 3.0 soc. Coop. (owner of 40.92% of the share capital), the following members were appointed: Rossella Saoncella, Stefano Dall'Ara, Claudio Albertini, Edy Gambetti, Antonio Rizzi, Silvia Benzi, and Rossella Schiavini. This list was voted by 43.37% of the shares represented in AGM.

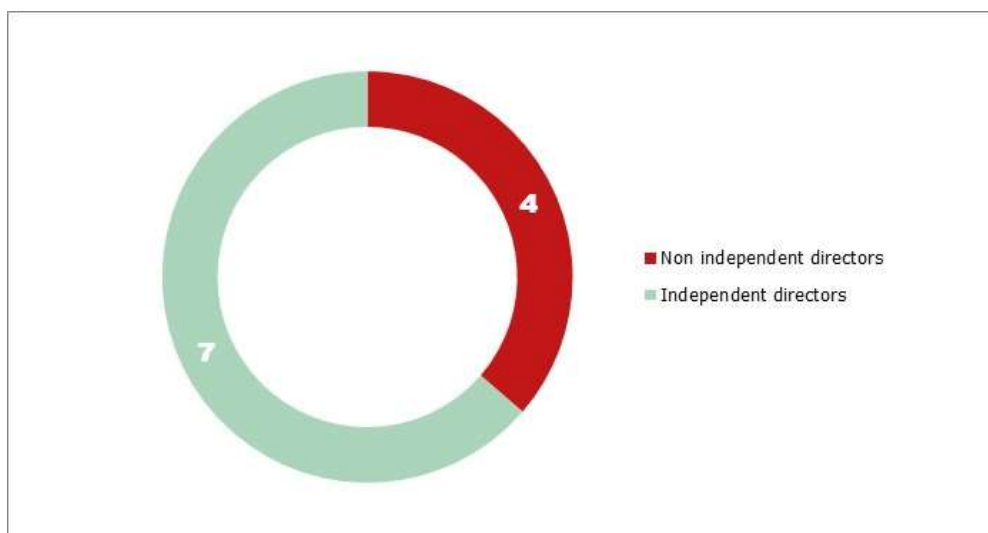
From List no. 2, submitted by the shareholder Unicoop Tirreno soc. coop. (which holds an interest of 7.87%), the director Alessia Savino was appointed. This list was voted by 7.87% of the shares represented in AGM.

From List no. 3, submitted by the shareholder Europa Plus SCA SIF (which holds an interest of 4.50001%), the following directors were appointed: Timothy Guy Michele Santini, Rosa Cipriotti, and Géry Robert-Ambroix. This list was voted by 18.10% of the shares represented in AGM.

The directors Rossella Saoncella, Antonio Rizzi, Silvia Benzi, Rossella Schiavini, Timothy Guy Michele Santini, Rosa Cipriotti, and Géry Robert-Ambroix certified that they qualify as independent pursuant to TUF, the CONSOB Market Regulations and the Corporate Governance Code.

Table 2 attached to this Report show the members of the Board of Directors in office during the year ended 31 December 2022, along with their status as executive or non-executive and/or independent members as per the Code, the date of initial appointment, and the committees formed.

### **Directors' independence**



The personal characteristics and professional experience of the single members of the Board of Directors as at the date of the present report, are provided below.

### ***Rossella Saoncella***

#### ***Chair of the Board of Directors***

Born in 1954, Ms. Saoncella received a degree in Physics from the University of Bologna in 1977 and in 1978 completed a masters in Business Administration at IFOA. She was General Manager of the Granarolo Group through 2011 and, prior to 1993, an executive of the CONAD Group. Over the past few years, she has held administrative offices for municipalities in Emilia Romagna and she has been a Directors at HERA S.p.A. The number of offices held is shown in Table 2.

### ***Claudio Albertini***

#### ***CEO since May 2009 (Director since 2006)***

Mr. Albertini, born in 1958, is registered in the order of Chartered Accountants and accounting experts in Bologna and in the register of auditors. He has been at the helm of IGD since May 2009, after having served as a member of the Company's Board for previous three years. For more than twenty years Mr. Albertini was part of the Gruppo Unipol where he ultimately acted as General Manager of Unipol Merchant and Gruppo UGF's Director of Equity Investments. He is also a member of the Advisory Board of EPRA (European Public Real Estate Association) and of the Appointments Committee of ECSP (European Council of Shopping Places). He is chair of the Board of Directors of IGD Service S.r.l. The number of offices held is shown in Table 2.

### ***Stefano Dall'Ara***

#### ***Non-executive director***

Born in 1963, Mr. Dall'Ara studied banking and finance at Bocconi University in Milan and at the University of Siena. He gained experience in the banking industry from 1984 to 2005, and in 1993 became a manager at Banca di Bologna. Since 2005, appointed first as executive and then as Finance Area Manager at Coop Adriatica, he has served as executive and non-executive director at many companies in the Coop and Unipol

groups; in the financial, banking, insurance and real estate sectors; and, since 2011, in the pension fund industry. Since 2016, when he was named director of investee companies at Coop Alleanza 3.0, he has also begun to hold positions at companies, entities and associations in other sectors, such as trade, export, tourism and bookstores. He is currently chair of the Board of Directors of Robintur S.p.A., member of the Board of Directors of Cooperare S.p.A., chair of the Board of Directors of Cccfs s.c.a.r.l., member of the Board of Directors of Coop Reno s.c.a.r.l., member of the Board of Directors of Parfinco S.p.A., member of the Board of Directors of Eataly World, member of the Board of Directors of Italian Coop Trade S.r.l., Deputy Chair of the Board of Directors of Fi.bo S.p.A., Deputy Chair of the National Council of the Organized Tourism Federation ConfCommercio, and Deputy Chair of SCS Consulting S.p.A.. The number of offices held is shown in Table 2.

***Timothy Guy Michele Santini***

***Independent director***

Born in 1966, he is a Modern Languages graduate and a professional member of The Royal Institution of Chartered Surveyors in England. He trained at Jones Lang LaSalle in London and worked in the European and Retail Teams, specializing in out-of-town retail. He spent over twenty years with Eurocommercial Properties where he was a senior director, responsible for the Italian activities of the Company. He reported directly to shareholders, analysts and to the CEO. He set up the Italian offices of Eurocommercial and has bought, managed, refurbished and extended some of Italy's best-known shopping centers. Prior to focusing on Italy, he was active in the asset management of shopping centers in France and properties in Spain, Belgium and The Netherlands. He currently advises on the Italian retail market and assists individuals and companies through coaching and mentoring activities. The number of offices held is shown in Table 2.

***Alessia Savino***

***Non-executive director***

Born in 1967, she received a degree in Economics and Banking from Milan's Università Cattolica, and subsequently completed a master's program in Management Development at L. Bocconi's Business Management School in Milan. She is currently head of Finance and Administration at Unicoop Tirreno, where she has been working since February 2017. A finance expert, she has gained experience in both banking and business management as she has worked for two important banking groups and two multinational manufacturing companies. On the corporate side, she acted as General Manager and member of the Board of Directors of the Giorgio Armani Group's financial company for around 15 years; prior to this experience she acted as treasurer of the company Aprilia, today the Piaggio Group. As for banking, she was part of the corporate division's financial sector as head of securities trading for the joint venture of Credito Italiano and Natwest Bank of London, Banca CreditWest and, subsequently head of the division responsible for covering interest rate risk management of the banking group Credito Emiliano in Reggio Emilia. In addition, she is Deputy Chair and member of the Board of Directors of Sogefin, member of the Board of Directors of Factorcoop S.p.A., member of the Board of Directors of Enercoop Tirreno S.r.l., and member of the Board of Directors of Axis S.r.l. The number of offices held is shown in Table 2.

***Edy Gambetti***

***Non-executive director***

Mr. Gambetti was born in 1951 and earned a business degree from the University of Modena in 1976. He gained solid experience in management and later in corporate governance, serving as executive and non-executive director as well as legal representative. As an executive and an area manager, he has been a strategy and management expert for the mass retailing business within the Coop group, with related expertise in the management of hypermarkets and shopping centers. He has worked for consortiums within the sphere of Coop Italia and for diverse companies in the same business. In the mass retailing industry, he has also served as director and legal representative in the discount and logistics sectors. Since June 2019 he has been Deputy Chair of Coop Alleanza 3.0. He is also a member of the Board of Directors of Assicoop Modena&Ferrara S.p.A. and COIND Soc. Coop., Deputy Chair of Antenna Uno S.r.l. and Trmedia S.r.l., Chair of the Board of Directors of Distribuzione Centro Sud S.r.l, and Sole Manager of Distribuzione Roma S.r.l.. The number of offices held is shown in Table 2.

### **Antonio Rizzi**

#### ***Independent director***

Mr. Rizzo was born in 1965 and has been a full professor of private law since 2011 at Tor Vergata University in Rome; a former magistrate, he has been a member of the Rome Bar Association since 2003 and of the register of cassation lawyers since 2007. He has sat on the Boards of Directors of listed companies and banks and has served as temporary administrator for companies under extraordinary administration.

He works in many fields: commercial law, contract law, banking and financial law, communications and e-commerce law, fiduciary company law, bankruptcy law, and environmental law. He has authored publications on general contract theory, corporate law and bankruptcy law. He is also an independent director of Unipolsai Insurance S.p.A. The number of offices held is shown in Table 2.

### **Silvia Benzi**

#### ***Independent director***

Born in 1975, she earned a business degree in 1999 from the University of Bologna, where she also earned a master's in corporate finance. Her professional career began as a financial analyst with the international investment banks JP Morgan, Bear Stearns and Kepler Cheuvreux, where she specialized in bank sector investing. She was then a consultant for PwC and a buy-side analyst of the European financial and real estate industry for a hedge fund in London. In 2018 she entered in Illimity Bank and she has been CFO since 2022.

She has extensive experience in business strategy, planning, finance, M&A, investor relations, and ESG. Having worked at global investment banks of primary standing, she has significant international experience. The number of offices held is shown in Table 2.

### **Rosa Cipriotti**

#### ***Independent director***

Ms. Cipriotti, born in 1974, earned a business degree with honors in 1998 from La Sapienza University in Rome and in 2015 completed the General Management executive master program at Harvard Business School. A professional chartered accountant, she has more than 20 years' experience in investment banking, corporate finance and consulting, including at international firms with a global presence and a

diverse client portfolio: private equity, holding companies, family businesses and multinationals. She is well versed in ordinary and extraordinary corporate finance, risk management, negotiation and strategy, and has corporate governance experience as an independent non-executive director of regulated, supervised international and domestic companies since 2013. She is familiar with numerous business sectors, with a particular focus on financial institutions, real estate, infrastructure and transport, retail and consumer, pharmaceuticals, and media and telecommunications. She also serves as a member of the Board of Directors of Athora Italia S.p.A., B4 Investimenti S.p.A., Prelios Credit Servicing S.p.A., Reversal SIM S.p.A. and Coeclerici S.p.A., standing auditor at Ecolombardia 4 S.p.A., Camfin Alternative Assets S.p.A., Agripower S.p.A., Istituti Ospedaliari Bergamaschi S.r.l., and sole director of Sigmagest S.p.A. The number of offices held is shown in Table 2.

### **Rossella Schiavini**

#### ***Independent director***

Ms. Schiavini, born in 1966, has many years' experience in Italian and international banking and finance (UK, EMEA) in the area of wholesale/corporate & investment banking. Since 2016 she has worked mainly in corporate governance as a director of listed companies. From 2018 until April 2021 she served on the Board of Directors of Bper S.p.A. and as Chair of the Executive Committee. She is currently on the Board of Directors of Marr S.p.A. and she has been member of the Board of Directors of Biesse S.p.A. since 2018, of IGD SIIQ S.p.A. since 2021, and of Credit Suisse Italia S.p.A. since 2022. She has focused on innovation and ecosystem start-up, working with Polihub, the innovation hub and business accelerator of Milan Polytechnic, as a tutor for innovation/acceleration programs and a business angel. Ms. Schiavini received a degree in Political Science from Rome's LUISS University and in International Political Economy (MSc Econ) from the London School of Economics. The number of offices held is shown in Table 2.

### **Géry Robert-Ambroix**

#### ***Independent director***

Born in 1966, Mr. Robert-Ambroix earned a degree in Business Administration from HEC (Paris) in 1990. He has more than 20 years' experience in the shopping center business, earned in strategic roles at major listed firms in France: Managing Director and later CEO of Mercialis from 2005 to 2013, then Managing Director of the Carmila Group, CEO of Carmila Espana and CEO of Carmila Italia from 2013 to 2020. As of September 2022, he is Vice Executive Chair of the real estate group ORPEA. The number of offices held is shown in Table 2.

\*\*\*

In compliance with the Code, the Directors take office only when they believe that they will be able to dedicate the time needed to carry out their duties diligently, including in light of their roles in any Board committees, as well as the workload connected to their professional activities, the number of and time dedicated to other offices held as director or statutory auditor in other companies as per the limits on multiple assignments described below, ensuring that this condition remains throughout their term of office.

The Directors, aware of the responsibilities inherent in the office held, must be constantly updated on the newest legislative and regulatory developments affecting the Company and its business.



The directors must comply with the Code of Ethics, the Internal Dealing Code and any other provisions with which the Company regulates the directors' conduct; the directors, like the Statutory Auditors, must treat any documents and information to which they might have access in the course of their duties with the maximum confidentiality.

### **Diversity criteria and policies relative to the composition of the Board and company organization**

*The Company's Board of Directors is comprised of individuals with different professional and personal profiles, including university professors, independent professionals and entrepreneurs, as well as company executives. The majority of the directors appointed qualify as independent under the Code and TUF.*

*As reported in Section 3.4.3, prior to the latest board election, the outgoing Board of Directors published its opinion on the future size and composition of the board and presented it to the shareholders ahead of the Annual General Meeting of 15 April 2021. The opinion also addressed the professional qualifications, experience, and skills expected of directors, including in light of the Company's size, complexity and strategy.*

*The current composition of the Board of Directors, which reflects the opinion of the outgoing Board of Directors, also complies with legislation on gender equality (Law 160/2019, i.e. the Budget Law that amended Arts. 147-ter, par. 1-ter and 148, para. 1-bis TUF, introduced by Law 120/2011), based on which at least two fifths of the Board members have to be of the less represented gender, rounded up to the nearest whole number (this quota is applicable for six terms in a row, starting with the first board election after the Budget Law came into effect).*

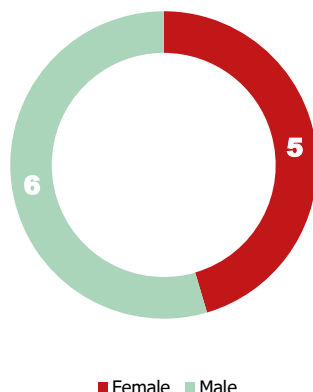
*In this respect, on 5 November 2020 the Company's Board of Directors had amended the bylaws in order to comply with provisions relating to gender equality referred to in the Budget Law.*

*Given the above, at this time the Company does not find it necessary to adopt a formal Diversity Policy, as the diversity principle is satisfied in the board's current composition.*

*Furthermore, in its opinion meant to guide the shareholders when electing the new Board of Directors, the outgoing board emphasized the importance not only of diverse competencies but also of "soft skills," recommending that the shareholders prioritize certain characteristics (also with a view to formulating an expected profile for future IGD directors), such as:*

- *independent thought and integrity;*
- *sufficient time and energy in light of other commitments;*
- *ability to manage conflicts constructively;*
- *ability to interact with management;*
- *ability to integrate sustainability issues into business vision;*
- *shared understanding of strategic role;*
- *teamwork skills.*

### **Gender quotas in the Board of Directors**



### Maximum number of appointments allowed in other companies

In order to regulate the maximum permitted number of appointments in other companies that a director may hold, the Company drafted specific regulations referred to as the "Limits to the maximum number of appointments allowed in other companies" which were approved by the Board of Directors on 13 December 2010, and updated on 26 February 2015 as per the opinion of the Appointments and Remuneration Committee. The regulations are available to the public on the Company's website: <http://www.gruppoigd.it/en/governance/board-of-directors>.

Based on the regulations, the term "maximum number" does not refer solely to the number of offices held, but also attributes a weight to each type of appointment in relation to the nature and size of the company, as well as the position held by IGD's directors in other companies, in light of the fact that more time is dedicated to certain positions than to others. In light of this consideration, IGD's Board of Directors held that the weight to be attributed to the office of chair or executive director be different, for example, than that of a non-executive/independent director or member of the Board of Statutory Auditors, also depending on whether the person serves on one or more Committees constituted within the Board of Directors. Lastly, the weight attributed to each office was also different based on the type and size of the company, and two sub-categories were established: Group A and Group B. Group A includes listed companies, financial institutions, banks, insurance companies or other large companies that meet the requirements listed in the Regulations. All the companies which are not part of Group A are automatically considered part of Group B. In light of these considerations, the Board listed the overall weight of the offices held in other companies which can be considered compatible with acting effectively as a director in IGD.

The composition of the Board of Directors as of the date of this Report was fully compliant with the regulations governing "Limits to the maximum number of appointments."

The number of offices held by directors in companies other than those of the IGD Group can be found in Table 2, attached to this Report.

### 3.4.4 FUNCTIONING OF THE BOARD OF DIRECTORS (pursuant to Art. 123-bis, par 2, lett. d) TUF)

In line with the recommendations of the Corporate Governance Code, in May 2021 the Board of Directors approved a revision of the Corporate Governance Regulations to make them compliant with the new Corporate Governance Code, which defines the role, composition and operating rules of the Board of Directors including the procedures for scheduling, convening, conducting and recording the meetings of the Board, its committees and other bodies.

The Corporate Governance Regulations also set the procedures for providing information to the Directors, ensuring that information is furnished well in advance of Board meetings and assigning responsibility to the Chair of the Board of Directors, with support from the Secretary of the Board who provides impartial assistance and advice to the Board on every aspect relevant for the proper functioning of the corporate governance system.

Such information consists, for each agenda item, of highly detailed presentations describing the specific topic and, in some cases, of other supporting documentation and/or reports, which also contain the resolution proposals that the board's Chair, upon completion of the individual discussions, reads verbatim to the Board before calling for a vote which as a rule takes place by roll call.

Minutes of each meeting, with a note of all statements and clarifications made, are taken by the Secretary of the Board and are made available to the directors, as well as to the statutory auditors for their information, after the Board meeting is over so that each participant can make sure his or her statements are recorded accurately. Each set of minutes, as a rule, must be expressly approved during the next Board meeting.

To ensure that the directors effectively act as a board, meetings are held on the dates set in the financial calendar announced to the market in accordance with the Stock Exchange Instructions, and whenever a meeting proves necessary. The Board, at any rate, takes the steps necessary to effectively fulfill its duties.

The Chair of the Board of Directors, including at the request of one or more directors, and with the approval of the Chief Executive Officer, may invite executives of the Company to attend the Board meetings to provide in depth information about the items on the agenda.

The Board of Directors takes decisions on all operations within its sphere of responsibility – most of them specified in Section 4.1 – and each director is ensured the necessary amount of time, without limitation, to formulate his or her statements, comments, and requests for clarification.

On 15 December 2022, the Company published its financial calendar which includes the following Board of Directors meetings in 2023:

- **23 February 2023:** Board of Directors' meeting to approve the separate and consolidated financial statements at 31 December 2022;
- **4 May 2023:** Board of Directors' meeting to approve the Interim Management Statement at 31 March 2023;
- **2 August 2023:** Board of Directors' meeting to approve the Half-year Financial Report at 30 June 2023;
- **8 November 2023:** Board of Directors' meeting to approve the Interim Management Statement at 30 September 2023.

If the Company deems it opportune it may convene, in accordance with the bylaws, other Board of Directors' meetings in 2023.

Pursuant to Art. 17.3 of the bylaws, the Chair of the Board, assisted by the Secretary, calls and presides over meetings of the Board of Directors; conducts, coordinates and moderates the discussion and related activities; and announces the results of votes. He or she must ensure that the Board of Directors constantly pursues the strategic goals of the Company and the entire Group.

Without prejudice to the call prerogatives guaranteed by law, meetings of the Board of Directors are called by the Chair, or the Chair's deputy, whenever this person sees fit or at the request of a majority of the directors. Art. 18 of the bylaws also provides for Board of Directors' meetings to be called by the Board of Statutory Auditors. Meetings are normally called by e-mail, with a follow-up to check the directors' availability to attend, at least five days in advance of the meeting. In urgent cases, meetings may be called two days in advance.

The power to call the Board of Directors' meetings granted to the Board of Statutory Auditors or by any member thereof complies with Art. 151, second paragraph of TUF.

The Board of Directors meets at the place specified in the notice of meeting, which may be the registered office or anywhere else in Italy.

The Chair of the Board of Directors, with assistance from the Secretary, shall ensure that the documentation relating to the items on the agenda is brought to the attention of the Directors and Statutory Auditors well in advance of the date of the Board meeting, also taking care that the advance information and the additional material provided during the meetings are suitable to allow the Directors to take informed action in fulfilling their duties <sup>(2)</sup>.

The documentation relative to the Board meeting agendas is regularly made available to each director on the Company's website; directors may access it on an exclusive basis. The publication of the documentation is preceded by a notice sent by e-mail from a specific office within the Company. During 2022 the adequate notice period on average was equal to 2 (two) days.

During the meetings, the Chair of the Board of Directors assured an extensive discussion of the items on the agenda allowing a constructive debate, also thanks to the participation of the top management of the Company and its subsidiaries in order to provide the Board with relevant input.

Board meetings are presided over by the Chair or, if the Chair is unavailable, by the Deputy Chair (if appointed) or, if that person is unavailable, by the most senior director in terms of age.

The bylaws require the presence of at least one member of the Board of Statutory Auditors at all sessions of the Board of Directors, to ensure that the auditors are informed of the Company's activities and of the transactions having a significant impact on profitability, assets, liabilities, and financial position carried out by the Company or its subsidiaries, in particular those transactions in which they have an interest on their own or third parties' account; that are influenced by the party in charge of management and coordination; or that have been the subject of resolutions, debate or announcement during the course of the session. If no statutory auditor is present at a meeting of the Board of Directors, or if the procedures adopted in

---

<sup>(2)</sup> Recommendation 12 (a) of the Code.

accordance with the preceding section do not guarantee that the auditors are informed on at least a quarterly basis, then according to the bylaws the Chair and/or the chief executive officer must report in writing on his or her activities to the Chair of the Board of Statutory Auditors. This report must be mentioned in the minutes of the first subsequent meeting of the Board of Statutory Auditors.

During the year the Board of Directors held 9 meetings, on 24 February 2022, 23 March 2022 (in ordinary and extraordinary session), 14 April 2022, 5 May 2022, 1 August 2022, 4 August 2022, 3 November 2022, and 15 December 2022, with regular attendance by the directors and at least one member of the Board of Statutory Auditors. The absentee rate was quite low and all absences were excused. Each meeting lasted an average of around 2 hours and 26 minutes. Some meetings of the Board of Directors were attended by Company executives and/or external parties, so they could provide specialized input on the topics up for debate.

The Board meetings were also held by audioconference, pursuant to art 20.1 of the Corporate Bylaws.

### **3.4.5 ROLE OF THE CHAIR OF THE BOARD OF DIRECTORS**

The Chair of the Board of Directors acts as liaison between the executive director and the non-executive directors, relaying any requests and/or demands of the latter. He or she promotes the holding of special meetings – attended by the Company's Top Management – to ensure complete awareness of the Company's corporate governance system and type of business. He or she also encourages meetings of the independent directors as the best opportunity for them to share opinions, and ensures that meetings are held among all internal control bodies. The Chair coordinates the periodic Board review process. In general, he or she is available at every opportunity to meet the needs of the non-executive directors.

More specifically, the Chair of the Board of Directors ensured:

- that pre-meeting information – reviewed in advance – was thorough and provided sufficiently in advance of the meeting, assured by knowledge of the time it was sent;
- the coordination of activities between the Board committees and the Board itself, reserving to the Chairs of the respective committees – involved when the items on the specific Board meeting agenda made their presence relevant – the time necessary to explain the committee's actions;
- in consultation with the Chief Executive Officer, the participation at Board meetings – including at the request of individual directors – of the Company's executives in order to provide input on agenda items. In this regard the Chair assured executives' participation at Board meetings, when relevant to specific agenda items, in keeping with the opinions expressed by the Board of Directors;
- the organization of induction sessions, including with Company executives, to provide the Board of Directors with full awareness of the Company's corporate governance system, type of business and market, and to foster participation in the preliminary phases of drawing up the 2022-2024 Business Plan approved by the Board in December 2021;
- advance notice to the Board of Directors for the start of the Board review process, calling for full participation in the process and verifying its suitability in advance, with support from the earlier involved Appointments and Remuneration Committee, for the sake of full awareness of the review methodology;
- information to the Board regarding the investor relations events that are described each quarter by the Chief Executive Officer, who is responsible for dialogue with the shareholders.

## **Secretary**

The Board of Directors, at the proposal of its Chair, appoints on each occasion a Secretary of the Board who as a rule is the Company's head of legal and corporate affairs and who has the required professional qualifications and experience in keeping with the Corporate Governance Regulations.

The Secretary's main role is to assist the Chair in certain activities, for example:

- to coordinate the planning and organization of individual Board meetings, following the procedure for the supply of pre-meeting documentation, in compliance with the notice period which as a rule is two days in advance of the meeting;
- to support the Committees in planning and organizing their meetings, ensuring that documentation is supplied in accordance with the notice period, which as a rule is two days in advance of the meeting, and to help the Committees prepare briefs for the Board of Directors;
- in his or her capacity as head of legal and corporate affairs, at the invitation of the Chair, to explain corporate governance matters to the directors with a particular focus on laws and regulations;
- to take meeting minutes, ensuring a complete record of statements made;
- to intervene, at the Chair's specific invitation, regarding requests for clarification as to the functioning of the corporate governance system and/or other aspects of corporate governance.

## **3.4.6 EXECUTIVE DIRECTORS**

### **Chief Executive Officer**

During the meeting held on 20 April 2021, following the Annual General Meeting during which the new Board of Directors was elected, director Claudio Albertini was confirmed Chief Executive Officer (with primary responsibility for the Company's management) and granted the following powers:

- 1 to develop and propose – as agreed with the Chair – the policies and programs related to the company's real estate investments in accordance with the development plans approved by the Board of Directors;
- 2 to develop and propose the strategies and financial policies of the Company and the group in relation to the growth, profitability and risk objectives determined by the Board of Directors, with responsibility for their implementation; to ensure that objectives are pursued in accordance with the guidelines set by the Board of Directors;
- 3 to optimize the instruments and procedures of financial management and manage relations with the financial system;
- 4 to develop and propose strategies for organizational development and policies for hiring, managing and training human resources;
- 5 to recommend group accounting standards and operating principles to the Board of Directors and ensure that the interim and year-end financial statements (separate, administrative and consolidated) are properly formulated; to ensure compliance with group directives and with administrative and tax regulations and laws;
- 6 to coordinate the drafting of the business plans, annual budget and the relative reporting;

- 7 to monitor and coordinate any related activities: general services, any legal problems and fiscal implications;
- 8 to assume responsibility for the prompt and correct implementation of work on property carried out directly by the Company, in compliance with the plans, budgets, and timeframes approved by the Board of Directors;
- 9 to assume responsibility for operational supervision of the progress of turn-key contracts acquired from third parties;
- 10 to assume responsibility for the proper maintenance of real estate assets according to rental contracts between the Company and third parties and the budgets approved by the Board of Directors and in compliance with current laws;
- 11 to assume responsibility for preparing the annual plan of work and the respective budget forecasts, with regard to both new construction and maintenance, subject to the approval of the Board of Directors;
- 12 to interface, as agreed upon with the Chair, with the shareholder cooperatives, regarding any integration of the respective investment plans;
- 13 to perform the following functions within the internal control and risk management system:
  - to identify the main business risks of the Company and its subsidiaries and submit them periodically to the Board of Directors for examination;
  - to execute the guidelines defined by the Board of Directors, monitoring the planning, implementation and management of the internal control and risk management system, while constantly verifying their overall adequacy, efficacy and efficiency;
- 14 to adapt this system to any change in operating conditions, the law or regulations;
- 15 to entrust Internal Audit with verifications relating to specific operations and the compliance with rules and internal procedures in the execution of corporate transactions, informing the Chairs of the Control and Risk Committee and the Board of Statutory Auditors of the results;
- 16 to inform the Control and Risk Committee in a timely manner of any problems and critical areas encountered while carrying out the above activities or otherwise learned, so that the Board of Directors may take the necessary measures.

In addition:

- to define, together with the Chair, the optimal size of the administrative bodies and select the Directors and Statutory Auditors, as well as the Chair, Deputy Chair and/or Chief Executive Officer of subsidiaries and affiliates so that the Chair may submit them to the Appointments and Remuneration Committee;
- to oversee the appointment of the main managerial positions within the Group;
- to define, together with the Chair, the proposals for the compensation of the Company's and Group's top management to be submitted to the Appointments and Remuneration Committee;
- to ensure that the Company's organizational, administrative and accounting functions are adequate in light of the size of the business.

## **Chair of the Board of Directors**

The Board of Directors, meeting on 20 April 2021, elected as Chair Rossella Saoncella, who qualifies as independent pursuant to the applicable provisions of Legislative Decree 58/98 (TUF), the CONSOB Regulations, the Market Regulations, and the Corporate Governance Code. The Chair of the Board of Directors is not responsible for running the Company; that role, as mentioned above, lies with the Chief Executive Officer.

The Chair of the Board of Directors does not have managerial duties and performs the following functions:

- 1 to map out and propose – as agreed with the Chief Executive Officer and as per that person's proposal – the policies and programs related to the Company's real estate investments in accordance with the development plans approved by the Board of Directors;
- 2 to interface with the shareholder cooperatives regarding any update of the respective investment plans in the Shopping Centers segment.

The Chair of the Board is not the Company's controlling shareholder.

#### **Executive Committee (pursuant to Art. 123-bis, para. 2, lett. d), TUF)**

The Company has not appointed an Executive Committee.

#### **Reporting to the Board of Directors**

In accordance with Art. 23.2 of the bylaws and Art. 150 of TUF, the Board of Directors and the Board of Statutory Auditors must be informed at least once a quarter, when the Board meetings are held, on general performance, the business outlook, and the transactions most relevant in terms of size or characteristics carried out by the Company or its subsidiaries. Specifically, the reporting body will inform the Board of Directors at least quarterly, when the Board holds its meetings. Such reporting is provided on the occasion of the Board's approval of the separate and consolidated financial statements for the year, the half-year, and the quarter. Each director may request that the deputized parties provide the Board with information regarding the Company's management. For the sake of complete and organized reporting, the Company has adopted guidelines setting the rules to be followed for compliance with the reporting obligations. The main purpose of these guidelines is to implement suitable corporate governance tools that are concrete examples of the recommendations found in the Code. By ensuring the transparency of the Company's management, the guidelines allow the efficient flow of information between the deputized parties and the Board, as recommended by the Code, in order to stress the centrality of the Board as a whole while also reinforcing the internal control functions. At the same time, the Board of Statutory Auditors is provided with information relevant to its supervisory activities pursuant to Art. 149 TUF.

### **3.4.7 INDEPENDENT DIRECTORS AND LEAD INDEPENDENT DIRECTOR**

#### **Independent directors**

The current Board includes 7 independent directors: Antonio Rizzi, Silvia Benzi, Rossella Schiavini, Timothy Guy Michele Santini, Rosa Cipriotti, Géry Robert-Ambroix and the Chair of the Board, Rossella Saoncella,



who qualify as independent pursuant to the applicable provisions of Legislative Decree 58/98 (TUF), the CONSOB Regulations, the Market Regulations, and the Corporate Governance Code.

The number and the qualifications of the independent directors are suited to the Company's needs and the functioning of the Board, and to the formation of Board committees.

*Regarding the Chair of the Board of Directors, Rossella Saoncella was indicated for the role by the shareholder Coop Alleanza 3.0 Soc. coop. in the documentation presented when submitting the voting list, taking account of the opinion expressed by the outgoing Board of Directors and of Ms. Saoncella's experience as Deputy Chair of the Board during its previous term.*

On 17 December 2020, the Company's Board of Directors, in accordance with Art. 7 of the Corporate Government Code, adopted the criteria for assessing the significance of professional, economic and financial relationships, as well as additional compensation, when evaluating independent status. More in detail, during this meeting the Board of Directors established that "For the purposes of assessing the independence of each non-executive director pursuant to Art. 2 of the Corporate Governance Code, the following are considered to be significant, with the exception of specific circumstances to be evaluated on a case-by-case basis, with substance prevailing over form:

a) commercial, financial or professional relationships, existing or entered into in the last three years, with IGD or its subsidiaries or its parent company, or with the respective executive directors or Top Management, for which annual compensation is higher than at least one of the following thresholds:

(i) 5% of the director's annual income;

(ii) in the case the undertakings are with a company of which the director has control or is an executive director or a professional firm or company of which the director is a partner or an associate, 5% of the annual turnover generated directly by the director as part of the activities carried out with this company, professional firm or consultancy;

(iii) the amount of the annual compensation for acting as a non-executive director of IGD;

b) remuneration in addition to the fixed compensation for acting as a board member and being part of a committee as per the Corporate Governance Code and the current law, received in the current year or in the last three years from IGD, one of its subsidiaries or its parent company, which exceeds at least one of the following thresholds:

(i) 5% of the director's annual income;

(ii) the amount of the annual compensation for acting as a non-executive director of IGD.

The Company's Board of Directors verified compliance with the requirements for independent, non-executive directors provided for in the Code and in the TUF upon appointment and, as is customary, upon approval of the draft financial statements. The outcome of this evaluation was disclosed to the market.

Having examined the information provided and statements made by the directors, during the meeting held on 23 February 2023 the Board of Directors confirmed the independent status of Rossella Saoncella, Antonio Rizzi, Silvia Benzi, Rossella Schiavini, Timothy Guy Michele Santini, Rosa Cipriotti, and G ry Robert-Ambroix, who qualified as independent at the time of their appointment. During the same meeting on 23 February 2023 the independent directors stated that they still qualified as such pursuant to and in accordance with

TUF, CONSOB Market Regulations and the Corporate Governance Code, including the lack of any other circumstances that would render them non-independent.

On 16 February 2023 the Board of Statutory Auditors verified that the criteria and procedures for assessing the independence of its directors were correctly applied by the Board.

The directors appointed, drawn from the lists presented on occasion of the recent election, have committed to maintaining their independence throughout their term in office or otherwise to resigning from the Board.

The independent directors met on 22 February 2023 to discuss the topics of greatest interest with respect to the functioning of the Board of Directors and the company's operation.

#### **Lead independent director**

In light of the separation of the offices of Board Chair and Chief Executive Officer and the fact that the office of Chair is not held by a person who controls the Company, the independent directors deemed it unnecessary to appoint a Lead Independent Director.

### **3.5 // HANDLING OF CORPORATE INFORMATION**

#### **Procedure for the management of relevant and price sensitive information**

In accordance with the Code recommendations, particularly with regard to price sensitive information pursuant to Art. 114, para. 1 TUF, in December 2006, the Company adopted an internal procedure for the secure, confidential management and disclosure of price sensitive information and documents. Furthermore, in accordance with Art. 115-bis TUF, the Company established a registry of the persons who have access to price sensitive information in June 2006.

After the EU Regulation 596/2014 ("MAR") took effect the Company adopted a Procedure for the Management, Handling and Public Disclosure of Confidential and Price Sensitive Information and the Registry of Insiders.

On 3 August 2018, the Company updated this procedure (the "Procedure for the Management of Relevant and Price Sensitive Information of IGD SIIQ S.p.A." or the "Procedure") in order to comply with the guidelines for the management of price sensitive information adopted by Consob in October 2017.

All directors, statutory auditors, executives and employees of the Company and/or its subsidiaries, as well as others who act in the name of or on behalf of the Company and/or its subsidiaries, who have access to the Company's confidential or price sensitive information in the course of their duties, are bound by the Procedure.

The Chief Executive Officer will determine whether or not information is privileged and/or price sensitive and, toward this end, may use company structures, the Corporate and Legal Affairs Division, and Investor Relations, as needed. When deemed opportune or necessary the Chief Executive Officer may request that this assessment be made by the Board of Directors.

If the Chief Executive Officer, with the support of the relative internal divisions, finds that information is relevant, he or she will add a new section to the Relevant Information List which will list the parties who

have access to this information. The Chief Executive Officer, with the support of the relative internal divisions, will monitor any changes in the relevant information in order to understand whether or when this information may become price sensitive.

The Company discloses price sensitive information to the public as quickly as possible in a way which guarantees quick, equal, simultaneous access to the information throughout the European Union, as well as a complete, accurate and timely analysis of the information, by issuing a press release.

The Company may delay, under its own responsibility, public disclosure of the price sensitive information as long as the conditions called for in MAR are satisfied. The decision to delay disclosure is made by the Chief Executive Officer who works to guarantee that the price sensitive information is treated with the maximum confidentiality and that all necessary information is included in the Registry of Insiders, along with the timely registration of the individuals who have access to price sensitive information (the "Insider List"), maintained by the Company in accordance with the law.

The Insider List is divided into two distinct sections: one defined "occasional" which includes parties identified on a case-by-case basis who may have access to specific information; one defined "permanent" which includes those parties who always have access to price sensitive information

### **Internal dealing**

In accordance with Art. 114, paragraph 7 of TUF and with the implementation provisions found in Arts. 152-*sexies et seq.* of the "Consob Issuer Regulations", effective as of January 2007 the Board of Directors adopted a procedure governing mandatory notification and conduct on the subject of transactions carried out by relevant persons and parties closely related to such persons on the Company's shares or on related financial instruments ("Internal Dealing Procedure"). The Internal Dealing Procedure has been updated in 2016 and lastly in 2018, in order to comply with the new rules introduced by MAR and the amendments to Consob Issuer Regulations.

For more information refer to the Internal Dealing Procedures available on the website at <https://www.gruppoigd.it/en/governance/internal-dealing/>.

## **3.6 // BOARD COMMITTEES (pursuant to Art. 123-bis, par. 2, lett. d), TUF)**

In full compliance with the Code recommendations, the Board of Directors has set up Board committees with advisory functions: (i) the Control and Risk Committee, (ii) the Appointments and Remuneration Committee (a single committee performing the functions the Code assigns to the Appointments Committee and the Remuneration Committee), and (iii) the Related Party Transactions Committee.

As the Company is subject to the management and coordination of Coop Alleanza 3.0 soc. Coop., pursuant to Art. 2497 of the Italian Civil Code, it is subject to Art. 16, paragraph 4 of the Consob Market Regulations, based on which the committees formed pursuant to the Code must comprise only independent directors as defined in these provisions. Therefore, all Committees are made up of independent directors, excluding the Chair of the Board of Directors, who is independent but is not a member of any committee.

The members of the above committees were appointed during the latest re-election of the Board of Directors – further to nominations by the Annual General Meeting of shareholders – held on 15 April 2021.

For further information on the Related Party Transactions Committee, see Section 10 of this Report.

The Corporate Governance Regulations adopted by the Company also govern the functioning of its committees, including the means of taking meeting minutes and the procedures for informing the committee members, specifying the deadlines for sending advance information and the methods of keeping such information confidential so as not to prejudice the timeliness and completeness of reporting.

The meetings of each Committee are recorded in minutes by the secretary appointed for the purpose. The Board is informed of their work during meetings convened to decide on the issues previously discussed by the committees.

The Committee chair reports on meetings at the first Board of Directors meeting convened to discuss the half-year accounts, and in any case, at least every six months.

Members of the Board of Statutory Auditors may attend the meetings of each Committee. The Committees are entitled to access the company information they need to perform their duties.

No director may attend a meeting of the Appointments and Remuneration Committee during which his/her compensation is being discussed. Notice of Committee meetings, which must specify the date, time, means of participation, and agenda, is sent to the members of the relevant committee on the recommendation of the committee chair, who is normally assisted by the Company's legal and corporate affairs division. As a rule, meetings are convened by e-mail with at least two days' notice.

In urgent cases, the notice period may be shorter, but not less than 24 hours. The notice of meeting is sent by the Company's executive secretariat, to the committee members and also to any other persons the committee chair has invited to attend the meeting.

Any documentation concerning the agenda is made available to the members, by the committee chair or secretary, sufficiently in advance.

The Company has not formed any Board committees other than those provided for by law or recommended by the Code.

## **3.7 // BOARD REVIEW AND SUCCESSION OF DIRECTORS - APPOINTMENTS AND REMUNERATION COMMITTEE**

### **3.7.1 BOARD REVIEW AND SUCCESSION OF DIRECTORS**

Consistent with Principle XIII of the Corporate Governance Code, in 2022 the Board of Directors once again reviewed the effectiveness of its own activities and the contribution of each of its members, through formalized self-evaluation procedures. More specifically, since 2007 the Board of Directors has placed the Appointments and Remuneration Committee, in the context of its role supporting the Board review process, in charge of checking the methodology used for the review process with assistance from the consulting firm Egon Zehnder. Egon Zehnder also assisted IGD with the implementation of the Succession Plan for the

Chief Executive Officer and other key positions in the Company. More specifically, work is being done to support the professional growth of several individuals who are part of Company management.

The review process was carried out as follows:

- 1 questionnaires were sent to the 11 Directors
- 2 the questionnaires filled out by the Directors were collected
- 3 individual interviews were conducted with a selected group of Directors in order to add comments and/or further detail to the answers provided in the questionnaire
- 4 the data included in the questionnaires and the considerations that emerged during the individual interviews were compiled
- 5 the results were processed both singly, in anonymous form, and as an aggregate
- 6 the findings were presented to the Appointments and Remuneration Committee and the Board of Directors

The Board Review results were subsequently presented and discussed during the Board of Directors' meeting held on 23 February 2023.

The individual discussion with the group selected of Directors, in addition to the written questionnaire which was filled out in complete privacy, involved the following topics:

- 1 Qualitative/quantitative profile of the Board of Directors
- 2 Independence, integration and training
- 3 Organisation and functioning of the Board of Directors
- 4 Organisation and functioning of the Board Committees
- 5 The role of the Chair of the Board of Directors and relationships with the Directors and with Management
- 6 Involvement of the Board in risk strategies and governance
- 7 Structure, succession plans and compensation policies
- 8 The Board of Statutory Auditors

For each topic, discussions concerned strengths and areas in need of improvement.

*The Board of Directors expressed general satisfaction with the work done, in terms of the size, the composition and the actual functioning of both the Board and the Board committees. With regards, however, to the functioning of the Board it was stated unequivocally that there is a need to hold more meaningful meetings in person, and to promote discussion and a constructive dialogue. A large majority (67%) also requested that greater attention be dedicated to technology and innovation.*

*The observations and comments relative to the items examined last year are reported below:*

- *IGD's future strategies and strategic dialogue with Coop Alleanza: a significant minority (45%) is not satisfied with the progress made in this regard;*
- *succession of the Chief Executive Officer: a majority is not satisfied with the progress made relative to the succession of the Chief Executive Officer and the top executives. Toward this end, the Appointments Committee, represented by the Committee Chair as agreed unanimously by its*

*members, expressed the hope that "the search for a new CEO be carried out which considers external candidates and is entrusted to an expert headhunter without extensive prior links to the Company". The Board will assess the latter, as reported, with the express agreement of the Chair of the Appointments Committee;*

- *risk management: great improvement in the satisfaction concerning the amount of time dedicated by the Board to topics relating to the Company's risks was noted.*

Finally, the Board of Directors whose term expired on 15 April 2021, in view of the election of the new Board of Directors during the Annual General Meeting of Shareholders held on 15 April 2021:

(i) had expressed its opinion - in accordance with Code recommendations and considering the outcome of the Board review process conducted the previous year, with input from the Appointments and Remuneration Committee - on the optimal size and composition of the new Board. The opinion, published on the Company's website sufficiently in advance of when the AGM was convened, also addressed the professional qualifications, experience, and skills expected of directors, including in light of the Company's size, complexity, business objectives and strategy. In the notice convening the AGM that would re-elect the company's boards, the shareholders were therefore urged to read the outgoing Board's opinion and, for voting lists with a number of candidates exceeding half the members to be elected, to provide suitable information on the list's consistency with that opinion;

(ii) had asked the controlling shareholder to nominate, in accordance with the Code recommendations, its candidate for Chair of the Board;

(iii) had adopted, in January 2021, the Succession Plan for the Chief Executive Officer – developed with the consulting firm Egon Zehnder – in accordance with Recommendation 19 e) of the Code.

### **3.7.2 APPOINTMENTS AND REMUNERATION COMMITTEE**

In 2012, having confirmed the organizational needs mentioned in the Code, the Board of Directors decided to combine the Remuneration Committee and the Appointments Committee along with the functions assigned to each.

The establishment of the "Appointments and Remuneration Committee" was decided for organizational purposes within the Board and because of the strong correlation between the competencies of the former Remuneration Committee and those of the former Appointments Committee pursuant to the Code. The Company verified that the members of the Remuneration Committee possess the same requirements relative to independence, professionalism and experience as the members of the Appointments Committee.

#### **Composition and functioning of the Appointments and Remuneration Committee (pursuant to Art. 123-bis, para. 2, letter d), TUF)**

##### **Appointments and Remuneration Committee**

<b>Timothy Guy Michele Santini</b>	Chair (Independent)
------------------------------------	---------------------

<b>Rossella Schiavini</b>	(Independent)
---------------------------	---------------

The current IGD's Appointments and Remuneration Committee is made up as follows:

- (i) Timothy Guy Michele Santini (Chair), Rossella Schiavini and Silvia Benzi, all independent directors.

The current Appointments and Remuneration Committee in office was appointed by the Board of Directors on 20 April 2021, following the re-election of the Board by the AGM of 15 April 2021.

The Appointments and Remuneration Committee consists of three non-executive independent directors appointed by the Board, which also appoints its Chair.

At least one member of the Committee has sufficient expertise and experience in finance or compensation policies, as determined by the Board of Directors at the time of appointment.<sup>3</sup>

When appointing the Appointments and Remuneration Committee, the Board of Directors, after reviewing the curricula of the independent directors who were candidates for the committee, verified that all of them possess at least one of the requirements in terms of knowledge and experience in finance and with remuneration policies.

The Committee meets with the frequency needed to perform its duties, and is in any case convened sufficiently ahead of the Board of Directors meeting during which its proposals will be discussed and resolved upon; it is provided with background documentation sufficient for making informed decisions.

In 2022 the Committee met 5 (five) times, on 31 January, 18 February, 28 April, 29 July and 15 December 2022. All the members attended 100% of the meetings. The Chair of the Board of Statutory Auditors attended 4 (four) out of 5 (five) of the meetings.

The average duration of meetings in 2022 was 1 hour and 4 minutes. Proper minutes were taken during each meeting.

As a rule, at the invitation of the Committee Chair, the Committee meetings were attended by the Chair of the Board of Directors and the Chief Executive Officer, as well as the heads of Administration, Legal and Corporate Affairs, Contracts, HR and IT as specifically pertinent.

The Board of Statutory Auditors has a standing invitation to all meetings of the Appointments and Remuneration Committee.

The Chair of the Appointments and Remuneration Committee, after consulting the Chair of the Board of Directors and with assistance from its Secretary, is responsible for gathering recommendations and submitting topics to the Committee, ensuring that the proposals are complete with all information necessary for reaching a fully informed opinion.

The Secretary, appointed at every meeting, prepares the meeting minutes. As a rule, the minutes are submitted for the approval of the Appointments and Remuneration Committee through an exchange of emails between the Secretary and the Committee members.

---

<sup>3</sup> Recommendation no. 26 of the Corporate Governance Code

No director may attend a meeting of the Appointments and Remuneration Committee during which his/her compensation is being discussed for submission to the Board of Directors.

### **Functions of the Appointments and Remuneration Committee**

The functions that the Code attributes to the Appointments and Remuneration Committee have been assigned in accordance with the Code recommendations for the composition of such committees.

On the subject of Appointments, the Appointments and Remuneration Committee assists the Board of Directors in:

- a. the review process (self-evaluation) of the Board of Directors and its committees;
- b. defining the optimal composition of the Board of Directors and its committees;
- c. proposing candidates if it is necessary to co-opt a director;
- d. preparing, updating, and implementing the plan, if any, for the succession of the Chief Executive Officer and other executive directors.

On the subject of remuneration, the Appointments and Remuneration Committee is responsible for:

- e. helping the Board of Directors devise the remuneration policy;
- f. submitting proposals and expressing opinions on the remuneration of executive directors and other key directors, and on the setting of performance targets for the payment of predeterminable, measurable bonuses tied largely to a long-term horizon;
- g. monitoring the concrete application of the remuneration policy and verifying the actual achievement of performance targets;
- h. periodically judging the adequacy and overall consistency of the remuneration policy for directors and Top Management.

The Appointments and Remuneration Committee also expresses opinions on:

- the criteria for appointing the Chief Operating Officer and Key Management Personnel, who are selected by the Board of Directors;
- the type of administrative body to be formed (single party or board), the number of members and the candidates to be presented for director, statutory auditor, chair and deputy chair of the Board of Directors, and the general manager and/or chief executive officer of subsidiaries and affiliates. To that end, it is the Chair of the Board of Directors who submits candidates for those offices to the Appointments and Remuneration Committee, in agreement with the Company's Chief Executive Officer.

The Board of Directors did not submit any voting lists for the recent re-election of the Board.

During the year the Appointments and Remuneration Committee, in the course of its duties:

- performed the necessary preliminary work, in particular by studying the methodology used for the review process of the Board of Directors and its committees;



- helped the Board of Directors devise the remuneration policy, in particular by submitting recommendations and expressing opinions on the remuneration of executive directors and other key directors and on the setting of performance targets for the payment of short- and medium/long-term bonuses;
- judged the adequacy and overall consistency of the remuneration policy for directors and top management.

The Appointments and Remuneration Committee, in performing its duties, assures suitable functional and operational connections with the pertinent company units, having adequate financial resources to carry out its tasks and using external consultants under the terms established by the Board.

Detailed information about the functions of the "Appointments and Remuneration Committee" can be found in the Remuneration Report, published pursuant to Art. 123-*ter* of TUF, available on the website <http://www.gruppoigd.it/en/governance/remuneration/>.

### **3.8 // DIRECTORS' REMUNERATION**

This information can be found in the Report on Remuneration, published in accordance with Art. 123-*ter* of TUF, available on the Company's website <http://www.gruppoigd.it/en/governance/remuneration/>.

### **3.9 // INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM - CONTROL AND RISKS COMMITTEE**

The Internal Control and Risk Management System ("ICRMS") consists of the set of rules, procedures and organizational structures designed to ensure that the business is run correctly and in line with the objectives agreed upon, through the proper identification, assessment and control of the primary risks facing the company with a view to creating medium/long term value for shareholders. The ICRMS ensures the safeguarding of the company's assets, the efficiency and efficacy of the company's operations, compliance with laws, regulations, bylaws and internal procedures, as well as the reliability of financial information. As the objective of the Internal Control System is, therefore, to guarantee the reliability, accuracy, dependability and the timeliness of the financial information, the system is considered an integral part of and not separate from the general Risk Management System adopted by the Company.

The Board of Directors, consistently with the Company's strategic guidelines, has defined the key principles of the ICRMS including through the formation of specific committees with advisory and consulting functions.

This system is part of the Company's organizational and corporate governance structure and reflects the reference models, as well as national and international best practices, also in light of the changing rules.

More in detail, the planning, implementation and monitoring of IGD's ICRMS are modeled after the CoSo (Committee of Sponsoring Organizations of the Treadway Commission) Framework; with a view to continuous improvement, the Company develops and updates the System components constantly.

The CoSo Framework aims to:

- establish a definition of internal control that meets the needs of the different stakeholders;

- establish a reference model in relation to which companies and other organizations can assess the reliability of internal control;  
provide a shared reference base (shared language) for Management, Directors, Control Bodies and Delegates, etc.

Under the CoSo Framework, there should be a direct correlation between the Company's objectives and the components of the Internal Control System:

- each component of the Internal Control System correlates with three main categories of objectives, including i) operational efficiency (management control); ii) adequate information (administrative-accounting control); iii) compliance;
- an efficient control system reduces the risk that one or more objectives will not be achieved (achieved = the level deemed acceptable by the company /organization);
- this is guaranteed if i) the five components of the control system and the standards are concrete, clear and completely functional, and ii) the five components work together.

Based on the CoSo Framework the following five components comprise the Internal Control System : (a) control environment ; (b) risk assessment; (c) control activities; (d) information and communication; (e) monitoring.

ICRMS planning activities are coordinated in keeping with the assessment of the risk level compatible with the issuer's strategic objectives, including with a view to the medium/long-term sustainability of its operations.

The components of the ICRMS are summarized below:

#### **a) Control environment**

The control environment refers to the organizational context in which the strategies and objectives are defined, the ways in which business activities are structured and the ways in which risks are identified and managed. This includes many elements, including the Company's ethics, expertise and development of personnel, the style with which operations are managed and the methods used to grant special mandates, powers and responsibilities. In line with the framework standards, the control environment includes the following five sub-elements:

##### *i) Commitment to integrity and ethical conduct*

The Company has defined and shared its Code of Ethics with employees and staff members. This Code is an official document that contains all the standards underlying the Company's activity. The Top Management and the supervisory and control bodies which make up the ICRMS help to ensure compliance with the conduct set out in the Code of Ethics. The Company is committed to pursuing economic, environmental and social sustainability for its stakeholders and issues a Corporate Sustainability Report. Furthermore, in order to continuously improve and strengthen corporate governance, consolidate ethical business practices, protect integrity and offset the risk of corruption, in April 2020 the Company concluded the project designed to further strengthen its anti-corruption controls. This called for the design and implementation of the anti-corruption systems in accordance with the international norm, ISO 37001:2016 (in synergy with the other anti-corruption compliance tools

already adopted) obtaining the relative certification. This path, begun in fall 2019, also compelled the adoption of an anti-corruption policy and the formation of a Supervisory Board, Top Management and Compliance Unit charged with monitoring the prevention of corruption.

*ii) Exercise of supervisory responsibilities*

The group of individuals who comprise the Company's ICRMS guarantee that the supervisory activities will be carried out in compliance with the law and regulations. More in detail, the different duties (which will be explained in greater detail below) are assigned to the Board of Directors, the Director in Charge of the ICRMS, the Risk and Control Committee, the Board of Statutory Auditors, the Supervisory Board, the Financial Reporting Officer, and the Internal Audit Unit.

*iii) Definition of the Internal Control and Risk Management System's structures, reporting lines and responsibilities*

ICRMS involves, to the extent of their expertise:

- 1) The Board of Directors, whose responsibility is to determine and pursue the strategic objectives of the Company and the entire Group, as well as define the nature and level of risk deemed compatible with the Company's objectives, including all the risks deemed material to medium/long-term sustainability;
- 2) the Director charged with creating and managing an effective ICRMS;
- 3) the Control and Risks Committee, as the voice of the Board of Directors, formed in accordance with the Corporate Governance Code which must support, after having received adequate information, the evaluations and decisions made by the Board of Directors relating to the ICRMS, as well as the decisions relating to the approval of the periodic financial reports;
- 4) the Head of Internal Audit is charged with verifying that the ICRMS is functional and adequate and with adapting the Audit Plan to the outcome of the Enterprise Risk Management (ERM) process;
- 5) the Financial Reporting Officer who, by law, is charged with establishing adequate administrative and accounting procedures for the preparation of financial documents and reports;
- 6) the Board of Statutory Auditors, which oversees the effectiveness of the ICRMS;
- 7) the Supervisory Board, formed pursuant to Legislative Decree 231/01, which supervises compliance with the Code of Ethics and verifies the efficacy and adequacy of the Legislative Decree 231/01 Organizational, Management and Control Model;
- 8) the Governing Body, Top Management and the division responsible for compliance with anti-corruption measures.

The list of the relevant parties also includes: (i) Group Management which is responsible for first level internal controls and risk management; (ii) the divisions involved in second level controls with specific duties and responsibilities relative to the control of different areas/types of risk.

The ICRMS, in line with regulations and best practices, can be broken down in the following levels:

- First level: monitored by the single operating lines, consistent with the controls made by those who carry out certain activities and the relative supervisors; it also ensures that operations are being carried out correctly;

- Second level: assigned to structures other than the operating lines, participates in the definition of methods to be used to measure, identify, assess and control risk (risk management); verifies compliance with laws and regulations (Compliance);
- Third level: assigned to Internal Audit which assesses the functioning of the entire internal control and risk management system, as well as the detection of unusual performances, procedural and regulatory violations, as well as the division responsible for compliance with anti-corruption measures.

All persons involved coordinate their activities to ensure the reliability and effectiveness of the ICRMS and to avoid overlaps. The results of the periodic supervisory/control operations are always shared with the internal control bodies, the Board Committees and the Board of Directors, including when they meet as a whole.

The Board of Directors ensures that the assessments and decisions made relating to the Issuer's risk exposure, the internal control system, the approval of the annual and half-year reports, as well as the relations between the Company and the external auditors are supported by an adequate exchange of information.

The Board of Directors, as part of its strategic supervision, defines the guidelines for the control systems in line with the Company's business risk previously determined by the Board <sup>(4)</sup>.

The Board, by law, must also periodically verify the adequacy of the control systems. Unforeseen events, however, may require further investigation in order to verify the efficacy of the controls in relation to particular situations <sup>(5)</sup>. The Board, therefore, is also responsible for the adoption of an adequate system in light of the business's characteristics.

Toward this end an efficient organization of the workflow is key to ensuring that any questions relating to internal control, in general, and risk management, in particular, are discussed with the Board after having been adequately briefed by the Control and Risk Committee.

#### *iv) Commitment to recruit, develop and retain qualified resources*

The Company promotes research and development activities in order to enhance the talent and professional expertise of its resources. The human resources management systems adopted foster the enhancement of professional know-how and incentivize the achievement of goals through specific bonus schemes and the development of employee training programs.

#### *v) Promotion of reliability*

The Company promotes and enhances, at all levels, the reliability – in the broadest sense of the term – of organizational conduct, procedural management, IT, and internal and external communications.

## **b) Risk assessment**

---

<sup>(4)</sup> Note to Art. 6 of the Corporate Governance Code.

<sup>(5)</sup> Note to Art. 6 of the Corporate Governance Code.

Risk assessment is viewed as an integral part of the system. In order to most effectively serve its control and risk management needs, as well as its complexity, status as a listed company and business dynamics, IGD developed an integrated model for risk management which is in line with renowned international Enterprise Risk Management (ERM) standards. As per these standards, risk assessment is carried out in line with a) above and is based on four sub-elements:

*i) Definition of appropriate objectives*

The Company verifies that the planning, implementation and monitoring of the ICRMS are in line with the Company's strategic, financial, operational and compliance goals.

*ii) Identification and assessment of risks*

The risk management system adopted is constantly monitored, updated and developed by management in order to ensure that it is adequate in light of changes in the organizational structure or business.

Process risk management is assigned to Management which is responsible for risk assessment and definition of risk management tools. Toward this end, Management is responsible for the monitoring of risk based on an assessment as to the adequacy of the risk management controls in place, pointing out areas in need of attention and for which action plans should be adopted, without prejudice to the functions assigned to the Board of Directors and the Control and Risk Committee.

The methods in progress at the date of the present Report for integrated risk management, used as part of the Group's ERM system, periodically provides for:

- benchmark analyses of competitors/peers, with regard to both governance models and the ERM methods used, as well as of the risk management controls used relative to emergencies and unforeseeable exogenous events (e.g. Covid-19 pandemic, Russia-Ukraine conflict);
- analysis of the business, changes in the market and comparables in order to identify any new risks;
- analysis of the risks identified, the organization of the risk management personnel and the risk control measures used, assessment of the risk identified by the management of Group companies;
- identification of the Key Risk Indicators (KRI) that make it possible to identify and assess the impact that the risks under examination could have on the company's performance;
- assessment of the level of risk coverage based on the control mechanisms used;
- prioritization of the risks and the steps to be taken, as well as risk tolerance analysis in accordance with the instructions received from the Group's top management and through an evaluation of the overall exposure and the potential risks impact on the strategic goals;
- the use of quantitative analysis which focuses on understanding the impact of different risk scenarios on the Plan targets and supports the assessment of risk exposure and appetite as effectively as possible;
- close monitoring on a rolling basis of the biggest risks and their controls, including in relation to the reference markets;

These Enterprise Risk Management procedures are updated based on the findings of specific risk assessments made by other control bodies (internal audit, system used to control accounting-administrative procedures pursuant to Law 262/05).

*iii) Identification and assessment of fraud risk*

The Company pays particular attention to potential areas of exposure to the risk of fraud when planning, implementing and monitoring the ICRMS. The ERM model identifies and assesses in the Risk Map an area of risk referred to as "Fraud committed by Company personnel or its stakeholders that could impact its assets and its reputation." The controls defined relating, in particular, to administrative and accounting operations, financial and treasury management, as well as property and retail management, also take into account aspects relating to fraud risk.

The assessments of this sort of risk take into account not only the results of the controls made by system personnel, but also the recommendations and action plans emerged as a result of internal audits and any observations made by the external auditors shared with the Company. With a view to continuously improving the system, the Company will continue to work on preventing fraud and the instruments used in this regard.

*iv) Identification and analysis of significant changes*

As part of the ICRMS, the risks analyzed and assessed are periodically verified and updated in light of strategies, the organizational model and the business operations. The Company, therefore, periodically updates the tools used to identify and assess risk (ERM system, Decree 231/01 Model for Organization, Management and Control, system used to control accounting-administrative procedures pursuant to Law 262/05) to ensure that they fit the Company's organizational and business characteristics, as well as the corporate strategy.

Toward this end, after the EU privacy regulation no. 2016/679 took effect, the Company worked to comply with the new regulation and identified, using its ERM model and Risk Map, an area of risk referred to as "Privacy risk – Sanctions connected to violations of regulations protecting data privacy." Controls call for (i) monitoring the relative regulations, (ii) updating company procedures, mandates and related company documentation, and (iii) training company personnel.

The Company also included the risk of "Legislative Decree 231/01 Liabilities" and "Law 262/05 Liabilities" in its ERM model and the relative risk map used to periodically assess the measures implemented in order to guarantee the adequacy and effectiveness of the relative models with respect to the law and the Company's organization.

**c) Control activities**

Control activities are defined in accordance with regulations, policies, guidelines and procedures that ensure that the risk management strategies adopted are executed correctly. In line with the framework standards and pursuant to the observations made in b) above, the control activities include the following three sub-elements:

*i) Definition and development of control activities*

The control activities defined by IGD are based on the definition and deployment of a series of controls designed to mitigate risks of various types, including organizational, procedural, operational or relating to third party interests. The selection of the control activities is rooted in the risk identification and mapping carried out in accordance with the ERM model, the Decree 231/01 Model for Organization, Management and Control and the administrative-accounting control system pursuant to Law 262/05. As part of these assessment activities, the Company assesses the adequacy of the existing controls with respect to the level of risk identified and determines the steps that need to be taken to strengthen controls, in line with the control objectives defined and shared with Top Management. Implementation is periodically monitored by the system personnel based on his/her duties and responsibilities, including by way of specific monitoring of the main risks identified by interviewing management, gathering documentation and data analysis.

*ii) Selection and development of general controls for technology*

Based on the Company's organizational model, a few support services are outsourced relating, for example, to the management of IT and infrastructures. IGD chose a new supplier to manage its IT systems for administration, management planning and control, finance and treasury. This will also improve cybersecurity and privacy.

The Company hired a IT Manager who reports to the Head of Administration, Legal and Corporate Affairs, Contracts, HR & IT.

*iii) Implementation of controls through policies and procedures*

IGD, in line with the control objectives defined, as well as the best market practices and the methods adopted, defined a series of policies and procedures that govern conduct, as well as organizational and management practices (internal regulations and procedures). They form an integral part of internal regulations and procedures, along with the market procedures, administrative-accounting controls, the Model for Organization, Management and Control, and the procedures required by law.

**d) Information and communication**

Information is needed at all corporate levels in order to identify, assess and carry out the decisions made relative to the treatment of risk, as well as deploy the control activities defined in order to reach the goals defined. The correct functioning of the ICRMS is based on an active sharing of the duties between the company divisions involved. An efficient Internal Control System strives to:

- eliminate the methodological/organizational overlaps between the different control functions;
- share the assessment methods used by the different control functions;
- improve the communication between the control functions and corporate bodies;
- reduce the risk of "partial" or "misaligned" information;
- capitalize on the information and assessments made by the different control functions.

In line with the framework standards and pursuant to the observations made in c) above, the information and communication activities are defined based on the following three sub-elements:

*i) Use of relevant information*

In order to provide the control activities with concrete support, the Company gathers and assesses relevant information. While the system is being monitored, information is gathered through interviews of management and based on self-assessment initiatives. The Company has also defined a set of Key Risk

Indicators that are updated periodically in order to understand elements that could prove useful to understanding potential risks. Similarly, reporting lines and ways to manage information flows are determined by the Legislative Decree 231/01 Supervisory Board, Internal Audit and the Financial Reporting Officer. The management, control bodies and the Board of Directors are provided periodically with reports on the progress of the work being done and updates about any changes relative to the levels of the risks identified.

*ii) External communications*

The Company promotes transparent and thorough external communications policies. Toward this end the ICRMS, as well as the corporate events of potential interest to all stakeholders, are made public through the institutional channels adopted by the Company, namely periodic financial reporting, the Report on Corporate Governance and Ownership Structure, the corporate website [www.gruppoigd.it](http://www.gruppoigd.it) and all the disclosures made available to the public by the Investor Relations department.

*iii) Internal communications*

Internal communications must ensure that all appropriate company staff members are aware of the control and Governance rules and that management is updated constantly including with regard to any new provisions relating to the ICRMS, as well as changes to internal rules. The internal communications system includes the training programs developed in order to provide management with an understanding of the procedures and controls defined by the Company. Information channels are in place through which Top Management and the control bodies are provided with useful information in order to improve the system or report any lack of compliance with the controls.

**e) Monitoring**

Information is needed at all corporate levels in order to identify, assess and carry out the decisions made relative to the treatment of risk, as well as deploy the control activities defined in order to reach the goals defined. In line with the framework standards and pursuant to the observations made in d) above, the risk assessment activities include the following two sub-elements:

*i) Continuous and periodic evaluations*

In line with the procedures used to identify, assess, manage and monitor the risks defined by the system adopted, each system player is called upon periodically to report on the functioning of the system and its ability to contain risk within the defined limits as per the guidelines defined by the relative control bodies.

*ii) Evaluation and communication of any deficiencies*

The periodic evaluation of the ICRMS makes it possible to single out the areas in need of improvement in order to align the system with the relative control bodies' expectations and the level of risk that the Company can tolerate. The players and the bodies that are part of the ICRMS are involved in the evaluation process and the communication of any deficiencies.

**Main features of the Internal Control and Risk Management System in relation to the financial reporting process**



### *Phases of the Internal Control and Risk Management System in relation to the financial reporting process*

With regard to the internal controls implemented in relation to the financial reporting process, in prior years IGD has undertaken to comply with Law 262/05 by updating the accounting and administrative control models and has also executed the controls necessary to support the Financial Reporting Officer's certification process.

The above mentioned accounting and administrative control system represents the set of rules, procedures and internal tools used by the Company to ensure the reliability, accuracy, and timeliness of financial reporting.

The methods used by the Financial Reporting Officer in the development of the accounting and administrative control system are those described in specific guidelines drafted in this regard which are in line with the recommendations found in the CoSo Report, the model referred to in the guidelines issued by ANDAF for the Financial Reporting Officer.

As part of the financial reporting process, in order to understand the principal risks to which IGD and the Group are exposed, the Financial Reporting Officer works with the parties involved in the Company's and the Group's Enterprise Risk Management system (the working group initially dedicated to the launch of the ERM system) in order to identify and assess business risks.

The phases of the administrative-accounting control model are summarized below.

#### *Identification of risks associated with financial reporting*

During this phase the scope of the analysis is determined relative to the Group companies, the processes of the single companies, as well as the administrative-accounting risks and controls to be investigated further.

The Company constantly evaluates the scope of the analysis and makes any necessary changes and additions, including with regard to the companies operating in Romania. Risks are, therefore, identified for each individual administrative-accounting process.

#### *Assessment of the risks associated with financial reporting*

This activity calls for the assessment of financial reporting risk for both entities and processes, as well as for single transactions. Existing controls and the ability to effectively mitigate the risks inherent to administrative-accounting processes are checked.

Based on the approach used, both the risks relating to non-intentional errors and fraud are taken into account and controls are put into place to ensure that these risks are monitored, including as part of control protocols implemented in the context of other components of the overall internal control system.

The approach used also takes into account the manual and IT systems controls supporting the administrative-accounting procedures, namely the automatic IT controls for applications, general controls covering systems access, control of systems development and changes and, lastly, the adequacy of the IT structures. The control system, both on entity and general IT structural levels, is subject to analysis in order to understand how to deploy initiatives to strengthen it.

The analysis of procedures, risks and controls established based on the Financial Reporting Officer's work plan includes the updating of the model used to control accounting and administrative risk with constant risk assessment review pursuant to Law 262/05 and the introductions of new procedures as a result of the scoping reviews. The Financial Reporting Officer constantly monitors the adequacy of the controls identified, and carrying out, when necessary, corrective measures.

#### *Identification of appropriate risk controls*

Based on the work carried out to identify procedures, risks and controls, the Company plans the improvements needed to introduce and/or change controls, both general and for single processes. The administrative-accounting procedures are then updated accordingly. IGD's administrative-accounting procedures are defined and deployed in accordance with the organizational structure and corporate processes in place, both in Italy and in Romania. A specific analysis was done of the control system and the accounting IT systems in order to assess the adequacy of the controls with respect to the standards included in the Company's framework. The Company evaluates the need for and plans updates in order to ensure that the administrative-accounting procedures are in line with the Group's organization and functioning.

#### *Evaluation of risk controls*

The administrative-accounting procedures are monitored constantly; toward this end, specific testing activities are planned and carried out in order to ensure that the controls called for in the administrative-accounting procedures, as well as any corrective measures, are carried out correctly by the corporate divisions. These evaluations are carried out with respect to both the Italian and Romanian companies.

#### *Roles and corporate bodies involved*

The ICRMS is based on the clear definition of the roles involved in the different phases of the planning, deployment, monitoring and updating of the system over time. These include the Board of Directors, the Control and Risk Committee, the Board of Statutory Auditors, the Director charged with creating and managing an effective ICRMS, the Supervisory Board, the Financial Reporting Officer, Internal Audit, and Company Management.

Based on the current ICRMS, the Financial Reporting Officer must report to the Board Directors and participate in the coordination of the control activities.

\* \* \*

Once again during the year, based on the evaluations of both the Control and Risk Committee, which looked at the Risk Management outcomes, and the Director in Charge of the Internal Control and Risk Management System, the audits carried out by the Financial Reporting Officer and the reports submitted by Internal Audit and the Supervisory Board, as well as the division responsible for compliance with anti-corruption measures, the Board of Directors assessed the adequacy, efficacy and functioning of the Internal Control and Risk Management System.

### 3.9.1 CHIEF EXECUTIVE OFFICER

During the meeting held on 20 April 2021, the Board of Directors also charged the Chief Executive Officer with the institution and maintenance of the Internal Control and Risk Management System.

With reference to the year, the Chief Executive Officer, responsible for Internal Control and Risk Management System, declares having:

- carefully monitored the business and any changes in the market in order to identify any new risks by working closely with the Company's Managers with Strategic Responsibilities who meet at least twice a month;
- actively participated in risk analysis and the relative control measures adopted, by working closely with the Company's Managers with Strategic Responsibilities, supported by E&Y, the firm engaged to support with the implementation of the ERM Process;
- participated in the meetings of the Control and Risks Committee – along with the Board of Statutory Auditors and the Financial Reporting Officer – during which updates on the ERM process, as well as the outcomes of Internal Audit's verifications, were discussed;
- ensured that the information provided to the Board of Directors relating to the ICRMS was complete and that ample time was dedicated to the discussions with the Directors and the Statutory Auditors.

### 3.9.2 CONTROL AND RISKS COMMITTEE

The Control and Risks Committee was formed by the Board of Directors in accordance with Code rules<sup>(6)</sup>.

**Composition and role of the Control and Risk Committee (pursuant to Art. 123-bis, par. 2, lett. d), TUF)**

#### Control and Risk Committee

<b>Rossella Schiavini</b>	Chairman (Independent)
<b>Rosa Cipriotti</b>	(Independent)
<b>Antonio Rizzi</b>	(Independent)

The Control and Risk Committee comprises three independent Directors: Rossella Schiavini, Chairman, Rosa Cipriotti, and Antonio Rizzi, appointed by the Board of Directors, following the re-election of the Board during the AGM held on 15 April 2021.

Toward this end, upon appointment, the Board of Directors examined the curricula of the independent director candidates verifying that they met at least one of the requirements in terms of experience in accounting and finance having worked at least three years as: (i) managers in administration, finance and

---

<sup>(6)</sup> Recommendation 16 of the Code.

control departments of joint stock companies, or (ii) professional activities or as confirmed university professors in law, economics or finance, or (iii) managers of public bodies or public administrations active in the banking, financial and insurance sectors.

Overall, the Control and Risks Committee possesses adequate knowledge of the sector in which the Company operates, sufficient to assess the relative risks, as well as adequate experience in accounting and finance or risk management.

The Control and Risks Committee meets with the frequency needed to perform its duties, and is in any case convened when the Board of Directors meeting is called to examine the periodic financial reports; it can access the information and company divisions as needed to carry out its tasks.

The Control and Risks Committee meetings are overseen by the Chair and a secretary is appointed for each meeting who takes the minutes of the meeting which, typically, are subsequently submitted to the Risks and Control Committee for approval through an exchange of e-mails between the appointed secretary and the members of the Committee.

The Chair of the Control and Risks Committee, invites the Chief Executive Officer, in his quality as Director in Charge of the Internal Control and Risk Management System, to attend the meetings, as well as the Chair of the Board of Statutory Auditors or another statutory auditor appointed by him. The Chair of the Board of Directors are also invited to attend Committee meetings.

### **Functions of the Control and Risks Committee**

The Control and Risks Committee supports the Board of Directors in carrying out the duties assigned to the Board relating to internal control and risk management.

More in detail, the Control and Risks Committee assists the Board of Directors with the following:

- a) definition of the guidelines for the Company's internal control and risk management system consistent with the Company's strategies, assessing, at least once a year, the adequacy of the system with respect to the characteristics of the business and the risk profile assumed, as well as its effectiveness;
- b) the appointment, dismissal and, in accordance with the company policies, the determination of the Head of Internal Audit's compensation, and ensures the adequacy of the resources dedicated to the Head of Internal Audit in light of the duties assigned. In the event the Internal Audit function is outsourced, entirely or for certain segments, ensures that the provider possesses the requisite professionalism, independence and organization and provides adequate motivation in the Report on Corporate Governance and Ownership Structure;
- c) the approval, at least once a year, of the work program prepared by the Head of Internal Audit, after having consulted with the Board of Statutory Auditors and the Chief Executive Officer;
- d) the assessment as to the need to adopt measures to ensure the effectiveness and impartiality of judgement of the other company divisions with specific internal control and risk management functions, verifying that the latter possess adequate professionalism and resources;

- e) granting the Board of Statutory Auditors, or another body created specifically, the supervisory role envisaged in Art. 6.1, lett. b) of Legislative Decree n. 231/2001. The Board of Directors evaluates the need to appoint at least one non-executive director and/or member of the Board of Statutory Auditors and/or a head of the company's legal or control functions in order to ensure the coordination of the different parties involved in the Internal Control and Risk Management;
- f) the evaluation, after having consulted with the Board of Statutory Auditors, of the findings in the independent auditors' report, any letters of opinion and additional reports addressed to the Board of Statutory Auditors;
- g) the description, included in the Corporate Governance Report, of the main characteristics of the internal control and risk management system and the methods used to organize the parties involved, indicating the relative models and domestic and international best practices adhered to, providing an overall assessment of the system's adequacy, taking into account the choices made relative to the composition of the Supervisory Board referred to above in letter e)<sup>7</sup>.

In assisting the Board of Directors with the Internal Control and Risk Management System, in addition to the above, the Control and Risks Committee carries out the following:

- h) assesses, along with the Financial Reporting Officer and after having consulted with the external auditors and the Board of Statutory Auditors, the appropriateness of the accounting standards adopted and, if Groups are involved, their uniformity with a view to the preparation of the consolidated financial statements;
- i) assesses whether or not the periodic financial and non-financial information provides a correct representation of the business model, the Company's strategy, the impact of its activities and the results achieved;
- j) examines the content of the periodic financial and non-financial information relating to the Internal Control and Risk Management System;
- k) expresses opinions about specific aspects relating to the identification of the main business risks and supports the assessments and decisions made by the Board of Directors relative to the management of risks inherent in prejudicial situations that the Board has been made aware of;
- l) examines the periodic reports in which the internal control and risk management system is evaluated, along with any particularly relevant reports prepared by internal audit;
- m) monitors the independence, adequacy, efficacy and efficiency of Internal Audit;
- n) may request that Internal Audit perform audits of specific areas of operation, notifying the Chair of the Board of Statutory Auditors accordingly;
- o) reports to the Board of Directors, at least every six months when the half-yearly and annual reports are approved, on its activity and on the adequacy of the Internal Control and Risk Management System;

---

<sup>7</sup> Recommendation n. 33 of the Corporate Governance Code.

- p) assists the Board of Directors with the appointment of the members of the Supervisory Board, supporting the Board in the evaluation as to the need to appoint at least one non-executive director and/or member of the Board of Statutory Auditors and/or a head of the company's legal or control functions in order to ensure the coordination of the different parties involved in the Internal Control and Risk Management System;

The prerogatives of the Control and Risks Committee are open and other functions may be added.

The Board of Directors ensures that the Control and Risks Committee has the support needed to carry out the tasks assigned.

In 2022, the Control and Risks Committee (the "Committee"):

i) with regard to the *Enterprise Risk Management* ("ERM") system adopted – which calls for the process to be managed with the support of Ernst & Young ("E&Y") across all Group companies - checked:

- the Risk Assessment activities;
- the methods used in the ERM process;
- the benchmarking done through analysis of the ERM models used by peers, both domestic and international;
- the impact scenarios, the sensitivity analysis and stress tests of the Business Plan;
- the update of the Key Risk Indicators' dashboard;
- the monitoring of the main risks identified by the Committee.

ii) with regard to Internal Audit:

- received timely feedback relative to the checks and controls carried out in accordance with the 2022 Internal Audit Plan. No problems emerged in the course of these verifications.

The Committee agreed that in 2023 an independent, outsourced Risk Management Unit was to be instituted, which reports directly to the CEO, and that the activities of the Risk Management Unit would be included in the 2023 Internal Audit Plan.

In light of the above, the Committee deemed the current ICRMS adequate for the Company's business model.

As for Internal Audit, which has been assigned to Gran Thornton Consultants S.r.l., the Committee received periodic feedback relative to the 2022 Audit Plan; it also acknowledged and expressed a favorable opinion of the draft 2023 Audit Plan, to be approved by the Board of Directors.

Lastly, in 2022 the Committee requested quarterly updates on the status of the credit management activities from the Administration, Corporate and Legal Affairs Division, which it obtained in a timely manner.

The same process was subject to the specific audits called for in the Plan prepared by Internal Audit in 2022.

In 2022 the Committee met 8 (eight) times on 21 February, 3 May, 28 June, 18 July, 28 July, 27 September, 25 October, 13 December.

100% of the members attended the meetings.

The Chair of the Board of Statutory Auditor attended 100% the meetings.

The meetings lasted an average of 1 (one) hour and 40 minutes. Minutes were taken regularly at the meetings.

In carrying out its duties, the Control and Risks Committee ensures suitable functional and working connections with the competent corporate structures, as it has adequate financial resources to carry out its duties and may avail itself of external consultants within the terms established by the Board.

### **3.9.3 HEAD OF INTERNAL AUDIT**

Mario Galiano, of Grant Thornton Consultants srl, is Head of Internal Audit in outsourcing for the three-year period 2022-2023-2024 and is charged with verifying that the internal control and risk management system adopted by the Company is functional, adequate and consistent with the guidelines defined by the Board. The Board of Directors, after having received the favorable opinion of the Control and Risks Committee, approved the 2023 Work Plan in the meeting held on 15 December 2022.

Grant Thornton Consultants S.r.l. is among the leading advisory firms, with renowned and consolidated experience and professional personnel organized and qualified in Internal Audit, Risk Management, Assessment of Internal Control Systems and Compliance. At the date of this report there are no assignments, contractual relationships or other elements which point to a conflict of interest between Grant Thornton Consultants S.r.l. and any of the companies belonging to Gruppo IGD.

The Board defined the remuneration for Internal Audit consistent with the company policies and market practices, assuring access to the resources needed to carry out the relative duties.

The Head of Internal Audit is not responsible for any operations and reports to the Board of Directors and has direct access to all the information needed to fulfill his role.

More in detail, during the year the Head of Internal Audit:

- a) verified, continuously, as well as when specific needs arise and in accordance with international standards, the functioning and adequacy of the Internal Control and Risk Management System, based on an audit plan, prepared by the Head of Internal Audit and approved by the Board of Directors based on a structured analysis and prioritization of the main risks;
- b) prepared periodic reports containing adequate information regarding the activities, how risk management is carried out, as well as the status of the plans defined. The periodic reports contain an evaluation as to the adequacy of the Internal Control and Risk Management System;
- c) promptly prepared reports about important events;
- d) sent the above reports to the Chair of the Board of Statutory Auditors, the Control and Risk Committee and the Board of Directors, as well as the Chief Executive Officer;
- e) verifies, as part of the audit plan, the reliability of the IT accounting systems.

The Head of Internal Audit coordinates the ERM project – in order to guarantee that the process is carried out based on the analysis and prioritization of the main risks, ensuring that the Director in Charge of the Internal Control and Risk Management System, the Control and Risk Committee and, when requested, the Board of Directors, are provided with progress reports.

### **3.9.4 DECREE 231/2001 ORGANIZATIONAL MODEL**

The internal control system is strengthened by the adoption of a specific organizational model, approved by the Board of Directors already in May 2006 (the “**Organizational Model**”) and subsequently updated and revised as a result of changes in legislation. More in detail: (i) in 2018, a whistleblowing system was introduced pursuant to Law n. 179/2017 which calls for the creation of one or more communication channels through which top management and subordinates may anonymously report illicit behavior; (ii) in 2020 the Organizational Model underwent extensive revision. More specifically, it was integrated with the Anti-Bribery Management System already implemented by the Company when it received the UNI ISO 37001:2016 certification issued by RINA Services S.p.A., an independent certifier accredited by Accredia (a national accrediting entity for certifications and inspections appointed by the government) and the Italian leader in compliance certification.

The Company’s current Organizational Model was updated to reflect the latest crimes introduced in Legislative Decree 231/2001.

The Organizational Model seeks to ensure that the system complies with Decree 231/2001 based on which companies may be held administratively liable for crimes committed by top managers and subordinates while carrying out their duties.

The Organizational Model is comprised of the parts described below:

- a) a general part, which includes the disciplinary system that supports all the rules found in the Organizational Model;
- b) the single parts dedicated to each group of crimes applicable to the Company;
- c) the Matrix of Identification of Activities at Risk («MIAR») created based on the information deemed useful to the understanding of IGD’s activities and organizational system;
- d) the Code of Ethics, which contains the general principles of diligence, honesty and fairness guiding professional performance and inspiring conduct at the workplace;
- e) the Supervisory Board which is charged with monitoring the effectiveness, adequacy and compliance with the Model.

The Supervisory Board may act independently and must ensure that the Model is constantly updated.

The Supervisory Board also provides the Board of Directors with information regarding the changes that need to be made to the Model in order to comply with norms and regulations and to reflect the business operations.

The Supervisory Board has hired a consulting company which provides the support necessary for the management and analysis of the information generated pursuant to Art. 6, par. 2, lett. d) of Legislative



Decree 231/2001, as well as for the execution of specific audits deemed necessary based on the information gathered.

The current Supervisory Board, appointed by the Board of Directors on 20 April 2021, is comprised of Gilberto Coffari, Chair, Paolo Maestri and Alessandra De Martino.

The Supervisory Board will remain in office until the approval of the financial statements at 31 December 2023 by the AGM. The members of the Supervisory Board aren't from inside the Company and they have the specific expertise needed to effectively fulfill the duties assigned.

The Supervisory Board has two reporting lines: one that involves continuous communication with the Chair of the Board of Directors and the Board of Statutory Auditors and one that involves communicating with the Board of Directors every six months. The Supervisory Board also interfaces with the Control and Risks Committee, by way of the internal audit firm, in order to coordinate their respective control functions, without prejudice to the independence and different purposes of the two bodies. In light of this, the Company did not deem it necessary to appoint a non-executive director and/or a member of the Statutory Auditors and/or a head of the company's legal or control functions to act as a member of the Supervisory Board as the current configuration and coordination of the different parties involved in the internal control and risk management system was deemed adequate.

The Model is also available on the company's website at <https://www.gruppoigd.it/en/governance/business-ethics/organizational-model/>.

### **3.9.5 EXTERNAL AUDITORS**

The activities related to financial audit are carried out by a company selected by the shareholders from among those listed in Consob's specific roll and based on the motivated opinion of the Board of Statutory Auditors.

The Board of Directors, as it is responsible for the strategic supervision of the Internal Control and Risk Management System, with the support of the Control and Risks Committee, evaluates, after consulting with the Board of Statutory Auditors the findings in the independent auditors' report, any letters of opinion and additional reports addressed to the Board of Statutory Auditors.

On 14 April 2022 the shareholders, on the basis of the motivated opinion of the Board of Statutory Auditors, granted the company Deloitte & Touche S.p.A. the financial audit assignment for the period 2022-2030.

### **3.9.6 FINANCIAL REPORTING OFFICER**

On 13 December 2018, the Board of Directors, after having received a favorable opinion from the Board of Statutory Auditors, appointed Carlo Barban, the Company's Director of Administration, Corporate and Legal Affairs, Contracts, HR and IT, to act as the Financial Reporting Officer for an indefinite period of time, effective 1 January 2019, and assigned him his duties, as well as adequate powers and means.

In compliance with Art. 154-bis of TUF and Article 23.5 of the bylaws, the Board of Directors must appoint a Financial Reporting Officer, subject to the opinion of the Board of Statutory Auditors, who has matured

at least five years of experience in a) administrative or control activities and who has had a supervisory role in companies or entities with assets of not less than €10 million, or b) professional activities, including as part of audit functions, strictly connected to business activities and functions that the officer is called up to perform.

The Financial Reporting Officer has access to adequate administrative and accounting procedures in order to draft the separate and, where provided for, the consolidated financial statements, as well as all other financial documents.

The Board of Directors must ensure that the Financial Reporting Officer has powers and means needed to carry out the duties assigned, as well as comply with the administrative and accounting procedures.

The Financial Reporting Officer must provide a written declaration which accompanies the announcements made by the Company to the market, as well as the interim and financial reports, attesting that the information contained reflects the underlying records, ledgers and accounting entries.

The Financial Reporting Officer, along with the executive director (s) must provide a report on the separate and consolidated (if prepared) yearly financial statements and on the half year report attesting that the administrative and accounting procedures used to prepare the separate and financial statements are adequate in light of the characteristics of the Company's business.

The Financial Reporting Officer must also attest that the separate and consolidated financial statements:

- a) are drawn up in accordance with the international accounting standards recognized by the European Union pursuant to the European Parliament and European Council Regulation n. 1606/2002 of 19 July 2002;
- b) correspond to the ledgers and accounting entries;
- c) provide fair and truthful disclosures of the company's income statement, balance sheet and financial positions and the companies included in the scope of consolidation.

Lastly, the Financial Reporting Officer, along with the executive director (s), must attest that the directors' report accurately depicts the operating performance and results of both the Company and the businesses included in the scope of consolidation, as well as the main risks and uncertainties to which they are exposed

.\*\*\*

During the year, the Board did not deem it necessary to adopt other measures to guarantee the effectiveness and impartiality of judgement of the other company divisions involved in the controls (Recommendation 33, d). The Board reserves the right to carry out other evaluations in this regard.

### **3.9.7 COORDINATION OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM PERSONNEL**

The Company is aware that the different control functions were conceived by the legislator as part of a complex system which is effective because of the many parties and different points of view that each control function provides.

It is also clear that the effectiveness of the overall operations of the different control functions can benefit from the coordination of the different operators, while complying with the fundamental principle of independence and autonomy, above all when the objective of the controls coincides.

Toward this end, the Company promoted meetings between control bodies in order to facilitate the coordination of the activities, as reported below.

The Chair of the Board of Statutory Auditors (including in his function as Committee for the Internal Control of Financial Audit) will call a meeting with the Chair of the Control and Risks Committee with the frequency agreed upon and at least once a year to discuss the results of their respective control activities, to evaluate planning and the possible coordination of their respective activities. Toward this end, the Chairman of the Board of Statutory Auditors will not only coordinate the work of the statutory auditors, but will also act as the link with the other corporate entities involved in the supervision of the control systems.

Other parties may be invited to attend the meetings which, in addition to periodically, may be called anytime there is a specific need and may include, in addition to the respective committees and bodies, including not as a group, the Director in Charge of the Internal Control and Risk Management System, the Head of Internal Audit, the Financial Reporting Officer, the external audit firm and the Chairman of the Supervisory Board.

The meetings relative to 2022 were held on 28 July 2022 and 16 February 2023 and were attended by the Chair of the Control and Risks Committee, of the Board of Statutory Auditors, Internal Audit, the external auditors, the Director in Charge of the Internal Control and Risk Management System, Compliance, and the Financial Reporting Officer.

During the year, the Chair of the Control and Risk Committee and the Chief Executive Officer - Director in Charge of the Internal Control and Risk Management System - met with the Head of Internal Audit:

- a) to examine the yearly work plan in advance and suggest any changes that might need to be made with regard to the control activities scheduled by the Committee;
- b) to receive and discuss the results of the activities carried out by the Head of Internal Audit, suggesting any other initiatives that might be called for.

The Chair of the Supervisory Board meets with the Head of Internal Audit to examine the yearly work plan relating to the control activities.

### **3.10 // DIRECTORS' INTERESTS AND TRANSACTIONS WITH RELATED PARTIES**

With regard to the transactions with related parties, as of 1 January 2011 the Company has applied the Procedure for Related Party Transactions approved on 11 November 2010 by the Board of Directors, as subsequently amended, after having received a favorable opinion from the Related Party Transactions Committee. The Procedures were updated on 1 July 2021, in accordance with the latest amendments to the Regulations for Related Party Transactions, the Regulations for Issuers and Market Regulations (resolutions n. 21624 and 21623) published by CONSOB on 11 December 2020 in implementation of Legislative Decree n. 49 of 10 June 2019 which transposed the European directive *Shareholder Rights Directive II*.

When the Procedure for Related Party Transactions was approved, the Company's Board of Statutory Auditors assessed the compliance of this procedure with the standards included in the Regulations for Related Party Transactions.

The purpose of the Procedure for Related Party Transactions is to define the rules governing the approval and execution of related party transactions entered into by the Company, directly or through its subsidiaries, in order to ensure the transparency, as well as the substantive and procedural fairness of the transaction.

The new notion of Related Party is defined based on the international accounting standards, adopted in accordance with Article 6 of the EC Regulation n. 1606/2002 of 19 July 2002. With regard to the perimeter of related parties, IGD voluntarily expanded the scope of the Procedure for Related Party Transactions to include Unicoop Tirreno Soc. Coop., currently a Company shareholder, as well as Unipol UGF, in light of the interests held in the parent company Coop Alleanza 3.0..

The Company formed the Related Party Transactions Committee in accordance with Art. 2391-bis of the Italian Civil Code and Art. 4, paragraphs 1 and 3, of CONSOB's Regulations for Related Party Transactions. The Related Party Transactions Committee comprises three independent directors appointed by the Board of Directors.

In order to verify the related party status of individuals in positions of power, responsible, directly or indirectly, for the planning, management and control of the Company's activities, including the directors (executive or not) (the "Executives with Strategic Responsibilities"), upon appointment they must issue a statement in which they declare under which circumstances, if any, they qualify as a related party so that the safeguards adopted in the Procedures for Related Party Transactions may be implemented.

When the Board of Directors is resolving on related party transactions, based on the Procedures for Related Party Transactions the any directors involved in the transaction must abstain from voting on the resolution but they can attend the meeting and take part in the Board's discussions. "Directors involved in the transaction" are those directors that have an interest in the transaction, either directly or through third parties, which conflicts with the Company's interest (as defined in the CONSOB's Regulations for Related Party Transactions).

## Composition and functions of the Related Party Transactions Committee

### Related Party Transactions Committee

---

<b>Antonio Rizzi</b>	Chair (Independent)
----------------------	---------------------

---

<b>Silvia Benzi</b>	(Independent)
---------------------	---------------

---

<b>Robert-Ambroix Gery</b>	(Independent)
----------------------------	---------------

---

The Related Party Transactions Committee currently in office was appointed by the Board of Directors after the shareholders re-elected the Board during the AGM held on 15 April 2021.

The Related Party Transactions Committee meets with the frequency needed to perform its duties, and is, in any case, convened sufficiently ahead of the Board of Directors meeting during which its proposals will be discussed and resolved upon; it is provided with documentation sufficient for making informed decisions. The Related Party Transactions Committee meetings are overseen by the Chair and a secretary is appointed for each meeting who takes the minutes of the meeting which, typically, are subsequently submitted to the

Committee for approval through an exchange of e-mails between the appointed secretary and the members of the Committee.

In 2022, the Related Party Transactions Committee met 4 (four) times, on 12 April, 3 May, 25 July and 13 December. All the members attended 92% of the meetings.

The Chair of the Board of Statutory Auditors attended 2 (two) of the 4 (four) meetings.

The meetings lasted an average of around 1 (one) hour and 6 minutes.

The Procedures for Related Party Transactions can be found on the Company's website at <https://www.gruppoigd.it/en/governance/committees/committee-for-related-party-transactions/>.

## **3.11 // BOARD OF STATUTORY AUDITORS**

### **3.11.1 APPOINTMENT AND REPLACEMENT**

Pursuant to Art. 26.2 of the Bylaws, members of the Board of Statutory Auditors are elected on the basis of preference lists that must be filed at the registered office along with declarations in which each candidate states that he/she is not in violation of the limits for multiple assignments provided for under the law, as well as detailed information about each candidate's personal and professional background, at least twenty-five days in advance of the shareholders' meeting called for this purpose. The lists may be submitted by the shareholders or groups of shareholders holding the interest specified by CONSOB (for 2023 equal to 4.5% of the Company's share capital as specified in CONSOB Resolution n. 76 of 30 January 2023).

The appointment and substitution of the standing and alternate auditors pursuant to Art. 26.9 of the bylaws must be done in such a way as to guarantee that the composition of the Board of Statutory Auditors complies with the current law relating to gender equality.

Based on Art. 26 of the bylaws the members of the Board of Statutory Auditors are appointed as follows:

- from the list obtaining the highest number of votes, two standing auditors and two alternate auditors will be taken in the order in which they appear on the list;
- the third standing auditor and the third alternate auditor are drawn from the list with the second highest number of votes, in the order in which they appear.
- in the event the composition of the Board of Statutory Auditors fails to comply with the law relating to gender equality as a result of the votes cast, the candidates belonging to the more represented gender with the least amount of votes on the list that receives the most votes will be replaced by candidates on the same list needed to ensure compliance with the laws governing gender equality. In the event that not enough candidates of the least represented gender appear on the list that receives the greatest number of votes, the shareholders will appoint the missing standing and alternate statutory auditors of the least represented gender with the majority of votes required by law.

In the event of a tie between lists, a new ballot is held between these lists on which all shareholders present at the meeting shall vote. The candidates on the list winning a simple majority of votes are elected in such a way, however, as to ensure that the composition of the Board of Statutory Auditors complies with the current law relating to gender equality.

The first candidate on the list with the second highest number of votes will be appointed Chair of the Board of Statutory Auditors.

Candidates for statutory auditor must meet the requirements set by law. For the purposes of judging the qualifications of those with at least three years' experience in: (a) professional activities or as confirmed university professors in law, economics, finance or technical-scientific subjects closely related to the Company's business; or (b) management roles at public bodies or public administrations in sectors closely related to the Company's business, the following rules apply:

- all subjects per letter a) above that are associated with the real estate business or other sectors pertaining to real estate are considered to be closely related to the Company's business;
- sectors pertaining to real estate are those in which the parent companies operate, or those that may be controlled by or associated with companies operating in the real estate business.

Those whose situations are incompatible with the title and/or who do not satisfy the requirements of integrity and qualification established by law, and those who are standing auditors at more than five companies listed on regulated Italian markets, may not be elected as statutory auditors and, if elected, will forfeit their office. Positions held at parent companies, subsidiaries, or affiliates subject to the control of the same parent do not apply.

With regard to the Chair of the Board of Statutory Auditors, pursuant to Art. 148, par. 2 bis, TUF, the Chair was appointed by the Shareholders' Meeting from the minority list of candidates, in accordance with Articles 26.4 and 26.5 of the bylaws and the current norms and regulations based on which the first candidate on the minority list with the second highest number of votes will be appointed Chair of the Board of Statutory Auditors.

### **3.11.2 COMPOSITION AND ROLE OF THE BOARD OF STATUTORY AUDITORS (pursuant to Art. 123-bis, paragraph 2 (d) of TUF)**

The current IGD's Board of Statutory Auditors comprises:

- (i) Gian Marco Committeri, Chairman, Massimo Scarafuggi and Daniela Preite, Standing Auditors, and Daniela Del Frate, Aldo Marco Maggi and Ines Gandini, Alternate Auditors.

The current Board of Statutory Auditors was appointed during the Annual General Meeting held on 15 April 2021 and will remain in office through the date of the Shareholders' Meeting convened to approve the Annual Report 2023.

Massimo Scarafuggi and Daniela Preite, Standing Auditors, as well as Daniela Del Frate and Aldo Marco Maggi, Alternate Auditors, were on list n. 1 submitted by the majority shareholder Coop Alleanza 3.0 (who owns 40.92% of the share capital) for which 51.2% of the shares represented at the AGM voted.

The Chair of the Board of Statutory Auditors Gian Marco Committeri and the Alternate Auditor Ines Gandini were on list n. 3 submitted by the shareholder Europa Plus SCA SIF (who owns 4.5001% of the share capital), for which 17.94% of the shares represented at the AGM voted.

The personal characteristics and professional background of the single members of the Board of Statutory Auditors are described below.

#### **Gian Marco Committeri**

### **Chair of the Board of Statutory Auditors**

Born in Turin in 1969, Mr. Committeri received a degree in Business Degree from Rome's "La Sapienza" in 1993. As of 1993 he is registered in the Role and Chartered Public Accountants and Accounting Experts in Rome and is partner of the firm Alonzo Committeri & Partners. He matured significant experience in tax and corporate advisory, particularly with regard to corporate finance transactions (M&A), the entertainment sector, copyright and real estate. His main advisory clients include private equity funds, leading players in cinema and television, and public entities. He holds a number of company directorships and statutory auditorships and is a member of advisory committees for closed-end real estate funds. He matured significant experience in the valuation of companies and specific assets. He is the author of numerous articles on tax matters published in important Italian magazines and periodicals (*Corriere Tributario*, *Il Fisco*, *La Gestione Straordinaria delle imprese*) as well as daily newspaper "*Il Sole 24 Ore*" (*Norme e Tributi*) and specialized websites. He also holds the offices listed in Table 4.

### **Daniela Preite**

#### **Standing Auditor**

Born in 1969 in Ruffano (LE), Ms. Preite received a degree, with honors, in economics and banking from the University of Salerno and received a PhD in business economics from the University of Bari. She is an affiliate professor at SDA Bocconi School of Management and Professor of business economics at the University of Milan where she is the Rector's Delegate on Strategies for Financial Sustainability. She served as Vice Chair of Coop Lombardia, where she was a member of the Emoluments Committee and Chair of the Finance Committee, which provides guidance and advisory relative to the management of the securities portfolio and the financial management of the Coop (Risk Management and approval of periodic financial reports). Ms. Preite was also Chair of *Consorzio Solidale* and a member of Scuola Coop's Board of Directors. Currently, she is an independent director of UnipolSai, where she is a member of the Control and Risks Committee, the Committee for Related Party Transactions, as well as a member of the Supervisory Board. Ms. Preite is a statutory auditor at *Insieme Salute e di Cassa Mutualistica Interaziendale*. She is the author of numerous domestic and international publications on management issues. Topics of discussion and research at conventions in Italy and abroad include: Accounting and Financial Statements, Planning and Control, General Management, Performance, Accountability and Sustainability, Affiliate companies, Corporate Governance, Risk Management. She also holds the offices listed in Table 4.

### **Massimo Scarafuggi**

#### **Standing Auditor**

Born in Florence in 1966, Mr. Scarafuggi received a degree in business economics from the University of Florence in 1991. After a brief experience in audit at the audit firm "Reconta Ernst & Young", he registered in the Role and Chartered Public Accountants and Accounting Experts in Florence and began working as a professional chartered accountant and in 1997 opened his own studio. Registered with the Role of Legal Auditors, he has served and serves as a statutory auditor and member of the Supervisory Board for banks (Cassa di Risparmio di Lucca Pisa Livorno S.p.A., Banca Ifigest S.p.A., Banca Area Pratese S.c., Banca di Pescia S.c.), asset management companies (Value Italy SGR S.p.A., QuattroR SGR S.p.A.) and listed companies (Aeroporto G. Marconi di Bologna S.p.A. and Montefibre S.p.A.), active in credit, finance and manufacturing, belonging to important Italian groups (Banco Popolare, Pirelli, Monte dei Paschi di Siena, Rekeep), with interests held by public entities and investment funds (Value Italy SGR S.p.A., 21 Investimenti

SGR S.p.A., Star Capital SGR S.p.A.), maturing vast experience in corporate governance and control systems. He also acts as a court-appointed administrator for the District Court of Florence and has matured almost thirty years of experience in bankruptcy proceedings as a bankruptcy trustee, commissioner and judicial liquidator in various company volunteer arrangements (CVAs). He also holds the offices listed in Table 4.

The Board of Statutory Auditors supervises the work of the external auditors.

The Board of Statutory Auditors, also, prepares the motivated opinion based on which shareholders grant the assignment to the external auditors.

Pursuant to Art. 19 of Legislative Decree n. 39/2010, the Board of Statutory Auditors also acts as the Committee for Internal Control and Financial Audit

The statutory auditors, including individually, may carry out inspections and controls, as well as request that the Directors provide them with information about subsidiaries, about the status of corporate transactions or specific issues, or refer these requests directly to the subsidiaries' administrative and control bodies. The statutory auditors may ask the Head of Internal Audit to carry out audits of specific operating divisions or corporate transactions.

The Board of Statutory Auditors reports on its supervisory activities and any findings to the Annual General Meeting called to approve the full year financial statements in accordance with Art. 2364, paragraph 2, of the Italian Civil Code.

The statutory auditors may also submit proposals to the Annual General Meeting relating to the full year financial statements and their approval, as well as to other matters that they are responsible for.

The Board of Statutory Auditors (at least two statutory auditors), after having notified the Chairman of the Board of Directors, may call the Shareholders' Meetings, meetings of the Board of Directors and, if instituted, the Executive Committee.

The Board of Statutory Auditors, the external auditors, the Control and Risks Committee, as well as all the other entities involved in the supervision of the control systems, will exchange information about the execution of their assignments in a timely manner.

The Board of Statutory Auditors is, at any rate, invited to be proactive and not only reactive in its supervision. The Statutory Auditors should advise the Board of Directors as to the results of its controls so that the latter might implement any corrective measures needed.

The Chair of the Board of Statutory Auditors will not only coordinate the work of the statutory auditors, but will also act as the link with the other corporate entities involved in the supervision of the control systems.

The members of the Board of Statutory Auditors in office during the year, and any qualifications as independent as per current regulations, are listed in table 4, attached to this report.

In 2022 the Board of Statutory Auditors met 8 (eight) times on 18 January, 17 February, 22 February, 3 May, 23 May, 28 July, 25 October, 15 December with average attendance at 100%.



Each meeting lasted an average of 1 hour and 5 minutes. A few meetings were also held with, in particular, Company management, representatives of the external audit company, as well as the Control and Risk Committee

The composition of the Board of Statutory Auditors ensures the independence and professionalism of its function.

The members of the Board of Statutory Auditors are registered in the role of financial auditors and have been involved in legal auditing of accounts for a period of not less than three years and have matured at least three years of experience:

a) in administration or control activities or managerial positions at joint stock companies with share capital of not less than two million euros, or

b) in professional activities or as university professors in law, economics, finance or technical-scientific subjects closely related to the Company's business; or

(b) management roles at public bodies or public administrations in sectors closely related to IGD's business.

All the members of the Board of Statutory Auditors also qualify as independent as defined in Art. 148, par. 3 of Legislative Decree n. 48/1998, as well as the Code (with regard, specifically, to the definition of "independent director" contained in the Code and in n. 7 and n. 9), also based on the criteria adopted by the Company's Board of Directors to assess the significance of the circumstances referred in points c) and d) of the Code's Recommendation n. 7.

### **Diversity criteria and policies**

The Board of Statutory Auditors is currently comprised of individuals with different professional and personal profiles; the composition of the Board of Statutory Auditors also complies with current law governing gender equality as per Law 160/2019 (the "Budget Law") which amended Articles 147-ter, par. 1-ter, and 148, par. 1-bis, of TUF, introduced by Law 120/2011.

Based on the Budget Law at least two fifths of the standing auditors must be of the least represented gender and for boards comprised of three members in the event application of the criteria results in a fractional number, the number may be rounded to the lower amount. This provision is applicable for six consecutive mandates as of the first re-election of the Board subsequent to the date on which the Budget Law took effect.

On 5 November 2020, the Company's Board of Directors amended the bylaws in order to comply with provisions relating to gender equality referred to in the Budget Law.

In light of the above, to date the Company has not deemed it necessary to adopt a formal Diversity Policy as the current composition of the Board complies with the criteria for diversity.

### **Independence**

All the members of the Board of Statutory Auditors meet the qualifications for independent directors envisaged in Recommendation 7 of the Corporate Governance Code. Toward this end, on 17 December 2020, the Company's Board of Directors, in accordance with Art. 7 of the Corporate Government Code, adopted the criteria for assessing the significance of professional, economic and financial relationships, as well as additional compensation, when evaluating independent status of the directors which also apply to

the statutory auditors based on which the following are considered to be significant, with the exception of specific circumstances to be evaluated on a case-by-case basis, with substance prevailing over form:

a) commercial, financial or professional relationships, existing or entered into in the last three years, with IGD or its subsidiaries or its parent company, or with the respective executive directors or top management, for which annual compensation is higher than at least one of the following thresholds:

(i) 5% of the director's annual income;

(ii) in the case the undertakings are with a company of which the director has control or is an executive director or a professional firm or company of which the director is a partner or an associate, 5% of the annual turnover generated directly by the director as part of the activities carried out with this company, professional firm or consultancy;

(iii) the amount of the annual compensation for acting as a non-executive director of IGD;

b) remuneration in addition to the fixed compensation for acting as a board member and being part of a committee as per the Corporate Governance Code and the current law, received in the current year or in the last three years from IGD, one of its subsidiaries or its parent company, which exceeds at least one of the following thresholds:

(i) 5% of the director's annual income;

(ii) the amount of the annual compensation for acting as a non-executive director of IGD.

The independence of the members of the Board of Statutory Auditors is evaluated by the Board of Directors or the Board of Statutory Auditors in accordance with Recommendation 6 (namely right after the appointment, during the term in office, if needed and, at any rate, at least once a year.

More in detail, the Board of Statutory Auditors carries out the self-assessment consistent with the standards of conduct – issued by the National Board of Chartered Public Accountants and Accounting Experts – for the Boards of Statutory Auditors of listed companies, which were included in a specific report included in the agenda of the meeting held on 16 February 2023. The Board of Statutory Auditors confirmed its members compliance with the criteria envisaged in the Code and TUF during the meeting held on 16 February 2023 and, subsequently, shared the outcome with the Board of Directors.

When carrying out this evaluation, the information provided by each member of the Board of Statutory Auditors was taken into account while also evaluating all the circumstances that could compromise independence pursuant to TUF and the Code, also in light of the criteria adopted by the Company's Board of Directors to assess the significance of the circumstances referred to in letters c) and d) of Code Recommendation n. 7.

### **Remuneration**

The remuneration for acting as a statutory auditor is commensurate with the commitment required, the role held, as well as the Company's size and sector, and was determined during the AGM held on 15 April 2021 when the Board of Statutory Auditors was re-elected.

### **Management of interests**

The Statutory Auditor who, on his own behalf or on behalf of third parties, has an interest in a specific

Company transaction, shall inform the other Statutory Auditors and the Chair of the Board of Directors of the nature, terms, origin and extent of the interest in a timely and thorough manner.

## **3.12 // RELATIONS WITH SHAREHOLDERS**

### **Access to information**

There is a specific section on the Company's website (<http://eng.gruppoigd.it/Investor-Relations>) which contains updated information about the Company's stock (performance, dividend, ownership structure, etc.), annual and periodic financial reports, press releases, presentations made by management to the financial community, the financial calendar and the corporate events calendar. Other information of potential interest to shareholders, including information relating to Shareholders' Meetings and the Company's governance system, can be found in the Governance section of the Company's website (<https://www.gruppoigd.it/en/governance/>).

All the relevant information is published and updated in real time in two languages (Italian and English) on the Company's website. The Company also uses other means to provide timely and easy access to information. Thanks to the use of a mailing list system, interested parties may register on the website <http://www.gruppoigd.it/>, and receive press releases, presentations, newsletters and financial reports immediately after they have been released to the market. In collaboration with the brokers that cover the Company's stock, road shows, meetings and conference calls (scheduled just after the annual and periodic financial results are published or when the business plan is presented) are organized which provide an opportunity for institutional investors to meet with top management. The presentations made to the financial community are published on the Company's website.

In order to promote an ongoing dialogue with shareholders, in general, and, specifically, with institutional investors, the Board of Directors has appointed an Investor Relations Manager, Claudia Contarini, and also formed instituted a specific company unit comprising the IR Manager, the Investor Relations team, which is part of the Planning, Control and IR Division, which reports directly to the Chief Executive Officer.

In order to guarantee that the Shareholders' Meetings are conducted in an orderly fashion, during the Shareholders' Meeting held on 26 March 2003, shareholders approved the current Regulations for Shareholder Meetings, subsequently updated, which are available on the corporate website at <http://eng.gruppoigd.it/Governance/Shareholders-Meetings>.

### **Dialogue with shareholders**

IGD's Board of Directors – as proposed by the Chair, prepared together with the Chief Executive Officer, approved the "Policy for Dialogue with Shareholders and Other Stakeholders", which takes into account the engagement policies adopted by institutional investors and asset managers, and is consistent with the recommendations of the Corporate Governance Code which the Company adheres to.

The Chair – duly informed by the Chief Executive Officer (who is responsible for the management of the dialogue) including with the support of Investor Relations – ensures that the Board of Directors is informed periodically, and in a timely manner, about significant events affecting how the Dialogue is carried out and could be affected.

Toward this end, each quarter the Chief Executive Officer, with the support of Investor Relations, prepares the IR Board Report which reports on the activities carried out by Investor Relations in the reporting period, the institutional events that the Company attended, research published by analysts and relative recommendations, as well as information about the stock's performance and the comparison with the main indices and peers.

The Company communicates and engages with the Shareholders and Stakeholders on an ongoing basis through: Investor Relations, press releases, shareholders' meetings, road shows, investor days, conference calls, investor meetings, the website, presentations of financial results and strategies, the newsletter, social media (Facebook, LinkedIn, YouTube, Sound cloud, Twitter).

Through the IR Manager, the Chief Executive Officer works to guarantee that the Stakeholders receive an adequate response to any valid and appropriate requests made, in accordance with the general principles defined in the Policy, company provisions relating to market abuse and any regulations in effect for listed companies.

The Policy is published on the Company's website [www.gruppoigd.it](http://www.gruppoigd.it), in the "Investor Relations" section (<https://www.gruppoigd.it/en/investor-relations/>) and in the "Governance" section (<https://www.gruppoigd.it/en/governance/>).

### **3.13 // SHAREHOLDERS' MEETINGS (EX ART. 123-BIS, PAR. 2, LETTER C) TUF)**

In accordance with the law, the Shareholders' Meetings are convened as per the notice published on the Company's website and in at least one national daily newspaper.

Under Art. 125-bis TUF the notice of call must be published at least 30 days prior to the day in which the Shareholders' Meeting is to be held. The timeframe is different when the Shareholders' Meetings are called to (i) appoint members of the corporate bodies (i.e., 40 days prior to the day in which the Shareholders' Meeting is to be held); (ii) resolve on takeover bids (i.e. 15 days prior to the day in which the Shareholders' Meeting is to be held); and (iii) resolve on reducing share capital and appoint and remove a liquidator (i.e. 21 days prior to the day in which the Shareholders' Meeting is to be held).

Pursuant to Art. 12.2 of the bylaws, in order to attend and vote at the Shareholders' Meetings, shareholders must provide the Company with the certification issued by a licensed intermediary indicating the shareholdings recorded as of the seventh trading day prior to the date set for the Shareholders' Meeting in first call (the record date). Under Art. 83-sexies, Art.2, TUF, any movements in the shareholdings subsequent to this period will not be considered for the purposes of voting rights.

Pursuant to Art. 13 of the bylaws, those in possession of voting rights may be represented via a written proxy submitted in accordance with the law. The proxy may also be made by submitting a request with an electronic signature as well as by accessing a specific section on the Company's website or via certified e-mail submitted in accordance with the procedures indicated in the notice of call.

For each Shareholders' Meeting the Company may also designate, as indicated in the notice of call, a party to whom those entitled to do so may grant a proxy with voting instructions relative to all or a few of the items on the agenda in accordance with the law.

Shareholders may submit questions relating to the items on the agenda prior to the Shareholders' Meeting. The questions received prior to the Shareholders' Meeting will be answered, at the latest, during the meeting itself. The deadline for submitting questions to the Company prior to the Shareholders' Meeting is indicated in the notice of call. This deadline cannot be less than five trading sessions prior to the date of the Shareholders' Meeting in first or single call or the seventh day of trading prior to the date of the Shareholders' Meeting (the record date) if it is indicated in the notice of call that the Company will answer the questions received prior to the Shareholders' Meeting. In this case the answer will be provided at least two days prior to the Shareholders' Meeting including via a specific section of the Company's website. Proof of voting rights may be submitted subsequent to having sent the question provided it is received within three days of the record date. No answer is required when the information requested is available in a specific Q&A section of the Company's website

In order to guarantee that the Shareholders' Meetings are conducted in an orderly and organized manner, on 26 March 2003 the shareholders approved the Regulations for Shareholders' Meetings currently in effect (and last amended on 20 April 2011) which is available on the Company's website.

The current Regulations for Shareholder Meetings are designed to guarantee that the Shareholders' Meetings are conducted in an orderly fashion and in full respect of the rights of each shareholder to request clarifications in relation to certain issues being discussed, to express opinions and submit proposals.

Given the extended duration of the COVID-19 pandemic and in order to protect the health of shareholders, company representatives, employees, and consultants as much as possible, in 2022 the Company decided to once again exercise the option included originally in Art. 16, par. 4 of Legislative Decree n. 18 of 17 March 2020, converted, as amended, into law by Law n. 27 of 24 April 2020, most recently extended in Legislative Decree n. 228 of 30 December 2021, converted, as amended, into law by Law n. 15 of 25 February 2022, based on which those entitled to attend the Shareholders' Meeting may do so only through the Company's designated representative, Computershare S.p.A., as per Art. 135-undecies of Legislative Decree n. 58/98, in accordance with the methods detailed in the Notice of Call.

During the year the Board of Directors did not prepare motivated proposals to submit to the Shareholders' Meeting relating to:

- a) selection and characteristics of the corporate governance model (traditional, one-tier, two-tier);
- b) size, composition and appointment of the Board and term of its members;
- c) definition of the shares' administrative and equity rights;
- d) percentages relative to the exercise of the measures aiming to protect non-controlling interests;

as the current corporate governance system was found to meet the company's needs.

### **3.14 // ADDITIONAL CORPORATE GOVERNANCE PRACTICES (pursuant to Art. 123-bis, par. 2, lett. a) second part of TUF)**

The Company adopted the Decree 231/2001 Organizational Model as described in more detail in Section 9.4, to which reference should be made.

### **3.15 // SUBSEQUENT EVENTS**

No changes took place in the corporate governance structure following the end of the year.

### **3.16 // COMMENTS ON THE LETTER RECEIVED FROM THE CHAIR OF THE ITALIAN CORPORATE GOVERNANCE COMMITTEE**

The letter sent to the Company by the Chair of the Corporate Governance Committee on 25 January 2023 was quickly brought to the attention of the Board of Directors and the Board of Statutory Auditors by the Chair of the Board of Directors.

More in detail, the recommendations for 2023 were also brought to the attention of the independent directors during the meeting convened specifically for this purpose, as well as, subsequently, of the whole Board of Directors.

The content of the recommendations was taken into account during the Board Review as it was the subject of specific questions included in the self-assessment questionnaire.

## **TABLES**

Table 1 "Information on the ownership structure as at 31 December 2022"

Table 2 "Structure of the Board of Directors as at 31 December 2022"

Table 3 "Structure of the Board Committees as at 31 December 2022"

Table 4 "Structure of the Board of Statutory Auditors as at 31 December 2022"

Table 1 "Information on the ownership structure as at 31 December 2022"

SHARE CAPITAL STRUCTURE				
	No. of shares	No. of voting rights	Listed (list the markets) / Not listed	Rights and obligations
Ordinary shares (specifying whether the possibility of increase the voting rights is envisaged)	110.341.903	110.341.903	Euronext STAR Segment (Stock Segment with High Requirements) Milan of the Italian Stock Exchange, in the Beni Immobili sector	Shares are indivisible and each share gives right to one vote. Shares can be transferred and subject to real restrictions pursuant law
Preferential shares	-	-	-	-
Multiple-vote share	-	-	-	-
Other share categories with voting rights	-	-	-	-
Saving shares	-	-	-	-
Convertible saving shares	-	-	-	-
Other share categories without voting rights	-	-	-	-
Other	-	-	-	-

OTHER FINANCIAL INSTRUMENTS (which give right to subscribe new shares)				
	Listed (list the markets) / Not listed	No. Of instruments circulating	Category of shares at the service of conversion/exercise	No. of shares at the service of conversion/exercise
Convertible bonds	-	-	-	-
Warrant	-	-	-	-

INFORMATION ON THE OWNERSHIP STRUCTURE			
Declarant	Direct Shareholder	% of ordinary shares	% of voting capital
Coop Alleanza 3.0	Coop Alleanza 3.0	40,92%	40,92%
Unicoop Tirreno*	Unicoop Tirreno	9,97%	9,97%

\*this percentage is based on the information provided to the Company by the shareholder Unicoop Tirreno



Table 2 “Structure of the Board of Directors as at 31 December 2022”

Board of Directors													
Office	Member	Year of birth	Date of first appointment*	In office since	In office until	List (presenters) (**)	List (M/m) (***)	Exec.	Non-exec.	Indep. as per the Code	Indep. as per the TUF	No. of other appointments (****)	Attendance (*****)
Chairman	Saoncella Rossella	1954	15/04/2015	20/04/2021	Approval of Financial Statements at 31/12/2023	Shareholders	M			x	x	-	9/9
Chief Executive Officer (CEO)•	Albertini Claudio	1958	28/04/2006	20/04/2021	Approval of Financial Statements at 31/12/2023	Shareholders	M	x				1	9/9
Vice Chairman	DalAra Stefano	1963	15/04/2021	20/04/2021	Approval of Financial Statements at 31/12/2023	Shareholders	M		x			9	7/9
Director	Sanitini Timothy Guy Michele	1966	01/06/2018	15/04/2021	Approval of Financial Statements at 31/12/2023	Shareholders	m			x	x	-	9/9
Director	Savino Alessia	1967	01/06/2018	15/04/2021	Approval of Financial Statements at 31/12/2023	Shareholders	m		x			4	8/9
Director	Benzi Silvia	1975	15/04/2021	15/04/2021	Approval of Financial Statements at 31/12/2023	Shareholders	M			x	x	-	7/9
Director	Schiavini Rossella	1966	15/04/2021	15/04/2021	Approval of Financial Statements at 31/12/2023	Shareholders	M			x	x	3	8/9
Director	Rizzi Antonio	1965	15/04/2021	15/04/2021	Approval of Financial Statements at 31/12/2023	Shareholders	M			x	x	1	7/9
Director	Ciprotti Rosa	1974	15/04/2021	15/04/2021	Approval of Financial Statements at 31/12/2023	Shareholders	m			x	x	10	9/9
Director	Gambetti Edy	1951	15/04/2021	15/04/2021	Approval of Financial Statements at 31/12/2023	Shareholders	M		x			7	7/9
Director	Robert- Ambrok Gery	1966	15/04/2021	15/04/2021	Approval of Financial Statements at 31/12/2023	Shareholders	m			x	x	1	9/9

Indicate the number of meetings held during the year: 9

Indicate the quorum required to present lists for the election of one or more members by non-controlling interests (pursuant to Art. 147-ter TUF): the quorum established by CONSOB (for 2023 equal to 4.5% of the Company’s share capital, pursuant to CONSOB regulation n. 76 of 30 January 2023)

## NOTES

Symbols listed below must be entered in the “Office” column:

- This symbol indicates the administrator in charge of the internal control and risk management system.
  - This symbol indicates the Lead Independent Director (LID)).
- (\*) Date of first appointment refers to the date on which the director was appointed to the Company’s BoD for the first time (ever).
- (\*\*) This column indicates whether the director was elected from a list presented by shareholders (“Shareholders”) or the Board of Directors (“BoD”).
- (\*\*\*) This column indicates whether the director was elected from a Majority list “M” or a minority list “m”;
- (\*\*\*\*) This column reports the number of directorships and statutory auditorships held in other listed or large companies.
- (\*\*\*\*\*) This column indicates the director's attendance record at BoD and Board committee meetings (expressed as the number of meetings attended out of the number of meetings held, i.e.. 6/8; 8/8 etc.).

Table 3 "Structure of the Board Committees as at 31 December 2022"

B.o.D.		Related Party Committee		Control and Risk Committee		Nominations and Compensation Committee	
Office	Member	(*)	(**)	(*)	(**)	(*)	(**)
Independent Director as per TUF and as per the Code	Santini Timothy Guy Michele					5/5	P
Independent Director as per TUF and as per the Code	Benzi Silvia	3/4	M			5/5	M
Independent Director as per TUF and as per the Code	Schiavini Rossella			8/8	P	5/5	M
Independent Director as per TUF and as per the Code	Cipriotti Rosa			8/8	M		
Independent Director as per TUF and as per the Code	Rizzi Antonio	4/4	P	8/8	M		
Independent Director as per TUF and as per the Code	Robert-Ambroix Gery	4/4	M				

<b>No. of meeting held during the year:</b>	4	8	5
<b>NOTE</b>			
(*) This column indicates directors attendance at committee meetings (indicate the number of meeting to which they attended with respect to the total number of meeting; i.e. 6/8; 8/8 etc.).			
(**) This column indicates the office held by the Director in the committee: "C": chairman; "M": member			

Table 4 "Structure of the Board of Statutory Auditors as at 31 December 2022"

Board of Statutory Auditors									
Office	Member	Year of birth	Date of first appointment (*)	In office since	In office until	List (M/m) (**)	Indep. as per the Code	Attendance at the board's meetings (***)	N. of other appointments (****)
<b>Chairman</b>	Committeri Gian Marco	1969	15-apr-21	15-apr-21	Approval of financial statements at 31/12/2023	m	x	8/8	38
<b>Standing Auditor</b>	Preite Daniela	1969	01-giu-18	15-apr-21	Approval of financial statements at 31/12/2023	M	x	8/8	3
<b>Standing Auditor</b>	Scarafuggi Massimo	1966	15-apr-21	15-apr-21	Approval of financial statements at 31/12/2023	M	x	8/8	4
<b>Alternate</b>	Del Frate Daniela	1965	15-apr-21	15-apr-21	Approval of financial statements at 31/12/2023	M			
<b>Alternate</b>	Maggi Aldo Marco	1965	15-apr-21	15-apr-21	Approval of financial statements at 31/12/2023	M			
<b>Alternate</b>	Gandini Ines	1968	15-apr-21	15-apr-21	Approval of financial statements at 31/12/2023	m			

**Indicate the number of meetings held during the year: 8**

**Indicate the quorum required to present lists for the election of one or more members by non-controlling interests (pursuant to Art. 147-ter TUF): the quorum established by CONSOB (for 2023 equal to 4.5% of the Company's share capital, pursuant to CONSOB regulation n. 76 of 30 January 2023)**

## NOTES

(\*) Date of first appointment refers to the date on which the statutory auditor was appointed to the Company's Board of Statutory Auditors for the first time (ever).

(\*\*) This column indicates whether the director was elected from a Majority list "M" or a minority list "m";

(\*\*\*) This column indicates the statutory auditor's attendance record at meetings of the Board of Statutory Auditors (expressed as the number of meetings attended out of the number of meetings held, i.e.. 6/8; 8/8 etc.).

(\*\*\*\*) This column reports the number of directorships and statutory auditorships held pursuant to Art. 148-bis TUF and its implementing provisions contained in CONSOB's Regulations for Issuers. The full list of offices held is published by CONSOB on its website pursuant to Art.144-quinquiesdecies of CONSOB's Regulations for Issuers.